

1     Q.     (Finance Evidence page 3.3, lines 13 to 22)

2           Please provide a complete list of Government directives (i.e., not only those related  
3           to Finance) that are to be taken into account by the Board in this Application. Please  
4           include the source and a reference in the Application where appropriate and file a  
5           copy of each Government directive that has not been filed with this Application.

6

7

8     A.     Please see CA-NLH-024 Attachments 1 through 18. The Application refers to some  
9           of these directives. For those directives referred to in the Application, a page  
10          reference is provided below.

11

12           •     Attachment 4 is referred to on page 3.2 of the Application  
13           •     Attachment 7 is referred to on page 3.4 of the Application  
14           •     Attachment 18 is referred to on page 2.4 of the Application

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2003/07/08

OC2003-347

MC2003-0226. ME2003-008; TBM2003-149.

Under the authority of section 5.1 of the Electric Power Control Act, 1994, the Lieutenant Governor in Council hereby directs the Board of Commissioners of Public Utilities to:

- i) continue to charge fish plants in diesel-serviced communities and with demand of 30 kilowatts or more the Island interconnected electricity rate;
- ii) continue to charge churches and community halls in diesel-serviced communities the diesel domestic electricity rate and to continue to charge to the various customer groups in diesel communities, rates calculated on the same basis as existing practice;
- iii) continue the allocation of a monthly block of energy for domestic residential customers in diesel-serviced communities, and that such service be priced at Newfoundland Power's interconnected domestic electricity rate. The monthly lifeline block should be satisfactory to provide for the necessary monthly household requirements, excluding space heating. Subsequent monthly energy blocks for these customers to be charged incrementally higher rates as historically structured and determined. Such rates would increase as per any percentage increase to Island interconnected rates for Newfoundland Power customers;
- iv) proceed, as the Public Utilities Board determines appropriate, with implementation of a demand/energy rate structure for general service (commercial) customers in diesel communities, where such customers currently pay the diesel general service electricity rate. While the rate changes can include elimination of the lifeline block for these general service customers, the new rates should target the current cost recovery level for these customers;
- v) continue to fund the financial deficit resulting from providing electrical service to Newfoundland and Labrador Hydro's rural customers through the electricity rates charged to Newfoundland and Labrador Hydro's other electricity customers, including its Labrador interconnected retail customers and Newfoundland Power, but excluding the industrial

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customers;

- vi) ensure Newfoundland and Labrador Hydro's communication to its retail customers, regarding rate changes and customer impacts, is carried out in a timely and suitable manner and,
- vii) continue to charge the preferential electricity rates historically charged to provincial government facilities, including schools, health facilities and government agencies, in rural isolated diesel serviced communities and the Burgeo school and library.

Clerk of the Executive Council

(Forwarded August 14, 2003 - To replace OC2003-347 previously forwarded)

OC2003-406

MC2003-0258, ME2003-013, JUS2003-026, EPC2003-028.

Under the authority of section 5.1 of the Electrical Power Control Act, 1994, the Lieutenant Governor in Council is pleased to direct the Board of Commissioners of Public Utilities to:

- i) adopt a policy that a utility's costs, relative to projects exempted from the Public Utilities Act and the Electrical Power Control Act, 1994 by Order in Council, shall be recovered fully in appropriate rates, unless otherwise directed on a specified project; and,
- ii) that costs related to the Lower Churchill Development Project will be excluded from such policy directive.

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(Forwarded August 22, 2003 - To replace OC2003-406 previously forwarded)

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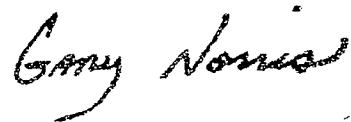
2007/07/05

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OC2007-304

MC2007-0454. NR2007-021; TBM2007-218.

