

1 **Q. (Reference Application) Please confirm that the Board has the authority to take**  
2 **into consideration the current economic climate in the province in its decisions**  
3 **and orders. Has the Board ever done so?**  
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5 A. It is confirmed that the Board has the authority to take into consideration the current  
6 economic climate in the province in its decisions and orders.  
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8 The Board is required to observe the power policy as set out in the *Electrical Power*  
9 *Control Act, 1994* and to apply tests which are consistent with generally accepted sound  
10 public utility practice.<sup>1</sup> The Board has the authority to take into consideration whatever  
11 factors it deems relevant in carrying out its duties and exercising its powers. The  
12 specific factors considered by the Board may vary depending on the nature of an  
13 application's proposals and what the Board determines to be relevant.  
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15 The Board has taken the economic climate into consideration in the past. For example,  
16 as part of the Company's *2021 Capital Budget Application*, the Board asked for  
17 additional information on the proposed St. John's North-Portugal Cove substation due to  
18 changing economic conditions. The Board stated:  
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20 *While the Board is satisfied that Newfoundland Power's decision to*  
21 *propose the new substation was reasonable based on the information*  
22 *available at the time, since the filing of the Application there have been*  
23 *significant changes with respect to the economic conditions in the*  
24 *Province.*<sup>2</sup>

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<sup>1</sup> See the *Electrical Power Control Act, 1994*, Sections 3 and 4.

<sup>2</sup> See Order No. P.U. 37 (2020), page 8, lines 34-36.