



Newfoundland and Labrador Hydro
Hydro Place, 500 Columbus Drive
P.O. Box 12400, St. John's, NL
Canada A1B 4K7
t. 709.737.1400 | f. 709.737.1800
nlhydro.com

February 28, 2024

Board of Commissioners of Public Utilities
Prince Charles Building
120 Torbay Road, P.O. Box 21040
St. John's, NL A1A 5B2

Attention: Jo-Anne Galarneau
Executive Director and Board Secretary

Re: Application for Approval of a Contribution by Braya Renewable Fuels (Newfoundland) GP Inc. ("Braya") for Braya-Specific Capital Work

Please find attached Newfoundland and Labrador Hydro's ("Hydro") application for approval of a contribution by Braya of the cost of improvements to property in Come By Chance, Newfoundland and Labrador ("Application").

Braya owns and operates a renewable fuels refinery in Come By Chance. In its "2024 Capital Budget Application," ("CBA") Hydro applied for the replacement of protective relays on two transformers at the Come By Chance Terminal Station,¹ assets that serve only the Braya refinery. The proposed work was approved by the Board of Commissioners of Public Utilities ("Board") in Order No. P.U. 35(2023),² as further described in the Application.

It is consistent with regulatory practice that the customer will provide a contribution sufficient to cover the entirety of capital costs for assets that serve only that customer. As the relevant assets solely serve Braya, Hydro has provided the customer with the necessary information and they have acknowledged their responsibility for those costs.

Hydro's proposal in the Application is necessary to ensure that the costs of the project, with estimated total capital expenditures in 2024 of \$41,000, are borne only by Braya, as the sole customer served by the assets. Hydro notes that the contributions for which Hydro is seeking approval herein are those that are required for programs approved in the 2024 CBA. Hydro anticipates filing an application for contributions associated with projects or programs proposed in its 2025 CBA within that application.

¹ "2024 Capital Budget Application," Newfoundland and Labrador Hydro, rev. September 21, 2023 (originally filed July 12, 2023), sch. 6, prog. 10.

² *Public Utilities Act*, RSNL 1990, c P-47, Board Order No. P.U. 35(2023), Board of Commissioners of Public Utilities, December 21, 2023.

Should you have any questions, please contact the undersigned.

Yours truly,

NEWFOUNDLAND AND LABRADOR HYDRO



Shirley A. Walsh
Senior Legal Counsel, Regulatory
SAW/sk

Encl.

ecc:

Board of Commissioners of Public Utilities

Jacqui H. Glynn
Maureen Greene, KC
Board General

Island Industrial Customer Group

Paul L. Coxworthy, Stewart McKelvey
Denis J. Fleming, Cox & Palmer
Dean A. Porter, Poole Althouse

Labrador Interconnected Group

Senwung F. Luk, Olthuis Kleer Townshend LLP
Nicholas E. Kennedy, Olthuis Kleer Townshend LLP

Consumer Advocate

Dennis M. Browne, KC, Browne Fitzgerald Morgan & Avis
Stephen F. Fitzgerald, Browne Fitzgerald Morgan & Avis
Sarah G. Fitzgerald, Browne Fitzgerald Morgan & Avis
Bernice Bailey, Browne Fitzgerald Morgan & Avis

Newfoundland Power Inc.

Dominic J. Foley
Lindsay S.A. Hollett
Regulatory Email

Approval of a Contribution

By Braya Renewable Fuels (Newfoundland) GP Inc. for
Braya-Specific Capital Work

February 28, 2024

An application to the Board of Commissioners of Public Utilities



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

IN THE MATTER OF an application by Newfoundland and Labrador Hydro (“Hydro”) for approval, pursuant to Subsection 41(5) of the *Act*, of a contribution by Braya Renewable Fuels (Newfoundland) GP Inc. (“Braya”) towards the cost of improvements to certain property.

To: The Board of Commissioners of Public Utilities (“Board”)

THE APPLICATION OF HYDRO STATES THAT:

1. Hydro, a corporation continued and existing under the *Hydro Corporation Act, 2007*,¹ is a public utility within the meaning of the *Act*, and is subject to the provisions of the *EPCA*.
2. Braya owns and operates a renewable fuels refinery in Come By Chance, Newfoundland and Labrador and receives electrical power through the Come By Chance Terminal Station.
3. In its “2024 Capital Budget Application,” (“CBA”) Hydro applied for approval of the replacement of protective relays associated with two transformers at the Come By Chance Terminal Station, within the ‘Replace Protective Relays (2024–2025)’ program.² The transformers, T1 and T2, function to provide service solely to Braya; the work associated with the replacement of the protective relays for these transformers is scheduled for completion in 2024 and 2025. Hydro’s initial application, and the 2024 costs associated with the project, were approved in Board Order No. P.U. 35(2023).³ The project’s estimated 2025 costs will be included for approval in Hydro’s 2025 CBA.

