IN THE MATTER OF the Electrical Power Control Act, 1994, SNL 1994, Chapter E-5.1 (the "EPCA") and the Public Utilities Act, RSNL 1990, Chapter P-47 (the "Act"), as amended, and regulations thereunder; and

IN THE MATTER OF a general rate application by Newfoundland and Labrador Hydro to establish customer electricity rates for 2014; and

IN THE MATTER OF an application by Newfoundland and Labrador Hydro for approval on an interim basis, effective January 1, 2014 of, among other things, rate changes for certain customers and a deferral account for others, and amendments to the Rate Stabilization Plan.

The Application

On November 18, 2013 Newfoundland and Labrador Hydro ("Hydro") filed an application with the Board (the "Interim Rate Application") seeking rate relief in advance of the conclusion of the general rate application which was filed on July 30, 2013. Hydro filed a minor amendment to the Interim Rate Application on November 25, 2013. The Interim Rate Application requests:

(a) an Interim Order pursuant to Section 75 of the Act, approving
   (i) the schedule of rates, tolls and charges set out in Schedule A to this Application to be effective on and after January 1, 2014, until superseded by a final order of the Board in the matter of the Application, including a change in the RSP Fuel Price Projection charged to Newfoundland Power calculated in accordance with Appendix F to the evidence filed in support of this Application; and
   (ii) Changes to the RSP rules, as set out in Schedule B of this Application to implement the phase-in of Industrial Customer rates, in accordance with direction provided by the Government;

Or,

(b) an Order pursuant to Section 70 of the Act approving a deferral and recovery mechanism whereby, commencing January 1, 2014, Hydro would defer any revenue shortfall between existing and approved rates with such shortfall to be recovered from customers over a three-year period commencing when final rates become effective.
Schedule A to the Interim Rate Application sets out the proposed Schedule of Rates, Tolls and Charges to be approved on an interim basis for Hydro's utility customer, Newfoundland Power Inc. (“Newfoundland Power”), Island Industrial customers, and government departments. Hydro did not apply for rate changes for its other customers and explained in evidence that rates for certain rural customers would be the subject of a further application after the approval of Newfoundland Power rates. Further Hydro explained in response to IR-PUB-NLH-003 that it was not requesting interim rate changes for customers on the Labrador Interconnected system in the context of the larger proposed rate increases for these customers. The Interim Rate Application seeks, in the alternative, an Order of the Board approving a deferral and recovery mechanism for the revenue shortfall between existing and approved rates commencing January 1, 2014. Hydro explained in evidence that the deferral and recovery mechanism would apply to all rates, including the Labrador Interconnected system.

A copy of the Interim Rate Application was provided to the parties in the general rate application: Newfoundland Power; the Consumer Advocate, Mr. Thomas Johnson; Corner Brook Pulp and Paper Limited, North Atlantic Refining Limited and Teck Resources Limited (the “Industrial Customer Group”); Vale Newfoundland and Labrador Limited (“Vale”); the Innu Nation; the Towns of Labrador City, Wabush, Happy Valley-Goose Bay, and North West River (the “Towns”); and Yvonne Jones, MP. Separate notice of the application was not published.

On November 19, 2013 the Board established the schedule to be followed for the Interim Rate Application, requiring that requests for information and submissions be filed by December 6, 2013. On December 4, 2013 the Board revised the schedule to allow for the filing of a second round of requests for information on December 5, 2013. The Board advised that the remainder of the schedule would be established thereafter.

On December 9, 2013 the Board received submissions from the parties on an amendment to the Rate Stabilization Plan rules which would suspend the operation of the January 1, 2014 adjustment for Island Industrial customers.

On December 13, 2013 the Board issued Order No. P.U. 40(2013) approving the amendment to the Rate Stabilization Plan rules to suspend the January 1, 2014 Rate Stabilization Plan adjustment for Island Industrial customers.

On December 17, 2013 the Board established a further schedule for the proceeding which included a third round of requests for information and provided for the filing of final submissions on January 24, 2014.

On January 17, 2014 Hydro filed another application, which it stated was supplemental to its November 18, 2013 application, changing its proposals in relation to several matters, including rates for Newfoundland Power and certain Rural customers (the “Supplemental Application”).
On January 27, 2014 the Board wrote Hydro to confirm that Hydro planned to withdraw the Supplemental Application and file an amended interim rate application and to advise that a schedule for the remainder of the proceeding would be established upon receipt of the amended application.

