
Newfoundland & Labrador

BOARD OF COMMISSIONERS OF PUBLIC UTILITIES

2008-2009 ANNUAL REPORT

WHO WE SERVE

In serving its clients the Board strives to achieve an equitable balance between the interests of consumers and service providers in the electric utility, automobile insurance, petroleum product and motor carrier industries. These clients include the following:

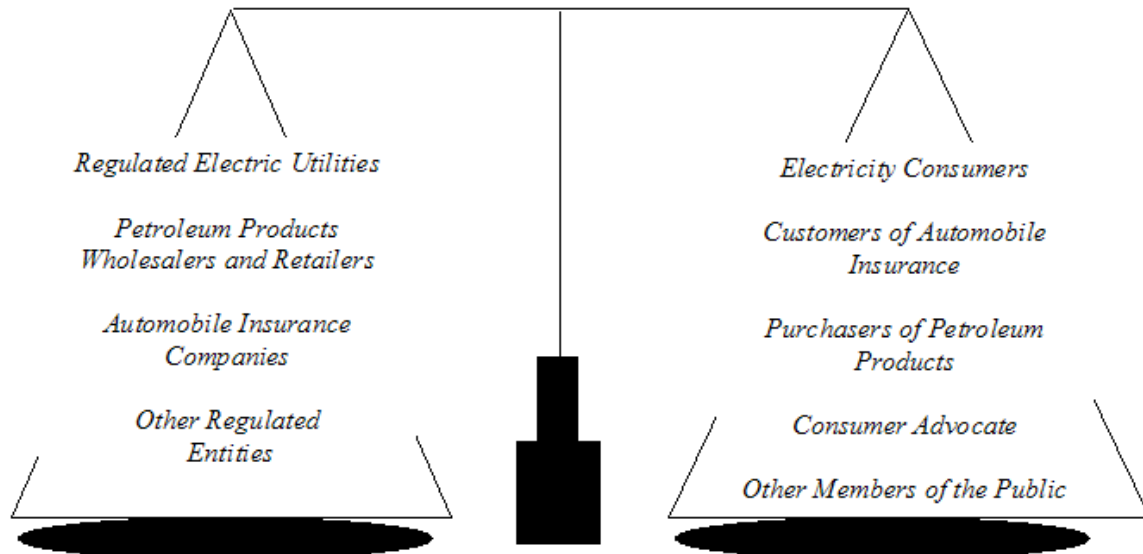


TABLE OF CONTENTS

	<u>PAGE</u>
MESSAGE FROM THE CHAIR AND CHIEF EXECUTIVE OFFICER	1
OVERVIEW OF THE BOARD	2
HIGHLIGHTS AND ACCOMPLISHMENTS	6
REPORT ON PLANNED ACTIVITIES	7
OPPORTUNITIES AND CHALLENGES AHEAD	12
FINANCIAL STATEMENTS	13
APPENDIX I	
SUMMARY OF ORDERS OF THE BOARD ISSUED DURING 2008-2009 UNDER THE PUBLIC UTILITIES ACT	23
UNDER THE AUTOMOBILE INSURANCE ACT	36
UNDER THE MOTOR CARRIER ACT	38
APPENDIX II	
SUMMARY OF PRICING CHANGES DURING 2008-2009 UNDER THE PETROLEUM PRODUCTS PRICING ACT	41
List of COMMISSIONERS and STAFF Year End - March 31, 2009	46

MESSAGE FROM THE CHAIR AND CHIEF EXECUTIVE OFFICER

In accordance with the *Transparency and Accountability Act*, I am pleased to present the annual performance report of the Board of Commissioners of Public Utilities (the “Board”) for the fiscal year ending March 31, 2009. This Report was prepared under my direction and outlines the achievements and activities of the Board over the past fiscal year. As Chair and CEO I am accountable for the results as outlined in the report.

The regulatory mandate of the Board is diverse and includes regulation and oversight of the electric utilities, regulation of automobile insurance rates, setting maximum prices for petroleum products in the Province, as well as limited responsibilities in the areas of motor carrier operations and expropriations.

This performance report, which marks the first completed year of the planning horizon of the 2008-2011 Activity Plan, presents the achievements and outcomes of the Board’s objectives as well as future opportunities that will further support the continued effective and efficient delivery of our regulatory responsibilities.

During 2008-09 the Board has moved forward in a number of key areas. We have continued to make improvements to regulatory efficiency and effectiveness, improved our human resource capacity, and have made notable strides towards a strengthened information management capacity.

The results illustrate the dedication and commitment of our employees and I thank my fellow Commissioners and the Board’s staff for their continued and dedicated service. We are looking forward to the coming year and the opportunities and challenges it presents.

Andy Wells
Chair and CEO

OVERVIEW

MANDATE AND LINES OF BUSINESS

The Board operates as an independent, quasi-judicial tribunal constituted under the *Public Utilities Act*.

The Board has mandated responsibilities as set out in the following legislation:

Public Utilities Act
Electrical Power Control Act
Automobile Insurance Act
Insurance Companies Act
Petroleum Products Act
Motor Carrier Act
Expropriation Act
Public Utilities Acquisition of Lands Act

The *Public Utilities Act* defines the general powers of the Board, granting authority for the general supervision of public utilities to ensure compliance by public utilities with the law. The public utilities regulated by the Board include Newfoundland Power Inc. and Newfoundland and Labrador Hydro.

The *Electrical Power Control Act* sets out the power policy of the Province and provides the Lieutenant Governor in Council with the authority to refer electrical power matters to the Board. The Board has also recently been given responsibilities under this *Act* with respect to the implementation of water management agreements.

The *Automobile Insurance Act* gives the Board responsibility for the general supervision of the rates an insurer charges or proposes to charge for automobile insurance in the Province. The Board also has responsibilities in relation to the underwriting guidelines and risk classification systems of insurers operating in the Province. Under the *Insurance Companies Act* the Lieutenant Governor in Council can direct the Board to undertake a review of any aspect of insurance in the Province.

The *Petroleum Products Act* sets out the manner in which the Board is required to establish maximum prices for regulated petroleum products in the Province.

The *Expropriation Act* requires the Board, at the request of the Minister of Transportation and Works or the City of St. John's, to determine the appropriate level of compensation for land expropriated by Government or the City of St. John's.

The *Motor Carrier Act* gives the Board the power to grant certificates and approve rates for public service carriers such as ambulance operations and regularly scheduled bus service along the Trans Canada Highway.

These Acts fall under the responsibility of various departments of Government, including the Department of Justice (*Public Utilities Act*), the Department of Government Services (*Automobile Insurance Act*, *Insurance Companies Act*, and the *Petroleum Products Act*) and the Department of Natural Resources (*Electrical Power Control Act*).

To deliver its regulatory mandate the Board conducts public hearings, technical conferences, stakeholder meetings, compliance monitoring, audits, detailed technical/financial reviews, and investigations.

The Board is accountable administratively through the Minister of Justice who presents the Board's annual budget for approval by the Lieutenant Governor in Council and tables its annual report in the legislature. The Board is also subject to the requirements of the *Transparency and Accountability Act* which requires the Board to prepare and submit activity plans and performance reports annually.

VISION

The vision of the Board of Commissioners of Public Utilities is of regulation which balances the interests of consumers, industry and the public in a fair and reasoned way, and which maintains the trust and confidence of the people of Newfoundland and Labrador.

MISSION

By 2011 the Board will have improved its capacity to deliver effective and efficient regulation in the Province.

KEY STATISTICS

The work of the Board is diverse and has broad implications for most residents of Newfoundland and Labrador.

- The Board is responsible for the regulation of electrical utilities in the Province, which included Newfoundland and Labrador Hydro and Newfoundland Power Inc., with a combined customer base of approximately 262,212 residential and general service customers, and the Island Industrial Customers.
- The Board regulates automobile insurance rates and underwriting guidelines for about 50 insurance companies operating in the Province. These companies write total premiums of approximately \$268,884,000, insuring approximately 266,000 private passenger and commercial vehicles in the Province. The automobile insurance market in the Province continues to show a high level of concentration, with 13 insurers writing 90% of all the automobile insurance business.
- The Board sets maximum prices for regulated petroleum products sold in the Province through a network of 12 oil company related suppliers, approximately 30 wholesalers and 474 retailers of gasoline, automotive diesel and heating fuels.
- The Board currently has 60 active ambulance certificates, and 57 active bus service certificates.

ORGANIZATION

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.

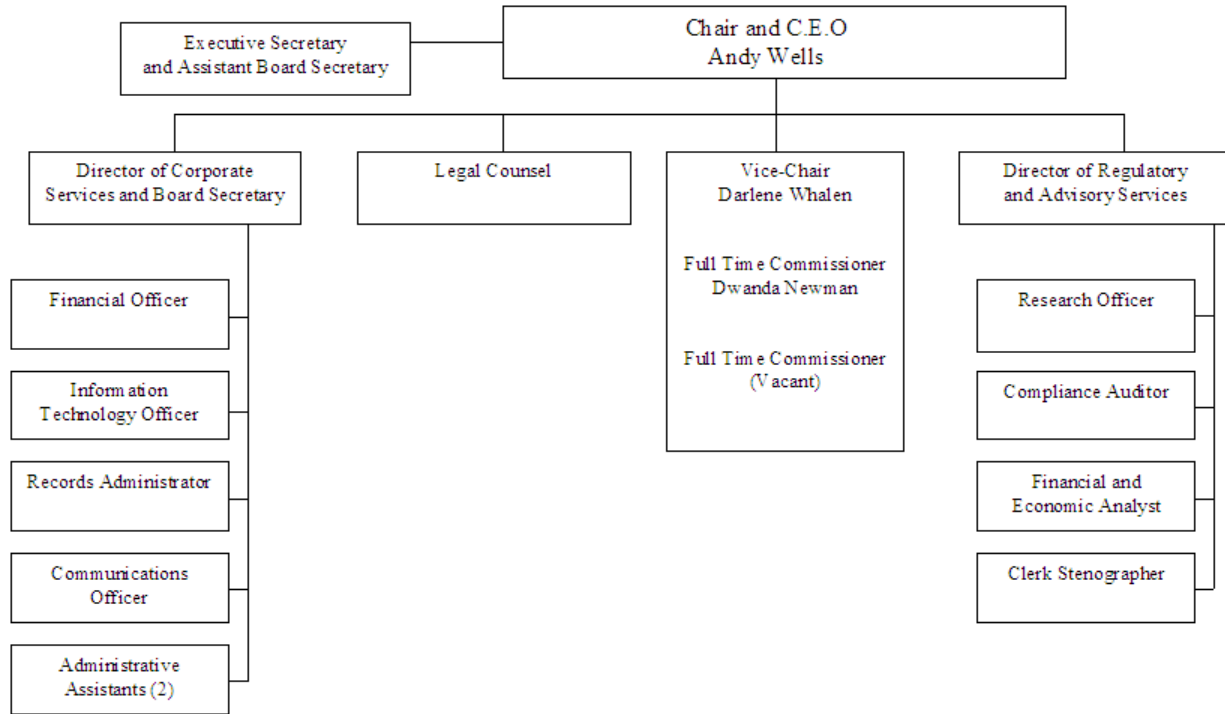
Board of Commissioners of Public Utilities

The Board has 13 full-time staff located in offices in St. John's and Grand Falls-Windsor.

The Board's functional organizational structure, shown in the Board's Organizational Chart (Figure 1), consists of **regulatory and advisory services** and **corporate services**. Regulatory and Advisory Services is responsible for managing 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 internal 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 March 31, 2009*



FINANCIAL

The Board's annual operating expenses for 2008-09 were \$2,016,344. The comparative expenditures for the previous five-year period are shown below:

Board of Commissioners of Public Utilities						
Expenditures						
Years Ended- March 31						
	2004	2005	2006	2007	2008	2009
Operating - SJ Office	\$1,538,103	\$1,952,985	\$1,998,677	\$1,330,576	\$1,730,320	\$1,568,949
Operating - PPC/Board GF-W ¹	\$619,522	\$444,764	\$467,668	\$470,530	\$407,025	\$447,395
Operating - Total	\$2,157,625	\$2,397,749	\$2,466,345	\$1,801,106	\$2,137,345	\$2,016,344
Hearings - Board	\$1,334,854	\$271,658	\$468,383	\$437,856	\$371,963	\$171,533
Hearings - Consumer Advocate	\$537,802	\$33,779	\$62,891	\$328,901	\$570,240	\$76,176
Hearing - Total	\$1,872,656	\$305,437	\$531,274	\$766,757	\$942,203	\$247,706
Total Expenditures	\$4,030,281	\$2,703,186	\$2,997,619	\$2,567,863	\$3,079,548	\$2,264,050

Note 1- The Board assumed responsibility for petroleum pricing regulation in 2004. At that time the former Petroleum Products Pricing Commission (PPPC) was integrated with the Board and remains located in Grand Falls-Windsor. The costs for 2004 are largely the costs associated with the former PPPC.