Under the authority of section 5.1 of the Electric Power Control Act, 1994, the Lieutenant Governor in Council is pleased to direct the Board of Commissioners of Public Utilities, upon application from Newfoundland and Labrador Hydro, to adopt a policy resulting in the implementation of an energy rebate to offset the costs of the monthly basic customer charge and lifeline block (or equivalent) of energy consumption for Newfoundland and Labrador Hydro's Labrador rural isolated diesel and Labrador Straits/L'Anse-au-Loup area residential electricity customers. This policy will bring these customers' costs for the basic customer charge and the lifeline energy block equivalent to that paid by Newfoundland and Labrador Hydro's residential Happy Valley – Goose Bay Labrador Interconnected electricity customers. None of the rebate or other associated costs shall be recovered through rates or charges to electricity customers. The Board of Commissioners of Public Utilities will take the necessary steps to ensure implementation of this rebate to impact customer electricity bills issued on and after July 1, 2007.



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2009/03/17

OC2009-063

MC2009-0140. NR2009-002. TBM2009-062.

Under the authority of section 5.1 of the Electrical Power Control Act, 1994, the Lieutenant Governor in Council is pleased to direct the Board of Commissioners of Public Utilities to adopt policies as follows for all future General Rate Applications by Newfoundland and Labrador Hydro, commencing with the first General Rate Application by Newfoundland and Labrador Hydro after January 1, 2009:

- i) in calculating the return on rate base for Newfoundland and Labrador Hydro, to set the same target return on equity as was most recently set for Newfoundland Power through a General Rate Application or calculated through the Newfoundland Power Automatic Adjustment Mechanism;
- ii) that Newfoundland and Labrador Hydro is entitled to earn annually, a rate of return equal to the weighted average cost of capital, as ordered from time to time, on the entire rate base as fixed and determined by the Board of Commissioners of Public Utilities, including amounts used solely for the provision of service to its rural customers; and
- iii) that the capital structure approved for Newfoundland and Labrador Hydro should be permitted to have a maximum proportion of equity as was most recently approved for Newfoundland Power.

A handwritten signature in cursive ink that appears to read "Gary Novis".

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2011/04/19

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OC2011-115

MC2011-0272. NR2011-009. EPC2011-017.

Under the authority of section 39(3) of the Hydro Corporation Act, 2007, the Lieutenant Governor in Council hereby directs the Board of Directors of the Newfoundland and Labrador Hydro-Electric Corporation to ensure that the Corporation files a General Rate Application with the Board of Commissioners of Public Utilities before the end of 2011.

A handwritten signature in black ink that reads 'Robert C. Thompson'.

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2011/04/19

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OC2011-116

MC2011-0272. NR2011-009. EPC2011-017.

On the basis that the Lieutenant Governor in Council will instruct the Newfoundland and Labrador Hydro-Electric Corporation to file a General Rate Application on or before December 31, 2011 and under the authority of section 5.1 of the Electrical Power Control Act, 1994, the Lieutenant Governor in Council hereby directs the Board of Commissioners of Public Utilities to defer the consideration of all matters currently before the Board pertaining to Industrial Customer rates and rate adjustments and to consider those matters in the context of the General Rate Application process.

A handwritten signature in black ink that reads "Robert L. Thompson".

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2011/08/23

OC2011-218

MC2011-0403. NR2011-018. EPC2011-042.

Under the authority of sections 21 to 25 of the Hydro Corporation Act, 2007, the Lieutenant Governor in Council is pleased to direct that the Debt Guarantee Fee paid to Government by Newfoundland and Labrador Hydro for fiscal year 2010-11 and future years be established as follows:

