

**NEWFOUNDLAND AND LABRADOR
BOARD OF COMMISSIONERS OF PUBLIC UTILITIES**

**AN ORDER OF THE BOARD
NO. P.U. 36(2010)**

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

AND

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8
9 **IN THE MATTER OF** an application by Newfoundland
10 Power Inc. ("Newfoundland Power") for approval of a
11 proposed schedule of rates, tolls and charges to be
12 effective January 1, 2011 (the "Application").
13
14

15 **WHEREAS** Newfoundland Power Inc. ("Newfoundland Power") is a corporation duly
16 organized and existing under the laws of the Province of Newfoundland and Labrador, is a public
17 utility within the meaning of the *Act*, and is subject to the provisions of the *EPCA*; and
18

19 **WHEREAS** the *Act* provides that the Board has the general supervision of public utilities and
20 requires that a public utility submit for the approval of the Board the rates, tolls and charges for
21 the service provided by the public utility and the rules and regulations which relate to that
22 service; and
23

24 **WHEREAS** on June 30, 2010 Newfoundland Power filed an application providing a
25 comprehensive proposal for the 2011 adoption of accrual accounting for other post employment
26 benefits costs (the "*OPEBs Application*"); and
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28 **WHEREAS** on December 10, 2010 the Board issued Order No. P.U. 31(2010) setting out its
29 determinations in respect of the *OPEBs Application* (the "*OPEBs Order*"); and
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31 **WHEREAS** on November 24, 2010 Newfoundland Power filed an application for an Order
32 approving the operation of the Automatic Adjustment Formula on the rate of return on rate base
33 (the "*Formula Application*"); and
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35 **WHEREAS** on December 10, 2010 the Board issued Order No. P.U. 32(2010) setting out its
36 determinations in respect of the *Formula Application* (the "*Formula Order*"); and
37

38 **WHEREAS** the Board also ordered that Newfoundland Power file an application on or before
39 December 15, 2010 for a revised schedule of rates, tolls and charges to become effective January
40 1, 2011; and

1 **WHEREAS** on December 15, 2010, Newfoundland Power submitted the Application for the
2 approval of the Board for revised rates, tolls and charges to be effective January 1, 2011 which
3 incorporates the determinations of the Board as set out in the OPEBs Order and the Formula
4 Order; and

5
6 **WHEREAS** the Application results in an overall average increase in Newfoundland Power's
7 customer rates of 0.76% which is the combined effect of a 1.39% average increase in customer
8 rates resulting from the OPEBs Order and 0.63% average decrease in customer rates resulting
9 from the Formula Order; and

10
11 **WHEREAS** the Application was reviewed by the Board's financial consultants Grant Thornton;
12 and

13
14 **WHEREAS** the Board is satisfied that it is reasonable and appropriate to approve the revised
15 schedule of rates, tolls and charges to become effective January 1, 2011.

16
17 **IT IS THEREFORE ORDERED THAT:**

- 18
19 1. The Board approves the proposed schedule of rates, tolls and charges to apply to
20 consumption on and after January 1, 2011, attached as Schedule A.
21
22 2. Newfoundland Power shall pay the expenses of the Board arising from the Application.

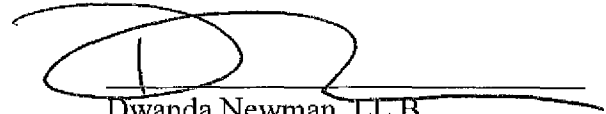
Dated at St. John's, Newfoundland and Labrador this 21st day of December, 2010.



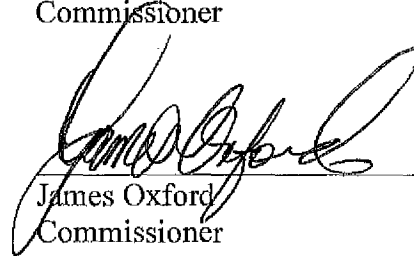
Andy Wells
Chair & Chief Executive Officer



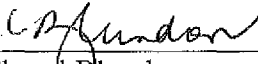
Darlene Whalen, P.Eng.
Vice-Chair



Dwanda Newman, LL.B.
Commissioner



James Oxford
Commissioner



Cheryl Blundon
Board Secretary

NEWFOUNDLAND POWER INC.
RATE #1.1
DOMESTIC SERVICE

Availability:

For Service to a Domestic Unit or to buildings or facilities which are on the same Serviced Premises as a Domestic Unit and used by the same Customer exclusively for domestic or household purposes, whether such buildings or facilities are included on the same meter as the Domestic Unit or metered separately.

Rate: (Includes Municipal Tax and Rate Stabilization Adjustments)

Basic Customer Charge: \$15.69 per month

Energy Charge:

All kilowatt-hours @ 9.584 ¢ per kWh

Minimum Monthly Charge \$15.69

Discount:

A discount of 1.5% of the amount of the current month's bill, but not less than \$1.00, will be allowed if the bill is paid within 10 days after it is issued.