¹ *Hydro Corporation Act, 2007*, SNL 2007 c H-17.

² “2024 Capital Budget Application,” Newfoundland and Labrador Hydro, rev. September 21, 2023 (originally filed July 12, 2023), sch. 6, prog. 10.

³ *Public Utilities Act*, RSNL 1990, c P-47, Board Order No. P.U. 35(2023), Board of Commissioners of Public Utilities, December 21, 2023.

4. The aforementioned work is required to replace aging, non-standard, or obsolete equipment to support the delivery of safe, reliable, least-cost electricity in an environmentally responsible manner.
5. Hydro's practice regarding assets that serve only one Hydro customer is that the costs of construction and ongoing maintenance of those assets are the responsibility of that customer. Those costs are not borne by other customers through rates or otherwise.
6. As noted herein, the assets solely serve Braya and the costs associated with these assets will be specifically assigned for recovery from Braya.
7. Hydro has provided Braya with the project cost estimates associated with these approved projects and Braya has acknowledged its responsibility for those costs.
8. The work described herein, more particularly set out in Schedule 1 attached hereto, has estimated capital expenditures of \$41,000 in 2024.
9. Hydro requests that the Board make an Order approving Hydro's request, pursuant to Section 41(5) of the *Act*, of a contribution by Braya of an amount equal to the capital cost of the work described herein.

DATED at St. John's in the province of Newfoundland and Labrador on this 28th day of February 2024.

NEWFOUNDLAND AND LABRADOR HYDRO



Shirley A. Walsh
Counsel for the Applicant
Newfoundland and Labrador Hydro,
500 Columbus Drive, P.O. Box 12400
St. John's, NL A1B 4K7
Telephone: (709) 685-4973

Schedule 1

Estimated Project Costs

Transformer T1 and T2 Protective Relay Replacement

Come by Chance



Come by Chance ("CBC") Transformer T1 and T2 Protective Relay Replacement
Estimated Project Costs
(\$000)

| Asset Description | Asset Class | Project | Replacement | | | Total |
|-------------------------------------|--------------------|---------------------------------------|--------------------|-------------|--------------|--------------|
| | | | Year | 2024 | 2025 | |
| CBC T1 Protection Relay Replacement | Protection | Replace Protective Relays (2024–2025) | 2025 | 20.5 | 193.8 | 214.3 |
| CBC T2 Protection Relay Replacement | Protection | Replace Protective Relays (2024–2025) | 2025 | 20.5 | 193.8 | 214.3 |
| | | | Total | 41.0 | 387.6 | 428.6 |

Affidavit



IN THE MATTER OF the *Electrical Power Control Act, 1994*, SNL 1994, Chapter E-5.1 (*"EPCA"*) and the *Public Utilities Act, RSNL 1990*, Chapter P-47 (*"Act"*), and regulations thereunder; and

IN THE MATTER OF an application by Newfoundland and Labrador Hydro (*"Hydro"*) for approval, pursuant to Subsection 41(5) of the *Act*, of a contribution by Braya Renewable Fuels (Newfoundland) GP Inc. (*"Braya"*) towards the cost of improvements to certain property.

AFFIDAVIT

I, Dana Pope, of St. John's in the province of Newfoundland and Labrador, make oath and say as follows:

- 1) I am Vice President, Regulatory and Stakeholder Relations for Newfoundland and Labrador Hydro, the applicant named in the attached application.
- 2) I have read and understand the foregoing application.
- 3) To the best of my knowledge, information, and belief, all of the matters, facts, and things set out in this application are true.

SWORN at St. John's in the province of Newfoundland and Labrador this 28th day of February 2024, before me:



Commissioner for Oaths, Newfoundland and Labrador



Dana Pope

KIMBERLEY DUGGAN

A Commissioner for Oaths in and for the Province of Newfoundland and Labrador, My commission expires on December 31, 2027.