



Newfoundland and Labrador Hydro
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February 28, 2024

Board of Commissioners of Public Utilities
Prince Charles Building
120 Torbay Road, P.O. Box 21040
St. John's, NL A1A 5B2

Attention: Jo-Anne Galarneau
Executive Director and Board Secretary

Re: Application for Approval of a Contribution by Vale Newfoundland and Labrador Limited ("Vale") for Vale-Specific Capital Work

Please find attached Newfoundland and Labrador Hydro's ("Hydro") application for approval of a contribution by Vale towards the cost of improvements to the Voisey's Bay Nickel Terminal Station ("Application").

The Voisey's Bay Nickel Terminal Station located in Long Harbour was established in 2012 and is the primary source of supply for Vale. Hydro's "2024 Capital Budget Application," ("CBA") included the 'Install Fire Protection in 230 kV Stations (2024–2025) – Voisey's Bay' project.¹ The 2024 CBA was approved by the Board of Commissioners of Public Utilities ("Board") in Board Order No. P.U. 35(2023),² as further described in the Application.

It is consistent with regulatory practice that the customer will provide a contribution sufficient to cover the entirety of capital costs for assets that serve only that customer. As the relevant assets solely serve Vale, Hydro has provided the customer with the necessary information and they have acknowledged their responsibility for those costs.

Hydro's proposal in the Application is necessary to ensure that the costs of the project, with estimated total capital expenditures in 2024 of \$53,800, are borne only by Vale, as the sole customer served by the assets. Hydro notes that the contributions for which Hydro is seeking approval herein are those that are required for the project approved in the 2024 CBA. Hydro anticipates filing an application for contributions associated with projects or programs proposed in its 2025 CBA, within that application.

¹ "2024 Capital Budget Application," Newfoundland and Labrador Hydro, rev. September 21, 2023 (originally filed July 12, 2023), sch. 6, Proposals under \$750,000, p. 1.

² *Public Utilities Act*, RSNL 1990, c P-47, Board Order No. P.U. 35(2023), Board of Commissioners of Public Utilities, December 21, 2023.

Should you have any questions, please contact the undersigned.

Yours truly,

NEWFOUNDLAND AND LABRADOR HYDRO



Shirley A. Walsh
Senior Legal Counsel, Regulatory
SAW/sk

Encl.

ecc:

Board of Commissioners of Public Utilities

Jacqui H. Glynn
Board General

Consumer Advocate

Dennis M. Browne, KC, Browne Fitzgerald Morgan & Avis
Stephen F. Fitzgerald, Browne Fitzgerald Morgan & Avis
Sarah G. Fitzgerald, Browne Fitzgerald Morgan & Avis
Bernice Bailey, Browne Fitzgerald Morgan & Avis

Linde Canada Inc.

Sheryl E. Nisenbaum
Peter Strong

Newfoundland Power Inc.

Dominic J. Foley
Lindsay S.A. Hollett
Regulatory Email

Teck Resources Limited

Shawn Kinsella

Island Industrial Customer Group

Paul L. Coxworthy, Stewart McKelvey
Denis J. Fleming, Cox & Palmer
Dean A. Porter, Poole Althouse

Approval of a Contribution

By Vale Newfoundland and Labrador Limited
for Vale-Specific Capital Work

February 28, 2024

An application to the Board of Commissioners of Public Utilities



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

IN THE MATTER OF an application by Newfoundland and Labrador Hydro (“Hydro”) for approval, pursuant to Subsection 41(5) of the *Act*, of a contribution by Vale Newfoundland and Labrador Limited (“Vale”) towards the cost of improvements to certain property.

To: The Board of Commissioners of Public Utilities (“Board”)

THE APPLICATION OF HYDRO STATES THAT:

1. Hydro, a corporation continued and existing under the *Hydro Corporation Act, 2007*,¹ is a public utility within the meaning of the *Act*, and is subject to the provisions of the *EPCA*.
2. Hydro’s “2024 Capital Budget Application” included the ‘Install Fire Protection in 230 kV Stations (2024–2025) – Voisey’s Bay’ project.² The Voisey’s Bay Nickel Terminal Station (“Terminal Station”) located in Long Harbour was established in 2012 and is the primary source of supply for Vale. The Terminal Station has no automatic fire protection system to permit early intervention in the event of a fire. As a continuation of Hydro’s plan to install automatic fire protection systems in its 230 kV terminal stations, this project will install an automatic fire protection system in the control building at the Terminal Station. Hydro’s initial application, and the 2024 cost associated with the project, were approved in in Board Order No. P.U. 35(2023).³ The project’s estimated 2025 costs will be included for approval in Hydro’s 2025 Capital Budget Application.

¹ *Hydro Corporation Act, 2007*, SNL 2007 c H-17.

² “2024 Capital Budget Application,” Newfoundland and Labrador Hydro, rev. September 21, 2023 (originally filed July 12, 2023), sch. 6, Proposals under \$750,000, p. 1.

³ *Public Utilities Act*, RSNL 1990, c P-47, Board Order No. P.U. 35(2023), Board of Commissioners of Public Utilities, December 21, 2023.

3. The approved work noted herein is necessary to protect the critical equipment at the terminal station, which is integral to the delivery of safe, reliable, least-cost electricity in an environmentally responsible manner.
4. The Terminal Station is specifically assigned to Vale and the cost of construction regarding those assets is the responsibility of Vale. Those costs are not borne by other customers through rates or otherwise.
5. Hydro has provided Vale with the project cost estimates associated with these approved projects and Vale has acknowledged its responsibility for those costs.
6. The work described herein, more particularly set out in Schedule 1 attached hereto, has estimated capital expenditures in 2024 of \$53,800.
7. Hydro requests that the Board make an Order approving, pursuant to Section 41(5) of the *Act*, a contribution by Vale of an amount equal to the capital cost of the work described herein.

DATED at St. John's in the province of Newfoundland and Labrador on this 28th day of February 2024.

NEWFOUNDLAND AND LABRADOR HYDRO



Shirley A. Walsh
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Schedule 1

Estimated Project Costs

Install Fire Protection in 230 kV Stations (2024–2025)

Voisey's Bay



Voisey's Bay Nickel Terminal Station
Estimated Project Costs
(\$000)

Asset Description	Asset Class	Project	Replacement Year	2024	2025	Total
Voisey's Bay Nickel Terminal Station Fire Protection	General Plant	Install Fire Protection in 230 kV Stations (2024–2025) – Voisey's Bay	2025	53.8	599.0	652.8
Total				53.8	599.0	652.8

Affidavit



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

IN THE MATTER OF an application by Newfoundland and Labrador Hydro (“Hydro”) for approval, pursuant to Subsection 41(5) of the Act, of a contribution by Vale Newfoundland and Labrador Limited (“Vale”) towards the cost of improvements to its property.

AFFIDAVIT

I, Dana Pope, of St. John’s in the province of Newfoundland and Labrador, make oath and say as follows:

- 1) I am Vice President, Regulatory and Stakeholder Relations, Newfoundland and Labrador Hydro, the applicant named in the attached application.
- 2) I have read and understand the foregoing application.
- 3) To the best of my knowledge, information, and belief, all of the matters, facts, and things set out in this application are true.

SWORN at St. John’s in the province of Newfoundland and Labrador this 28th day of February 2024, before me:



Commissioner for Oaths, Newfoundland and Labrador



Dana Pope

KIMBERLEY DUGGAN

A Commissioner for Oaths in and for the Province of Newfoundland and Labrador, My commission expires on December 31, 2027.