General:

Details regarding conditions of service are provided in the Rules and Regulations. **This rate does not include the Harmonized Sales Tax (HST) which applies to electricity bills.**

NEWFOUNDLAND POWER INC.
RATE #2.1
GENERAL SERVICE 0-10 kW

Availability:

For Service (excluding Domestic Service) where the maximum demand occurring in the 12 months ending with the current month is less than 10 kilowatts.

Rate: (Includes Municipal Tax and Rate Stabilization Adjustments)

Basic Customer Charge: \$18.01 per month

Energy Charge:

All kilowatt-hours @ 11.358 ¢ per kWh

Minimum Monthly Charge, Single Phase \$18.01 per month

Three Phase \$36.02 per month

Discount:

A discount of 1.5% of the amount of the current month's bill, but not less than \$1.00, will be allowed if the bill is paid within 10 days after it is issued.

General:

Details regarding conditions of service are provided in the Rules and Regulations. **This rate does not include the Harmonized Sales Tax (HST) which applies to electricity bills.**

NEWFOUNDLAND POWER INC.
RATE #2.2
GENERAL SERVICE 10-100 kW (110 kVA)

Availability:

For Service (excluding Domestic Service) where the maximum demand occurring in the 12 months ending with the current month is 10 kilowatts or greater but less than 100 kilowatts (110 kilovolt-amperes).

Rate: (Includes Municipal Tax and Rate Stabilization Adjustments)

Basic Customer Charge: \$20.74 per month

Demand Charge:

\$8.69 per kW of billing demand in the months of December, January, February and March and \$7.19 per kW in all other months. The billing demand shall be the maximum demand registered on the meter in the current month.

Energy Charge:

First 150 kilowatt-hours per kW of billing demand @ 8.850 ¢ per kWh
All excess kilowatt-hours @ 6.484 ¢ per kWh

Maximum Monthly Charge:

The Maximum Monthly Charge shall be 16.94 cents per kWh plus the Basic Customer Charge, but not less than the Minimum Monthly Charge.

Minimum Monthly Charge:

Single Phase \$20.74 per month
Three Phase \$36.02 per month

Discount:

A discount of 1.5% of the amount of the current month's bill, but not less than \$1.00, will be allowed if the bill is paid within 10 days after it is issued.

General:

Details regarding metering [in particular Regulation 7 (n)], transformation [in particular Regulation 9(k)], and other conditions of service are provided in the Rules and Regulations. **This rate does not include the Harmonized Sales Tax (HST) which applies to electricity bills.**

NEWFOUNDLAND POWER INC.
RATE #2.3
GENERAL SERVICE 110 kVA (100 kW) - 1000 kVA

Availability:

For Service where the maximum demand occurring in the 12 months ending with the current month is 110 kilovolt-amperes (100 kilowatts) or greater but less than 1000 kilovolt-amperes.

Rate: (Includes Municipal Tax and Rate Stabilization Adjustments)

Basic Customer Charge: \$93.36 per month

Demand Charge:

\$7.50 per kVA of billing demand in the months of December, January, February and March and \$6.00 per kVA in all other months. The billing demand shall be the maximum demand registered on the meter in the current month.

Energy Charge:

First 150 kilowatt-hours per kVA of billing demand,
up to a maximum of 30,000 kilowatt-hours @ 8.820 ¢ per kWh
All excess kilowatt-hours @ 6.407 ¢ per kWh

Maximum Monthly Charge:

The Maximum Monthly Charge shall be 16.94 cents per kWh plus the Basic Customer Charge.

Discount:

A discount of 1.5% of the amount of the current month's bill, up to a maximum of \$500.00 will be allowed if the bill is paid within 10 days after it is issued.

General:

Details regarding metering [in particular, Regulation 7(n)], transformation [in particular Regulation 9(k)], and other conditions of service are provided in the Rules and Regulations. **This rate does not include the Harmonized Sales Tax (HST) which applies to electricity bills.**

NEWFOUNDLAND POWER INC.
RATE #2.4
GENERAL SERVICE 1000 KVA AND OVER

Availability:

For Service where the maximum demand occurring in the 12 months ending with the current month is 1000 kilovolt-amperes or greater.

Rate: (Includes Municipal Tax and Rate Stabilization Adjustments)

Basic Customer Charge: \$186.73 per month

Demand Charge:

\$7.08 per kVA of billing demand in the months of December, January, February and March and \$5.58 per kVA in all other months. The billing demand shall be the maximum demand registered on the meter in the current month.

Energy Charge:

First 100,000 kilowatt-hours @ 7.458 ¢ per kWh
All excess kilowatt-hours @ 6.343 ¢ per kWh

Maximum Monthly Charge:

The Maximum Monthly Charge shall be 16.94 cents per kWh plus the Basic Customer Charge.

Discount:

A discount of 1.5% of the amount of the current month's bill, up to a maximum of \$500.00 will be allowed if the bill is paid within 10 days after it is issued.

