

**NEWFOUNDLAND AND LABRADOR
BOARD OF COMMISSIONERS OF PUBLIC UTILITIES**

AN ORDER OF THE BOARD

NO. P.U. 6(2019)

1 **IN THE MATTER OF** the *Electrical Power*
2 *Control Act, 1994*, SNL 1994, Chapter E-5.1 (the
3 “*EPCA*”) and the *Public Utilities Act*, RSNL 1990,
4 Chapter P-47 (the “*Act*”), as amended, and
5 regulations thereunder; and
6

7 **IN THE MATTER OF** an application by
8 Newfoundland Power Inc. for approval of a capital
9 expenditure for a substation transformer at
10 Newfoundland Power’s Pepperrell Substation and
11 the construction of a three-phase distribution
12 feeder line from Pepperrell Substation, pursuant to
13 section 41 of the *Act*.
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15

16 **WHEREAS** Newfoundland Power Inc. (“Newfoundland Power”) is a corporation duly organized
17 and existing under the laws of the Province of Newfoundland and Labrador, is a public utility
18 within the meaning of the *Act*, and is also subject to the provisions of the *EPCA*; and
19

20 **WHEREAS** section 41 of the *Act* states that a public utility shall not proceed with the construction,
21 purchase or lease of improvements or additions to its property where:
22

- 23 a) the cost of construction or purchase is in excess of \$50,000; or
 - 24 b) the cost of the lease is in excess of \$5,000 in a year of the lease
- 25

26 without prior approval of the Board; and
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28 **WHEREAS** in Order No. P.U. 35(2018) the Board approved Newfoundland Power’s 2019 Capital
29 Budget in the amount of \$93,304,000; and
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31 **WHEREAS** the Board approved a supplementary 2019 capital expenditure in Order No. P.U.
32 5(2019) in the amount of \$4,600,000 for the addition of a substation on the north side of the
33 Memorial University of Newfoundland, St. John’s campus; and
34

35 **WHEREAS** on January 30, 2019 Newfoundland Power filed an application with the Board
36 requesting approval of a capital expenditure of approximately \$2,642,000 for the addition of a
37 substation transformer at Newfoundland Power’s Pepperrell Substation and the construction of a
38 three-phase distribution feeder line from the Pepperrell Substation (the “Application”); and

1 **WHEREAS** in May, 2018, Newfoundland Power received a request for two three-phase services
2 by Canopy Growth Corporation; and

3
4 **WHEREAS** as a result, the updated system load forecast indicates the system will become
5 overloaded if no capital improvements are undertaken; and

6
7 **WHEREAS** the Application stated that this additional substation transformer is necessary by year-
8 end 2019 to prevent forecasted substation overload; and

9
10 **WHEREAS** the Application was copied to Newfoundland and Labrador Hydro and the Consumer
11 Advocate, Dennis Browne, Q.C.; and

12
13 **WHEREAS** no comments were received by the Board; and

14
15 **WHEREAS** the Board is satisfied that the proposed expenditure is necessary for Newfoundland
16 Power to provide service and facilities associated with the addition of a substation transformer at
17 Newfoundland Power's Pepperrell Substation and the construction of a three-phase distribution
18 feeder line from the Pepperrell Substation which are reasonably safe and adequate and just and
19 reasonable.

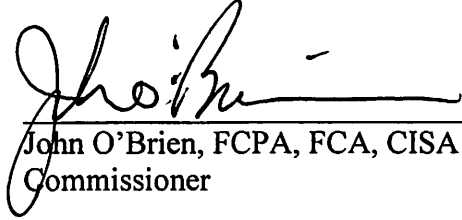
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21
22 **IT IS THEREFORE ORDERED THAT:**

- 23
24 1. The proposed capital expenditure in the amount of \$2,642,000 for the addition of a substation
25 transformer at Newfoundland Power's Pepperrell Substation and the construction of a three-
26 phase distribution feeder line from the Pepperrell Substation is approved.
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28 2. Newfoundland Power shall pay all expenses of the Board arising from this Application.

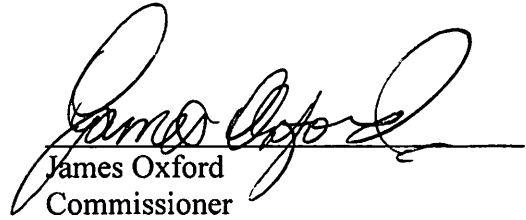
DATED at St. John's, Newfoundland and Labrador, this 19th day of February, 2019.



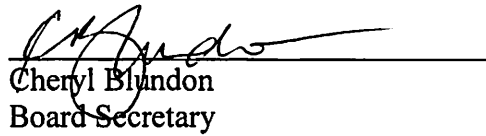
Darlene Whalen, P. Eng., FEC
Chair & CEO



John O'Brien, FCPA, FCA, CISA
Commissioner



James Oxford
Commissioner



Cheryl Blundon
Board Secretary