

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

AN ORDER OF THE BOARD

NO. P.U. 36(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 Makkovik, Labrador pursuant to Section 41 of the *Act*.
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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
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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:
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- 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
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25 without prior approval of the Board; and
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27 **WHEREAS** in Order Nos. P.U. 2(2012) and P.U. 5(2012) the Board approved Hydro’s 2012
28 Capital Budget; and
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30 **WHEREAS** the Board approved supplementary 2012 capital expenditures in:
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- 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; and
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
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6 **WHEREAS** on November 5, 2012 Hydro applied to the Board requesting approval of a lease
7 with the Labrador School Board in Makkovik for residential accommodations for Hydro's line
8 workers, when they are temporarily stationed in the area to support its Labrador East operations;
9 and
10

11 **WHEREAS** the proposed lease is for a one-year period commencing August 16, 2012 and
12 ending July 31, 2013 at a cost of \$750 per month or \$9,000 per year, plus HST; and
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14 **WHEREAS** the Board is satisfied that it is reasonable and prudent to approve, on an *ex parte*
15 basis, the proposed one-year lease of residential accommodations in Makkovik in an amount not
16 to exceed \$9,000 per year, plus HST.
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18 **IT IS THEREFORE ORDERED THAT:**
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- 20 1. The proposed one-year lease of residential accommodations in Makkovik in an amount
21 not to exceed \$9,000 per year, plus HST, is approved.
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23 2. Hydro shall pay all expenses of the Board arising from this Application.

DATED at St. John's, Newfoundland and Labrador, this 15th day of November, 2012.

Darlene Whalen, P.Eng.
Vice-Chair

Dwanda Newman, LL.B.
Commissioner

Cheryl Blundon
Board Secretary