The Board is fully funded through assessments charged to regulated industries/companies and other applicants. Assessments to each industry vary depending on the actual allocation of work performed by the Board in a given year. For 2008-09, the Board assessed 50% (\$1,108,153) of its annual revenue requirement to electrical utilities, 29% (\$642,058) was assessed to automobile insurance companies, and 21% (\$457,920) was assessed to the petroleum products industry.

Public hearings are funded outside of normal budgeted activities on a cost recovery basis in accordance with applicable legislation. The Board also recovers other costs directly from applicant(s) and/or parties involved in specific proceedings and/or investigations. During 2008-09 the Board's accumulated hearing costs totaled \$247,706, with \$61,543 related to automobile insurance rate filing reviews, \$4,334 related to Newfoundland Power's 2008 general rate application, \$14,460 related to Newfoundland and Labrador Hydro's 2006 general rate application, and \$153,499 related to the utilities' capital budget applications and annual financial reviews. The balance of \$13,870 related to other applications made by the utilities during the year. Further details regarding the Board's recoverable costs can be found in Note 4 to the Board's Financial Statements included with this Annual Report.

HIGHLIGHTS AND ACCOMPLISHMENTS

The Board's focus on strategic planning guides its overall operations and ensures that to the extent possible the Board can effectively and efficiently respond to those matters which often arise unexpectedly in the context of economic regulation. Compliance monitoring and general regulatory oversight constitute a significant portion of the Board's ongoing regulatory activities, especially in the areas of public utility and automobile insurance rate regulation.

During 2008-2009 the Board issued 74 Orders under the *Public Utilities Act*, the *Automobile Insurance Act* and the *Motor Carrier Act*, as detailed in Appendix I. In addition the Board made 38 adjustments to the maximum price of regulated petroleum products under the *Petroleum Products Act*, as set out in Appendix II.

The Board's highlights for 2008-09 are outlined below:

1) ***Utility Regulation***

Fifty-three (53) Orders were issued under the Board's public utilities mandate. No general rate applications were filed by either utility. On July 1, 2008 customers' electricity rates were adjusted in accordance with the annual operation of the municipal tax adjustment and rate stabilization account.

On November 12, 2008 the Board issued Order No. P.U. 27(2008) approving Newfoundland Power's 2009 Capital Budget totaling \$61,571,000, and fixing and determining the average rate base for 2007 at \$793,703,000. The Board issued Order No. P.U. (2008) on December 23, 2008 approving Newfoundland and Labrador Hydro's 2009 Capital Budget of \$47,856,000. Several additional applications for supplementary 2009 capital spending were subsequently approved for both utilities. The Board also issued orders arising from applications for approval of contributions in aid of construction and various financial matters.

The *Electrical Power Control Act* was amended in the summer of 2008 giving the Board jurisdiction with respect to the implementation of water management agreements to provide for the coordination of power generation and energy production between suppliers on a body of water. The Board was not called on to exercise this jurisdiction during the year.

2) ***Automobile Insurance Regulation***

During 2008-2009 13 Orders were issued in relation to applications for rate increases, and 17 rate filings proposing no change or reductions in rates were processed. The Board also conducted a compliance audit of one automobile insurer operating in the Province.

3) ***Petroleum Products Pricing Regulation***

Thirty-seven (37) adjustments were made to the maximum price of regulated petroleum products during the year, 26 under its regular bi-weekly schedule, and 11 adjustments in intervening weeks due to the use of the Board's interruption formula.

In the fall of 2008, as a result of extraordinary world market activity associated with potential hurricane damage to infrastructure, the Board made a special adjustment to the maximum price of

regulated petroleum products outside of its regular adjustment schedule. This adjustment resulted in an increase in the maximum allowable price of gasoline by 10.9 cents per litre (cpl) on September 15, 2008.

A review of retail margins for automotive gasoline was completed by the Board in June 2008 and, on July 17, 2008, the Board increased the retail margin for all types of gasoline by 1.25 cpl. The Board also commenced a consultation process at the request of local stakeholders in Labrador regarding its policy of freezing maximum prices in selected zones during the winter months. The Board is also reviewing the reporting requirements for wholesalers and retailers to ensure required data is readily available. Both of these processes are on going.

5) ***Motor Carrier Regulation***

Eight (8) Orders were issued under the Board's Motor Carrier mandate. Five (5) of these Orders related to ambulance services and one to a regularly scheduled trans-island bus passenger service.

6) ***Appointment of Commissioner and New Staff***

In April the Board welcomed Ms. Dwanda Newman as a full-time Commissioner. Ms. Jacqui Glynn was hired as Legal Counsel in May and in June Ms. Sara Kean filled the new position of Records Administrator with the Board. The Board also engaged the services of an engineering consultant to act as technical advisor to the Board.

REPORT ON PLANNED ACTIVITIES

PROGRESS ON STRATEGIC ISSUES

In 2008 the Board published its 2008-2011 Activity Plan in accordance with the *Transparency and Accountability Act*. The plan reflects strategic directions of Government and is consistent with the directions provided in the Guidebook for Improved Accountability for Government Entities. Within the broad context of the Board's governing legislation, governing structure and reporting requirements to the Minister of Justice, the Board believes that it contributes to the overall strategic directions that define the priorities of Government in its support of the strategic directions of **Public Trust and Confidence** and **Innovation and Efficiencies**.

In developing its 2008-2011 Activity Plan the Board focused on strategic issues that are related to its regulatory mandate. In keeping with this focus the Board identified strategic issues, including goals, measures and indicators for the three-year planning horizon, 2008-2011. These are set out below with the results achieved for 2009.

ISSUE 1: REGULATORY EFFICIENCY AND EFFECTIVENESS

The Board strives to achieve regulatory excellence. Our vision directly supports Government’s strategic direction of Public Trust and Confidence. The Board has continued its work with stakeholders, consumers and the public to ensure that its processes are open and transparent and decisions are fair, sound and objective while promoting regulatory efficiency and effectiveness. Again this year the Board managed to achieve regulatory efficiencies with improvements in its processes while continuing to strive for least cost regulation.

Goal: By March 31, 2011 the Board will have achieved continued improvement in regulatory efficiency and effectiveness.

Measure: Continued improved regulatory efficiency and effectiveness.

- Indicators:**
- Standards, schedules and timelines implemented.
 - Additional regulatory initiatives identified.
 - Policies and procedures implemented.

Objective (2009): By March 31, 2009 the Board will have adopted standards, schedules and timelines which enhance efficiency and effectiveness.	
Measure: Improved regulatory efficiency and effectiveness.	
Indicators:	Results:
• <i>Regulatory savings</i>	Continued regulatory efficiency initiatives have again in 2008-09 resulted in reduced regulatory costs. In 2008 the two utility capital budget applications were reviewed without a public hearing, with total estimated cost savings of approximately \$250,000.
• <i>Improved regulatory response</i>	The Board continues to improve its regulatory response with the establishment of set time schedules for its procedures, ensuring that applications and referrals are dealt with efficiently. In 2008-09, 72% of the Board’s Orders were issued in 60 days or less from receipt of the application, with just over half being issued in less than 30 days. This is an improvement from the previous year when 70% were issued in 60 days or less and 44% in 30 days or less. Following proclamation of the <i>Access to Information and Protection of Privacy Act</i> the Board sought the automobile insurance industry’s input and has established a standard protocol for the collection of information to ensure the privacy provisions of the <i>Act</i> .
• <i>Simplified and streamlined processes</i>	In 2008-09, the Board streamlined the timeframe for issuing petroleum product benchmark notices from three days to one day and also reduced the number of notices issued by facsimile or mail. During 2008-09 the Board was successful in meeting the 25% required target for Government’s red tape reduction initiative.

ISSUE 2: HUMAN RESOURCE CAPACITY.

The Board supports Government’s strategic directions of **Public Trust and Confidence** and **Innovation and Efficiencies** and Government’s capacity for strategic human resource management by providing leadership in human resource policy and planning.

In recent years there have been a number of legislative changes impacting the Board’s mandate and operations. These changes have increased the Board’s responsibilities and workload and, to some extent, changed the skills required to fulfill its regulatory mandate. In addition the demographics of its workforce is an emerging issue for the Board.

The Board continues to streamline the delivery of existing programs and services. Review of the existing organizational structure and existing positions as well as education and skill enhancement have been identified as operational priorities related to the functional areas of human resource service delivery. In 2008-09 the Board’s human resource strategy was further updated and reviewed to ensure the capacity exists to deliver its regulatory mandate, meet client needs and respond to the ever-changing regulatory environment. The changes are expected to result in the increased efficiency and effectiveness of programs and services.

GOAL: By March 31, 2011 the Board will have initiated a human resources strategy to ensure that the organization maintains the skills and competencies necessary to deliver its mandate.

Measure: Enhanced organizational and operational capacity.

- Indicators:**
- Organizational review completed.
 - Efficiencies gained through streamlining its human resource capacity.
 - Enhanced responsiveness to emerging technical issues and client/stakeholders needs.

Objective (2009): By March 31, 2009 the Board will have conducted an organizational review matching available skills with human resources requirements and implemented necessary programs to ensure that the Board has the capacity to meet its regulatory obligations.	
Measure: Enhanced organizational and operational capacity.	
Indicators:	Results:
• <i>Human resource needs and capabilities are identified.</i>	As a result of on-going changes to functional requirements the human resource needs and capabilities have been identified.
• <i>Succession planning issues are identified.</i>	The Board has identified the key issues in its succession planning requirements and has initiated development of a human resource strategy to address organizational continuity.
• <i>Human resources are properly aligned to functional requirements.</i>	During the year the Board continued to align human resources with the functional requirements for each position. Commissioners and Staff continued to participate in education and training programs including regulatory training and industry-sponsored sessions. Because this is an ongoing process the development of additional skills with exchange and expansion of duties in the various positions will continue into 2009-10.

ISSUE 3: MANAGEMENT OF RECORDS/INFORMATION

Effective and efficient information management is necessary to support Government’s strategic directions of **Public Trust and Confidence** and **Innovation and Efficiencies**. Ensuring records accuracy, provides for legal protection, satisfies provincial statutory requirements, and achieves economy and efficiency in the creation, use, maintenance, and disposal of Board records. The Board continues to focus its efforts on establishing a records management program to ensure integrity of its records while meeting legal, financial and accountability standards and requirements. The Board was able to move forward in this initiative with the hiring of a full-time records management professional and additional training opportunities for staff.

GOAL: By March 31, 2011 the Board will have strengthened its information management capacity.

Measures: Strengthened Information Management Strategy

- Indicators:**
- Records/Information Management issues identified.
 - Implementation of Records/Information Management Strategy.
 - Improved access to information by staff and the public.

Objective (2009): By March 31, 2009 the Board will have reviewed and identified issues regarding its Records/Information Management program.	
Measures: Improved Records/Information Management Strategy	
Indicators:	Results:
● <i>Completed records/information inventory.</i>	Completion of the inventory review was delayed until the Board hired a records administrator in late spring. The first phase of the records/information inventory was completed and the development of a process after document review and evaluation has been started. It is expected that this will be completed during 2009-10.
● <i>Evaluation/analysis mechanisms identified.</i>	A mechanism for the evaluation and analysis of the Records/Information system was identified. Evaluation and analysis is on going.
● <i>Action plan in place, including timetable/schedule and resource requirements.</i>	The timetable/schedule and resources requirements for the records/information management strategy have been established. All Staff have received first phase records management training. Required software (TRIM) has been purchased and training requirements/plans are being reviewed. This initiative is ongoing and will take several years to complete.

2009-2010 OBJECTIVES

In its 2008-2011 Activity Plan the Board committed to focus on strategic issues that are related to its regulatory mandate. The following objectives, measures and indicators have been developed with respect to the strategic issues identified in the Activity Plan for the next fiscal year 2009-10:

Issue 1: Regulatory Efficiency and Effectiveness.

Objective (2010): By March 31, 2010 the Board will have identified additional regulatory initiatives which strengthen its regulatory framework.

Measure: Improved regulatory efficiency and effectiveness.

Indicators:

- Regulatory savings.
- Improved regulatory response.
- Improved processes.

Issue 2: Human Resource Capacity.

Objective (2010): By March 31, 2010 the Board will have identified training and educational needs for employees.

Measure: Training and educational needs are identified for on-going succession planning.

