

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

**AN ORDER OF THE BOARD**

**NO. P.U. 8(2025)**

1 **IN THE MATTER OF the Electrical Power**  
2 **Control Act, 1994**, SNL 1994, Chapter E-5.1  
3 (the “**EPCA**”) and the **Public Utilities Act**,  
4 RSNL 1990, Chapter P-47 (the “**Act**”), as  
5 amended, and regulations thereunder; and  
6

7 **IN THE MATTER OF** changes to Newfoundland  
8 and Labrador Hydro’s budget for capital  
9 expenditures approved in Order No. P.U.  
10 28(2023) relating to the purchase of a Spare  
11 Generator Step-Up Transformer, pursuant to  
12 subsection 41(3) of the **Act**.  
13  
14

15 **WHEREAS** Newfoundland and Labrador Hydro (“Hydro”) is a corporation continued and existing  
16 under the **Hydro Corporation Act, 2024**, 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** pursuant to section 41 of the **Act** and **Public Utilities Regulations**, NLR 40/23, a public  
20 utility shall not proceed with the construction, purchase or lease of improvements or additions  
21 to its property where the cost of construction or purchase is in excess of \$750,000 without prior  
22 approval of the Board; and  
23

24 **WHEREAS** in Order No. P.U. 28(2023) the Board approved capital expenditures for the purchase  
25 of a Spare Generator Step-Up (“GSU”) transformer in the amount of \$39,600 in 2023, \$1,298,900  
26 in 2024, \$3,966,700 in 2025 and \$2,161,700 in 2026 for a total of \$7,466,900; and  
27

28 **WHEREAS** on January 10, 2025 Hydro requested approval of a revised total budget of  
29 \$12,324,025 (the “Application”); and  
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31 **WHEREAS** Hydro advised that the increase in the project cost reflects increased commodity  
32 pricing, current original equipment manufacturer shop loading, and the specific arrangement  
33 required for the spare GSU transformer to be utilized in locations outside of the Holyrood  
34 Thermal Generating Station; and

1 **WHEREAS** Hydro also advised that the timeline for the project has been extended by two years  
2 to December 2028; and

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4 **WHEREAS** Hydro stated that there are no viable alternatives for the purchase of a spare GSU  
5 transformer and the project at the revised budget remains necessary and prudent to maintain  
6 the reliability of the electrical system; and

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8 **WHEREAS** the Application was copied to: Newfoundland Power Inc. (“Newfoundland Power”);  
9 the Consumer Advocate, Dennis Browne, KC; a group of Island Industrial Customers: Corner  
10 Brook Pulp and Paper Limited, Braya Renewable Fuels (Newfoundland) GP Inc., and Vale  
11 Newfoundland and Labrador Limited; the communities of Sheshatshiu, Happy Valley-Goose Bay,  
12 Wabush, and Labrador City; Linde Canada Inc.; and Teck Resources Limited; and

13

14 **WHEREAS** Newfoundland Power advised on January 20, 2025 that they had no comments on the  
15 Application and no other comments were received; and

16

17 **WHEREAS** on January 21, 2025 Hydro noted that there were no comments received from the  
18 parties and asked that the Board approve the Application as filed; and

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20 **WHEREAS** the Board is satisfied that the purchase of a spare GSU transformer continues to be  
21 necessary to ensure that Hydro can continue to maintain the reliability of the electrical system.

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24 **IT IS THEREFORE ORDERED THAT:**

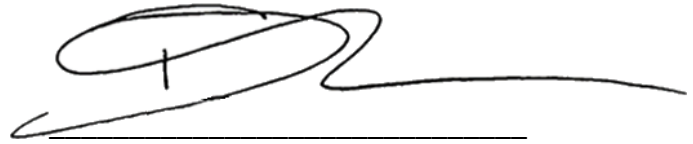
25

26 1. Capital expenditures of \$12,324,025 for the purchase of a Spare Generator Step-Up  
27 Transformer are approved.

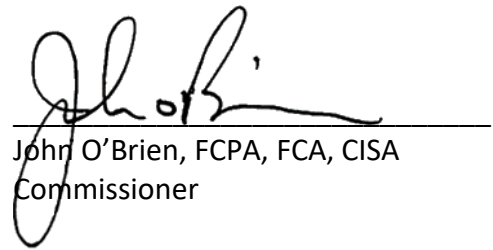
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29 2. Hydro shall pay all expenses of the Board arising from this Application.

**DATED** at St. John's, Newfoundland and Labrador, this 4<sup>th</sup> day of February 2025.



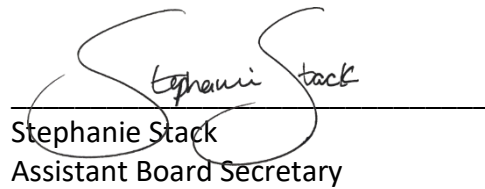
Dwanda Newman, LL.B.  
Vice-Chair



John O'Brien, FCPA, FCA, CISA  
Commissioner



Christopher Pike, LL.B., FCIP  
Commissioner



Stephanie Stack  
Assistant Board Secretary