

**NEWFOUNDLAND AND LABRADOR  
BOARD OF COMMISSIONERS OF PUBLIC UTILITIES**

**ACTIVITY PLAN  
2017-2020**

## **Message from the Chair**

I am pleased to present the three-year Activity Plan of the Board of Commissioners of Public Utilities (the Board), outlining the goals for 2017-20 fiscal years. The Board is classified as a Category 3 entity and is required to complete a multi-year performance-based activity plan and submit annual performance reports to the House of Assembly on its success in achieving the objectives and indicators outlined in the plan.

This plan has been prepared in accordance with the directions provided in the *Transparency and Accountability Act* and outlines the objectives in key priority areas for the next three fiscal years from April 1, 2017, to March 31, 2020.

The Board operates as an independent, quasi-judicial tribunal constituted under the *Public Utilities Act*. The Board's strategic priorities are focused on improving the efficiency of its regulatory tools and streamlining its regulatory framework while ensuring appropriate resources are available to effectively deliver its mandated responsibilities.

In preparing this activity plan the Board continues to build on the priorities and initiatives that were identified in the past four planning cycles. The Board will continue to respond to emerging issues in regulation by focusing on the management and administration of its processes and practices and build on past successes by continuing to improve and update our processes to ensure that it has the ability to fulfill its mandate and to respond to future requirements. The Board is committed to building on the efficiencies achieved by continuing to monitor and make improvements where required. The strategic directions of Government applicable to the Department of Justice and Public Safety were considered in the development of this plan.

As acting Chair I am signing on behalf of the Board, which is accountable for the preparation of this plan, as well as for the achievement of its objectives.



Darlene Whalen  
Chair (Acting)

## Overview

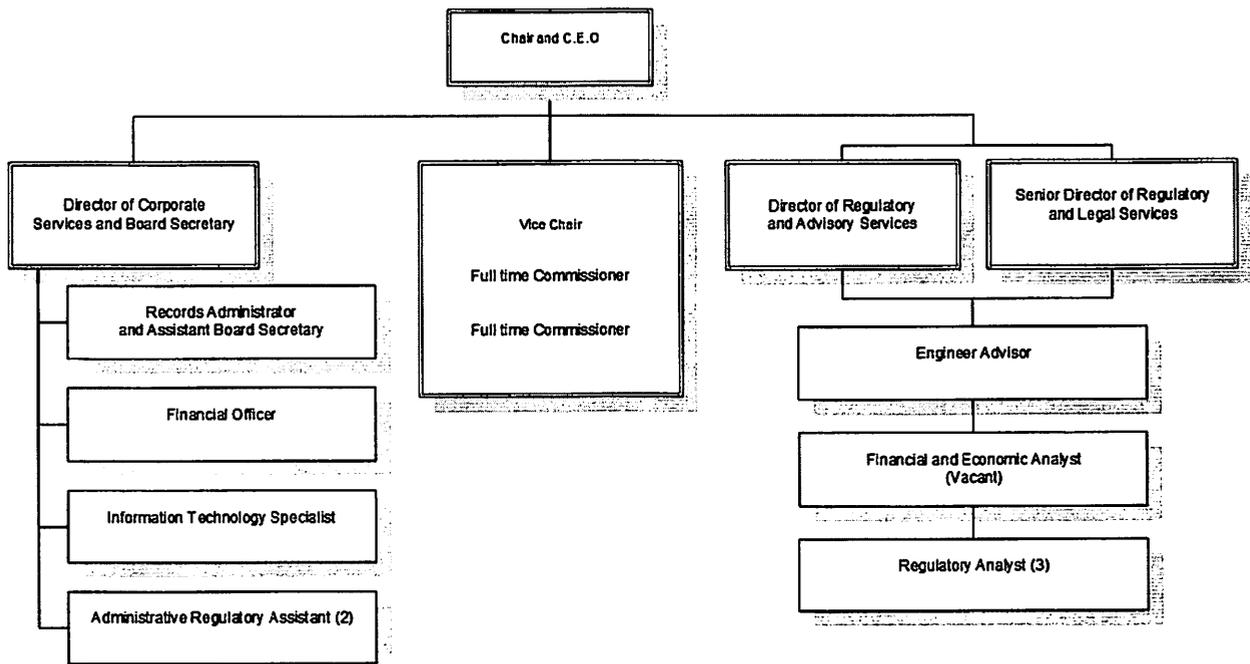
Created by statute in 1949 the Board is comprised of four full-time commissioners, appointed by the Lieutenant-Governor in Council, including the Chair and Chief Executive Officer and the Vice Chair. The *Public Utilities Act* gives the Chair and Chief Executive Officer the full authority for the overall operation, management and financial administration of the Board.

