

IN THE MATTER OF the *Public Utilities Act*, (the “Act”), and

IN THE MATTER OF an Application by Newfoundland and Labrador Hydro (“Hydro”) for an Order approving: (1) its 2005 capital budget pursuant to s.41 (1) of the Act; (2) its 2005 capital purchases, and construction projects in excess of \$50,000 pursuant to s.41 (3) (a) of the Act; (3) its leases in excess of \$5,000 pursuant to s. 41 (3) (b) of the Act; and (4) its estimated contributions in aid of construction for 2005 pursuant to s.41(5) of the Act and for an Order pursuant to s. 78 of the Act fixing and determining its average rate base for 2003 (the “Application”).

TO: The Board of Commissioners of Public Utilities (“the Board”)

**INTERVENOR’S SUBMISSION OF
NEWFOUNDLAND POWER INC.**

1. Newfoundland Power Inc. (“Newfoundland Power”) wishes to intervene in the Application.

Interest of Newfoundland Power

2. Newfoundland Power purchases approximately 70% of Newfoundland and Labrador Hydro’s (“Hydro”) annual production of electrical energy on the island of Newfoundland and therefore has an interest in Hydro’s proposed capital expenditures and leasing obligations for 2005.

Disposition Advocated by Newfoundland Power

3. The disposition of the proceedings advocated by Newfoundland Power is that the Board is required pursuant to the Act to approve, and should approve, those proposed improvements or additions to Hydro’s property for 2005 as are reasonably necessary for Hydro to meet its obligations to provide electrical service as required by the Act.

Facts and Reasons Supporting Intervention

4. Except as noted in paragraphs 5 and 6, the reason for Newfoundland Power's intervention is to receive materials filed in the proceeding so as to be in a position to consider whether those materials disclose any reason for more active participation by Newfoundland Power in the public hearing of the Application.
5. In its 2004 capital budget application, Hydro proposed 2004 capital expenditures in the amount of \$3,048,000 for the replacement of its VHF mobile radio system. Hydro's proposed total cost of replacing the mobile radio system was \$8,850,000. In Order No. P.U. 29 (2003) (the "Order"), the Board outlined a process whereby Newfoundland Power and Hydro would cooperate in the consideration of a number of alternatives to meet the future mobile communication requirements of both utilities.
6. Subsequent to the Order, Newfoundland Power and Hydro participated in a cooperative process as outlined in the Order. As part of the process, Newfoundland Power engaged a telecommunications consultant, who has prepared a report which examines the mobile communication requirements of Newfoundland Power and compares the cost of several alternatives as contemplated in the Order. Newfoundland Power will be filing its consultant's report with the Board in this proceeding.

Participation of Newfoundland Power

7. With the exception of the report referred to in paragraph 6, Newfoundland Power does not intend to present any evidence at the public hearing of the Application. However, Newfoundland Power may wish to file requests for information as provided by the *Board of Commissioners of Public Utilities Regulations, 1996*, and to avail of the right to cross-examine witnesses or to submit argument at the public hearing of the Application, all as the circumstances may require.

DATED at St. John's, Newfoundland this 13th day of September, 2004.

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