

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

**AN ORDER OF THE BOARD**

**NO. P.U. 28(2022)**

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

7 **IN THE MATTER OF** an application by  
8 Newfoundland and Labrador Hydro for  
9 approval of a capital expenditure for the  
10 relocation of a section of a distribution line  
11 in north-central Newfoundland; and  
12

13 **IN THE MATTER OF** an application by  
14 Newfoundland and Labrador Hydro for  
15 approval of a contribution from the customer.  
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18 **WHEREAS** Newfoundland and Labrador Hydro (“Hydro”) is a corporation continued and existing  
19 under the **Hydro Corporation Act, 2007**, is a public utility within the meaning of the **Act**, and is  
20 also subject to the provisions of the **EPCA**; and  
21

22 **WHEREAS** section 41 of the **Act** states that a public utility shall not proceed with the construction,  
23 purchase or lease of improvements or additions to its property where:  
24

- 25 a) the cost of construction or purchase is in excess of \$50,000; or  
26 b) the cost of the lease is in excess of \$5,000 in a year of the lease  
27

28 without prior approval of the Board; and  
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30 **WHEREAS** section 41(5) of the **Act** states a public utility that intends to demand from its customers  
31 a contribution towards the cost of improvements or additions to its property shall not demand  
32 the contribution without the prior approval of the Board; and  
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34 **WHEREAS** in Order No. P.U. 37(2021) the Board approved Hydro’s 2022 Capital Budget in the  
35 amount of \$84,163,400; and

1 **WHEREAS** the Board approved supplementary 2022 capital expenditures in:

- 2 (i) Order No. P.U. 9(2022) to reset Hydro’s 2022 Allowance for Unforeseen Items to  
3 \$1,000,000;
- 4 (ii) Order No. P.U. 12(2022) in the amount of \$634,000 to replace the roof of the  
5 Makkovik Diesel Generating Station;
- 6 (iii) Order No. P.U. 14(2022) in the amount of \$137,700 to purchase and install a new  
7 diesel engine for the Mary's Harbour Diesel Generating Station;
- 8 (iv) Order No. P.U. 17(2022) in the amount of \$1,578,900 to purchase one set of last  
9 stage blades to serve as capital spares for Units 1 and 2 at the Holyrood Thermal  
10 Generating Station;
- 11 (v) Order No. P.U. 18(2022) in the amount of \$3,999,800 for rotor rim shrinking and  
12 stator recentering at the Upper Salmon Hydroelectric Generating Station; and
- 13 (vi) Order No. P.U. 24(2022) in the amount of \$571,100 for capital projects at the  
14 Holyrood Thermal Generating Station to refurbish the Day Tank and Tank 2, replace  
15 the Tank Farm Underground Firewater Distribution System and upgrade the Unit 2  
16 Turbine Control System; and
- 17 (vii) Order No. P.U. 26(2022) in the amount of \$443,800 to construct a new three-phase  
18 line in Hampden; and  
19

20 **WHEREAS** on July 22, 2022 Hydro filed an application (the “Application”) with the Board  
21 requesting approval of:

- 22 (i) a capital expenditure in the amount of \$230,400, excluding HST, for the relocation  
23 of the distribution line serving Anaconda Mining (“Anaconda”) in the area of the  
24 Stog’er Tight site in north-central Newfoundland; and
- 25 (ii) a Contribution in Aid of Construction (“CIAC”) in the amount equal to the capital cost  
26 of the construction; and  
27

28 **WHEREAS** the Application states that Hydro received a request from Anaconda to relocate certain  
29 poles and associated equipment to facilitate an expansion to the Stog’er Tight site in north-central  
30 Newfoundland; and  
31

32 **WHEREAS** the Application states that Hydro has determined that the relocation will require the  
33 construction of a new section of 21 new poles with three-phase conductor line, as well as the  
34 removal of approximately 24 existing poles and 1.7 kilometres of three-phase conductor line, and  
35 tie-over completion; and  
36

37 **WHEREAS** the Application further states that, pursuant to section 9(c) of Hydro’s Rates, Rules  
38 and Regulations, Anaconda will pay all costs associated with the project; and  
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40 **WHEREAS** the Application was copied to: Newfoundland Power Inc.; the Consumer Advocate,  
41 Dennis Browne, Q.C. ; a group of Island Industrial customers: Corner Brook Pulp and Paper Limited,  
42 Braya Renewable Fuels (Newfoundland) GP Inc. (formerly known as NARL Refining Limited  
43 Partnership), and Vale Newfoundland & Labrador Limited; Teck Resources Limited; Praxair Canada  
44 Inc.; and

1 **WHEREAS** no comments were received; and

2  
3 **WHEREAS** on August 17, 2022 Hydro requested that the Board approve the Application; and

4  
5 **WHEREAS** the Board is satisfied that the proposed 2022 supplemental capital expenditure to  
6 relocate a section of distribution line in north-central Newfoundland is necessary to facilitate an  
7 expansion of the site and to continue the supply of reliable power to Anaconda; and

8  
9 **WHEREAS** the relocation of a section of distribution line in north-central Newfoundland is solely  
10 to facilitate the expansion of the mining site and the Board is satisfied that it is appropriate for  
11 Hydro to recover the capital cost of the work from Anaconda.

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13  
14 **IT IS THEREFORE ORDERED THAT:**

- 15
- 16 1. The proposed capital expenditure in the amount of \$230,400, excluding HST, for the
- 17 relocation of a section of distribution line in north-central Newfoundland to allow a site
- 18 expansion for Anaconda Mining is approved.
- 19
- 20 2. The contribution by Anaconda Mining of an amount equal to the capital cost of the work is
- 21 approved.
- 22
- 23 3. Hydro shall pay the expenses of the Board incurred in connection with this matter.

**DATED** at St. John’s, Newfoundland and Labrador, this 22<sup>nd</sup> day of August, 2022.

  
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 Darlene Whalen, P. Eng., FEC  
 Chair and Chief Executive Officer

  
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 Christopher Pike, LL.B., FCIP  
 Commissioner

  
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 Cheryl Blundon  
 Board Secretary