On February 11, 2014 Hydro withdrew the Supplemental Application and filed an amended interim rate application ("Amended Interim Rate Application"). On March 5, 2014 Hydro filed a minor revision to the Amended Interim Rate Application. In this application Hydro requests:

(a) An interim Order pursuant to Section 75 of the Act, approving
(i) the schedule of rates, tolls and charges for Island Interconnected Industrial Customers set out in Schedule A to this Amended Application to be effective on and after January 1, 2014, until superseded by a final order of the Board in the Application;
(ii) changes to the RSP rules, as set out in Schedule B of this Application to:
   (I) implement the phase-in of Industrial Customer rates, in accordance with direction provided by Government;
   (2) segregate, within the RSP, amount collected by Hydro through NP’s current Fuel Price Projection rider of 1.634 cents/kWh until a further order of the Board on the matter;
   (3) remove the Board’s suspension of January 1, 2014 RSP changes to the Industrial Customers;
   (4) include in the RSP rules specific references to the proposed 2013 Test Year;
(iii) an Order pursuant to Section 70 of the Act approving a deferral mechanism whereby Hydro would defer any revenue shortfall between interim and final rates with such deferral to be dealt with when final rates become effective;
(iv) on an interim basis, present rates for all classes of Hydro’s Rural Customers as set out in Schedule C;
(v) use, on an interim basis, of Hydro’s proposed 2013 Test Year values as the approved Test Year values in Hydro’s Rate Stabilization Plan;
(vi) the RSP rate to be charged by Hydro to Island Interconnected Industrial Customers as calculated in Appendix B of the evidence filed with the Application and as set out in Schedule A to this Application, to be effective for electrical consumption on or after January 1, 2014; and

On February 19, 2014 the Board wrote to the parties to establish the schedule for the remainder of the proceeding.

On March 6, 2014, the last responses were filed to the requests for information. There were a total of 166 requests for information answered by Hydro.

Evidence and Submissions

In the Amended Interim Rate Application Hydro states that, without a timely rate change, it will be deprived of the opportunity to recover its costs, including a reasonable return on rate base as required by section 80 of the Act. Hydro states in evidence (page 7) that:

*Hydro requests interim rates in order to have the opportunity to earn a return on rate base that is closer to that which results from the Government directed ROE for the 2013 Test Year.*

Hydro explains that the proposed 2013 Test Year rate of return on rate base of 7.83% is based on OC2009-063, which directs the Board to set Hydro’s earnings based on the return on equity approved for Newfoundland Power, currently 8.80%. Hydro states in evidence (page 2) that it believes its modified approach will enable:

- **Implementation of IC rates in a manner that achieves the result that was contemplated in the Government directives;**
- **Deferral of rate implementation for other customers until rate design and cost of service issues are addressed;**
- **Provision to Hydro of the opportunity to earn a return on rate base that is closer to that which results from the Government directed Return on Equity (ROE) for the 2013 Test Year; and**
- **Improvement of Hydro’s financial position in anticipation of a return to the capital markets in 2014 to fund the infrastructure renewal and new assets construction program estimated at $763 million over the 2014 to 2017 period.**

The Towns state in final submissions that they do not object to continuing with existing rates for customers on the Labrador Interconnected system on an interim basis until the completion of Hydro’s general rate application. The Towns clarify that they oppose the implementation of a deferral and recovery mechanism for Hydro’s Labrador Interconnected customers on the basis that it would be unfair and would create uncertainty. They further argue that it would not be unduly costly for Hydro to forego the deferral and recovery for customers on the Labrador Interconnected system. The Towns note that Hydro’s response to IR-I.WIN-NLH-006 implies only a modest impact on Hydro’s return on rate base if the deferral and recovery mechanism is not implemented for Labrador Interconnected customer rates and that this impact would be temporary. The Towns argue that to be fair to customers proposals for large increases in rates such as these should be thoroughly assessed before implementation. They argue that the deferral and recovery mechanism is even more unfair and that delaying possible and large increases means that customers do not fully know the true costs of their current electricity consumption and will be compelled to pay for past consumption retroactively. They note the proposed rate increases are more than 25% for domestic customers on the Labrador Interconnected system and argue that such large increases should not be implemented before a complete regulatory hearing. The Towns submit that Labrador Interconnected customers are facing considerable uncertainty as to rates which makes it difficult to make appropriate decisions regarding electricity consumption and conservation. It is argued that a deferral and recovery mechanism means
that the Labrador Interconnected customers would not know the price of electricity until after the winter is over.

