

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

**AN ORDER OF THE BOARD**

**NO. P.U. 11(2016)**

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  
6

7 **IN THE MATTER OF** an application by  
8 Newfoundland Power Inc. for an Order of the Board  
9 approving the balance in the Weather Normalization  
10 Reserve as of December 31, 2015 pursuant to  
11 sections 69(3) and 78 of the *Act*.  
12  
13

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

18 **WHEREAS** by Order No. P.U. 1(1974) the Board ordered that Newfoundland Power create a  
19 Weather Normalization Reserve to normalize purchased power costs for variations in hydroelectric  
20 production caused by varying levels of precipitation, as well as any variations in kilowatt hours sold  
21 and purchased caused by varying temperatures and wind speed; and  
22

23 **WHEREAS** by Order No. P.U. 13(2013) the Board approved the amortization over three years of  
24 the outstanding 2011 year-end balance due to customers in the Weather Normalization Reserve of  
25 approximately \$5.0 million; and  
26

27 **WHEREAS** by Order No. P.U. 13(2013) the Board also approved Section 11(8) of the Rate  
28 Stabilization Clause which requires that on March 31<sup>st</sup> of each year, beginning in 2013, the Rate  
29 Stabilization account shall be increased (reduced) by the balance in the Weather Normalization  
30 Reserve accrued in the previous year; and  
31

32 **WHEREAS** Newfoundland Power has reported to the Board that its Weather Normalization  
33 Reserve as of December 31, 2015 has a negative balance of \$4,410,537; and  
34

35 **WHEREAS** the Board is satisfied that the Weather Normalization Reserve at December 31, 2015  
36 properly reflects the normalization of variations in revenue and expenses caused by meteorological  
37 conditions during 2015 and the amortization approved in Order No. P.U. 13(2013).

1 **IT IS THEREFORE ORDERED THAT:**

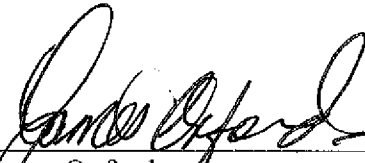
- 2
- 3 1. Newfoundland Power's Weather Normalization Reserve of a negative balance of \$4,410,537 as
- 4 of December 31, 2015 is approved.
- 5
- 6 2. Newfoundland Power shall pay all costs and expenses of the Board in connection with this
- 7 Application.

**DATED** at St. John's, Newfoundland and Labrador, this 11<sup>th</sup> day of April 2016.



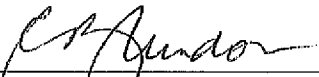
---

Darlene Whalen, P.Eng.  
Vice-Chair



---

James Oxford  
Commissioner



---

Cheryl Blundon  
Board Secretary