Indicators:

- Training and educational needs are identified.

Issue 3: Management of Records/Information.

Objective (2010): By March 31, 2010 the Board will have commenced implementation of its Records/Information Management Strategy.

Measures: Implementation of Records/Information Management Strategy.

Indicators:

- Development of classification plan derived from records inventory.
- Initial staff training requirements of TRIM completed.

OPPORTUNITIES AND CHALLENGES AHEAD

The Board's primary challenge is fulfilling its mandate efficiently and effectively while ensuring the delivery of regulatory services in an open, fair, and transparent manner. The Board must be able to respond to a changing regulatory environment, which may involve significant legislative, market or other structural changes. In this context the Board, with the cooperation of stakeholders, endeavors to identify opportunities for improvements in its processes and practices. The changing environment requires new and different approaches and at times rationalization of resources to ensure that the Board can continue to meet its legislated mandate.

The energy policy of the province has set a clear new direction for the electricity sector in the Province which may bring new opportunities and challenges for the Board in the regulation of the utilities. In particular the potential development of the Lower Churchill generation project and a possible island in-feed will impact the electrical system in the Province. The Board may be faced with additional responsibilities and increased requirements for technical expertise as it fulfills its new mandate with respect to water management agreements and ensures the supply of safe, reliable, least cost power. In addition opportunities in relation to conservation and demand side management are increasingly a consideration as suppliers and consumers look for innovative, environmentally friendly and lower cost approaches in the provision of energy in the Province.

In relation to automobile insurance the Board's processes and procedures continue to evolve as the Board continues to seek more efficient and effective ways of fulfilling its automobile insurance regulation mandate.

In accordance with the legislation the Board sets maximum prices for regulated petroleum products in the Province based world market prices for each product. Volatility in the markets continues to be a challenge for the Board for both consumers and retailers/suppliers.

Motor Carrier regulation offers opportunities for streamlining the Board's operations with other public entities as the result of an evolving regulatory environment.

FINANCIAL STATEMENTS



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AUDITORS' REPORT

To: The Board of Commissioners of Public Utilities

We have audited the statement of financial position of the Board of Commissioners of Public Utilities (the "Board") as at March 31, 2009 and the statements of operations, accumulated surplus and cash flows for the year then ended. These financial statements are the responsibility of the Board's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Board as at March 31, 2009 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

Chartered Accountants
St. John's, Newfoundland & Labrador
May 29, 2009

BOARD OF COMMISSIONERS OF PUBLIC UTILITIES

**Statement of Financial Position
March 31, 2009**

	2009	2008
ASSETS		
Current		
Cash	\$ 1,950,658	\$1,573,886
Receivables	65,270	33,702
Recoverable costs (Note 4)	121,034	210,532
Prepaid expenses	16,283	7,867
	2,153,245	1,825,987
Capital assets (Note 5)	62,279	45,691
	\$ 2,215,524	\$1,871,678
LIABILITIES		
Current		
Payables and accruals	\$ 173,902	\$ 168,376
Payroll accruals	353,166	282,622
Designated pension funds (Note 7)	119,124	71,678
	646,192	522,676
Commitments (Note 10)		
ACCUMULATED SURPLUS		
Invested in capital assets	62,279	45,691
Invested in designated pension funds	(119,124)	(71,678)
Internally restricted (Note 8)	1,283,774	1,142,760
Unrestricted	342,403	232,229
	1,569,332	1,349,002
	\$ 2,215,524	\$1,871,678

On Behalf of the Board:

_____ Chairperson and CEO

_____ Vice-Chairperson

BOARD OF COMMISSIONERS OF PUBLIC UTILITIES

Statement of Operations
Year Ended March 31, 2009

	2009	2008
<hr/>		
Revenues		
Regulatory assessments	\$2,208,131	\$2,023,443
Insurance review assessments (Note 9)	-	236,542
Interest and other income	24,744	50,305
Pension fund income (Note 7)	3,799	9,592
	<hr/>	<hr/>
	2,236,674	2,319,882
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Expenses		
Amortization	16,391	28,233
Consulting fees	138,170	92,126
Insurance review costs (Note 9)	-	236,542
Office equipment, supplies and services	58,113	60,656
Pension obligations estimation adjustment (Note 7)	51,245	50,245
Rent and insurance (Note 10)	235,072	183,418
Salaries and associated costs	1,400,439	1,412,482
Telecommunications	31,508	34,958
Training and membership	33,527	16,991
Travel	51,879	21,694
	<hr/>	<hr/>
	2,016,344	2,137,345
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Excess of revenues over expenses	\$ 220,330	\$ 182,537
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BOARD OF COMMISSIONERS OF PUBLIC UTILITIES

**Statement of Accumulated Surplus
Year Ended March 31, 2009**

	2009				2008	
	Invested in Capital Assets	Invested in Designated Pension Funds	Internally Restricted (Note 9)	Unrestricted	Total	Total
Balance as at beginning of year	\$ 45,691	\$ (71,678)	\$1,142,760	\$ 232,229	\$1,349,002	\$1,678,430
Excess of revenues over expenses	(16,391)	(47,446)	-	284,167	220,330	182,537
Assessment reductions	-	-	-	-	-	(511,965)
Invested in capital assets	32,979	-	-	(32,979)	-	-
Restricted during the year	-	-	141,014	(141,014)	-	-
Balance as at end of year	\$ 62,279	\$ (119,124)	\$1,283,774	\$ 342,403	\$1,569,332	\$1,349,002

BOARD OF COMMISSIONERS OF PUBLIC UTILITIES

Statement of Cash Flows
Year Ended March 31, 2009

	2009	2008
Operating activities		
Cash receipts from assessments and other revenues	\$2,205,106	\$ 1,812,681
Cash paid to suppliers and employees	(1,932,299)	(2,331,717)
Cash (used in) operating activities	272,807	(519,036)
Hearing and review activities		
Decrease in recoverable costs	89,498	415,472
Decrease in deferred costs – insurance review	-	237,352
Cash provided by hearing and review activities	89,498	652,824
Investing activities		
Purchase of capital assets	(32,979)	(27,823)
Decrease in designated pension funds	47,446	40,653
Cash provided by investing activities	14,467	12,830
Increase in cash during year	376,772	146,618
Cash position as at beginning of year	1,573,886	1,427,268
Cash position as at end of year	\$1,950,658	\$ 1,573,886

BOARD OF COMMISSIONERS OF PUBLIC UTILITIES

**Notes to Financial Statements
March 31, 2009**

1. General

The Board of Commissioners of Public Utilities (the “Board”) is an independent, quasi-judicial regulatory tribunal constituted in 1949 by the Lieutenant-Governor in Council pursuant to the *Public Utilities Act*. The Board regulates the electric utilities in the Province of Newfoundland and Labrador and is responsible for ensuring that the rates charged are reasonable and that the service provided is safe and reliable. Other responsibilities include: (a) the regulation of automobile insurance rates; (b) the regulation of, from June 8, 2004, fuel prices pursuant to the Petroleum Products Act; (c) limited regulation of the motor carrier industry as it relates to certain passenger and ambulance operations; and (d) to establish compensation for matters referred to the Board pursuant to the *Expropriation Act*. The Board was incorporated on May 12, 2000 pursuant to an amendment to the *Public Utilities Act* and as a Crown entity of the Province is not subject to provincial or federal income taxes.

2. Summary of significant accounting policies

These financial statements have, in all material respects, been prepared in accordance with Canadian generally accepted accounting principles, the more significant of which are set out below:

a) Operating revenues and expenses

Operating revenues and expenses are accounted for on the accrual basis.

b) Recoverable costs

Recoverable costs relating to regulatory hearings and specific enquiries held by the Board are accrued until the Board orders payment. The costs and subsequent recoveries for these enquiries are not included in the operating revenues and expenses of the Board.

c) Capital assets

Capital assets are recorded on the Statement of Financial Position at their historical cost and are amortized as follows:

- Furniture and equipment - 20% declining balance method
- Computer hardware - 35% declining balance method
- Computer software - 50% declining balance method
- Leasehold improvements - the lesser of five year straight-line and remaining term of the lease

BOARD OF COMMISSIONERS OF PUBLIC UTILITIES

Notes to Financial Statements

March 31, 2009

2. Significant accounting policies (cont'd)

d) Severance pay

Severance pay is accounted for on the accrual basis and is based upon years of service and current salary levels. The entitlement to severance pay vests with employees after nine years of continual service and accordingly no provision has been made in the accounts for employees with less than nine years of continual service. The amount is payable when the employee ceases employment with the Board.

e) Use of estimates

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires the Board's management to make estimates and assumptions that affect the amounts reported in the financial statements and the notes related thereto. Actual results may differ from those estimates.

f) Designated pension funds

The Board maintains a defined benefit pension plan for two former commissioners. The Board accrues its obligation under employee benefit plans, net of plan assets. The cost of the Board's defined benefit pension is actuarially determined using the accumulated benefit method. The actuarial assumptions are a rate of return of 3.46% per annum using the UP94 mortality table projected to 2015 with scale AA.

3. Financial instruments

The Board's financial instruments consist of cash, receivables, recoverable costs and payables and accruals. Unless otherwise noted, it is management's opinion that the Board is not exposed to significant interest, currency or credit risks arising from these financial instruments. The fair value of these financial instruments approximate their carrying values, unless otherwise noted.

BOARD OF COMMISSIONERS OF PUBLIC UTILITIES

Notes to Financial Statements

March 31, 2009

4. Recoverable costs

	2009	2008
Recoverable costs, beginning of year	\$210,532	\$ 626,004
Add – specific enquiry costs incurred during the year:		
Consulting fees	169,531	328,198
Consumer Advocate	76,173	570,240
Transcription and printing	-	6,103
Advertising and notice	1,963	33,204
Other	39	4,458
	247,706	942,203
Less – costs recovered during the year	458,238	1,568,207
	337,204	1,357,675
Recoverable costs, end of year	\$121,034	\$ 210,532

5. Capital Assets

	2009			2008
<i>Original Cost</i>	Accumulated Amortization	Net Book Value	Net Book Value	
Furniture and equipment	\$225,102	\$206,635	\$ 18,467	\$ 20,447
Computer hardware	143,980	128,141	15,839	21,974
Computer software	49,248	22,104	27,144	1,550
Leasehold improvements	132,284	131,455	829	1,720
	\$550,614	\$488,335	\$ 62,279	\$ 45,691

6. Bank credit agreement

The Board has established a \$1,000,000 line-of-credit subject to a general security agreement over all accounts and book debts, equipment, tangible capital assets and certain other assets. Any outstanding balance bears interest at the bank prime rate plus 0.5%.

BOARD OF COMMISSIONERS OF PUBLIC UTILITIES

**Notes to Financial Statements
March 31, 2009**

7. Designated pension funds and pension obligations

Designated pension funds are disclosed in the Statement of Financial Position as net of the related pension obligation.

The Board maintains a deferred benefit pension plan for two former commissioners. Designated pension funds have been established and consist of investments maintained in trust with RBC Dexia Investor Services Trust on behalf of these pensioners and are recorded at market value.

	2009	2008
Balance on deposit, beginning of year	\$263,722	\$ 319,575
Add – earnings net of expenses	3,799	9,592
Deduct – benefit payments	267,521	329,167
	65,445	(65,445)
Balance on deposit, end of year	202,076	263,722
Related pension obligation	(321,200)	(335,400)
	\$(119,124)	\$ (71,678)

Pension obligations represent the present value of accrued pension benefits as calculated in an actuarial report dated May 12, 2009. A pension obligations estimation adjustment of \$51,245 (2008 - \$50,245) is included in expenses in the fiscal year.

In addition, other commissioners and employees for which no designated pension plan has been established are members of The Public Service Pension Fund Act 1991, pension contributions deducted from commissioners and employees salaries are matched by the Board and then resubmitted to the Province of Newfoundland and Labrador Pooled Pension Fund from which pensions will be paid to commissioners and employees when they retire. The Board’s share of pension expense for the year of \$86,058 (2008 - \$65,377) is included in salaries and associated costs.

BOARD OF COMMISSIONERS OF PUBLIC UTILITIES

**Notes to Financial Statements
March 31, 2009**

8. Internally restricted surplus

The Board has adopted a formal policy to accumulate and restrict estimated amounts required to meet expected future obligations. The amounts restricted as at March 31, 2009 are as follows:

	2009	2008
Lease commitments	\$ 242,900	\$ 232,580
Payroll contingency	91,048	73,514
Redundancy pay contingency	536,159	463,165
Working capital	413,667	373,501
	\$1,283,774	\$1,142,760

9. Insurance review

The Board incurred costs during the 2005, 2006 and 2007 fiscal years relating to the insurance industry review. These costs were deferred until all costs pertaining to the specific review had been accumulated and a special assessment issued. Assessment revenue and the related costs were included in the 2008 operating revenues and expenses of the Board.

