NEWFOUNDLAND AND LABRADOR BOARD OF COMMISSIONERS OF PUBLIC UTILITIES

AN ORDER OF THE BOARD

NO. P. U. 18(2008)

1	IN THE MATTER OF the Electrical Power
2	Control Act, RSNL 1994, Chapter E-5.1 (the
3	"EPCA") and the Public Utilities Act, RSNL 1990,
4	Chapter P-47 (the "Act"), as amended;
5	
6	AND
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8	IN THE MATTER OF an Application by
9	Newfoundland Power Inc. ("Newfoundland
10	Power") for approval to proceed with the
11	construction and purchase of certain
12	improvements to its property pursuant to
13	Section 41(3) of the <i>Act</i> (the "Application").
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16	WHEREAS Newfoundland Power is a corporation duly organized and existing under the laws of
17	the Province of Newfoundland and Labrador, is a public utility within the meaning of the Act, and is
18	also subject to the provisions of the Electrical Power Control Act, 1994; and
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20	WHEREAS Section 41 of the Act requires that a public utility shall not proceed with the
21	construction, purchase or lease of improvements or additions to its property where the cost of the
22	construction or purchase is in excess of \$50,000 or the cost of the lease is in excess of \$5,000 in a
23	year of the lease without the prior approval of the Board; and
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25	WHEREAS in 2007 Newfoundland and Labrador Hydro ("Hydro") intends to purchase electrical
26	power to be generated by Newind Group Inc. at a wind generation facility to be located at Ryan's
27	Hill, between St. Lawrence and Lawn on the Burin Peninsula (the "Newind Facility"), and by
28	SkyPower Corp. at a wind generation facility to be located near Fermeuse on the Southern Shore of
29	the Avalon Peninsula (the "SkyPower Facility"); and
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31	WHEREAS both the Newind Facility and the SkyPower Facility are in Newfoundland Power's
32	service territory and the necessary interconnection for service will require additions and
33	modifications to Newfoundland Power's transmission system; and

WHEREAS Hydro has requested that Newfoundland Power make the necessary additions and modifications to its property to enable the interconnection in 2008 of the Newind Facility and the SkyPower Facility (collectively, the "Wind Farms") to the Island Interconnected grid through

4 Newfoundland Power's transmission system; and

WHEREAS Newfoundland Power proposes improvements and additions to its property as set out in the Application that are required to provide for the interconnection of the Wind Farms to its transmission system involving an estimated total 2008 expenditure of \$1,503,000; and

WHEREAS Hydro will reimburse Newfoundland Power for its capital expenditures associated with the interconnection of the Wind Farms; and

WHEREAS the proposed expenditure is necessary for Newfoundland Power to provide service and facilities associated with the interconnection of the Wind Farms which are reasonably safe and adequate and just and reasonable as required pursuant to Section 37 of the *Act*.

IT IS THEREFORE ORDERED THAT:

1. The Board approves the following capital expenditures associated with the interconnection of the Wind Farms to Newfoundland Power's transmission system:

(i) \$487,000 to make additions and modifications to Newfoundland Power's Laurentian Substation at St. Lawrence to accommodate the interconnection of the Newind Facility;

(ii) \$928,000 to make additions and modifications to Newfoundland Power's Fermeuse Substation on the Southern Shore of the Avalon Peninsula to accommodate the interconnection of the SkyPower Facility, and for associated metering and protective relaying additions and modifications at Newfoundland Power's Cape Broyle, Mobile and Big Pond Substations; and

(iii) \$88,000 to make modifications to Newfoundland Power's transmission line terminating at Laurentian Substation to accommodate the interconnection of the Newind Facility.

2. Newfoundland Power shall pay all the expenses of the Board arising from this Application.

DATED at St. John's, Newfoundland and Labrador this 11 th day of July 2
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Andrew Wells
Chair & Chief Executive Officer

Darlene Whalen, P.Eng.
Vice-Chairperson

Dwanda Newman, LL.B.
Commissioner

G. Cheryl Blundon Board Secretary