NEWFOUNDLAND AND LABRADOR
BOARD OF COMMISSIONERS OF PUBLIC UTILITIES

AN ORDER OF THE BOARD

NO. P.U. 11(2014)

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 Power Inc. for an Order of the Board
9 for approval of the balance in the Weather Normalization
10 Reserve as of December 31, 2013 pursuant to
11 sections 69(3) and 78 of the Act.
12
13 WHEREAS Newfoundland Power Inc. (“Newfoundland Power”) is a corporation duly
14 organized and existing under the laws of the Province of Newfoundland and Labrador, is a public
15 utility within the meaning of the Act, and is also subject to the provisions of the EPCA; and
16
17 WHEREAS by Order No. P.U. 1(1974) the Board ordered that Newfoundland Power create a
18 Weather Normalization Reserve to normalize purchased power costs for variations in
19 hydroelectric production caused by varying levels of precipitation, as well as any variations in
20 kilowatt hours sold and purchased caused by varying temperatures and wind speed; and
21
22 WHEREAS by Order No. P.U. 13(2013) the Board approved the amortization over three years
23 of the outstanding 2011 year-end balance due to customers in the Weather Normalization
24 Reserve of approximately $5.0 million; and
25
26 WHEREAS by Order No. P.U. 13(2013) the Board also approved Section 11(8) of the Rate
27 Stabilization Clause which requires that on March 31st of each year, beginning in 2013, the Rate
28 Stabilization account shall be increased (reduced) by the balance in the Weather Normalization
29 Reserve accrued in the previous year; and
30
31 WHEREAS Newfoundland Power has reported to the Board that its Weather Normalization
32 Reserve as of December 31, 2013 has a positive balance of $5,058,185; and
WHEREAS the Board is satisfied that the Weather Normalization Reserve at December 31, 2013 properly reflects the normalization of variations in revenue and expenses caused by meteorological conditions during 2013 and the amortization approved in Order No. P.U. 13(2013).

IT IS THEREFORE ORDERED THAT:

1. Newfoundland Power's Weather Normalization Reserve of a positive balance of $5,058,185 as of December 31, 2013 is approved.

2. Newfoundland Power shall pay all costs and expenses of the Board in connection with this Application.

DATED at St. John's, Newfoundland and Labrador, this 9th day of April, 2014.

Darlene Whalen, P.Eng.
Vice-Chair

James Oxford
Commissioner

Cheryl Blundon
Board Secretary