10. Commitments

The Board has the following lease commitments for the rental of office space in St. John's and Grand Falls-Windsor:

St. John's

- a) lease agreement in the amount of \$17,417 per month (\$209,004 per annum), concluding May 31, 2013.

Grand Falls-Windsor

- b) lease agreement in the amount of \$2,825 per month (\$33,900 per annum), concluding February 28, 2010.

APPENDIX I

**SUMMARY OF ORDERS OF THE BOARD
UNDER THE PUBLIC UTILITIES ACT
APRIL 1, 2008 TO MARCH 31, 2009**

Newfoundland Power Inc. (“NP”)

Board Order No. P.U. 2 (2008)

Application:

Issued: April 10, 2008

Approval of a Contribution in Aid of Construction (CIAC) for Cottage Area Customers located at Terrence’s Pond near Clarenville.

Decision:

1. The Board approves the Non-Refundable CIAC of four thousand three hundred thirty-one dollars and twenty-nine cents (\$4,331.29), excluding HST, as calculated under the Policy to provide single-phase service to Domestic Customers located in the Combined Thorburn Lake Cottage Area for a 20-year period from the date the Terrence’s Pond Extension is placed in service, pursuant to s. 41(5) of the Act.
2. The Board approves the refund to each of the existing customers in the Thorburn Lake Cottage Area of the amount of one hundred thirty-six dollars and one cent (\$136.01), excluding HST.
3. The Applicant shall pay all expenses of the Board arising from this Application.

Newfoundland Power Inc. (“NP”)

Board Order No. P.U. 3 (2008)

Application:

Issued: April 10, 2008

Approval of a capital expenditure supplemental to NP’s 2008 Capital Budget (1st Supplemental – Replacement of power transformer in NP’s Pierre’s Brook hydroelectric system, the Southern Shore Highway).

Decision:

1. Pursuant to s. 41(3) of the Act, the Board approves:
 - (a) capital expenditures estimated in the amount of \$486,000 related to the work that is required to accommodate the replacement transformer at the Pierre’s Brook substation as set forth in the application; and
 - (b) an increase in the amount of \$400,000 to the Allowance for Unforeseen Items approved in Order No. P. U. 27(2007).
2. NP shall pay the expenses of the Board arising from this application.

Newfoundland and Labrador Hydro (“Hydro”)

Board Order No. P.U. 4 (2008)

Application:

Issued: April 30, 2008

Application for Rate Changes to Labrador Interconnected Customers.

Decision:

1. The decrease of the monthly amount of the 2008 automatic rate adjustment in the Rural Rate Alteration for the Labrador Interconnected customers in the Rate Stabilization Plan from \$92,560 to \$32,433, is approved on a final basis, as attached in Schedule A.
2. Pursuant to s. 70 of the Act, the Schedule of Rates for the Labrador Interconnected customers, as attached in Schedule B, is approved on a final basis, effective January 1, 2008.
3. Hydro shall pay all expenses of the Board arising from this Application.

Newfoundland and Labrador Hydro (“Hydro”)

Board Order No. P.U. 5 (2008)

Application:

Issued: May 2, 2008

Application for Rate Changes to Island Interconnected Customers and Isolated Rural Customers.

Decision:

1. Pursuant to s. 70 of the Act the rates as attached in Schedule A are approved on a final basis, effective for consumption on and after January 1, 2008.
2. The continuation of the rebate to Hydro’s domestic customers served from the Labrador Isolated and L’Anse au Loup (Labrador Straits) system is approved on a final basis.
3. Hydro shall pay all expenses of the Board arising from this Application.

Newfoundland Power Inc. (“NP”)

Board Order No. P.U. 6 (2008)

Application:

Issued: May 29, 2008

Application for an Order of the Board providing for disposition of the balance in the Purchased Power Unit Cost Variance Reserve Account pursuant to s. 58 and s. 80 of the Act.

Decision:

1. The Board approves the amended Rate Stabilization Clause set out in Schedule “A” to this Order, which adds clause 6 to the Rate Stabilization Account at page 5 of 5.
2. The Board approves the disposition of the 2007 balance in the Purchased Power Unit Cost Variance Reserve Account by means of a credit to the Rate Stabilization Account, as of March 31, 2008, of \$481,611.
3. NP shall pay all expenses of the Board arising from this Application.

Newfoundland Power Inc. (“NP”)

Board Order No. P.U. 7 (2008)

Application:

Issued: May 15, 2008

Approval of the balance of the balance of the Weather Normalization Reserve as of December 31, 2007 pursuant to s. 69(3) and s. 78 of the Act.

Decision:

1. The Board approves NP’s Weather Normalization Reserve of a Negative Balance of \$10,516,682 as at December 31, 2007, pursuant to s. 69(3) and s. 78 of the Act.
2. NP shall pay all the expenses of the Board arising from this Application.

Newfoundland Power Inc. (“NP”)

Board Order No. P.U. 8 (2008)

Application:

Issued: May 15, 2008

Approval of a contribution in aid of construction for a line extension to serve domestic customers residing in a cottage area pursuant to s. 41(5) of the Act.

Decision:

1. The Board approves the Refundable contribution in aid of construction of four thousand seven hundred twenty-seven dollars and ninety-six cents (\$4,727.96), excluding HST, as calculated under the Policy to apply to Domestic Customers in the Golden Gullies and Goulds Big Pond Cottage Area, pursuant to s. 41(5) of the Act.
2. NP shall pay all expenses of the Board arising from this Application.

Newfoundland and Labrador Hydro (“Hydro”)

Board Order No. P.U. 9 (2008)

Application:

Issued: May 28, 2008

Approval to lease office space - Labrador Region Operations, pursuant to s. 41 of the Act.

Decision:

1. The Board approves Hydro’s proposed 20-month lease of office space for Happy Valley-Goose Bay in the amount of \$6,337.50 per month, plus HST, pursuant to s. 41 of the Act.
2. Hydro shall pay all expenses of the Board arising from this Application.

Newfoundland Power Inc. (“NP”)

Board Order No. P.U. 10 (2008)

Application:

Issued: May 29, 2008

Approval of the establishment of a 2008 Income Tax Deferral Account and a 2008 Income Tax True-up.

Decision:

1. The Board approves:
 - (a) the definition of the 2008 Tax Deferral Account contained in Schedule “A” of this Order;
 - (b) a credit of \$560,000 of the 2008 Income Tax True-up to the 2008 Tax Deferral Account as of March 31, 2008;
 - (c) a transfer of \$560,000 from the 2008 Tax Deferral Account to the Rate Stabilization Account as of March 31, 2008; and
 - (d) a reduction in NP’s base rates of 0.177% to be effective July 1, 2008.
3. NP shall pay all the expenses of the Board incurred in this Application.

Newfoundland and Labrador Hydro (“Hydro”)

Board Order No. P.U. 11 (2008)

Application:

Issued: June 12, 2008

Approval of the Rate Stabilization Plan component of the rates to be charged to Newfoundland Power Inc., pursuant to s. 70 (1) of the Act.

Decision:

1. The Board approves:
 - (a) the proposed modifications to the fuel rider component of the Rate Stabilization Plan;
 - (b) the rates to be charged by Hydro to NP, as set out in Schedule “A” to this Order, to be effective for consumption on or after July 1, 2008;
 - (c) the Rate Stabilization Plan Rules as set out in Schedule “B” to this Order, to be effective July 1, 2008; and
 - (d) the revised Industrial Customer Interim rate sheets, as set out in Schedule “C” to this Order, to reflect the name change of “Aur Resources Inc.” to “Teck Cominco Limited”.
2. Hydro shall pay the expenses of the Board incurred in connection with this matter.

Newfoundland Power Inc. (“NP”)

Board Order No. P.U. 12 (2008)

Application:

Issued: June 19, 2008

Approval of a contribution in aid of construction for a line extension to serve domestic customers residing in a cottage area pursuant to s. 41(5) of the Act.

Decision:

1. The Non-Refundable CIAC of four thousand five hundred eighty-eight dollars and ninety-four cents (\$4,588.94), excluding HST, as calculated under the Policy to provide single-phase service to Domestic Customers located in the Cottage Area known as Sandy Point (Area 2) located near the community of Norris Arm South, is approved.
2. NP shall pay all expenses of the Board arising from this Application.

Newfoundland Power Inc. (“NP”)

Board Order No. P.U. 13 (2008)

Application:

Issued: June 19, 2008

Approval of a contribution in aid of construction for a line extension to serve domestic customers residing in a cottage area pursuant to s. 41(5) of the Act.

Decision:

1. The Non-Refundable CIAC of eight thousand four hundred thirty-six dollars and fifty-three cents (\$8,436.53), excluding HST, as calculated under the Policy to apply to Domestic Customers located in the Cottage Area known as Smith’s Pond, is approved.
2. NP shall pay all expenses of the Board arising from this Application.

Newfoundland Power Inc. (“NP”)

Board Order No. P.U. 14 (2008)

Application:

Issued: June 19, 2008

Approval of a contribution in aid of construction for a line extension to serve domestic customers residing in a cottage area pursuant to s. 41(5) of the Act.

Decision:

1. The Non-Refundable CIAC of two thousand three hundred ninety-two dollars and twenty-four cents (\$2,392.24), excluding HST, as calculated under the Policy to apply to Domestic Customers located in the Combined Valley Road Cottage Area for a 20-year period from the date the Line Road Extension is placed in service, is approved.
2. The refund to each of the existing customers in the Valley Road Cottage Area of the amount of thirty-three dollars and seventy-six cents (\$33.76), excluding HST, is approved.
3. NP shall pay all expenses of the Board arising from this Application.

Newfoundland Power Inc. (“NP”)

Board Order No. P.U. 15 (2008)

Application:

Issued: June 24, 2008

Approval of Rate Stabilization Adjustment and Municipal Tax Adjustment to be effective July 1, 2008.

Decision:

1. The Rate Stabilization Adjustment of 0.761 cents/kWh and the Municipal Tax Adjustment factor of 1.02359, to be applied to all bills based on consumption on and after July 1, 2008 to June 30, 2009, are approved.
2. The rates proposed by NP to be effective on all electrical consumption on and after July 1, 2008 to June 30, 2009, as set out in Schedule A to this Order, are approved.
3. NP shall pay the expenses of the Board in connection with this Application.

Newfoundland and Labrador Hydro (“Hydro”)

Board Order No. P. U. 16 (2008)

Application:

Issued: June 24, 2008

Application for Rate Changes to Island Interconnected Customers (excluding Burgeo School and Library) and Isolated Rural Customers (excluding Government departments) to be effective July 1, 2008.

Decision:

1. The rates proposed by Hydro for its Island Interconnected customers (excluding Burgeo School and Library) and Isolated Rural customers (excluding Government departments) to be effective on all electrical consumption on and after July 1, 2008, as set out in Schedule A to this Order, are approved.
2. Hydro shall pay the expenses of the Board incurred in connection with this Application.

Newfoundland and Labrador Hydro (“Hydro”)

Board Order No. P. U. 17 (2008)

Application:

Issued: June 27, 2008

Approval of three capital projects affecting the Holyrood Thermal Generating Station, pursuant to s. 41(3) of the Act.

Decision:

1. The additional 2008 capital expenditures of:
 - (a) \$4,446,200 to replace the Unit 1 Superheater at the Holyrood Thermal Generating Station; and
 - (b) \$1,278,500 to replace the public address (paging) system at the Holyrood Thermal Generating Station;are approved.
2. Hydro shall pay the expenses of the Board arising from this Application.

Newfoundland Power Inc. (“NP”)

Board Order No. P.U. 18 (2008)

Application:

Issued: July 11, 2008

Approval of capital expenditures supplemental to NP’s 2008 Capital Budget (2nd Supplemental – Wind generation facilities: 1) Newind Group Inc – Burin Peninsula, and 2) SkyPower Facility – Fermeuse).

Decision:

1. The Board approves the following capital expenditures associated with the interconnection of the Wind Farms to NP’s transmission system:
 - (a) \$487,000 to make additions and modifications to NP’s Laurentian Substation at St. Lawrence to accommodate the interconnection of the Newind Facility;
 - (b) \$928,000 to make additions and modifications to NP’s Fermeuse Substation on the Southern Shore of the Avalon Peninsula to accommodate the interconnection of the SkyPower Facility, and for associated metering and protective relaying additions and modifications at NP’s Cape Broyle, Mobile and Big Pond Substations; and
 - (c) \$88,000 to make modifications to NP’s transmission line terminating at Laurentian Substation to accommodate the interconnection of the Newind Facility.
2. NP shall pay all the expenses of the Board arising from this Application.

