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7 **P. U. 34(2005)**

8 **IN THE MATTER OF** the
9 *Public Utilities Act*, R.S.N.L. 1990,
10 c. P-47, as amended (“the *Act*”)

11 **AND**

12 **IN THE MATTER OF** an application by
13 Newfoundland Power Inc. for approval to
14 proceed with the construction and purchase
15 of certain improvements to its property
16 pursuant to Section 41(3) of the *Act* and
17 supplemental to its 2006 capital budget
18 approved by Order No. P. U. 30(2005).
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22 **The Application**

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25 Newfoundland Power Inc. (“NP”) filed an application with the Board of Commissioners of
26 Public Utilities (“the Board”) on November 30, 2005 requesting the Board to make an Order
27 approving multi-year capital expenditures for the rehabilitation of its Rocky Pond hydroelectric
28 generating facility at an estimated cost of \$500,000 in 2005 and \$963,200 in 2006. The proposed
29 expenditure in 2006 is supplemental to NP’s 2006 Capital Budget approved by Order No. P. U.
30 30(2005).
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32 The Board approved NP’s 2006 total capital budget in the amount of \$49,258,000 in Order No.
33 P. U. 30(2005). This is the first application for a capital expenditure supplemental to the
34 approved 2006 budget.
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36 **Board Authority**

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38 Section 41 (3) of the *Act* requires that a public utility shall not proceed with the construction,
39 purchase or lease of improvements or additions to its property where the cost of the construction
40 or purchase is in excess of \$50,000 or the cost of the lease is in excess of \$5,000 in a year of the
41 lease without the prior approval of the Board.

1 **Proposed supplementary 2006 Capital Budget Projects**

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3 GENERATION HYDRO

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5 **Plant Refurbishment – Rocky Pond - \$963,200**

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7 This is a multi-year project that was commenced in 2005 following approval by Order No. P. U.
8 33(2005). The continuation of this project in 2006 will include the completion of the building
9 extension and the installation of switchgear, power cables and protection and control equipment
10 at an estimated cost of \$963,200.

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12 In Order No. P. U. 33(2005) the Board approved the first phase of this multi-year project to
13 commence in 2005. In this Order the Board accepted the justification as provided by NP in
14 relation to the 2005 expenditures. The Board finds that these justifications as applicable to the
15 2006 expenditures.

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17 **The Board will approve the expenditure proposed for 2006 in the amount of \$963,200 to**
18 **complete the refurbishment of the Rocky Pond plant.**

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20 **IT IS THEREFORE ORDERED THAT:**

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22 1. Pursuant to Section 41(3) of the *Act*, the Board approves the supplemental 2006 capital
23 expenditure of:
24
25 (i) \$963,200 for the Plant Refurbishment – Rocky Pond.
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27 2. NP shall pay the expenses of the Board arising from this Application.
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29 **DATED** at St. John's, Newfoundland and Labrador, this 15th day of December 2005.
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34 Robert Noseworthy,
35 Chair and Chief Executive Officer.

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39 G. Fred Saunders,
40 Commissioner.

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45 G. Cheryl Blundon,
46 Board Secretary.