

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

AN ORDER OF THE BOARD

NO. P.U. 30(2022)

1 **IN THE MATTER OF the Electrical Power**
2 **Control Act, 1994**, SNL 1994, Chapter E-5.1
3 (the “**EPCA**”) and the **Public Utilities Act**,
4 RSNL 1990, Chapter P-47 (the “**Act**”), as
5 amended, and regulations thereunder; and
6

7 **IN THE MATTER OF** a request by
8 Newfoundland and Labrador Hydro for a
9 change or modification to Order No. P.U.
10 24(2022) pursuant to section 28(2) of the
11 **Board of Commissioners of Public Utilities**
12 **Regulations, 1996** (the “**Regulations**”).
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15 **WHEREAS** Newfoundland and Labrador Hydro (“Hydro”) is a corporation continued and existing
16 under the **Hydro Corporation Act, 2007**, is a public utility within the meaning of the **Act**, and is
17 also subject to the provisions of the **EPCA**; and
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19 **WHEREAS** in Order No. P.U. 24(2022) the Board approved the following supplemental capital
20 expenditures at the Holyrood Thermal Generating Station (“Holyrood TGS”):

- 21 (i) refurbishment of the Day Tank (\$89,400 in 2022, \$707,800 in 2023);
- 22 (ii) refurbishment of Tank 2 (\$162,300 in 2022, \$4,563,300 in 2023);
- 23 (iii) replacement of the Tank Farm Underground Firewater Distribution System
24 (\$83,500 in 2022, \$1,330,500 in 2023); and
- 25 (iv) upgrade of the Unit 2 Turbine Control System (\$235,900 in 2022, \$490,100 in
26 2023); and
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28 **WHEREAS** on September 26, 2022 Hydro filed a request for change or modification to the Board’s
29 order, pursuant to section 28(2) of the **Regulations**, to approve the refurbishment of Tank 1 at
30 the Holyrood TGS, instead of Tank 2, with an estimated capital expenditure of \$1,195,000 in 2022
31 and \$857,100 in 2023; and
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33 **WHEREAS** Hydro explained that additional information obtained during the asset retirement
34 process for Tank 1 determined that the actual corrosion levels were less than had been estimated
35 using the American Petroleum Institute Standard 653, and that refurbishment and re-

1 instatement of Tank 1 could be completed for approximately \$2.1 million compared to the \$4.7
2 million required to refurbish Tank 2; and

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4 **WHEREAS** Hydro also explained that reinstatement of Tank 1 also reduces schedule risk, as Hydro
5 expects that refurbishment can commence immediately and be completed by June 2023,
6 coinciding with the expiration of the certification for Tank 2; and

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8 **WHEREAS** Hydro's request was copied to: Newfoundland Power Inc. ("Newfoundland Power");
9 the Consumer Advocate, Dennis Browne, Q.C.; a group of Island Industrial customers (the "IIC
10 Group"): Corner Brook Pulp and Paper Limited, Braya Renewable Fuels (Newfoundland) GP Inc.
11 (formerly known as NARL Refining Limited Partnership), and Vale Newfoundland and Labrador
12 Limited; the communities of Sheshatshiu, Happy Valley-Goose Bay, Wabush, and Labrador City;
13 Praxair Canada Inc.; and Teck Resources Limited; and

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15 **WHEREAS** On September 27, 2022 the IIC Group submitted that it had no objection to the
16 proposed substitution and on September 28, 2022 Newfoundland Power submitted that it had
17 no comment; and

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19 **WHEREAS** no comments were received from any of the other parties; and

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21 **WHEREAS** based on the information provided the Board is satisfied that Hydro's request to
22 modify Order No. P.U. 24(2022) to approve the refurbishment of Holyrood TGS Tank 1, rather
23 than Tank 2, should be accepted.

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26 **IT IS THEREFORE ORDERED THAT:**

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28 1. Order No. P.U. 24(2022) is modified to read as follows:

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30 The proposed Holyrood Thermal Generating Station capital expenditures to:

- 31 a. refurbish the Day Tank in the amount of \$89,400 in 2022 and \$707,800 in 2023,
- 32 b. refurbish Tank 1 in the amount of \$1,195,000 in 2022 and \$857,100 in 2023,
- 33 c. replace the Tank Farm Underground Firewater Distribution System in the amount of
34 \$83,500 in 2022 and \$1,330,500 in 2023, and
- 35 d. upgrade the Unit 2 Turbine Control System in the amount of \$235,900 in 2022 and
36 \$490,100 in 2023,

37 are approved.

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39 2. Hydro shall pay all expenses of the Board arising from this request.

DATED at St. John's, Newfoundland and Labrador, this 7th day of October 2022.



Darlene Whalen, P. Eng., FEC
Chair and Chief Executive Officer



Christopher Pike, LL.B., FCIP
Commissioner



Assistant Board Secretary