

1 B-43, Upgrade Corner Brook Frequency

2 Q. Why does NLH have an obligation to Deer Lake Power to maintain the
3 frequency converter?
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6 A. The frequency converter in Corner Brook is an electrical asset owned by
7 Hydro that is used to serve Corner Brook Pulp and Paper Limited. As it is
8 used to provide electrical service, Hydro has a duty arising under the *Public*
9 *Utilities Act* (the “Act”) to continue to provide that service. Specifically,
10 pursuant to section 38 of the Act, this duty to provide service continues until
11 Hydro obtains the Board’s approval to abandon or discontinue the service.
12 Because this asset serves this customer only, Hydro collects the costs of
13 owning, operating and maintaining this asset and of providing this service
14 under a specifically assigned charge that has been approved by the Board.