General:

Details regarding metering [in particular, Regulation 7(n)], transformation [in particular, Regulation 9(k)], and other conditions of service are provided in the Rules and Regulations. **This rate does not include the Harmonized Sales Tax (HST) which applies to electricity bills.**

**NEWFOUNDLAND POWER INC.
 RATE #4.1
 STREET AND AREA LIGHTING SERVICE**

Availability:

For Street and Area Lighting Service where the electricity is supplied by the Company and all fixtures, wiring and controls are provided, owned and maintained by the Company.

Monthly Rate: (Includes Municipal Tax and Rate Stabilization Adjustments)

	Sentinel/Standard	Post Top
High Pressure Sodium*		
100W (8,600 lumens)	\$15.74	\$16.90
150W (14,400 lumens)	20.18	-
250W (23,200 lumens)	27.26	-
400W (45,000 lumens)	37.84	-

* For all new installations and replacements.

Mercury Vapour

175W (7,000 lumens)	\$15.74	\$16.90
250W (9,400 lumens)	20.18	-
400W (17,200 lumens)	27.26	-

Special poles used exclusively for lighting service**

Wood	\$ 6.81
30' Concrete or Metal, direct buried	9.89
45' Concrete or Metal, direct buried	15.06
25' Concrete or Metal, Post Top, direct buried	7.62

Underground Wiring (per run)**

All sizes and types of fixtures	\$12.05
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** Where a pole or underground wiring run serves two fixtures paid for by different parties, the above rates for such poles and underground wiring may be shared equally between the two parties.

General:

Details regarding conditions of service are provided in the Rules and Regulations. **This rate does not include the Harmonized Sales Tax (HST) which applies to electricity bills.**

**NEWFOUNDLAND POWER INC.
CURTAILABLE SERVICE OPTION
(for Rates #2.3 and #2.4 only)**

Availability:

For Customers billed on Rate #2.3 or #2.4 that can reduce their demand ("Curtail") by between 300 kW (330 kVA) and 5000 kW (5500 kVA) upon request by the Company during the Winter Peak Period. The Winter Peak Period is between 8 a.m. and 9 p.m. daily during the calendar months of December, January, February and March. The ability of a Customer to Curtail must be demonstrated to the Company's satisfaction prior to the Customer's availing of this rate option.

Credit for Curtailing:

If the Customer Curtails as requested for the duration of a Winter, the Company shall credit to the Customer's account the Curtailment Credit during May billing immediately following that Winter. The Curtailment Credit shall be determined by one of the following options:

Option 1:

The Customer will contract to reduce demand by a specific amount during Curtailment periods (the "Contracted Demand Reduction"). The Curtailment Credit for Option 1 is determined as follows:

Curtailment Credit = Contracted Demand Reduction x \$29 per kVA

Option 2:

The Customer will contract to reduce demand to a Firm Demand level which the Customer's maximum demand must not exceed during a Curtailment period. The Curtailment Credit for Option 2 is determined as follows:

Maximum Demand Curtailed = (Maximum Winter Demand - Firm Demand)

Peak Period Load Factor =
$$\frac{\text{kWh usage during Peak Period}}{(\text{Maximum Demand during Peak Period} \times 1573 \text{ hours})}$$

Curtailment Credit = ((Maximum Demand Curtailed x 50%) + (Maximum Demand Curtailed x 50% x Peak Period Load Factor)) x \$29 per kVA

Limitations on Requests to Curtail:

Curtailment periods will:

1. Not exceed 6 hours duration for any one occurrence.
2. Not be requested to start within 2 hours of the expiration of a prior Curtailment period.
3. Not exceed 100 hours duration in total during a winter period.

The Company shall request the Customer to Curtail at least 1 hour prior to the commencement of the Curtailment period.

NEWFOUNDLAND POWER INC.
CURTAILABLE SERVICE OPTION
(for Rates #2.3 and #2.4 only)

Failure to Curtail:

Failure to Curtail under Option 1 occurs when a Customer does not reduce its demand by the Contracted Demand Reduction for the duration of a Curtailment period. Failure to Curtail under Option 2 occurs when a Customer does not reduce its demand to the Firm Demand level or below for the duration of a Curtailment period.

The Curtailment Credit will be reduced by 50% as a result of the first failure to Curtail during a Winter. For each additional failure to Curtail, the Curtailment Credit will be reduced by a further 25% of the Curtailment Credit. If the Customer fails to Curtail three times during a Winter, the Customer forfeits 100% of the Curtailment Credit and the Customer will no longer be entitled to service under the Curtailable Service Option.

Notwithstanding the previous paragraph, no Curtailment Credit will be provided if the number of failures to Curtail equals the number of Curtailment requests.

Termination/Modification:

The Company requires six months written notice of the Customer's intention to either discontinue Curtailable Service Option or to modify the Contracted Demand Reduction or Firm Demand level.

General:

Services billed on this Service Option will have approved load monitoring equipment installed. For a customer that Curtails by using its own generation in parallel with the Company's electrical system, all Company interconnection guidelines will apply, and the Company has the option of monitoring the output of the Customer's generation. All costs associated with equipment required to monitor the Customer's generation will be charged to the Customer's account.