

1 **Q. (Reference Application, 2024 Capital Budget Overview, page 2) It is stated**
2 **"The capital expenditures proposed as part of Newfoundland Power's 2024**
3 **Capital Budget Application (the "Application") are necessary to meet its**
4 **statutory obligations under the Public Utilities Act and the Electrical Power**
5 **Control Act, 1994." Are the Board's Provisional Capital Budget Application**
6 **Guidelines consistent with legislation and the need to ensure projects are**
7 **carried out in an environmentally responsible manner?**
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9 A. Part II of the Provisional Guidelines provides an overview of the legislative framework
10 that governs public utility capital budget applications. The relevant legislation includes
11 the *Electrical Power Control Act, 1994* (the "EPCA"), sections 3 and 4.¹
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13 Section 3(b)(iii) of the EPCA was amended in May 2023 to state that "*all sources and*
14 *facilities for the production, transmission and distribution of power in the province*
15 *should be managed and operated in a manner that would result in power being*
16 *delivered to consumers in the province at the lowest possible cost, in an environmentally*
17 *responsible manner, consistent with reliable service.*"²
18

19 The Provisional Guidelines have not been demonstrated to be in conflict with this
20 provision. Part I of the Provisional Guidelines states that the Provisional Guidelines
21 "*supplement the provisions of the legislation and if a conflict arises the legislation*
22 *prevails.*"³ Consequently, the Provisional Guidelines are consistent with the legislation.

¹ See the Provisional Guidelines, page 1 of 18.

² See the *Electrical Power Control Act, 1994*, SNL 1994, c. E-5.1, s. 3(b)(iii).

³ See the Provisional Guidelines, page 1 of 18.