- i) Commencing in 2011, NLH shall, not later than March 31 of each year, pay to Government of Newfoundland and Labrador an annual guarantee fee, said fee to be determined by applying a guarantee fee rate to the balance of obligations of NLH, net of related sinking funds, guaranteed by the Province of Newfoundland and Labrador (Province) and outstanding as at December 31 of the immediately preceding year as reported in Hydro's audited financial statements;
- ii) For debt outstanding as of December 31, 2010, the guarantee fee rate shall be 25 basis points in respect to those obligations that had a remaining term to maturity as of December 31, 2010 of less than or equal to 10 years and 50 basis points in respect to those obligations that had a remaining term to maturity as of December 31, 2010 of greater than 10 years;
- iii) For debt issued subsequent to December 31, 2010, the guarantee fee rate shall be 25 basis points in respect to those obligations with an original term to maturity of less than or equal to 10 years and 50 basis points in respect to those obligations with an original term to maturity greater than 10 years;
- iv) These rates so assigned shall remain in effect until the next period of review as considered appropriate by the Minister of Finance. Approval of the Lieutenant Governor

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2011/08/23

in Council will be required in instances where a subsequent review suggests a guarantee fee rate of greater than 100 basis points; and

v) The guarantee fee so levied shall be in relation to the guarantee as provided on all guaranteed debt outstanding for the calendar year in which the fee is levied.

A handwritten signature in black ink that reads 'Robert C. Thompson'.

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2011/12/22

OC2011-388

MC2011-0622. MC2011-0272. NR2011-009.

Under the authority of section 39(3) of the Hydro Corporation Act, 2007, the Lieutenant Governor in Council hereby directs the Board of Directors of the Newfoundland and Labrador Hydro-Electric Corporation to ensure that the Corporation files a General Rate Application with the Board of Commissioners of Public Utilities by June 30, 2012. OC2011-115 is hereby rescinded.

A handwritten signature in black ink that reads 'Robert C. Thompson'.

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2012/06/28

OC2012-162

MC2012-0279. MC2011-0622. MC2011-0272. NR2011-009.

Under the authority of section 39(3) of the Hydro Corporation Act, 2007, the Lieutenant Governor in Council hereby directs the Board of Directors of the Newfoundland and Labrador Hydro-Electric Corporation to ensure that the Corporation files a General Rate Application with the Board of Commissioners of Public Utilities by July 16, 2012.

OC2011-388 is hereby rescinded.

A handwritten signature in black ink that reads "Robert C. Thompson".

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2012/07/16

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OC2012-175

MC2012-0301 . MC2012-0279. MC2011-0622. MC2011-0272. NR2011-009.

Under the authority of section 39(3) of the Hydro Corporation Act, 2007, the Lieutenant Governor in Council hereby directs the Board of Directors of the Newfoundland and Labrador Hydro-Electric Corporation to ensure that the Corporation files a General Rate Application with the Board of Commissioners of Public Utilities by December 31, 2012.

OC2012-162 is hereby rescinded.

A handwritten signature in black ink that reads 'Robert C. Thompson'.

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2012/12/28

OC2012-329

MC2012-0522.

Under the authority of section 5.1 of the Electrical Control Power Act, 1994, the Lieutenant Governor in Council is pleased to direct the Board of Commissioners of Public Utilities to adopt a policy for Non-Government Rural Isolated Domestic and General Service customers of Newfoundland and Labrador Hydro that:

- i) any changes in rates charged to these customers shall be equal to changes approved for equivalent rate classes of Newfoundland Power customers on or after January 1, 2007;
- ii) notwithstanding (i), commencing January 1, 2015 rates for these customers shall be those that would have come into effect but for this directive and directives OC2006-512 and OC2008-365 and OC2009-390 and OC2010-322; and
- iii) the provisions of this directive do not apply to rates to be established for these customers following the earlier of an Order of the Board of Commissioners of Public Utilities with respect to a subsequent general rate application of Newfoundland and Labrador Hydro or an application for interim rates for all customers, or December 31, 2014.

A handwritten signature in black ink, appearing to read "Alistair".

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2012/12/28

OC2012-330

MC2012-0523. MC2012-0301. MC2012-0279. MC2011-0622. MC2011-0272.  
NR2011-009.

