

1 **P.U. 13(2005)**  
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6 **IN THE MATTER OF** the  
7 *Public Utilities Act*,  
8 R.S.N. 1990, c. P-47, as amended  
9 (“the *Act*”)

10  
11 **AND**  
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13 **IN THE MATTER OF** the application by  
14 Newfoundland Power Inc. (“NP”)  
15 for approval of the balance of the weather  
16 normalization reserve as of December 31, 2004  
17 pursuant to Sections 69(3) and 78 of the *Act*.  
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24 **WHEREAS** NP is a corporation duly organized and existing under the laws of the Province of  
25 Newfoundland and Labrador, is a public utility within the meaning of the Act, and is also subject to  
26 the provisions of the *Electrical Power Control Act, 1994*; and  
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28 **WHEREAS** by Order No. 1 (1974) the Board ordered NP to provide a reserve out of its revenue to  
29 normalize for the average degree days and to combine the balance in this reserve with the balance in  
30 the Hydro Production Equalization Reserve established pursuant to Order No. 32 (1968); and

**WHEREAS** by Order No. P.U. 19 (2003) the Board ordered NP to amortize the recovery of \$5,600,000 of the balance in the Hydro Production Equalization Reserve over a five year period beginning in 2003; and

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2 **WHEREAS** the Board, by previous Orders, approved NP's weather normalization reserves up to  
3 and including December 31, 2003, at which time there was a Negative Balance in the reserve of  
4 \$10,434,575; and

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6 **WHEREAS** NP has reported to the Board that its combined weather normalization reserve as at  
7 December 31, 2004 is a Negative Balance of \$10,477,386; and

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9 **WHEREAS** the Board is satisfied from the Application and Affidavit that the reserve at December  
10 31, 2004 properly reflects the effect that degree days and hydro equalization have had on the  
11 operation of NP from January 1, 2004 to December 31, 2004, and the Board's approval of the  
12 amortization of the recovery of \$5,600,000 of the balance in the Hydro Production Equalization  
13 Reserve over five years beginning in 2003.

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15 **IT IS THEREFORE ORDERED THAT:**

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- 17 1. NP's weather normalization reserve of a Negative Balance of \$10,477,386 as at December  
18 31, 2004 is hereby approved.

**DATED** at St. John's, Newfoundland and Labrador, this 28<sup>th</sup> day of April 2005.

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Robert Noseworthy,  
Chair and Chief Executive Officer.

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Darlene Whalen, P.Eng.,  
Vice-Chair.

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G. Cheryl Blundon,  
Board Secretary.