NEWFOUNDLAND AND LABRADOR BOARD OF COMMISSIONERS OF PUBLIC UTILITIES

AN ORDER OF THE BOARD

NO. P.U. 31(2023)

| 1 | IN THE MATTER OF the Electrical Power |
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| 2 | Control Act, 1994, SNL 1994, Chapter E-5.1 |
| 3 | (the "EPCA") and the Public Utilities Act, RSNL |
| 4 | 1990, Chapter P-47 (the "Act"), as amended, |
| 5 | and regulations thereunder; and |
| 6 | |
| 7 | IN THE MATTER OF an application by |
| 8 | Newfoundland and Labrador Hydro for |
| 9 10 | approval of a contribution towards the cost of improvements for Braya Renewable Fuels |
| 11 | (Newfoundland) GP Inc., pursuant to section |
| 12 | 41(5) of the Act . |
| 13 | 41(3) of the Act. |
| 14 | |
| 15 | WHEREAS Newfoundland and Labrador Hydro ("Hydro") is a corporation continued and existing |
| 16 | under the Hydro Corporation Act, 2007 , is a public utility within the meaning of the Act , and is |
| 17 | also subject to the provisions of the EPCA; and |
| 18 | |
| 19 | WHEREAS section 41(5) of the Act states a public utility that intends to demand from its |
| 20 | customers a contribution towards the cost of improvements or additions to its property shall not |
| 21 | demand the contribution without the prior approval of the Board; and |
| 22 | |
| 23 | WHEREAS Braya Renewable Fuels (Newfoundland) GP Inc. ("Braya") owns and operates a |
| 24 | renewable fuels refinery in Come by Chance, Newfoundland and Labrador and receives electrical |
| 25 | power through the Come by Chance Terminal Station; and |
| 26 27 | WHEREAS in Order No. P.U. 2(2023) the Board approved Hydro's 2023 Capital Budget Application |
| 28 | including projects within the Terminal Station Renewal Program (2023-2024) that function to |
| 29 | provide service solely to Braya, specifically the replacement of bushings in two transformers at |
| 30 | the Come by Chance Terminal Station; and |
| 31 | the come of chance reminar station, and |
| 32 | WHEREAS on November 29, 2023 Hydro filed an application with the Board requesting approval |
| 33 | of a contribution from Braya for the estimated capital expenditures of \$28,000 in 2023 and |
| 34 | \$391,600 in 2024 associated with the approved project at the Come by Chance Terminal Station, |
| 35 | (the "Application"); and |

WHEREAS the Application states Hydro's practice regarding assets that serve only one customer is that the costs of construction and of ongoing maintenance of those assets are the responsibility of that customer and those costs are not borne by other customers through rates or otherwise; and

WHEREAS the Application also states that Braya has been provided with the project cost estimates associated with the approved project and acknowledged its responsibility for those costs; and

WHEREAS the proposed contribution by Braya is necessary to ensure that the costs of the approved project at the Come by Chance Terminal Station are borne only by Braya as the sole customer served by the assets.

IT IS THEREFORE ORDERED THAT:

1. The contribution by Braya Renewable Fuels (Newfoundland) GP Inc. of an amount equal to the final capital costs associated with the replacement of bushings in two transformers at the Come by Chance Terminal Station is approved.

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

DATED at St. John's, Newfoundland and Labrador, this 12th day of December 2023.

John O'Brien, FCPA, FCA, CISA

Commissioner

Christopher Pike, LL.B., FCIP

Commissioner

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Executive Director and Board Secretary