Newfoundland Power Inc. (“NP”)

Board Order No. P. U. 19 (2008)

Application:

Issued: July 31, 2008

Approval of capital expenditures supplemental to NP’s 2008 Capital Budget (3rd Supplemental –Underground civil infrastructure for utility power cables in Water Street and Harbour Drive areas of St. John’s).

Decision:

1. The Board approves the additional 2008 capital expenditures of \$1,930,000 associated with the installation of underground civil infrastructure for utility power cables in Water Street and Harbour Drive areas of St. John’s.
2. NP shall pay all the expenses of the Board arising from this Application.

Newfoundland and Labrador Hydro (“Hydro”)

Board Order No. P.U. 20 (2008)

Application:

Issued: September 3, 2008

Amended Application for the approval, pursuant to s. 78 and s. 80 of the Act, for inclusion in rate base of certain Interconnection expenditures incurred by Hydro, and for the deferral and recognition of certain power purchase costs incurred by Hydro, all with respect to two wind energy purchase agreements.

Decision:

1. Hydro’s proposal to set up a deferral account for the unrecoverable Interconnection Costs associated with the Power Purchase Agreements, at an estimated cost of \$500,000, together with financing costs, is approved (the “Deferral Account”).
2. Hydro’s proposal to include the unamortized balance of the Deferral Account in the rate base for 2008 is approved.
3. Hydro shall recognize the balance of the Deferral Account as an expense in 2009.
4. Hydro shall pay the expenses of the Board incurred in connection with this Application.

Newfoundland Power Inc. (“NP”)

Board Order No. P.U. 21 (2008)

Application:

Issued: September 8, 2008

Approval to proceed with the construction and purchase of certain improvements to its property pursuant to s. 41(3) of the Act. [Reference Order No. P. U. 27(2007) – NP 2008 Capital Budget].

Decision:

The Board approves the amount of \$70,000 in leases for 2008 pursuant to s. 41 of the Act.

Newfoundland Power Inc. (“NP”)

Board Order No. P.U. 22 (2008)

Application:

Issued: September 17, 2008

Approval pursuant to s. 91(5) of the Act to amend an existing committed revolving term credit facility to extend the maturity date.

Decision:

1. Pursuant to s. 91(5) of the Act, the Board approves:
 - (a) the extension of the maturity date associated with the Amended Committed Facility to August 29, 2011;
 - (b) such further extensions of the maturity date as may be requested by NP and agreed to by the lenders; and
 - (c) the deletion of the material adverse change provision described in paragraph 6 of the Application; all as contemplated by the Second Amending Agreement.
2. NP shall pay all the expenses of the Board arising from this Application.

Newfoundland and Labrador Hydro (“Hydro”)

Board Order No. P. U. 23 (2008)

Application:

Issued: September 25, 2008

Approval to undertake a Condition Assessment and Life Extension Study for the Holyrood Thermal Generating Station pursuant to s. 41(3) of the Act.

Decision:

1. An additional 2008 expenditure of \$420,000 to begin the proposed Condition Assessment and Life Extension Study for the Holyrood Thermal Generating Station, which involves the issuance of a request for proposals, evaluation of the proposals and the preparation of a detailed scope of work, is approved.
2. Hydro shall pay all the expenses of the Board arising from this Application.

Newfoundland Power Inc. (“NP”)

Board Order No. P.U. 24 (2008)

Application:

Issued: October 1, 2008

Approval to proceed with the construction and purchase of certain improvements to its property pursuant to s. 41(3) of the Act.

Decision:

1. Pursuant to s. 41(3) of the Act the Board approves the additional 2008 capital expenditures associated with the purchase of 17 photocopiers as proposed in the Application.
2. NP shall pay all the expenses of the Board arising from this Application.

Newfoundland and Labrador Hydro (“Hydro”)

Board Order No. P.U. 25 (2008)

Application:

Issued: October 1, 2008

Approval of a capital project to purchase a front end loader, pursuant to s. 41(3) of the Act.

Decision:

1. Pursuant to s. 41(3) of the Act, the Board approves the additional capital expenditures of \$220,000 for the purchase of a front end loader.
2. Hydro shall pay the expenses of the Board arising from this Application.

Newfoundland and Labrador Hydro (“Hydro”)

Board Order No. P.U. 26 (2008)

Application:

Issued: October 1, 2008

Approval to install neutral grounding resistors at Come By Chance terminal station and approval of an associated customer contribution, pursuant to s. 41(3) and s. 41(5) of the Act.

Decision:

1. Pursuant to s. 41(3) of the Act the Board approves the capital expenditure of \$272,271 for installation of neutral grounding resistors at the Come By Chance terminal station, which asset will be specifically assigned to North Atlantic Refining Limited upon completion of the capital project.
2. Pursuant to s. 41(5) of the Act the Board approves the contribution from the customer, North Atlantic Refining Limited, of the final capital cost of the project.
3. Hydro shall pay the expenses of the Board arising from this Application.

Newfoundland Power Inc. (“NP”)

Board Order No. P. U. 27 (2008)

Issued: November 12, 2008

Application:

Approval pursuant to s. 41 and s. 78 of the Act of:

- (a) its 2009 Capital Budget of \$61,571,000;
- (b) its 2009 leases of \$11,000 per year; and
- (c) fixing and determining its average rate base for 2007 in the amount of \$793,703,000.

Decision:

1. Pursuant to s. 41 of the Act NP’s capital purchases and construction projects in excess of \$50,000, as set out in Schedule A to this Order, are approved.
2. Pursuant to s. 41 of the Act the 2009 Capital Budget for improvements and additions to NP’s property in an amount of \$61,571,000 is approved.
3. Pursuant to s. 41 of the Act the 2009 leases of \$11,000 per year, as set out in Schedule B to this Order, are approved.
4. Pursuant to s. 78 of the Act the average rate base for the year ending December 31, 2007 is hereby fixed and determined at \$793,703,000.
5. Unless otherwise directed by the Board, NP shall file an annual report to the Board on its 2009 capital expenditures by March 1, 2010.
6. Unless otherwise directed by the Board, NP shall provide in conjunction with the 2010 Capital Budget Application, a status report on the 2009 capital budget expenditures showing for each project:
 - (a) the approved budget for 2009;
 - (b) the expenditures prior to 2009;
 - (c) the 2009 expenditures to the date of the Application;
 - (d) the remaining projected expenditures for 2009;
 - (e) the variance between the projected total expenditures and the approved budget; and
 - (f) an explanation of the variance.
7. NP shall pay all costs and expenses of the Board incurred in connection with the Application.

Newfoundland Power Inc. (“NP”)

Board Order No. P.U. 28 (2008)

Issued: November 20, 2008

Application:

Approval to proceed with the construction and purchase of certain improvements to its property pursuant to s. 41(3) of the Act.

Decision:

1. The Non-Refundable CIAC of Three thousand one hundred eighty-four dollars and seventy-one cents (\$3,184.71), excluding HST, as calculated under the Policy to apply to Domestic Customers located in the Cottage Area known as Monroe’s Pond, is approved.
2. NP shall pay all expenses of the Board arising from this Application.

Newfoundland Power Inc. (“NP”)

Board Order No. P.U. 29 (2008)

Issued: November 20, 2008

Application:

Approval to remove a distribution line from service in the Stephenville Flood Zone pursuant to s. 38 of the Act.

Decision:

1. Pursuant to s. 38 of the Act, the Board consents to the removal of the Line from the Flood Zone as proposed in the Application.
2. NP shall pay all expenses of the Board arising from this Application.

Newfoundland and Labrador Hydro (“Hydro”)

Board Order No. P. U. 30 (2008)

Application:

Issued: November 20, 2008

Approval of an upgrade to transmission lines TL-227 and TL-262, pursuant to s. 41(3) of the Act.

Decision:

1. Pursuant to s. 41(3) of the Act, the Board approves the capital expenditure of \$350,300 for the upgrade to transmission lines TL-227 and TL-262.
2. Hydro shall pay all expenses of the Board arising from this Application.

Newfoundland and Labrador Hydro (“Hydro”)

Board Order No. P.U. 31 (2008)

Application:

Issued: December 18, 2008

Approval of the deferral of expenses associated with the repair of the Unit 2 Turbine at the Holyrood Thermal Generating Station as a Major Extraordinary Repair, pursuant to s. 69, s. 78 and s. 80 of the Act.

Decision:

1. The Application is denied.
2. Hydro shall pay the expenses of the Board arising from this Application.

Newfoundland and Labrador Hydro (“Hydro”)

Board Order No. P.U. 32 (2008)

Application:

Issued: December 18, 2008

Approval to extend the amortization period for deferral of Major Extraordinary Repairs from five to seven years, pursuant to s. 69, s. 78 and s. 89 of the Act.

Decision:

1. The Application is denied.
2. Hydro shall pay the expenses of the Board arising from this Application..

Newfoundland and Labrador Hydro (“Hydro”)

Board Order No. P.U. 33 (2008)

Application:

Issued: December 18, 2008

Approval of a Contribution in Aid of Construction (“CIAC”) for a single-phase line extension to serve the Walsh’s River Cottage Area, near Labrador City, pursuant to s. 41(5) of the Act.

Decision:

1. The Contribution in Aid of Construction in the amount of \$475,704.62, including HST; to be paid in two separate amounts of \$93,000.00 in 2008 and \$382,704.62 in 2009, for the supply of single phase electrical service to 19 domestic customers, located at the Walsh’s River Cottage Area near Labrador City, as calculated under the Policy, is approved.
2. Hydro shall pay the expenses of the Board incurred in connection with this Application.

Newfoundland and Labrador Hydro (“Hydro”)

Board Order No. P.U. 34 (2008)

Application:

Issued: December 22, 2008

Approval of changes in the rates to be charged for the supply of power and energy to Labrador Interconnected customers and related changes to the Rate Stabilization Plan Rules, pursuant to s. 70 and s. 71 of the Act.

Decision:

1. The decrease of the monthly amount of the 2009 automatic rate adjustment in the Rural Rate Alteration for the Labrador Interconnected customers in the Rate Stabilization Plan from \$32,433 to (\$5,766), is approved on a final basis, as attached in Schedule A.
2. The Schedule of Rates for the Labrador Interconnected customers, as attached in Schedule B, is approved on a final basis, effective January 1, 2009.
3. Hydro shall pay the expenses of the Board arising from this Application.

Newfoundland Power Inc. (“NP”)

Board Order No. P.U. 35 (2008)

Application:

Issued: December 22, 2008

Approval of the Operation of the Automatic Adjustment Formula for 2009.

Decision:

1. The Board approves:
 - (a) a rate of return on rate base for 2009 of 8.37% in a range of 8.19% to 8.55%; and
 - (b) NP’s continued use of the current Customer Rates approved by Order No. P. U. 15 (2008), with effect from January 1, 2009.
2. NP shall pay the expenses of the Board arising from this Application.

Newfoundland and Labrador Hydro (“Hydro”)

Board Order No. P.U. 36 (2008)

Application:

Issued: December 23, 2008

Approval of:

- (a) its 2009 Capital Budget of \$47,856,000;
- (b) its 2009 capital budget purchases and construction projects in excess of \$50,000;
- (c) its 2009 leases of \$6,720 per year;
- (d) the proposed estimated contributions in aid of construction for 2009; and
- (e) fixing and determining its average rate base for 2007 in the amount of \$1,484,545,000.

Decision:

1. Pursuant to s. 41 of the Act, Hydro’s proposed capital purchases and construction projects in excess of \$50,000 are approved, as set out in Schedule A to this Order.
2. Pursuant to s. 41 of the Act, the 2009 Capital Budget for improvements and additions to Hydro’s property in an amount of \$ 47,856,000 is approved.
3. Pursuant to s. 41 of the Act, the 2009 lease in the amount \$6,720 is approved.
4. Unless otherwise directed by the Board, Hydro shall file an annual report to the Board on its 2009 capital expenditures by March 1, 2010.
5. Unless otherwise directed by the Board Hydro shall provide, in conjunction with the 2010 Capital Budget Application, a status report on the 2009 capital budget expenditures showing for each project:
 - (a) the approved budget for 2009;
 - (b) the expenditures prior to 2009;
 - (c) the 2009 expenditures to the date of the application;
 - (d) the remaining projected expenditures for 2009;
 - (e) the variance between the projected total expenditures and the approved budget; and
 - (f) an explanation of the variance.
6. Hydro shall pay all costs and expenses of the Board incurred in connection with the Application.

