

P. U. 34(2006)

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IN THE MATTER OF the
Public Utilities Act, RSNL 1990,
c. P-47, as amended (“the *Act*”)

AND

IN THE MATTER OF an application by
Newfoundland Power Inc. (the “Applicant”)
for approval to proceed with the construction
and purchase of certain improvements to its
property pursuant to Section 41(3) of the *Act*,
amending its 2007 capital budget approved by
Order No. P. U. 30(2006) (the “Application”).

WHEREAS the Applicant is a corporation duly organized and existing under the laws of the
Province of Newfoundland and Labrador, is a public utility within the meaning of the *Act*, and is
also subject to the provisions of the *Electrical Power Control Act, 1994*; and

WHEREAS Section 41 (3) of the *Act* requires that a public utility shall not proceed with the
construction, purchase or lease of improvements or additions to its property where the cost of the
construction or purchase is in excess of \$50,000 or the cost of the lease is in excess of \$5,000 in
a year of the lease without the prior approval of the Board; and

1 **WHEREAS** the Applicant's Corner Brook operations are housed in two separate locations
2 within the City of Corner Brook, administrative, customer service and technical staff operate out
3 of an office building at 83 West Street (the "West Street Building"), and line personnel operate
4 out of a service depot on the Maple Valley Road (the "Maple Valley Road Facility"); and

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6 **WHEREAS** due to business and organizational changes, the Applicant's requirements for office
7 and building space have declined, and the space provided by the existing buildings in Corner
8 Brook exceeds the Applicant's requirements; and

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10 **WHEREAS** the Applicant proposes to sell the West Street Building and consolidate the
11 Applicant's Corner Brook area operations in a single location at the Maple Valley Road Facility;
12 and

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14 **WHEREAS** the sale of the West Street Building and consolidation of the Applicant's Corner
15 Brook area operations in a single location is proposed as a cost-effective means of eliminating
16 office and building space that is excess to the Applicant's requirements; and

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18 **WHEREAS** the estimated capital expenditure required to modify the Maple Valley Road
19 Facility to accommodate the Applicant's operations currently housed in the West Street Building
20 and to ensure the ongoing safety and functionality of the Maple Valley Road Facility is
21 \$685,000; and

1 **WHEREAS** in Order No. P.U. 30 (2006), the Board approved total 2007 capital expenditures of
2 \$62,166,100 with \$1,310,000 in the General Property budget category, and the estimated 2007
3 expenditure of \$685,000 associated with the improvements to the Maple Valley Road Facility
4 will require a corresponding increase to the General Property category of the Applicant's
5 approved 2007 capital budget and in the overall approved 2007 capital budget; and

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7 **WHEREAS** the proposed expenditures are necessary for the Applicant to ensure that the
8 facilities are reasonably safe and adequate and just and reasonable as required pursuant to s. 37
9 of the *Act*.

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11 **IT IS THEREFORE ORDERED THAT:**

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- 13 1. Pursuant to Section 41(3) of the *Act*, the Board approves
- 14 (a) the supplemental 2007 capital expenditures of \$685,000 to renovate the Maple
15 Valley Road Building as set forth in Schedule "B" to the Application; and
16 (b) the revised 2007 capital budget as set forth in Schedule "C" to the Application.

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- 18 2. The Applicant shall pay the expenses of the Board arising from this Application.

DATED at St. John's, Newfoundland and Labrador, this 20th day of October 2006.

Robert Noseworthy
Chair and Chief Executive Officer

Darlene Whalen, P. Eng.
Vice-Chair

G. Cheryl Blundon
Board Secretary