

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

**AN ORDER OF THE BOARD**

**NO. P.U. 38(2012)**

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;

6  
7 **AND**

8  
9 **IN THE MATTER OF** an application by  
10 Newfoundland and Labrador Hydro for approval, on  
11 an *ex parte* basis, to proceed with the lease of accommodations  
12 in Postville, Labrador pursuant to Section 41 of the *Act*.  
13

14  
15 **WHEREAS** Newfoundland and Labrador Hydro (“Hydro”) is a corporation continued and  
16 existing under the *Hydro Corporation Act*, is a public utility within the meaning of the *Act*, and  
17 is also subject to the provisions of the *EPCA*; and  
18

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

- 21  
22 a) the cost of construction or purchase is in excess of \$50,000; or  
23 b) the cost of the lease is in excess of \$5,000 in a year of the lease  
24

25 without prior approval of the Board; and  
26

27 **WHEREAS** in Order Nos. P.U. 2(2012) and P.U. 5(2012) the Board approved Hydro’s 2012  
28 Capital Budget; and  
29

30 **WHEREAS** the Board approved supplementary 2012 capital expenditures in:

- 31  
32 (i) Order No. P.U. 24(2012) in the amount of \$492,100 for the refurbishment of the  
33 Cat Arm Road;  
34 (ii) Order No. P.U. 25(2012) in the amount of \$5,192,600 for the Stephenville Gas  
35 Turbine Alternator Rewind and Upgrade;  
36 (iii) Order No. P.U. 26(2012) in the amount of \$1,616,500 for the increase in  
37 generating capacity at Mary’s Harbour;

- 1 (iv) Order No. P.U. 27(2012) in the amount of \$3,155,000 for the refurbishment of the  
2 Cat Arm Dams;  
3 (v) Order No. P.U. 35(2012) in the amount of \$199,700 to replace the damaged  
4 mechanical penthouse section of the Hydro Place roof; and  
5 (vi) Order No. P.U. 36(2012) in an amount not to exceed \$9,000 per year, plus HST,  
6 for the one-year lease of residential accommodations in Makkovik; and  
7

8 **WHEREAS** on December 17, 2012 Hydro applied to the Board requesting approval of a lease  
9 with the Labrador School Board in Postville for residential accommodations for Hydro's line  
10 workers; and  
11

12 **WHEREAS** the proposed lease is for a seven month period commencing January 1, 2013 and  
13 ending July 1, 2013 at a cost of \$1,550 per month or \$10,850 per year, plus HST; and  
14

15 **WHEREAS** the Board is satisfied that it is reasonable and prudent to approve, on an *ex parte*  
16 basis, the proposed one-year lease of residential accommodations in Postville in an amount not to  
17 exceed \$10,850 per year, plus HST.  
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19 **IT IS THEREFORE ORDERED THAT:**  
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- 21 1. The proposed one-year lease of residential accommodations in Postville in an amount not  
22 to exceed \$10,850 per year, plus HST, 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 20<sup>th</sup> day of December, 2012.

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Darlene Whalen, P.Eng.  
Vice-Chair

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James Oxford  
Commissioner

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Cheryl Blundon  
Board Secretary