Newfoundland and Labrador Hydro (“Hydro”)

Board Order No. P.U. 37 (2008)

Application:

Issued: December 24, 2008

Approval of the Rate Stabilization Plan components of the rates to be charged to Island Industrial Customers, pursuant to s. 70(1) of the Act.

Decision:

1. The continuation of the rates, rules and regulations for Hydro’s Island Industrial Customers is approved on an interim basis from January 1, 2009 to March 31, 2009, with the Schedule of Rates as attached in Schedule A.
2. Hydro shall make application to finalize the interim rates, rules and regulations for the Island Industrial Customers by January 30, 2009.
3. Hydro shall pay all expenses of the Board arising from this Application.

Newfoundland and Labrador Hydro (“Hydro”)

Board Order No. P.U. 38 (2008) ~ Resinded

Application:

Issued: December 31, 2008

Application for Rate Changes to Island Interconnected Customers and Isolated Rural Customers (Interim Order).

Decision:

1. The Board approves on an interim basis the rates as attached in Schedule A to be effective for consumption on and after January 1, 2009 until a final order of the Board with respect to the within matter.
2. The continuation of the rebate to Hydro’s domestic customers served from the Labrador Isolated and L’Anse au Loup (Labrador Straits) system is approved on an interim basis.
3. Hydro shall pay all expenses of the Board arising from this Application.

Newfoundland and Labrador Hydro (“Hydro”)

Board Order No. P.U. 1 (2009)

Application:

Issued: January 5, 2009

Approval of rates to be charged for the supply of power and energy by Hydro to Non-Government Rural Isolated Domestic and General Service customers, pursuant to s. 70 and s. 71 of the Act.

Decision:

1. Order No. P.U. 38(2008) is rescinded.
2. The rates for Non-Government Rural Isolated Domestic and General Service customers are approved as set out in Schedule A, effective January 1, 2009.
3. Hydro shall file no later than September 30, 2009 an application for approval of rates to be effective January 1, 2010 for its Non-Government Rural Isolated Domestic and General Service customers.

Newfoundland and Labrador Hydro (“Hydro”)

Board Order No. P.U. 2 (2009)

Application:

Issued: January 20, 2009

Approval to relocate portable generating units maintained at St. Anthony in accordance with Order No. P. U. 34(2004).

Decision:

1. Hydro’s application to retain the Portable Generators at the Nain diesel generating station while it is being repaired following the September 7, 2008 fire is approved.
2. Hydro’s application for approval to return the Portable Generators to St. Anthony after completion of the repairs at the Nain diesel generating station and retain the Portable Generators at St. Anthony except for times when they are needed or useful to provide operation benefits for temporary deployment elsewhere is not approved as the location and conditions on usage of the Portable Generators will be determined as part of a general review by the Board of Hydro’s preparedness and planning in relation to standby/portable generation.
3. Hydro shall pay the expenses of the Board arising from this matter.

Newfoundland Power Inc. (“NP”)

Board Order No. P.U. 3 (2009)

Application:

Issued: January 27, 2009

Application for an Order approving a revised definition of the Excess Earnings Account.

Decision:

1. The Board approves, pursuant to s. 58 of the Act, the definition of the Excess Earnings Account as set out in Schedule A.
2. NP shall pay all expenses of the Board arising from this Application.

Newfoundland and Labrador Hydro (“Hydro”)

Board Order No. P.U. 4 (2009)

Application:

Issued: January 27, 2009

Approval of a capital project to replace the power transformer at the Wiltondale Terminal Station.

Decision:

1. The capital expenditure of \$351,000 for the replacement of the power transformer at the Wiltondale terminal station is approved.
2. Hydro shall pay the expenses of the Board incurred in connection with this Application.

Newfoundland Power Inc. (“NP”)

Board Order No. P.U. 5 (2009) ~ Amended

Application:

Issued: February 3, 2009

Approval of:

- (a) revised distribution line cost per metre for Contributions in Aid of Construction (CIAC’s);
- (b) revised distribution plan upgrade cost for CIAC’s; and
- (c) revised CIAC cost factors.

Decision:

1. The revised cost factors submitted with the Application and contained in Schedules “A”, “B”, “C” and an amended Schedule “D” attached to this Order are approved to be used in the calculation of all CIAC’s with effect from January 28, 2009, and, where advantageous to customers of NP, on all CIAC’s quoted but unpaid as of January 28, 2009.
2. NP submit a revised CIAC Policy in its entirety incorporating the revisions approved herein.

Newfoundland and Labrador Hydro (“Hydro”)

Board Order No. P.U. 6 (2009)

Application:

Issued: January 30, 2009

Approval of the Rate Stabilization Plan components of the rates to be charged to Island Industrial Customers pursuant to s. 41(3) of the Act.

Decision:

1. Hydro shall make application to finalize the interim rates, rules and regulations for the Island Industrial Customers by June 30, 2009.
2. The continuation of the rates, rules and regulations for Hydro’s Island Industrial Customers is approved on an interim basis until a final Order of the Board with respect to the finalization of rates.
3. Hydro shall pay all expenses of the Board arising from this Application.

Newfoundland Power Inc. (“NP”)

Board Order No. P.U. 7 (2009)

Application:

Issued: March 9, 2009

Application for an Order approving a Contribution in Aid of Construction (CIAC) for a Three-Phase Service for the City of St. John’s.

Decision:

1. The CIAC of Seventy-nine thousand five hundred three dollars and thirty-four cents (\$79,503.34), including HST, as calculated under the Policy to provide three-phase service to a gas extraction plant for the City of St. John’s, is approved.
2. NP shall pay all expenses of the Board arising from this Application.

Newfoundland and Labrador Hydro (“Hydro”)

Board Order No. P.U. 8 (2009)

Application:

Issued: March 12, 2009

Approval of a capital project to replace programmable logic controllers at the Holyrood Thermal Generating Station pursuant to s. 41(3) of the Act.

Decision:

1. The Board approves the capital expenditures of \$1,092,900 for the replacement of the programmable logic controllers at the Gas Turbine Plant.
2. Hydro shall pay all expenses of the Board arising from this Application.

Newfoundland and Labrador Hydro (“Hydro”)

Board Order No. P.U. 9 (2009)

Application:

Issued: March 20, 2009

Approval of a capital expenditure to replace the Operator Console for the Stephenville Gas Turbine pursuant to s. 41(3) of the Act.

Decision:

1. The request for approval of a capital expenditure of \$119,500 for the replacement of the Operator Console for the Stephenville Gas Turbine is denied.
2. Hydro shall pay the expenses of the Board incurred in connection with this Application.

Newfoundland and Labrador Hydro (“Hydro”)

Board Order No. P.U. 10 (2009)

Application:

Issued: March 20, 2009

Approval of a capital project to upgrade the Continuous Emission Monitoring System at the Holyrood Thermal Generating Station pursuant to s. 41(3) of the Act.

Decision:

1. The Board approves the capital expenditures of \$703,700 for the upgrade of the continuous emission monitoring system at the Holyrood Thermal Generating Station pursuant to s. 41(3) of the Act.
2. Hydro shall all expenses of the Board arising from this Application.

Newfoundland Power Inc. (“NP”)

Board Order No. P.U. 11 (2009)

Application:

Issued: March 20, 2009

Application for an Order approving the issue of Series AM First Mortgage Sinking Fund Bonds pursuant to s. 91 of the Act.

Decision:

1. The Board approves, pursuant to s. 91 of the Act, the issuance by NP of Series AM First Mortgage Sinking Fund Bonds in an amount of up to \$75,000,000 and on the general terms set out in the Application subject to the following conditions:
 - (a) The Bonds shall be issued on or before December 31, 2009.
 - (b) NP shall provide the Board an Affidavit specifying the terms and conditions of the Bond issue within five (5) days (non-business days excepted) after closing the Bond issue. In particular, the Affidavit shall set forth the following:
 - i. date of the issue;
 - ii. term;
 - iii. maturity date;
 - iv. principal amount;
 - v. coupon rate;
 - vi. particulars of sinking fund, if any;
 - vii. price to the public and to the underwriters;
 - viii. yield to the public;
 - ix. underwriting fee;
 - x. actual cost (i.e. yield) to NP; and
 - xi. any other material terms or conditions not contemplated at the date of the Application but forming part of the negotiated terms and conditions.
 - (c) NP shall provide to the Board a copy of the Underwriting Agreement relating to the Bond issue within five (5) days (non-business days excepted) after closing the Bond issue.
 - (d) The proceeds of the Bond issue shall be used in the manner set out in paragraph 9 of the Application, and NP shall report by Affidavit to the Board on the disposition of the proceeds no later than January 15, 2010.
2. NP shall pay all costs and expenses of the Board in connection with this Application.

Newfoundland Power Inc. (“NP”)

Board Order No. P.U. 12 (2009)

Application:

Issued: March 20, 2009

Application for an Order approving the balance in the Weather Normalization Reserve pursuant to s. 91 of the Act.

Decision:

1. The Board approves NP ‘s Weather Normalization Reserve of a negative balance of \$5,910,271 as of December 31, 2008 pursuant to subsections 69(3) and 78 of the Act.
2. NP shall pay all costs and expenses of the Board in connection with this Application.

Newfoundland Power Inc. (“NP”)

Board Order No. P.U. 13 (2009)

Application:

Issued: March 25, 2009

Application for an Order approving the deferred recovery of certain 2009 costs associated with an energy conservation program to be implemented in 2009.

Decision:

1. The Board approves the creation of a Conservation Cost Deferral Account as defined in Schedule “A” to this Order to provide for the deferred recovery, until a further Order of the Board, of 2009 costs (net of tax) related to the implementation of the Conservation Plan, estimated to be \$1.4 million.
2. NP shall provide, as part of its 2009 annual report, a report on the implementation of the Conservation Plan in 2009, including a description of specific initiatives, the results and the associated costs.
3. NP shall pay all expenses of the Board arising from this Application

Newfoundland and Labrador Hydro (“Hydro”)

Board Order No. P.U. 14 (2009)

Application:

Issued: March 25, 2009

Application for an Order approving a deferral account to allow the deferred recovery of certain 2009 costs associated with an energy conservation program to be implemented in 2009.

Decision:

1. The Board approves the creation of a Conservation Cost Deferral Account to provide for the deferred recovery, until a further Order of the Board, of 2009 costs related to the implementation of the Conservation Plan, estimated to be \$1.8 million.
2. Hydro shall file a definition of the Conservation Cost Deferral Account with the Board within 30 days of this Order.
3. Hydro shall provide, as part of its 2009 annual report, a report on the Conservation Plan initiatives implemented in 2009, including a description of specific initiatives, the results and the associated costs.
4. Hydro shall pay all expenses of the Board arising from this Application.

Newfoundland Power Inc. (“NP”)

Board Order No. P.U. 15 (2009)

Application:

Issued: March 25, 2009

Application for an Order approving a deferral account to true-up NP corporate income taxes for years subsequent to the 2008 test year to reflect federal corporate tax reductions.

Decision:

1. The Board will make no Order as to the corporate tax reductions of 0.5% in 2009 and 1.0% in 2010.
2. NP shall pay all the expenses of the Board incurred in this application.

Newfoundland and Labrador Hydro (“Hydro”)

Board Order No. P.U. 16 (2009)

Application:

Issued: March 27, 2009

Approval of a capital expenditure to extend the parking lot at Hydro Place, pursuant to subsection 41(3) of the Act.

Decision:

1. The Board approves the capital expenditure of \$93,000 for the extension of the parking lot at Hydro Place, pursuant to s. 41(3) of the Act.
2. Hydro shall pay all expenses of the Board arising from this Application.

**SUMMARY OF ORDERS OF THE BOARD
UNDER THE AUTOMOBILE INSURANCE ACT
APRIL 1, 2008 TO MARCH 31, 2009**

The Dominion of Canada General Insurance Company

Board Order No. A.I. 9 (2008)

Application:

Issued: April 10, 2008

Approval to implement revised rates for its Private Passenger class of business.

Decision:

1. The rate proposal by The Dominion of Canada General Insurance Company received by the Board on February 29, 2008 is approved with base rates as stated in the Order and differentials as submitted with this filing.
2. The base rates for each type of coverage shall be effective for new business no sooner than May 1, 2008 and no sooner than July 1, 2008 for renewal business.
3. The implementation of the 2007 CLEAR rate group tables issued by VICC is approved.
4. The proposed discount program is approved.
5. Dominion shall pay all the expenses of the Board arising from this filing.

Sovereign General Insurance Company

Board Order No. A.I. 10 (2008)

Application:

Issued: May 15, 2008

Approval to adopt the rates and rating program of Canadian Union for its private passenger class of business.

