

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

**AN ORDER OF THE BOARD**

**NO. P.U. 4(2017)**

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 approval to issue  
9 Series AP First Mortgage Bonds pursuant  
10 to section 91 of the *Act*.  
11  
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** on January 13, 2017 the Board received an application from Newfoundland Power  
18 to issue Series AP First Mortgage Bonds in an amount of up to \$100,000,000 with a term of up  
19 to 40 years, and coupon rate of up to 6% (the “Application”); and  
20

21 **WHEREAS** pursuant to Section 91 of the *Act*, a public utility may not issue bonds until it has  
22 obtained approval from the Board for the proposed issue; and  
23

24 **WHEREAS** Newfoundland Power states that the proceeds of the bonds will be used to repay  
25 short-term bank indebtedness; and  
26

27 **WHEREAS** the Application was circulated to Newfoundland and Labrador Hydro and the  
28 Consumer Advocate, Mr. Dennis Browne; and  
29

30 **WHEREAS** the Board did not receive any comments in relation to the Application; and  
31

32 **WHEREAS** the Board has reviewed the Application and supporting material and finds that  
33 approval of the issue of Series AP First Mortgage Bonds in an amount of up to \$100,000,000 is  
34 in accordance with law and for a purpose approved by the Board.

1 **IT IS THEREFORE ORDERED THAT:**

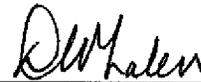
- 2
- 3 1. Newfoundland Power's proposal to issue Series AP First Mortgage Bonds in an amount of up
- 4 to \$100,000,000 to repay short term indebtedness is approved subject to the following
- 5 conditions:
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- 7 (a) The Series AP First Mortgage Bonds shall be issued on or before December 31, 2017.
- 8
- 9 (b) Newfoundland Power shall file with the Board a report specifying the terms and
- 10 conditions of the bond issue within five (5) days after closing, setting out the following:
- 11 (i) date of issue;
- 12 (ii) term;
- 13 (iii) maturity date;
- 14 (iv) principal amount;
- 15 (v) coupon rate;
- 16 (vi) particulars of sinking fund, if any;
- 17 (vii) price to public and to the underwriters;
- 18 (viii) yield to the public;
- 19 (ix) underwriting fee;
- 20 (x) actual cost (i.e. yield) to Newfoundland Power; and
- 21 (xi) any other material terms or conditions.
- 22
- 23 (c) Newfoundland Power shall file with the Board a copy of the Underwriting Agreement
- 24 relating to the bonds within five (5) days after closing.
- 25
- 26 (d) Newfoundland Power shall file with the Board a report on the disposition of the
- 27 proceeds no later than six months from the date of the closing.
- 28
- 29 2. Newfoundland Power shall pay all expenses of the Board arising from this Application.

**DATED** at St. John's, Newfoundland and Labrador, this 2<sup>nd</sup> day of February, 2017.



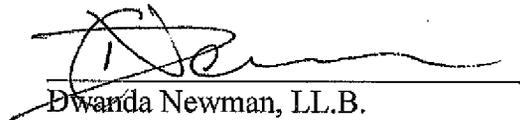
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Andy Wells  
Chair & Chief Executive Officer



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Darlene Whalen, P.Eng.  
Vice-Chair



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Dwanda Newman, LL.B.  
Commissioner



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Cheryl Blundon  
Board Secretary