

WHENEVER. WHEREVER.
We'll be there.



February 21, 2023

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

Attention: G. Cheryl Blundon
Director of Corporate Services
and Board Secretary

Dear Ms. Blundon:

Re: Application for Approval of a Contribution in Aid of Construction (“CIAC”) for an Upgrade to Long Pond Substation for Memorial University of Newfoundland

Please find enclosed Newfoundland Power Inc.'s (the “Company”) application for approval of the above noted CIAC for the upgrade of Long Pond (“LPD”) Substation to accommodate the replacement of an oil-fired water boiler at Memorial University of Newfoundland (“Memorial University”) with two electrically powered boilers on the St. John's campus in the City of St. John's.

In order to provide the requested service, it is necessary to increase the capacity at the LPD Substation by installing a new 25 MVA power transformer. The total estimated cost of the upgrade exceeds \$100,000. As such, section 5(e) of the Company's CIAC Policy for General Service Customers (the “Policy”) requires the completion of a detailed engineering cost estimate.

The construction cost of the proposed substation upgrade based on the detailed engineering estimate is \$3,312,783.51 (excluding HST). Section 10(ii) of the Policy further requires that all extensions or upgrades involving CIACs calculated in accordance with section 5(e) of the Policy be submitted to the Board for approval.

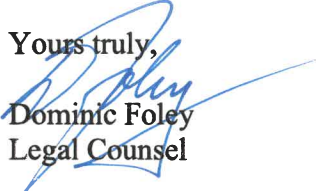
Newfoundland Power Inc.

55 Kenmount Road • P.O. Box 8910 • St. John's, NL A1B 3P6

PHONE (709) 693-3206 • FAX (709) 737-2974 • dfoley@newfoundlandpower.com

Board of Commissioners
of Public Utilities
February 21, 2023
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A draft of the Order requested is enclosed for the Board's convenience. Should you have any questions on the application, please contact the undersigned.

Yours truly,

Dominic Foley
Legal Counsel

Enclosures

Newfoundland Power Inc.

55 Kenmount Road • P.O. Box 8910 • St. John's, NL A1B 3P6

PHONE (709) 693-3206 • FAX (709) 737-2974 • dfoley@newfoundlandpower.com

IN THE MATTER OF the *Public Utilities Act*, (the “Act”); and

IN THE MATTER OF an Application by Newfoundland Power Inc. for approval of a contribution in aid of construction for the upgrade of Long Pond Substation for Memorial University of Newfoundland (the “Customer”) pursuant to s. 41(5) of the Act.

TO: The Board of Commissioners of Public Utilities (the “Board”)

THE APPLICATION OF Newfoundland Power Inc. (the “Applicant”) **SAYS THAT:**

1. The Applicant is a corporation duly organized and existing under the laws of the Province of Newfoundland and Labrador, is a public utility within the meaning of the Act, and is subject to the provisions of the *Electrical Power Control Act, 1994*.
2. The Customer operates a public university in the province of Newfoundland and Labrador, with the main campus based in St. John’s.
3. The Customer has requested that the Applicant provide adequate electrical supply for Memorial University’s boiler electrification project. In order to provide the requested service, it is necessary to increase the capacity at the Long Pond (“LPD”) Substation by installing a new 25 MVA power transformer (the “Upgrade”).
4. A contribution in aid of construction (“CIAC”) for the Upgrade has been calculated in accordance with Clause 5(e) of the CIAC Policy: Distribution Line Extensions and Upgrades to General Service Customers, approved by Order No. P.U. 27 (2005), (the “Policy”). The new 25 MVA power transformer will provide adequate electrical supply to service two new electric boilers on the St. John’s campus with an estimated peak demand of 25 MW.
5. Based on a detailed cost estimate as required by Clause 5(e) of the Policy, the estimated construction cost of the upgrade is \$3,312,783.51. Schedule A to this Application contains a detailed calculation of the construction cost.
6. The upgrade will supply service to a facility with an estimated peak demand of 25 MW. As a result of the facility’s peak demand, the CIAC calculated is zero dollars and zero cents (\$0.00), excluding HST. Schedule A to this Application contains a detailed calculation of the CIAC.
7. Clause 10(ii) of the Policy states that the Company shall apply to the Board for approval of all line extensions or upgrades involving CIACs where the costs of the line extension or upgrade are calculated pursuant to Clause 5(e).