Decision:

1. The application by The Sovereign General Insurance Company to utilize the private-passenger rating program of Canadian Union Insurance Company is approved with effect from July 7, 2008.
2. The Sovereign General Insurance Company shall annually, commencing no later than March 30, 2009 and continuing thereafter until otherwise ordered by the Board, report to the Board the numbers of private passenger automobiles written and the premiums associated therewith.

Axa Insurance (Canada)

Board Order No. A.I. 11 (2008)

Application:

Issued: May 15, 2008

Approval to adopt the rates and rating program of Axa General for its private passenger class of business.

Decision:

1. The application by Axa Insurance (Canada) to utilize the private-passenger rating program of Axa General Insurance Company is approved with effect from May 15, 2008.
2. Axa Insurance (Canada) shall annually, commencing no later than March 30, 2009 and continuing thereafter until otherwise ordered by the Board, report to the Board the numbers of private passenger automobiles written and the premiums associated therewith.

Traders General Insurance Company

Board Order No. A.I.12 (2008)

Application:

Issued: May 26, 2008

Approval to implement revised rates for its Private Passenger class of business.

Decision:

1. The rate proposal received by the Board on May 12, 2008 is approved with base rates as stated in the Order and the differentials submitted with the February 2008 filing.
2. The base rates for each type of coverage shall be effective for new business no sooner than July 1, 2008 and no sooner than August 1, 2008 for renewal business.
3. The proposed discount program is approved.
4. The Applicant shall pay all the expenses of the Board arising from this filing.

Federation Insurance Company of Canada

Board Order No. A.I. 13 (2008)

Application:

Issued: July 15, 2008

Approval to implement revised rates for its Private Passenger class of business (dated January 8, 2008 and as amended April 25, 2008).

Decision:

1. The proposed rates are prohibited.
2. Federation's Bodily Injury loss development factors are rejected.
3. Federation's proposed future trend rate for Accident Benefits is rejected.
4. Federation shall file with the Board revised rate indications using the traditional incurred reported development method to derive its Bodily Injury loss development factors, as well as an Accident Benefits future loss trend rate of +1%.
5. Federation shall submit for the approval of the Board a revised rate filing with proposed rates which are no higher than the rate indications revised in accordance with this Order, setting out proposed effective dates.
6. Federation may adjust the proposed rates to reflect the proposed effective dates in the trend period.
7. The proposed discount program is approved.
8. The proposed surcharge program is approved.
9. The updated CLEAR rate group tables are accepted.
10. The proposed changes to driving record progression for at fault accidents are accepted.
11. Federation shall pay all the expenses of the Board arising from this filing.

Federation Insurance Company of Canada

Board Order No. A.I. 14 (2008)

Application:

Issued: July 18, 2008

Approval to implement revised rates for its Private Passenger class of business (dated July 18, 2008).

Decision:

The revised rate proposal received by the Board on July 18, 2008 is approved with base rates as specified in order.

Security National Insurance Company

Board Order No. A.I. 15 (2008)

Application:

Issued: July 25, 2008

Approval of an optional Accident Forgiveness Endorsement for its Private Passenger class of business.

Decision:

The proposed Accident Forgiveness Endorsement is approved to be effective no sooner than September 15, 2008 for new business and November 15, 2008 for renewals.

Primum Insurance Company

Board Order No. A.I. 16 (2008)

Application:

Issued: July 25, 2008

Approval of an optional Accident Forgiveness Endorsement for its Private Passenger class of business.

Decision:

The proposed Accident Forgiveness Endorsement is approved to be effective no sooner than September 15, 2008 for new business and November 15, 2008 for renewals.

TD Home and Auto Insurance Company

Board Order No. A.I. 17 (2008)

Application:

Issued: July 25, 2008

Approval of an optional Accident Forgiveness Endorsement for its Private Passenger class of business.

Decision:

The proposed Accident Forgiveness Endorsement is approved to be effective no sooner than September 15, 2008 for new business and November 15, 2008 for renewals.

TD Home and Auto Insurance Company

Board Order No. A.I. 18 (2008)

Application:

Issued: August 18, 2008

Approval to implement S.E.F. 20 and S.E.F. 43 (R or L) coverages for light commercial vehicle classifications.

Decision:

The proposed S.E.F 20 and the S.E.F. 43 (R or L) endorsements for light commercial vehicles is approved to be effective no sooner than September 1, 2008 for new business and renewals.

Co-operators General Insurance Company

Board Order No. A.I. 19 (2008)

Application:

Issued: September 17, 2008

Approval of a revised private passenger automobile insurance rating program.

Decision:

1. The rate proposal by Co-operators General Insurance Company received by the Board on August 7, 2008, including the differentials as filed, is approved.
2. The base rates for each type of coverage shall be effective for both new business and renewal business no sooner than January 1, 2009.
3. The implementation of the 2008 CLEAR rate group tables issued by VICC is approved.
4. The proposed discount program is approved.
5. The Applicant shall pay all the expenses of the Board arising from this filing.

Dominion of Canada General Insurance Company

Board Order No. A.I. 1 (2009)

Application:

Issued: January 23, 2009

Approval of updated price based rate group tables to be used for commercial vehicles.

Decision:

The proposed revisions to the rate group tables and the proposed adjustment to base rates to off balance the impact of the changes to the rate group tables for the commercial class of business are approved to be effective no sooner than March 1, 2009 for new business and April 1, 2009 for renewal business.

Elite Insurance Company

Board Order No. A.I. 2 (2009)

Application:

Issued: March 30, 2009

Approval of a revised private passenger automobile insurance rating program.

Decision:

The revised rate proposal received on March 11, 2009 for the Private Passenger Automobile class of business is approved to be effective no sooner than April 1, 2009 for new business and June 1, 2009 for renewal business.

**SUMMARY OF ORDERS OF THE BOARD
UNDER THE MOTOR CARRIER ACT
APRIL 1, 2008 TO MARCH 31, 2009**

Delaney's Ambulance Services Inc.

Board Order No. M.C. 3 (2008)

Application:

Issued: May 15, 2008

Approval to amend its Motor Carrier Certificate No. 3572 to provide the following service:

IRREGULAR ROUTE SPECIALTY AMBULANCE SERVICE for the transportation of persons requiring medical attention or under medical care upon the request of a medical doctor or a registered nurse from any point located on or accessed from Highway Route Number 1 between and including the eastern entrance to Terra Nova National Park and a point located on Highway Route Number 1 one kilometre east of the Gambo River including all points within Terra Nova National Park and all points located on or accessed from Highway Route Numbers 301, 310, and 2-1-10 to any hospital, nursing home, first aid station or home for senior citizens within the province of Newfoundland and Labrador and upon the specific request of a medical doctor, registered nurse or a police officer between any two points within the province of Newfoundland and Labrador.

Decision:

Approval granted as a result of a meeting of the Board.

Gambo Ambulance Services Incorporated

Board Order No. M.C. 4 (2008)

Application:

Issued: July 7, 2008

Approval of issuance of a Motor Carrier Certificate to provide ambulance service.

Decision:

Approval granted as a result of a meeting of the Board.

Steven Blanchard

Board Order No. M.C. 5 (2008)

Application:

Issued: September 5, 2008

Approval of issuance of a Motor Carrier Certificate to provide:

REGULAR PUBLIC PASSENGER BUS SERVICE for the transportation of passengers and their baggage at separate fares from Baie Verte to Grand Falls-Windsor and the reverse thereof. This authority will include pick up and drop off privileges at Springdale.

Decision:

Approval granted as a result of a meeting of the Board.

**Gilbert Easton,
o/a G & P Enterprises**

Board Order No. M.C. 6 (2008)

Issued: October 1, 2008

Application:

Approval to discontinue providing regular public passenger bus service under Motor Carrier Certificate No. 6391.

Decision:

Approval granted.

Kearney's Ambulance Services Ltd.

Board Order No. M.C. 7 (2008)

Application:

Issued: October 1, 2008

Approval of the transfer of beneficial share ownership of Motor Carrier Certificate No. 6285 from Derrick Kearney, sole shareholder, Kearney's Ambulance Services Ltd. to Fewer's Ambulance Service Ltd.

Decision:

Approval granted.

Delaney's Ambulance Service Inc

Board Order No. M.C. 8 (2008)

Application:

Issued: October 1, 2008

Amendment of Motor Carrier Certificate No. 3572 to delete,

IRREGULAR ROUTE SPECIALTY AMBULANCE SERVICE for the transportation of persons requiring medical attention or under medical care upon the request of a medical doctor or registered nurse from Gambo, Dark Cove, Middle Brook, Hare Bay, Dover, and Wellington, all located on Highway Route No. 320, to any hospital, nursing home, first aid station or home for senior citizens and upon the specific request of a medical doctor, registered nurse or a police officer between any two points within the province of Newfoundland and Labrador.

Decision:

Approval granted.

Bonavista North Transportation (2008) Inc.

Board Order No. M.C. 1 (2009)

Application:

Issued: February 26, 2009

Approval of regular Public Passenger Bus Service for the transportation of passengers and their baggage at separate fares from St. John's to Lumsden and the reverse thereof. This authority will include pick up and drop off privileges at all points between and is restricted to the use of a vehicle with a maximum seating capacity of up to 48 passengers.

Decision:

Approval granted as a result of a meeting of the Board.

Tryco Limited

Board Order No. M.C. 2 (2009)

Application:

Issued: March 12, 2009

Approval of: (i) the amendment of the share structure of Tryco Limited; and (ii) the transfer of beneficial ownership of the shares of the holder of Motor Carrier Certificate No. 3546, Tryco Limited.

Decision:

The application for the amendment of the share structure and the transfer of the beneficial ownership of the shares of the holder of Motor Carrier Certificate No. 3546, Tryco Limited is approved.

APPENDIX II

**SUMMARY OF MAXIMUM PRICE CHANGES
UNDER THE PETROLEUM PRODUCTS ACT
APRIL 1, 2008 TO MARCH 31, 2009**

Pricing Zones

The Province is divided into 14 primary pricing zones for the setting of maximum prices for petroleum products. Each of these pricing zones is separated from the next by unique geographic boundaries, and each has established product-pricing differentials from the base zone. These zone price differentials are added to the base prices for products in the base zone to reflect the additional costs for the transportation, storage and distribution of the products in the destination zone. As well, where primary zones contain special geographic features, such as islands, pricing sub-zones have been established to reflect the additional cost of providing products to these more remote locations.

Zone 1 (Avalon) is the base zone for all fuel products except residential propane, which has Zone 2 (Burin Peninsula/ Bonavista Peninsula / Bonavista Bay) as its base zone because the majority of residential propane used in the Province comes from the refinery in Come By Chance.

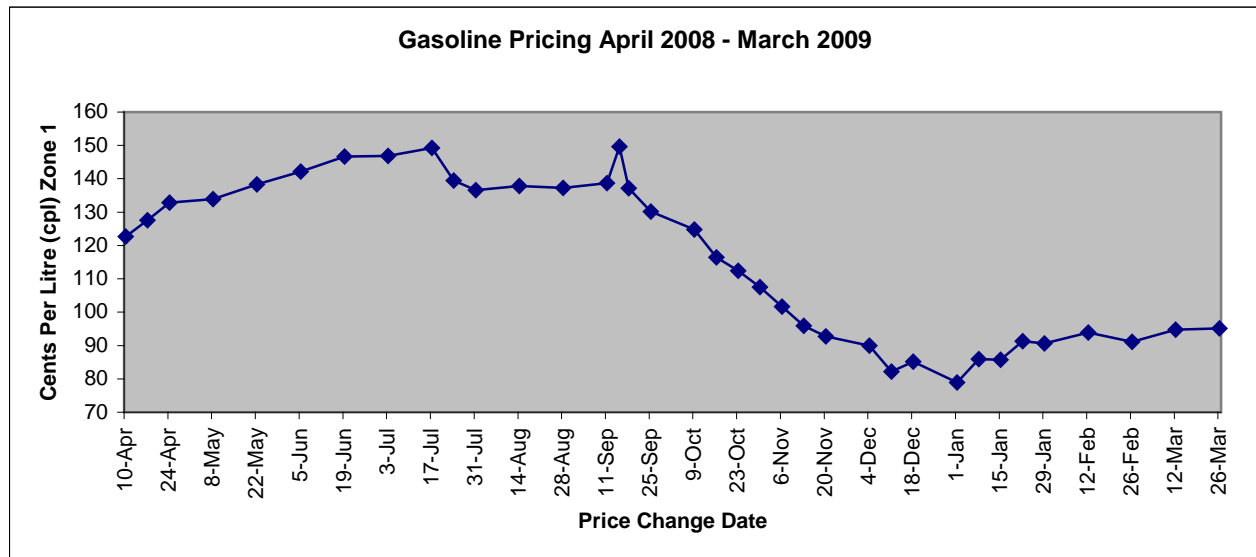
The following charts reflect the overall pricing movements in the base zone for each of the refined petroleum products for which maximum prices are regulated. (Note: the lines joining the data points in the following graphs are intended to reflect trends only and do not represent gradual increases or decreases in prices between the indicated price changes.)