Under the authority of section 39(3) of the Hydro Corporation Act, 2007, the Lieutenant Governor in Council is pleased to direct the Board of Directors of the Newfoundland and Labrador Hydro-Electric Corporation to ensure that the Corporation files a General Rate Application with the Board of Commissioners of Public Utilities by February 28, 2013.

OC2012-175 is hereby rescinded.

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2013/03/07

OC2013-048

MC2013-0158. XX2013-028.

Under the authority of section 39(3) of the Hydro Corporation Act, 2007, the Lieutenant Governor in Council is pleased to direct the Board of Directors of the Newfoundland and Labrador Hydro-Electric Corporation to ensure that the Corporation files a General Rate Application with the Board of Commissioners of Public Utilities by March 31, 2013.

OC2012-330 is hereby rescinded.

A handwritten signature in black ink that reads "Robert C. Thompson".

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2013/03/26

OC2013-083

MC2013-0206.

Under the authority of section 39(3) of the Hydro Corporation Act, 2007, the Lieutenant-Governor in Council is pleased to direct the Board of Directors of the Newfoundland and Labrador Hydro-Electric Corporation to ensure that the Corporation files a General Rate Application with the Board of Commissioners of Public Utilities by April 15, 2013.

OC2013-048 is hereby rescinded.

A handwritten signature in black ink that reads "Robert C. Thompson".

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2013/04/04

OC2013-089

MC2013-0238. NR2013-011. EPC2013-020.

Under the authority of section 5.1 of the Electrical Power Control Act, 1994, the Lieutenant Governor in Council is pleased to direct the Board of Commissioners of Public Utilities that:

- 1) Effective July 1, 2013, Island industrial customer rates will no longer be frozen. Effective on this date rate increases for island industrial customers will be phased in over a three year period, with funding for this phase-in to be drawn from the January 1, 2007 to June 30, 2013 accumulated Load Variation (the Rate Stabilization Plan Surplus) component of the Rate Stabilization Plan and credited to the Island industrial customer Rate Stabilization Plan effective June 30, 2013;
- 2) On June 30, 2013 the Island industrial customers' Rate Stabilization Plan will be credited with \$56.5 million, the estimated Rate Stabilization Plan amount required to phase-in industrial customer rates, based on Newfoundland and Labrador Hydro's General Rate Application. The remaining balance in the Rate Stabilization Plan Surplus on June 30, 2013, will be transferred to the credit of Newfoundland Power's Rate Stabilization Plan. No future adjustments will be made to these amounts credited. Effective July 1, 2013 all Island industrial customers, with the exception of Teck Resources, will be subject to the same standard industrial rate, equivalent to the existing base rate but excluding the Rate Stabilization Plan adjustment currently in place;
- 3) Teck Resources rate increase will be phased in, to a reasonable degree, in three equal annual percentage increases, and at the end of the phase-in period Teck Resources will be subject to the standard industrial rate;
- 4) Over the three year Island industrial rate phase in period, the shortfall in Newfoundland and Labrador Hydro's revenues when compared to revenue at the Board of Commissioners of Public Utilities-approved Island industrial customer rates, shall be funded from the Island industrial customer Rate Stabilization Plan;

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- 5) Notwithstanding Items 1) through 4) above, effective January 1, 2014, the Island industrial customers will be subject to Rate Stabilization Plan rate changes in accordance with the Board of Commissioners of Public Utilities-approved methodology;
- 6) Newfoundland and Labrador Hydro's General Rate Application process shall include a Rate Stabilization Plan surplus refund plan to ratepayers. The refund plan shall comprise direct payments or rebates to ratepayers and shall not be in the form of an electricity rate adjustment. This refund plan will exclude Island industrial customers who will receive Rate Stabilization Plan surplus funds through the three year phase-in of new rates. The Board of Commissioners of Public Utilities shall make the final determination on the details of the refund to remaining ratepayers;
- 7) Newfoundland Power's portion of the Rate Stabilization Plan Surplus shall be distributed as a direct payment or rebate to its ratepayers and shall not be in the form of an electricity rate adjustment; and
- 8) Newfoundland and Labrador Hydro's General Rate Application shall be based on a 2013 test year in the determination of new electricity rates for customers.



