

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

AN ORDER OF THE BOARD

NO. P.U. 6(2011)

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;

6
7 **AND**

8
9 **IN THE MATTER OF** an application by Newfoundland
10 and Labrador Hydro for the approval of certain rules and
11 regulations pertaining to the supply of electrical power and
12 energy to one of its industrial customers, Corner Brook Pulp
13 and Paper Limited.

14
15 **WHEREAS** Newfoundland and Labrador Hydro (“Hydro”) is a corporation continued and
16 existing under the *Hydro Corporation Act, 2007*, is a public utility within the meaning of the *Act*,
17 and is also subject to the provisions of the *EPCA*; and

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19 **WHEREAS** on April 17, 2009 the Board issued Order No. P.U. 17(2009) approving, on a pilot
20 basis for a two-year period, a demand credit rate structure to be applied to Hydro’s Service
21 Agreement (“Service Agreement”) for its Industrial Customer, Corner Brook Pulp and Paper
22 (“CBPP”); and

23
24 **WHEREAS** on March 16, 2011, Hydro filed an application with the Board requesting an
25 extension to the Service Agreement until July 15, 2011 and to the time for Hydro to make
26 application for the approval of a service agreement until June 15, 2011 (the “Application”); and

27
28 **WHEREAS** the Service Agreement was intended to provide a price signal that would facilitate
29 more efficient use of CBPP’s hydraulic generating resources in coordination with its pulp and
30 paper mill operations; and

31
32 **WHEREAS** Hydro advises that there has been a lack of opportunity to meaningfully test the
33 value of the Service Agreement, and insufficient analysis has been undertaken to fully consider
34 the value of the pilot program; and

35
36 **WHEREAS** CBPP has consented to and supports Hydro making this Application; and

1 **WHEREAS** the Board is satisfied that an extension to the Service Agreement and to the time for
2 the filing of an application should be granted.

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4 **IT IS THEREFORE ORDERED THAT:**

- 5
6 1. An extension to the Service Agreement for Corner Brook Pulp and Paper until July 15,
7 2011 is approved.
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9 2. Hydro shall file an application for the approval of the Service Agreement for Corner
10 Brook Pulp and Paper no later than June 15, 2011.
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12 3. Hydro shall pay all expenses of the Board arising from this Application.

DATED at St. John's, Newfoundland and Labrador, this 24th day of March, 2011.

Andy Wells
Chair & Chief Executive Officer

Darlene Whalen, P.Eng.
Vice-Chair

James Oxford
Commissioner

G. Cheryl Blundon
Board Secretary