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P. U. 15(2006)

IN THE MATTER OF the *Public Utilities Act*, R.S.N.L. 1990, c. P-47, as amended, (the "*Act*")

AND

IN THE MATTER OF an application by Newfoundland and Labrador Hydro ("the Applicant") for approval to issue debentures in aggregate not to exceed \$275,000,000 during the year ending December 31, 2006, pursuant to Section 91 of the *Act* (the "Application")

WHEREAS the Board of Commissioners of Public Utilities ("the Board") having received the within Application on March 20, 2006; and

WHEREAS pursuant to Section 91(3) of the *Act* the Board has decided to exercise its discretion to dispose of this matter without a hearing; and

WHEREAS the Board is satisfied that the Application is made in accordance with law and for a purpose that is approved by the Board.

1 **IT IS THEREFORE ORDERED THAT:**

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3 (1) Approval be and it is hereby given to the Applicant to issue Debenture(s) with an
4 aggregate value not to exceed \$275,000,000 Canadian in the principal amount subject to
5 the following conditions:

6 (a) The Debenture issue(s) shall be issued on or before December 31, 2006.

7 (b) The Applicant shall provide to the Board an Affidavit specifying the terms and
8 conditions of the Debenture issue(s) within twenty-four (24) hours (non-business days
9 excepted) after such terms and conditions have been successfully negotiated. In
10 particular, the Affidavit shall set forth the following:

- 11 (i) date of the issue,
12 (ii) term,
13 (iii) maturity date,
14 (iv) principal amount,
15 (v) interest rate,
16 (vi) particulars of sinking fund, if any,
17 (vii) price to the public and to the underwriters,
18 (viii) yield to the public,
19 (ix) the underwriting fee,
20 (x) actual cost (i.e. yield) to Applicant, and
21 (xi) any other material terms or conditions not contemplated at the date of the
22 application but forming part of the negotiated terms and conditions.

23
24 (c) The Applicant shall provide to the Board a copy of the Underwriting Agreement relating
25 to the Debenture issue(s) within twenty-four (24) hours after its terms and conditions
26 have been accepted by both the Applicant and the Underwriters. The Underwriting
27 Agreement shall not significantly vary and shall be modeled upon the draft Underwriting
28 Agreement filed with the Board in support of the application.

29 (d) The Applicant shall provide to the Board a copy of the Order in Council, which provided
30 approval to the Applicant to issue such Debenture issue(s).

1 (e) The proceeds from the Debenture issue(s) shall be used in the manner set out in
2 paragraph 4 of the application and the Applicant shall report by Affidavit to the Board on
3 the disposition of the proceeds no later than January 15, 2007.

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5 (2) The Applicant shall pay all expenses of the Board arising from this Application.
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8 **DATED** at St. John's, Newfoundland and Labrador, this 12th day of May, 2006.
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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

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