

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

AN ORDER OF THE BOARD

NO. P.U. 29(2015)

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 regulations
5 thereunder; and
6

7 **IN THE MATTER OF** an application by
8 Newfoundland and Labrador Hydro for approval
9 to refurbish the Hardwoods gas turbine engine serial
10 number 202224 pursuant to Section 41 of the *Act*.
11
12

13 **WHEREAS** Newfoundland and Labrador Hydro ("Hydro") is a corporation continued and
14 existing under the *Hydro Corporation Act*, 2007, is a public utility within the meaning of the
15 *Act*, and is also subject to the provisions of the *EPCA*; and
16

17 **WHEREAS** Subsection 41(3) of the *Act* requires that a public utility not proceed with the
18 construction, purchase or lease of improvements or additions to its property where:
19

- 20 a) the cost of construction or purchase is in excess of \$50,000; or
21 b) the cost of the lease is in excess of \$5,000 in a year of the lease,
22

23 without prior approval of the Board; and
24

25 **WHEREAS** in Order No. P.U. 50(2014) the Board approved Hydro's 2015 Capital Budget in
26 the amount of \$76,832,900; and
27

28 **WHEREAS** the Board approved supplementary 2015 capital expenditures:
29

- 30 (i) in Order No. P.U. 24(2015) in the amount of \$1,536,300 to purchase critical spares
31 for Hydro's Generating Stations;
32
33 (ii) in Order No. P.U. 27(2015) in the amount of \$756,200 to replace the rectifier
34 transformers on Units 1 and 2 at the Holyrood Thermal Generating Station; and
35

36 **WHEREAS** on September 3, 2015, Hydro applied to the Board for approval to refurbish gas
37 turbine engine serial number 202224 which was damaged as a result of a fire event at the
38 Hardwoods Gas Turbine Plant; and

1 **WHEREAS** the Application was copied to: Newfoundland Power Inc. ("Newfoundland
2 Power"); the Consumer Advocate, Mr. Thomas Johnson ("Consumer Advocate"); Corner
3 Brook Pulp and Paper Limited; NARL Refining Limited Partnership and Teck Resources
4 Limited ("Industrial Customer Group"); Vale Newfoundland and Labrador Limited ("Vale");
5 and Praxair Canada Inc. ("Praxair"); and
6

7 **WHEREAS** the Board, Newfoundland Power, the Consumer Advocate and the Industrial
8 Customer Group issued Requests for Information which were answered by Hydro on
9 September 21, 2015; and
10

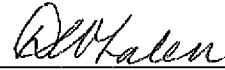
11 **WHEREAS** the Board did not receive any comments on the Application; and
12

13 **WHEREAS** the Board is satisfied that the 2015 supplemental capital expenditure for approval
14 to refurbish gas turbine engine serial number 202224 located at the Hardwoods Gas Turbine
15 Plant is necessary to allow Hydro to provide service and facilities which are reasonably safe
16 and adequate and just and reasonable.
17

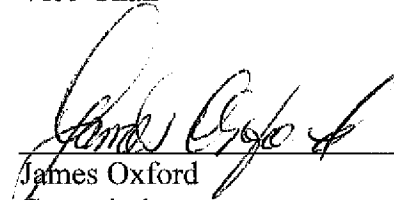
18
19 **IT IS THEREFORE ORDERED THAT:**
20

- 21 1. The proposed capital expenditure of \$1,249,300 to refurbish the Hardwoods gas turbine
22 engine serial number 202224 is approved.
23
24 2. Hydro shall pay all expenses of the Board arising from this Application.

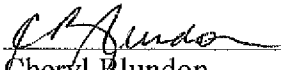
DATED at St. John's, Newfoundland and Labrador, this 1st day of October, 2015.



Darlene Whalen, P.Eng.
Vice-Chair



James Oxford
Commissioner



Cheryl Blundon
Board Secretary