In its final submission Newfoundland Power takes the position that the Board should deny the Amended Interim Rate Application. Newfoundland Power explains that it does not have a direct interest in the proposed Island Industrial customers’ rate changes except that these changes also involve changes to the Rate Stabilization Plan rules. Newfoundland Power does not support the proposed changes to these rules on the basis that there are inconsistencies on the record and that there is a lack of clarity as to how the Rate Stabilization Plan will operate following the proposed changes. Newfoundland Power argues that the proposed deferral mechanism is premature and should not be approved at this time. Newfoundland Power submits that, based on the record of this proceeding, it is uncertain how the July 1, 2014 Newfoundland Power Rate Stabilization Plan adjustment will be determined. Newfoundland Power states:

According to the RSP rules set out in the Amended Application, the Newfoundland Power fuel rider to be used for the July 1, 2014 RSP adjustment will be based on the difference between the 2014 forecast fuel price and the average 2013 proposed test year fuel price. However, in response to Request for Information IR-NP-NLH-041, Hydro appears to calculate the fuel rider based on the difference between the 2014 forecast fuel price and the average 2007 test year fuel price. The difference in rate impact between these two possible approaches to calculating the fuel rider is approximately 1.6 cents per kilowatt-hour.

Further, in response to Request for Information IR-NP-NLH-040, Hydro states that “final RSP rate changes for July 1, 2014 will be determined in April 2014 in accordance with the existing RSP rules.” This appears inconsistent with the proposal in the Amended Application to revise the RSP rules effective January 1, 2014 so that the RSP operates using 2013 Test Year values.

In Newfoundland Power’s submission, the proposals in the Amended Application to revise the RSP rules should be denied due to lack of clarity and evidence regarding customer impacts, and only considered when Hydro provides a clear explanation of the manner in which the RSP is proposed to operate.

Newfoundland Power argues that Hydro’s request for approval of deferred recovery in advance of a review of costs and revenues is not necessary and not in accordance with current regulatory practice, which requires clear evidence of a revenue shortfall before the Board grants relief to permit a utility to earn a just and reasonable return. Newfoundland Power argues that the Board should not approve the proposed deferral mechanism at this time and should consider it following review of Hydro’s costs and revenues.

The Consumer Advocate recommends that the Board deny Hydro’s Amended Interim Rate Application. The Consumer Advocate submits that the issues raised in the Amended Interim Rate Application are better addressed within the context and timing of the general rate application, enabling a comprehensive review of the issues and a more efficient use of the limited time available. The Consumer Advocate notes that the process that determines what is a just and reasonable return is a full review by the Board of the evidence filed. The
Consumer Advocate notes that Hydro agrees that it would have an opportunity to earn a 
return on rate base closer to that resulting from the Government directive if, upon 
conclusion of the general rate application, the Board approved a deferral account to permit 
recovery of a 2014 revenue shortfall resulting from delayed implementation of customer 
rates. The Consumer Advocate argues that Hydro has not quantified the improved financial 
results associated with approval of the Amended Interim Rate Application and further 
questions this benefit given that it is not likely that the Board’s decision will take effect 
prior to April 2014. The Consumer Advocate submits that the Board does not need to 
approve the Amended Interim Rate Application and can issue an Order following a full 
review of the issues in the general rate application that allows Hydro to earn a return in 2014 
that is closer to that directed by Government. In relation to the Island Industrial customer 
rates the Consumer Advocate submits that approval of the Amended Interim Rate 
Application is not required given that Order No. P.U. 40(2013) enables the Board to go back 
and adjust the rates. The Consumer Advocate argues that there is no evidence that justifies 
issuing an Order prior to a complete review of the issues in the general rate application. The 
Consumer Advocate also submits that, owing to the complexities of the issues involved, it is 
best to simplify the approach and review the issues within the overall context of the general 
rate application.

The Industrial Customer Group states that they do not object to the implementation of 
interim rates as proposed by Hydro and acknowledge that Hydro proposes to reconcile the 
overall spirit and intent of the Government direction with the present reality that general rate 
application tested outcomes will now be delayed until well into 2014. The Industrial 
Customer Group explains that they have three main qualifications in their position. Firstly, 
they state that interim rates are always risk-free to the rate payer. Second the Industrial 
Customer Group suggests that it is not clear that the deferral account alternative has any 
necessary regulatory purpose. They note that the deferral account has no impact on cash 
flow and no certainty as it is subject to later adjustment. Finally the Industrial Customer 
Group explains that their primary interest is to see all outstanding issues resolved in the 
context of the general rate application in as expeditious a manner as possible consistent with 
due regulatory scrutiny. To that end they recommend that the Board order that the interim 
rates and the amendments to the Rate Stabilization Plan rules remain in effect only until 
August 31, 2014.

