

NEWFOUNDLAND AND LABRADOR
BOARD OF COMMISSIONERS OF PUBLIC UTILITIES

AN ORDER OF THE BOARD

NO. P. U. 11(2010)

1 **IN THE MATTER OF** the *Electrical Power*
2 *Control Act*, RSNL 1994, Chapter E-5.1 (the
3 “*EPCA*”) and the *Public Utilities Act*, RSNL 1990,
4 Chapter P-47 (the “*Act*”), as amended;

5
6 **AND**

7
8 **IN THE MATTER OF** an Application by
9 Newfoundland Power Inc. (“Newfoundland
10 Power”) for approval of the balance in the
11 Weather Normalization Reserve as of
12 December 31, 2009 pursuant to Subsections
13 69(3) and 78 of the *Act* (the “Application”).
14
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16

17 **WHEREAS** Newfoundland Power is a corporation organized and existing under the laws of the
18 Province of Newfoundland and Labrador, is a public utility within the meaning of the *Act*, and is also
19 subject to the provisions of the *EPCA*; and
20

21 **WHEREAS** by Order No. P. U. 1(1974) the Board ordered Newfoundland Power to provide a
22 reserve out of its revenue to normalize for the average degree days (the Degree Day Normalization
23 Reserve) and to combine the balance in this reserve with the balance in the Hydro Production
24 Equalization Reserve established pursuant to Order No. P. U. 32(1968) to create a combined reserve
25 referred to as the Weather Normalization Reserve; and
26

27 **WHEREAS** by Order No. P. U. 32(2007) the Board ordered Newfoundland Power to amortize the
28 recovery of \$6,800,000 of the balance in the Degree Day Normalization Reserve over a five-year
29 period beginning in 2008; and
30

31 **WHEREAS** by Order No. P. U. 12(2009) the Board approved Newfoundland Power’s Weather
32 Normalization Reserve as of December 31, 2008, at which time there was a negative balance in the
33 reserve of \$5,910,271; and
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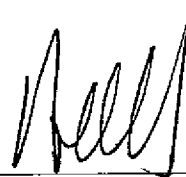
35 **WHEREAS** Newfoundland Power has reported to the Board that its Weather Normalization Reserve
36 as of December 31, 2009 is a negative balance of \$3,918,970; and

1 **WHEREAS** the Board is satisfied from the Application and Affidavit that the reserve at December
2 31, 2009, properly reflects the effect that degree days normalization and hydro production
3 equalization have had on the operation of Newfoundland Power from January 1, 2009 to December
4 31, 2009, and the Board's approval of the amortization of the recovery of \$6,800,000 of the balance
5 in the Degree Day Normalization Reserve over five years beginning in 2008.


6
7 **IT IS THEREFORE ORDERED THAT:**

- 8
- 9 1. The Board approves Newfoundland Power's Weather Normalization Reserve of a negative
- 10 balance of \$3,918,970 as of December 31, 2009, pursuant to ss. 69(3) and 78 of the *Act*.
- 11
- 12 2. Newfoundland Power shall pay all costs and expenses of the Board in connection with this
- 13 Application.

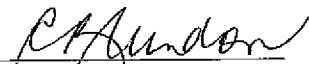
DATED at St. John's, Newfoundland and Labrador this 12th day of April 2010.



Andy Wells
Chair & Chief Executive Officer



Darlene Whalen, P.Eng.
Vice-Chair



Cheryl Blundon
Board Secretary