Robert C. Thompson

Clerk of the Executive Council

(Forwarded April 05, 2013 to replace OC2013-089 previously forwarded)

Amended by OC2013-207

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OC2013- 207

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2013/07/16

MC2013- 0359. XX2013-048. MC2013-0238. OC2013-089.

Under the authority of section 5.1 of the Electrical Power Control Act, 1994, the Lieutenant Governor in Council is pleased to amend OC2013-089 by:

- a) deleting the date "June 30, 2013" wherever it appears and substituting therefor the date "August 31, 2013";
- b) deleting the date "July 1, 2013" wherever it appears and substituting therefor the date "September 1, 2013"; and
- c) deleting the words "\$56.5 million" wherever they appear and substituting therefor the words "\$49 million".

OC2013-089 is hereby amended.

A handwritten signature in black ink, appearing to read "Robert C. Haynes".

Clerk of the Executive Council

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**Important Information**

(Includes details about the availability of printed and electronic versions of the Statutes.)

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**NEWFOUNDLAND AND LABRADOR  
REGULATION 109/13**

*Newfoundland and Labrador Hydro-Exploits  
Generation Exemption Order  
under the  
Electrical Power Control Act, 1994  
and the  
Public Utilities Act  
(O.C. 2013- 257)*

*(Filed September 19, 2013)*

Under the authority of section 5.2 of the *Electrical Power Control Act, 1994* and section 4.1 of the *Public Utilities Act*, the Lieutenant-Governor in Council makes the following Order.

Dated at St. John's, September 19, 2013.

Julia Mullaley  
Clerk of the Executive Council

**REGULATIONS**

*Analysis*

1. Short title

2. Definitions

3. Exemption

**Short title**

**1.** This order may be cited as the *Newfoundland and Labrador Hydro-Exploits Generation Exemption Order*.

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**Definitions**

**2.** In this order

- (a) "Nalcor" means the energy corporation established under the *Energy Corporation Act* and includes a subsidiary as defined by that Act; and
- (b) "project" means the hydro-electric generating facilities, and their associated transmission and auxiliary facilities, at Grand Falls-Windsor, Bishop's Falls, Star Lake and Buchans.

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### **Exemption**

**3.** (1) Newfoundland and Labrador Hydro is exempt from the application of the *Electrical Power Act, 1994* and the *Public Utilities Act* for all aspects of its activities pertaining to the purchase, from Nalcor, of electrical power and energy from the project.

- (2) The activities referred to in subsection (1) include:
  - (a) planning and engineering new electrical power and energy generation and supply;
  - (b) negotiating and executing all contracts necessary or incidental to any activity described in this exemption; and
  - (c) acquiring and paying from its operating account, to be recovered through its rates, all amounts to be paid for the supply of this electrical power and energy under those contracts.

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2013/04/04

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OC2013-088

MC2013-0237. NR2013-010. EPC2013-019.

Under the authority of section 4 of the Hydro Corporation Act, 2007, section 4 of the Energy Corporation Act, and section 245 of the Corporations Act, the Lieutenant Governor in Council is pleased to direct Newfoundland and Labrador Hydro and Nalcor to extend their agreement requiring Newfoundland and Labrador Hydro to pay Nalcor 4 cents per kilowatt-hour for any and all electrical energy taken by Newfoundland and Labrador Hydro from the Exploits Generation assets until June 30, 2014.

A handwritten signature in black ink that reads 'Robert C. Thompson'.

Clerk of the Executive Council

(Forwarded April 05, 2013 to replace OC2013-088 previously forwarded)