Vale submits that it is prepared to accept the interim rates proposed by Hydro and the 
proposed Rate Stabilization Plan rules. However, Vale expresses concern that, in setting 
interim rates equal to the rates proposed in the general rate application, a sense of urgency to 
proceed expeditiously with the general rate application will be lost. Vale notes that, while 
the original schedule for the general rate application contemplated that all requests for 
information would be answered by November 22, 2013, Hydro did not answer all of the 
requests for information until January 31, 2014. Vale states in its submission:

*Hydro has defended the delays on the GRA (see IR-NP-NLH-012 and IR-NP-NLH-013) 
as being beyond Hydro’s control. While that may be partially correct, the fact is that 
seven years between general rate applications, which is four years longer than sound 
utility practice requires (see PUB-NLH-075), is too long. The issuance of a number of 
additional applications at or around the same time as the GRA, including the RSP*
Application filed on July 30, 2014 [sic] and its 2014 Capital Budget Application filed on
August 5, 2013, have also contributed to the delays on the GRA. Lastly, the within
Application, which was ironically necessitated by the delays in the GRA, has itself caused
further delays in the GRA. By not filing the GRA before July 30, 2013, Hydro left
insufficient time to complete the GRA in time for new rates to become effective on
January 1, 2014. As a result, on November 14, 2013, Hydro filed the within Application,
which itself has been amended on more than one occasion and has led to three rounds of
RFIs. With the parties focusing on the within Application, their focus has been diverted
from the GRA for the past four months.

Vale notes that the interim rates being sought are based on information and assumptions that
have not been fully tested. Vale submits that, to ensure that the balance remaining in the
Island Industrial Customer Rate Stabilization Surplus is sufficient to provide for the phase-
in of rates directed by Government, Hydro should be required to reapply for a further Order
for interim rates if final rates are not in place by August 31, 2014. Vale submits that if the
rates charged after September 1, 2014 are lower than the phase-in rates, the results may be
inequitable for Vale and Praxair. Therefore it is argued that the interim rates established by
the Board should remain in effect only until August 31, 2014 and in the absence of a new
application by Hydro the interim rates should revert to pre-interim rate application levels,
including the freeze on the Rate Stabilization Plan adjustment. In the alternative Vale
proposes specific rates to be effective September 1, 2014. Vale explains that the deferral
account alternative could have unfair and unintended consequences for individual members
of the Island Industrial customers.

Hydro argues in its final submission that its proposals provide a reasonable approach to deal
with delayed implementation of final rates in the general rate application by giving balanced
consideration to both the impact on customers and the opportunity for reasonable cost
recovery by Hydro. Hydro states that the Amended Interim Rate Application avoids a rate
change for Newfoundland Power and retail customers until final rates are approved. Hydro
explains that the Amended Interim Rate Application provides for the phase-in of cost based
rates for the Island Industrial customers including the application of Rate Stabilization Plan
adjustments effective January 1, 2014. Hydro states that the average Island Industrial
customer rate impact as a result of implementing the Rate Stabilization Plan adjustment
effective January 1, 2014 is approximately 1.0%. Hydro submits that its proposals balance
customer impacts, regulatory efficiency and customer acceptance by limiting the number of
rate changes required to implement new test year rates. Hydro states that this approach
provides a smooth transition from existing rates to final rates while limiting the amount of
current costs to be recovered in future rates through the deferral account.

Hydro acknowledges the complexity of the Rate Stabilization Plan proposal and states that it
is prepared to address Newfoundland Power’s concerns prior to proposing a revised Rate
Stabilization Plan adjustment for July 1, 2014. Hydro suggests that one possible solution is
to defer the July 1, 2014 Rate Stabilization Plan adjustment until final rates are approved.
Hydro notes that this would result in a single rate change in 2014.

With respect to the argument of the Towns in relation to the proposed interim rates for
Labrador Interconnected customers Hydro submits that there is an opportunity to review the
proposed rates before they are implemented on a final basis. Hydro further explains that it is
now certain that a final order will not be made until late 2014 and the revenue shortfall is
larger than initially expected and the impact on Hydro’s earnings is greater.