8. The proposed CIAC as calculated in Schedule A is necessary to ensure that the Applicant's investment in the Upgrade is compensatory over the useful life of the extension and will not be to the detriment of the Applicant's other customers.
9. This Application seeks approval of the CIAC as calculated in accordance with the Policy.
10. Communications with respect to this Application should be forwarded to the attention of Dominic Foley, Counsel to the Applicant.
11. **THE APPLICANT REQUESTS** that the Board approve, pursuant to s. 41(5) of the Act, the CIAC as calculated in Schedule A to this Application.

DATED at St. John's, Newfoundland and Labrador, this 21st day of February, 2023.

NEWFOUNDLAND POWER INC.



Dominic Foley
Legal Counsel
Newfoundland Power Inc.
P.O. Box 8910
55 Kenmount Road
St. John's, NL A1B 3P6

Telephone: (709) 693-3206
Telecopier: (709) 737-2974

IN THE MATTER OF the *Public Utilities Act*, (the “Act”); and

IN THE MATTER OF an Application by Newfoundland Power Inc. for approval of a contribution in aid of construction for the upgrade of Long Pond Substation for Memorial University of Newfoundland pursuant to s. 41(5) of the Act.

AFFIDAVIT

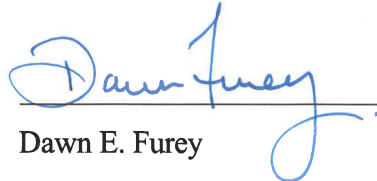
I, Dawn E. Furey, of the City of St. John’s in the Province of Newfoundland and Labrador, make oath and say as follows:

1. THAT I am employed with Newfoundland Power Inc. as Team Lead, CIAC and Risk Management;
2. THAT I have read and understand the foregoing Application; and
3. THAT, to the best of my knowledge, information and belief, all matters, facts and things set out in the Application are true.

SWORN TO before me at the
City of St. John’s, in the Province of
Newfoundland and Labrador
this 21st day of February, 2023:



Barrister



Dawn E. Furey

**CONTRIBUTION IN AID OF CONSTRUCTION
GENERAL SERVICE**

Customer: Memorial University of Newfoundland
Location: St. John's Campus
Project: Memorial University's Boiler Electrification Project

Basis of Estimate

- (i) Constructing a 66 kV steel bus structure extension;
- (ii) Constructing a 12.5 kV steel bus structure;
- (iii) Installing a new 25 MVA power transformer and spill containment foundation;
- (iv) Installing two new 66 kV breakers and new 66 kV switches;
- (v) Installing one new 12.5 kV breaker and new 12.5 kV switches;
- (vi) Installing new 12.5 kV potential transformers and current transformers;
- (vii) Installing new transformer and bus differential protection digital relays; and
- (viii) Installing standard varmint protection on all 12.5 kV equipment.

Material & Other Costs

Site and Foundation	\$ 184,921.20
Structure and Bus	306,628.80
Disconnect and Fuses	76,820.40
Power Transformer	1,367,570.40
Breakers, Reclosers and Switch Gear	320,926.80
Instrument Transformers	7,962.00
Protection and Control Panels	124,335.60
Conduits and Control Cabling	36,758.40
Construction Infrastructure	1,910.40
Portable Substation	8,492.40
Other	57,556.22
Total Material & Other Costs	\$ 2,493,882.62

Labour Costs

Labour (NL Power)	\$ 80,396.65
Engineering	428,797.24
Total Labour Costs	\$ 509,193.89

