

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

AN ORDER OF THE BOARD

NO. P.U. 35(2013)

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 and Labrador Hydro for the
9 deferred recovery of 2013 costs associated
10 with its energy conservation plan.
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12
13 **WHEREAS** Newfoundland and Labrador Hydro ("Hydro") is a corporation continued and
14 existing under the *Hydro Corporation Act, 2007*, is a public utility within the meaning of the *Act*,
15 and is also subject to the provisions of the *EPCA*; and
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17 **WHEREAS** in Order Nos. P.U. 13(2010), P.U. 4(2011) and P.U. 3(2012) the Board approved
18 Hydro's applications for the deferred recovery of the costs incurred by Hydro in association with
19 its energy conservation plan in 2010, 2011 and 2012 respectively; and
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21 **WHEREAS** in Order No. P.U. 21(2013) the Board did not approve an application from Hydro
22 for deferred recovery of the 2013 costs related to its energy conservation plan finding that it was
23 not appropriate to approve deferral of the 2013 costs in advance of the filing of Hydro's General
24 Rate Application; and
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26 **WHEREAS** on July 30, 2013 Hydro filed a General Rate Application which will not be finalized
27 prior to the end of 2013; and
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29 **WHEREAS** on November 1, 2013 Hydro filed an application with the Board requesting approval
30 of the deferred recovery of the 2013 costs to be incurred by Hydro in association with its energy
31 conservation plan which are estimated to be \$1.95 million (the "Application"); and
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33 **WHEREAS** the Application was circulated to Newfoundland Power Inc. ("Newfoundland
34 Power"), the Consumer Advocate, a group of three Island Industrial customers: Corner Brook
35 Pulp and Paper Limited, North Atlantic Refining Limited and Teck Resources Limited
36 ("Industrial Customer Group"), and Vale Newfoundland and Labrador Limited ("Vale"); and

1 **WHEREAS** Newfoundland Power, the Consumer Advocate and Vale issued Requests for
2 Information which were answered by Hydro by November 18, 2013; and

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4 **WHEREAS** on November 21, 2013 Newfoundland Power and the Consumer Advocate advised
5 they had no comments on the Application, and the Industrial Customer Group and Vale advised
6 they did not oppose the Application based on their understanding of the Application; and

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8 **WHEREAS** Vale further commented on procedural issues associated with the Application,
9 noting that certain additional information should be submitted with the Application and further
10 suggesting that the Board mandate that if the deferral costs exceed the amount approved, a
11 supplemental application be filed; and

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13 **WHEREAS** on November 26, 2013 Hydro filed a reply confirming Vale's understanding of the
14 Application and submitting that it would be redundant to set a threshold for the amount of the
15 deferral costs permitted to be recorded in the account; and

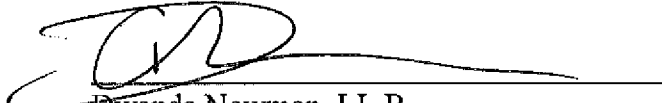
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17 **WHEREAS** electricity rates currently charged to Hydro's customers will not recover the 2013
18 costs of its energy conservation plan; and

19
20 **WHEREAS** the Board is satisfied that it is not necessary to order a threshold for the amount of
21 the 2013 costs associated with Hydro's energy conservation plan and further that the Board is
22 satisfied that Hydro's proposal for the deferred recovery of the 2013 costs associated with its
23 energy conservation plan should be approved.

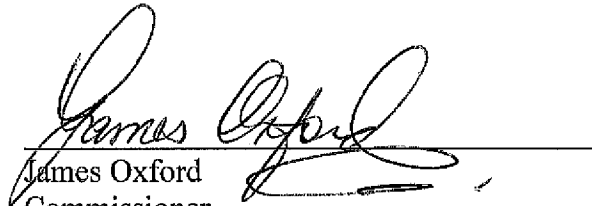
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27 **IT IS THEREFORE ORDERED THAT:**

- 28
29 1. The deferred recovery of the 2013 costs related to Hydro's energy conservation plan,
30 estimated to be \$1,950,000, is approved.
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32 2. Hydro shall pay all expenses of the Board arising from this Application.


DATED at St. John's, Newfoundland and Labrador, this 27th day of November, 2013.



Dwanda Newman, LL.B.
Commissioner



James Oxford
Commissioner



Cheryl Blundon
Board Secretary