

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

AN ORDER OF THE BOARD

NO. P.U. 14(2014)

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 Power Inc. for approval of a
9 capital expenditure to proceed with the construction
10 and purchase of improvements and additions
11 to its property pursuant to section 41(3) of the *Act*.
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14 **WHEREAS** Newfoundland Power Inc. ("Newfoundland Power") is a corporation duly
15 organized and existing under the laws of the Province of Newfoundland and Labrador, is a public
16 utility within the meaning of the *Act*, and is also subject to the provisions of the *EPCA*; and
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18 **WHEREAS** subsection 41(3) of the *Act* states that a public utility shall not proceed with the
19 construction, purchase or lease of improvements or additions to its property where:
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- 21 a) the construction or purchase is in excess of \$50,000; or
 - 22 b) the cost of the lease is in excess of \$5,000 in a year of the lease
- 23

24 without prior approval of the Board; and
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26 **WHEREAS** in Order No. P.U. 27(2013) the Board approved Newfoundland Power's 2014
27 Capital Budget in the amount of \$84,462,000; and
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29 **WHEREAS** in Order No. P.U. 43(2013) the Board approved a supplemental capital expenditure
30 in the amount of \$14,520,000 to replace the submarine cable system that supplies electricity to
31 Bell Island; and
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33 **WHEREAS** on April 4, 2014 Newfoundland Power filed an application (the "Application") with
34 the Board requesting approval of a capital expenditure in the amount of \$2,892,000 for the
35 construction and purchase of improvements and additions to its property to improve electrical
36 system operations including:
37

- 38 (i) 14 downline automated distribution feeder sectionalizing reclosers;

- 1 (ii) upgrading of 4.3 km of distribution feeder conductor;
- 2 (iii) 7 automated substation feeder reclosers;
- 3 (iv) 2 automated transmission line breakers; and
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5 **WHEREAS** in January 2014 rotating power outages and equipment failures on the Island
6 Interconnected system resulted in an interruption of electrical service to a large number of
7 customers; and

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9 **WHEREAS** Newfoundland Power has identified improvements and additions to its property
10 necessary to improve electricity system operations during conditions like those experienced in
11 January 2014; and

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13 **WHEREAS** the estimated capital expenditure to construct the improvements and additions to
14 Newfoundland Power's property is \$2,892,000; and

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16 **WHEREAS** the Application was copied to the Consumer Advocate and Newfoundland and
17 Labrador Hydro and they advised the Board that they would not be filing requests for
18 information or submissions on the Application; and

19
20 **WHEREAS** the Board circulated the Application to Corner Brook Pulp and Paper Limited,
21 North Atlantic Refining Limited and Teck Resources Limited, and Mr. Danny Dumaresque, and
22 they advised the Board that they would not be filing requests for information or submissions on
23 the Application; and

24
25 **WHEREAS** the Board is satisfied that the proposed 2014 supplemental capital expenditure to
26 improve electrical system operations is necessary for Newfoundland Power to provide service
27 and facilities which are reasonably safe and adequate and just and reasonable.

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30 **IT IS THEREFORE ORDERED THAT:**

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- 32 1. The capital expenditure of \$2,892,000 for the proposed distribution feeder improvements
33 and substation refurbishment is approved.
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- 35 2. Newfoundland Power shall pay all expenses of the Board arising from this Application.

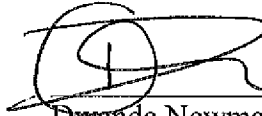
DATED at St. John's, Newfoundland and Labrador this 28th day of April, 2014.



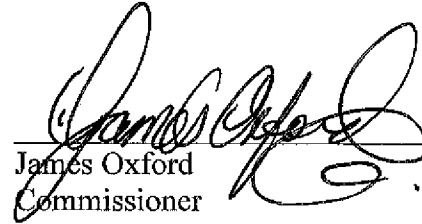
Andy Wells
Chair & Chief Executive Officer



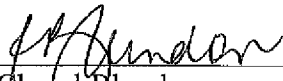
Darlene Whalen, P.Eng.
Vice-Chair



Dwanda Newman, LL.B.
Commissioner



James Oxford
Commissioner



Cheryl Blundon
Board Secretary