

1 **P.U. 9(2006)**
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5 **IN THE MATTER OF** the
6 **PUBLIC UTILITIES ACT**,
7 R.S.N.L. 1990, c. P-47, as amended
8 (the “*Act*”)

9 AND

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11 **IN THE MATTER OF** an
12 Application by Newfoundland and
13 Labrador Hydro (“Hydro”) pursuant
14 to Section 38 of the *Act* for consent
15 to decommission its diesel generating
16 station and to abandon its service of
17 the electrical distribution system
18 situate at Davis Inlet (the
19 “Application”).
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26 **WHEREAS** Hydro is a statutory body corporate existing pursuant to the *Hydro Corporation Act*, c.
27 H-16 of the Revised Statutes of Newfoundland and Labrador, as amended, and is a public utility
28 within the meaning of the *Act*; and
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30 **WHEREAS** Hydro owns and operates a diesel generating station and electrical distribution system
31 to supply electrical power and energy to its residential and general service customers in the
32 Community of Davis Inlet (the “Community”); and
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34 **WHEREAS** on November 25, 2005 Hydro filed an Application with the Board of Commissioners of

1 Public Utilities (the “Board”), pursuant to section 38 of the *Act*, seeking consent for the
2 abandonment and decommissioning of the diesel generating station and distribution system serving
3 the Community; and

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5 **WHEREAS** the Application states, among other things, that commencing in December of 2002,
6 Hydro’s customers that resided in Davis Inlet relocated to the nearby, newly constructed community
7 of Natuashish, with the result that Davis Inlet has become all but completely abandoned by its
8 former residents; and

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10 **WHEREAS** the Application also states that, at present, there is only one resident of Davis Inlet and
11 that person has informed Hydro that he intends to relocate to Natuashish with the next six months;
12 and

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14 **WHEREAS** the Application also states that all other former customers in Davis Inlet have had their
15 service disconnected since they relocated to Natuashish, the last such disconnection occurring in
16 2004, with a total of 169 disconnections being performed, and that none of the customers who were
17 disconnected have sought to be reconnected; and

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19 **WHEREAS** the Application also states that Hydro has informed the remaining resident of Davis
20 Inlet on several occasions that it would be seeking to abandon its operations and provision of
21 electrical service at Davis Inlet as soon as Hydro receives the approval from the Board; and

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23 **WHEREAS** the Application also states that on November 22, 2005 this resident was informed that

1 Hydro would be immediately making an application to this Board to abandon its operations and the
2 provision of service in Davis Inlet, and that Hydro will provide this resident with a gasoline operated
3 electric generator before terminating this resident’s electrical service at Davis Inlet; and

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5 **WHEREAS** Hydro advises that, pending receipt of an Order approving the requested abandonment,
6 Hydro intends to decommission its Davis Inlet facilities during the summer of 2006; and

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8 **WHEREAS** Section 38 of the *Act* requires written consent of the Board before a public utility can
9 abandon part of a line or works after they have been operated, or to discontinue a service, which
10 consent shall only be given after notice is provided to an incorporated municipal body interested and
11 only after there has been an inquiry; and

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13 **WHEREAS** there is no incorporated municipal body affected by this Application since the nearby
14 community of Natuashish is a “reserve” under the *Indian Act*, R.S.C. 1985, c. 1-6, and is represented
15 by the Band Council of the Mushuau Innu First Nation; and

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17 **WHEREAS** on February 8, 2006 the Board provided a copy of the Notice of Application to the
18 Mushuau Innu First Nation Band Council requesting that the Band Council provide its comments or
19 concerns in writing to the Board on or before Friday, March 3, 2006; and

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1 **WHEREAS** the Board also published the Notice of Application in The Labradorian beginning the
2 week of February 13, 2006, inviting written submissions from interested persons on or before
3 Friday, March 3, 2006; and

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5 **WHEREAS** a copy of the Notice of Application was also personally delivered to the remaining
6 resident in Davis Inlet by Hydro; and

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8 **WHEREAS** on March 10, 2006 Hydro provided to the Board a resolution of the Mushuau Innu First
9 Nation Band Council, dated on February 10, 2006, consenting to the abandonment and
10 discontinuation of electrical service in the former community of Davis Inlet; and

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12 **WHEREAS** the Board has received no other comments or concerns with respect to the
13 Application's proposals as a result of its inquiry, and

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15 **WHEREAS** the Board is satisfied on the basis of the information before it that the Application to
16 abandon and decommission the electrical system at Davis Inlet should be approved.

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1 **IT IS THEREFORE ORDERED THAT:**

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3 1) Pursuant to Section 38 of the *Act*, the Board consents to and approves the abandonment and
4 decommissioning by Hydro of its diesel generating station and electrical distribution system
5 in the Community of Davis Inlet.

6 2) Hydro shall pay all costs and expenses of the Board incurred in connection with this
7 Application.

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10 DATED at St. John's, Newfoundland and Labrador, this 13th day of March 2006.

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Robert Noseworthy,
Chair and Chief Executive Officer

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

G. Cheryl Blundon,
Board Secretary.