Total Material, Labour & Other Costs	\$ 3,003,076.51
GEC (3%)	90,092.00

Construction Costs Subtotal	\$ 3,093,168.51
Operating & Maintenance Charge (7.1%)	219,615.00

Total Construction Costs	\$ 3,312,783.51
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Less: Additional Load Based Investment	\$ (7,422,030.00) ¹
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Total CIAC	\$ -
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¹ Refer to calculation - page 2 of 2 - Schedule A

**CONTRIBUTION IN AID OF CONSTRUCTION
GENERAL SERVICE**

Customer: Memorial University of Newfoundland
Location: St. John's Campus
Project: Memorial University's Boiler Electrification Project

Service: ***New Boiler + New Ancillary Load***

Additional Load Based Investment with Demand > 10 kW

Estimated Peak Demand 25,000 kW
Estimated Annual Load Factor 52.0 %

<u>Demand > 10 kW</u>	<u>X</u>	<u>Plant Support Factor</u>	
24,990		\$297.00	\$7,422,030

Company Investment:	\$7,422,030
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**NEWFOUNDLAND AND LABRADOR
BOARD OF COMMISSIONERS OF PUBLIC UTILITIES**

AN ORDER OF THE BOARD

NO. P.U. ____ (2023)

1 **IN THE MATTER OF** the *Public Utilities*
2 *Act*, (the “Act”); and

3
4 **IN THE MATTER OF** an Application by
5 Newfoundland Power Inc. (the “Applicant”)
6 for approval of a Contribution in Aid of
7 Construction (“CIAC”) for the upgrade of
8 Long Pond (“LPD”) Substation for
9 Memorial University of Newfoundland
10 (the “Customer”) pursuant to section 41(5)
11 of the Act.

12
13
14 **WHEREAS** the Applicant is a corporation duly organized and existing under the laws of the
15 Province of Newfoundland and Labrador, is a public utility within the meaning of the Act, and is
16 subject to the provisions of the *Electrical Power Control Act, 1994*; and

17
18 **WHEREAS** the Customer operates a public university in the Province of Newfoundland and
19 Labrador, with the main campus based in St. John’s; and

20
21 **WHEREAS** the Customer has requested that the Applicant provide adequate electrical supply for
22 the Customer’s boiler electrification project which necessitates an increase in capacity at the LPD
23 Substation through the installation of a new 25 MVA power transformer; and

24
25 **WHEREAS** the estimated construction cost of the substation upgrade is \$3,312,783.51 and is
26 based on a detailed cost estimate in accordance with Clause 5(e) of the CIAC Policy: Distribution
27 Line Extensions and Upgrades to General Service Customers, approved by Order No. P.U. 27
28 (2005), (the “Policy”); and

29
30 **WHEREAS** the new 25 MVA power transformer will provide adequate electrical supply to
31 service two new electric boilers on the Customer’s St. John’s campus with an estimated peak
32 demand of 25 MW and the CIAC thus calculated is zero dollars and zero cents (\$0.00),
33 excluding HST; and

34
35 **WHEREAS** Clause 10(ii) of the Policy states that the Applicant shall apply to the Board for
36 approval of all line extensions or upgrades involving CIACs where the cost of the line extension
37 or upgrade is calculated pursuant to Clause 5(e); and

38
39 **WHEREAS** the proposed CIAC is necessary to ensure that the Applicant’s investment in the
40 upgrade is compensatory over the useful life of the upgrade and will not be to the detriment of the
41 Applicant’s other customers.

1 **IT IS THEREFORE ORDERED THAT**, the CIAC of zero dollars and zero cents (\$0.00),
2 excluding HST, to provide adequate electrical supply for Memorial University's boiler
3 electrification project, is approved.

DATED at St. John's, Newfoundland and Labrador, this day of , 2023.

G. Cheryl Blundon
Board Secretary