Hydro explains that it is requesting approval of a deferral account in advance of conclusion
of the general rate application to provide certainty that it will have an opportunity to earn a
just and reasonable return on rate base in 2014. Hydro states that the proposed revenue
shortfall account provides for the difference between the revenues from interim rates and
revenues based on approved final rates to be charged to the account. Hydro states that this
will provide Hydro with the opportunity to earn a reasonable return on rate base for 2014
and a return on equity that reasonably reflects the direction of Government. Hydro explains
that it earned a return on equity in 2013 of 0.14% and, without approval of a deferral
account to provide rate relief for 2014, it is possible that Hydro will incur financial losses in
2014. Hydro argues that it is important that the Board approve the proposed deferral account
to enable Hydro to signal to lenders and other stakeholders that it will not be financially
disadvantaged by the duration of the general rate application process and that it will have an
opportunity to earn a reasonable return in 2014.

Hydro argues that deferral accounts are a common regulatory tool. Hydro submits that the
proposed deferral account will avoid the need to implement a customer rate change to
provide for recovery of 2014 costs until the conclusion of the general rate application.
According to Hydro this will allow for a full understanding of the rate design and cost of
service implications and provide all parties the opportunity for input prior to the final
decision by the Board.

Hydro states that its forecast revenue shortfall from the proposed rates is more than $55
million assuming October 1, 2014 implementation. Hydro submits that the magnitude of this
forecast revenue shortfall, Hydro’s 2013 financial results and the forecast 2014 results
provide adequate support for approval of the proposed deferral account. Hydro argues that
no customers are disadvantaged by the Board’s approval of the proposed deferral account.

**Board Findings**

Hydro filed its first application for interim rate relief some five months ago in November of
2013. Since then Hydro has filed two additional applications, one as a supplementary
application which was subsequently withdrawn, and a further application amending the
November, application. The Amended Interim Rate Application contained significant
changes to Hydro’s proposed rates for several customer groups as did several of Hydro’s
responses to information requests. In particular, since the filing of the application in
November Hydro has made substantive changes to its proposals in relation to the Island and
Labrador Isolated systems, the Labrador Interconnected system and the Island
Interconnected system. The fact that Hydro’s proposals changed throughout the matter has
made it difficult to assess Hydro’s position and the impacts on customers, especially in light
of the complexities associated with the Rate Stabilization Plan.
Unfortunately there continues to be considerable ambiguity in Hydro’s proposals even after the filing of the Amended Interim Rate Application, the responses to the information requests and the final submissions. In particular, the Board finds that Hydro’s proposals and the evidence are ambiguous in respect of Island Industrial customers rates and the rates for Newfoundland Power and therefore Hydro’s customers whose rates are based on Newfoundland Power customers rates.

In relation to the January 1, 2014 rates for the Island Industrial customers Hydro states that:

There will be no resulting change in the amounts charged to IC subsequent to January 1, 2014. The IC RSP Surplus will be adjusted for any change resulting from approved rates. (Amended Interim Rate Application Evidence, page 4 in footnote 2)

Hydro states in response to IR-PUB-NLH-047:

Implementation of the interim rates for IC as proposed by Hydro results in a slight average increase of approximately 1% in IC bills with effect from January 1, 2014. Hydro has requested that the January 1, 2014 RSP rate adjustment for IC become effective on this date since it is in keeping with the spirit and intent of OC2013-089, Section 5 as well as in the overall principle of a phase in of IC rates. Hydro believes that there would be a disadvantage to IC if this increase is deferred requiring a larger increase in IC bills at a later date. Notwithstanding this potential increase, if the outstanding issue related to the Segregated Load Variation is resolved through the GRA process, the increase could possibly be offset by the IC share of the load variation balance.

The Board notes that the proposed January 1, 2014 rate sheet does not reflect the proposed 1% rate increase for the Island Industrial customers. In evidence filed in November Hydro states that the Island Industrial customer Rate Stabilization Plan rates will be determined and applied for once the December Rate Stabilization Plan balance is available in accordance with the existing Rates Stabilization Plan rules. The Board notes that the rates proposed in the Amended Interim Rate Application filed on February 11, 2014 do not appear to reflect the December Rate Stabilization Plan balance. In final submission Hydro does not address why the proposed rate sheet does not appear to reflect the December balance and whether it plans to make a further application for approval of the Rate Stabilization Plan adjustment.