The Board has 13 permanent full-time staff positions located in St. John's.

The Board's functional organizational structure, shown in the Organizational Chart (Figure 1), consists of Regulatory and Advisory Services and Corporate Services. Regulatory and Advisory Services oversees the Board's regulatory mandate with responsibility for coordination and management of applications, research, investigations, compliance monitoring, financial/technical reviews and customer complaints. Corporate Services is responsible for management of the administrative functions of the Board, including finance, communications, information technology and human resource services.

Figure 1

*Board of Commissioners of Public Utilities  
Organizational Chart  
At April 1, 2017*



## **Strategic Issue**

For the 2017-2020 planning cycle the Board will continue to build upon previously identified priority action areas to further strengthen the efficiencies realized and ensure continual support of an effective and responsive regulatory environment.

The Board's work is responsive in nature. The Board prepares its work and activity plans around its annual regulatory calendar of routine filings and applications filed in compliance with previous Board orders and legislative requirements. While the Board has full control over its regulatory processes circumstances beyond the Board's control, such as the submission of major applications requiring timely decisions, referrals from government and unforeseen investigations, can significantly impact the Board's regulatory agenda.

The Board's regulatory calendar is expected to continue to be demanding over the next three years. In addition to the routine applications, capital budget applications and compliance filings, several applications, reviews, studies and investigations will significantly impact the Board's workload and stretch the Board's resources. These include the continuation of Phase Two of the Board's investigation into supply issues and power outages on the Island Interconnected system which began in 2014, Newfoundland and Labrador Hydro's (Hydro) cost of service and marginal cost studies, and general rate applications from both Hydro and Newfoundland Power which are expected in mid-2017 and early 2018. The impact of uncertainty with respect to regulatory regime for the provincial electrical system following interconnection with the North American grid on the Board's regulatory operations are unknown at present.

All of these matters are complex with each having unique and specific issues. The Board will continue to build on its human resource strategy to ensure required resources and capacity are available to respond to a possible new regulatory framework and to be able to support a new legislative mandate if required.

The Board's focus will be on further strengthening the efficiencies realized and ensuring continual support of an effective and responsive regulatory environment. The Board's primary focus is to maintain an organization that is responsive to change and is capable of meeting new challenges while completing its ongoing regulatory calendar. Meeting the issue of continued regulatory responsiveness will be the Board's key priority for the next three fiscal years.

**The focus of the Board will be consistent over the three years of this Activity Plan period. Each year the Board will report on the results of the objective as detailed below.**

### **Issue: Continued Regulatory Responsiveness**

The Board has provided regulatory leadership by being responsive, proactive and innovative in the successful completion of many of its regulatory initiatives. In particular the Board has made significant progress in streamlining its regulatory framework and reducing regulatory costs. The Board is committed to building on the efficiencies achieved and will continue to make improvements where required.

This objective and associated indicators will be utilized for 2017-18, 2018-19, and 2019-20 fiscal years. Each year, the Board will report on the results of this objective in its annual report.

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| <b>Objective</b>   | <b>In each of the fiscal years the Board will have continued to enhance effective and efficient regulation</b> |
| <b>Indicators:</b> |  |
|                    | Continued effective regulatory response provided   |
|                    | Enhanced website   |