Hydro’s proposals in respect of the September 1, 2014 phase-in of Island Industrial customer rates are also unclear. The Amended Interim Rate Application states in paragraph 14 that the proposed rates for the Island Industrial customers are to be effective on January 1, 2014 on an interim basis and remain in effect “...until superseded by a final order of the Board in the matter of the Application”(see also IR-NP-NLH-001). However, in response to IR-PUB-NLH-042, Hydro provides a forecast of the phase-in of Island Industrial customer rates to be effective September 1, 2014. Hydro states in response to IR-PUB-NLH-043:

The rates for the September 2014 – August 2015 period are formula driven, as actual rates will be dependent upon the outcome of Hydro’s GRA. Hydro intends to file an application with the Board for approval of actual phase-in rates at the appropriate time.
In IR-PUB-NLH-043 Hydro provided a further revision to the Rate Stabilization Plan rules which sets out the formula for the phase-in of Island Industrial customer rates from September 1, 2014 to August 31, 2015. Hydro does not explain whether it plans to make a further application before the conclusion of the general rate application to implement the phase-in of the September 1, 2014 rates for these customers. The Board notes that September 1, 2014 rates for the Island Industrial customers is a significant issue in the final submissions of both the Industrial Customer Group and Vale. Despite the ambiguity on the record Hydro did not address this issue in its final submission.

Newfoundland Power argues in final submission that there are inconsistencies on the record of the Amended Interim Rate Application, including the responses to information requests and a lack of clarity as to how the Rate Stabilization Plan will operate following the changes proposed by Hydro. Newfoundland Power explains that it is not clear how the July 1 Rate Stabilization Plan adjustment will operate in the context of Hydro’s proposals. In final submission Hydro acknowledges the complexity of the Rate Stabilization Plan proposal and suggests that Hydro is prepared to address these concerns in advance of the July 1, 2014 Rate Stabilization Plan adjustment, perhaps by forgoing the adjustment. This approach raises uncertainty as to how Hydro’s proposals will be implemented and as to customer impacts. In addition the Board notes that this suggestion is a change in approach from Hydro’s position in response to IR-NP-NLH-040, filed on March 6, 2014.

The Board believes that at this stage Hydro’s proposals and the impacts of its proposals should be clear. After three applications, four rounds of information requests, and 166 responses to information requests there appears to be no clear understanding of what Hydro is proposing and the impact on customers. The Board is especially concerned about approving this application given the size of the increase in base rates proposed to be reflected in a deferral account. The Amended Interim Rate Application proposes a deferral account to collect a revenue shortfall based on an overall average increase in base rates for Newfoundland Power of 18.7% and for Labrador Interconnected customers of 23.3%.

The Board acknowledges Vale’s concerns in relation to delays in the implementation of the phase-in of Island Industrial customer rates. The Board also acknowledges Hydro’s concerns in relation to its rate of return for 2014. Unfortunately, the Board finds that Hydro has not filed an application with supporting evidence setting out a comprehensive, unambiguous set of proposals. The Board must therefore dismiss the Amended Interim Rate Application. It is open for Hydro to file another application which contains clear and unambiguous proposals supported with comprehensive and consistent evidence.

Costs

Vale requests that the Board make an award of costs in the within application on the same basis as any award of costs made in favor of the Consumer Advocate and/or the Industrial Customer Group. Vale argues that an award of costs is justified on the basis that Vale will soon be Hydro’s single largest industrial customer and further that its interests are discreet from the interests of the Industrial Customer Group.
Hydro did not object to Vale’s claim for costs. The Board accepts that Vale has a unique interest in this application and Vale’s participation was necessary and helpful. As such the Board will make an award of costs to Vale. Vale will be required to file its detailed claim for costs with the Board within thirty days of this Order.

No other Intervenor made a claim for costs. The Board has dismissed this application but will grant leave to any other Intervenor to this application to apply for an award of costs within 30 days of this Order. A detailed claim for costs must be filed at the same time.

IT IS THEREFORE ORDERED THAT:

1. The Amended Interim Rate Application is hereby dismissed.

2. Vale Newfoundland and Labrador Limited is entitled to an award of costs in an amount to be fixed by the Board, with cost submissions to be filed within 30 days of this Order.

3. Leave is granted to the remaining Intervenors to apply within 30 days of this Order for an award of costs.

3. Newfoundland and Labrador Hydro shall pay all expenses of the Board arising from this Application.
DATED at St. John's, Newfoundland and Labrador, this 25th day of April, 2014.

Andy Wells
Chair & Chief Executive Officer

Darlene Whalen, P.Eng.
Vice-Chair

Dwanda Newman, LL.B.
Commissioner

James Oxford
Commissioner

Cheryl Blundon
Board Secretary