There were 38 changes to the maximum prices of various fuel products during the period April 1, 2008 to March 31, 2009. These adjustments include scheduled price changes (26); interruptions (11); and one change resulting from an extraordinary intervention (one).

Gasoline

There were 36 changes (18 increases and 18 decreases) to the maximum price of gasoline: 26 were scheduled adjustments; nine were related to the use of the interruption formula; and, one was a result of a extraordinary adjustment.

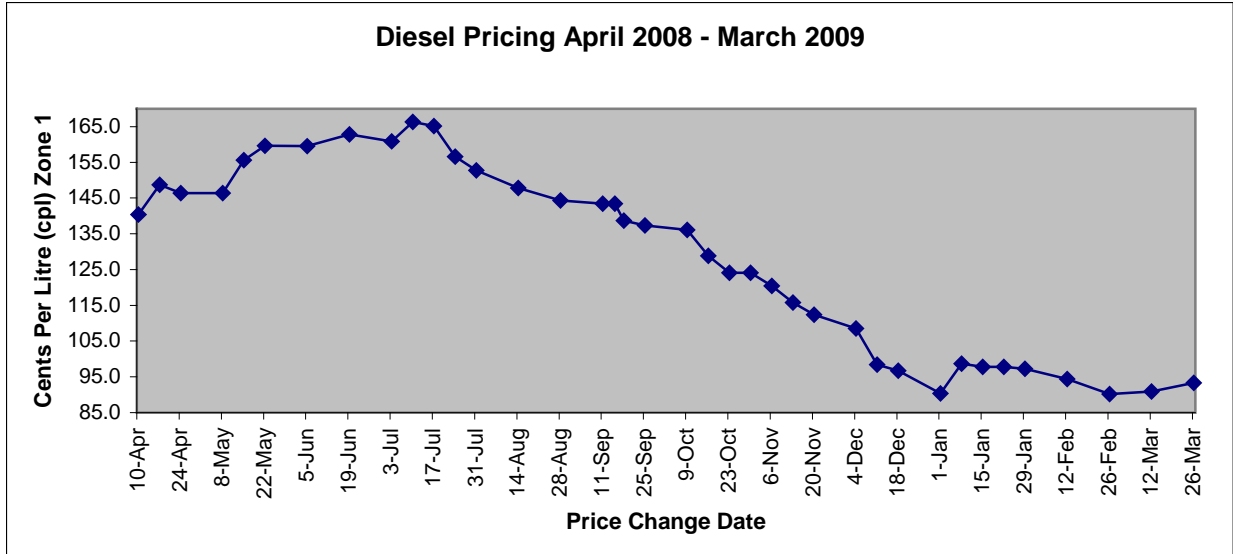
Maximum Gasoline Prices



Automotive diesel

There were 35 changes (nine increases, 25 decreases, and one scheduled adjustment that resulted in no change) to the maximum price of automotive diesel: 26 were scheduled adjustments and nine were related to the use of the interruption formula.

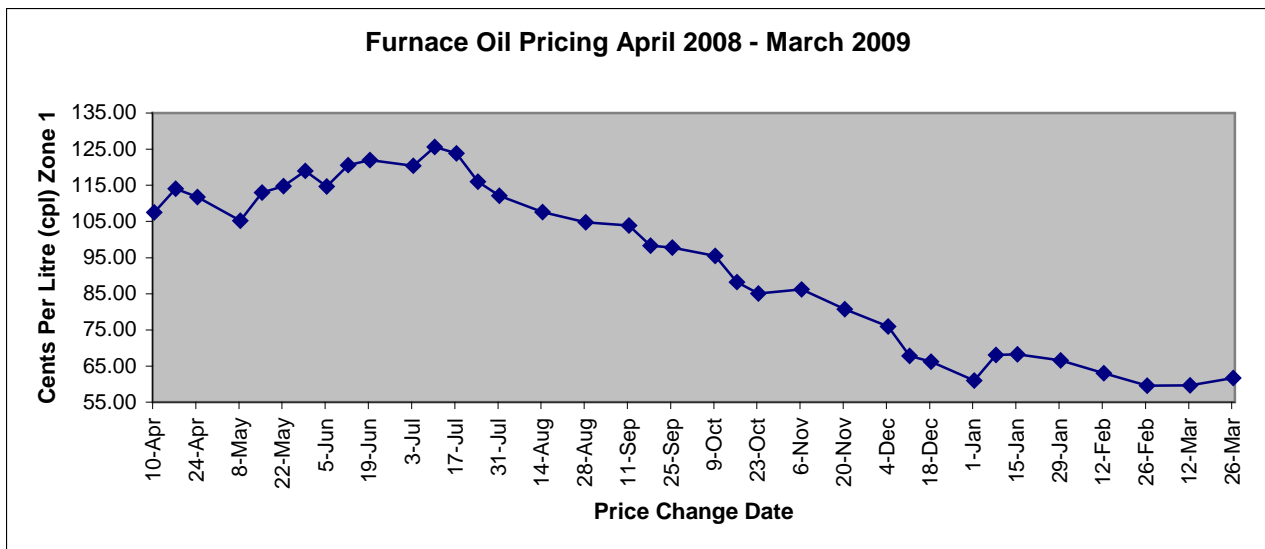
Maximum Automotive Diesel Prices



Furnace oil

There were 36 changes (13 increases, and 23 decreases) to the maximum price of furnace oil: 26 were scheduled adjustments, and 10 were related to the use of the interruption formula.

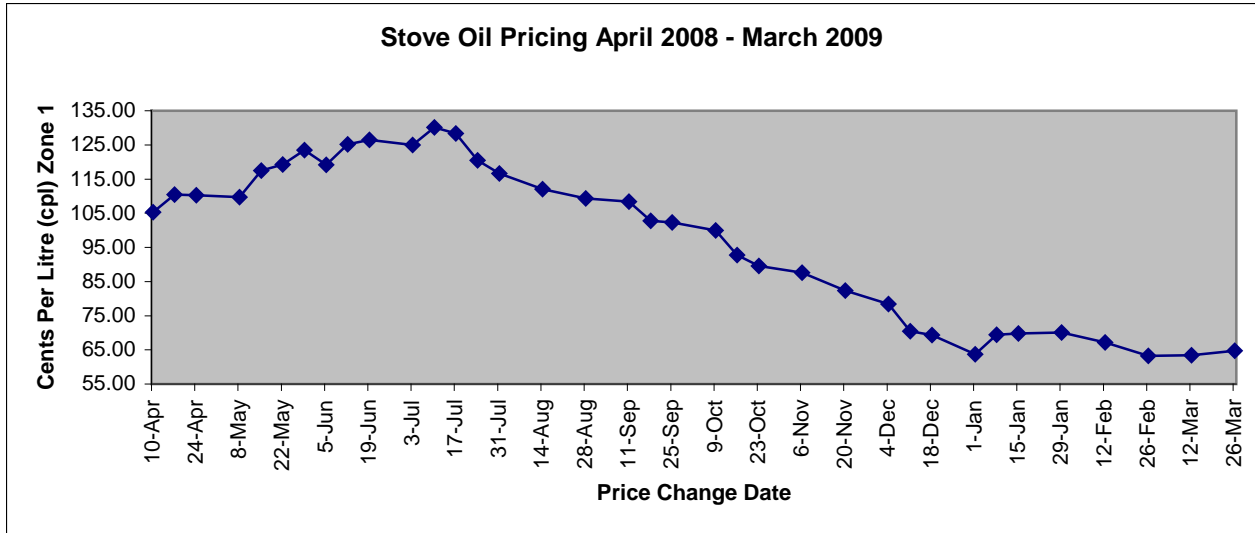
Maximum Furnace Oil Prices



Stove oil

There were 36 changes (13 increases and 23 decreases) to the maximum price of stove oil: 26 were scheduled adjustments, and 10 were related to the use of the interruption formula.

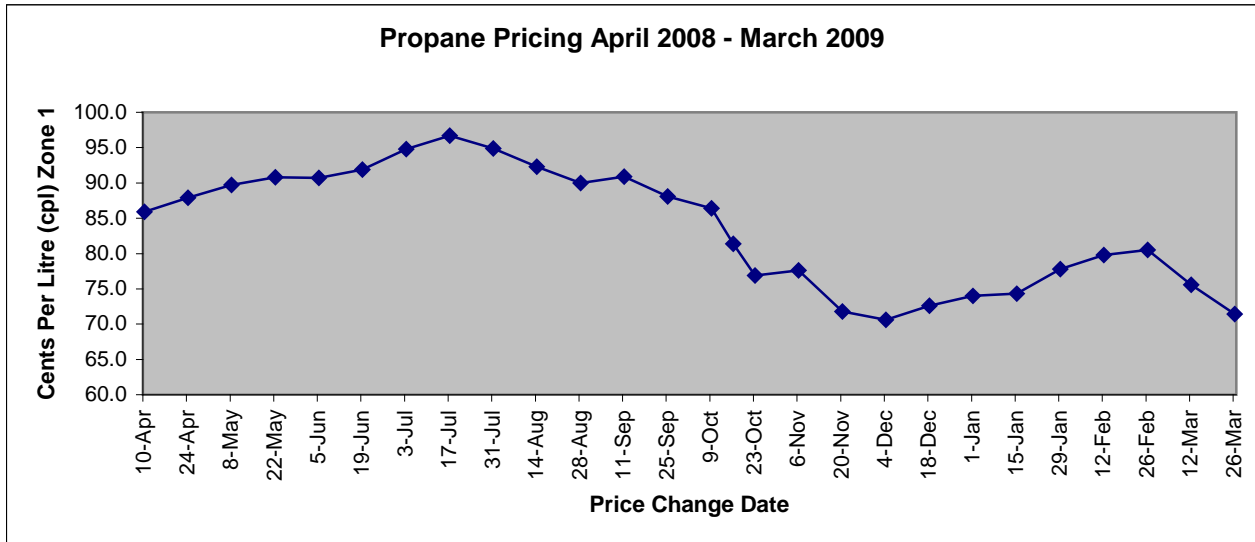
Maximum Stove Oil Prices



Residential propane

There were 27 changes (15 increases and 12 decreases) to the maximum price of residential propane: 26 were scheduled adjustments, and one was related to the use of the interruption formula.

Maximum Residential Propane Prices



Summary of Petroleum Pricing Changes

The following tables demonstrate the pricing adjustments during the period April 1, 2008 to March 31, 2009 for each of the refined petroleum products regulated by the Board, using data from Zone 1 (Avalon Peninsula).

SUMMARY TABLES OF MAXIMUM PRICE CHANGES

Automotive Fuels
Maximum Price Changes: April 1, 2008 to March 31, 2009

Zone 1 (Avalon Peninsula)¹

Date	Regulation mode	Automotive Gasoline Regular Unleaded Self-Serve		Automotive Diesel	
		+ / -	cpl	+ / -	cpl
<i>All prices are listed in cents per litre (cpl) including HST</i>					
April 10, 2008	Scheduled	2.1	122.7	1.5	140.4
April 17, 2008	Interruption ²	4.9	127.6	8.3	148.7
April 24, 2008	Scheduled	5.2	132.8	-2.3	146.4
May 8, 2008	Scheduled	1.1	133.9	0.0	146.4
May 15, 2008	Interruption	0.0	133.9	9.2	155.6
May 22, 2008	Scheduled	4.4	138.3	4.0	159.6
June 5, 2008	Scheduled	3.9	142.2	-0.1	159.5
June 19, 2008	Scheduled	4.5	146.7	3.3	162.8
July 3, 2008	Scheduled	0.2	146.9	-1.9	160.9
July 10, 2008	Interruption	0.0	146.9	5.4	166.3
July 17, 2008	Scheduled	2.4	149.3	-1.1	165.2
July 24, 2008	Interruption	-9.8	139.5	-8.6	156.6
July 31, 2008	Scheduled	-2.9	136.6	-3.9	152.7
Aug. 14, 2008	Scheduled	1.2	137.8	-4.9	147.8
Aug. 28, 2008	Scheduled	-0.5	137.3	-3.5	144.3
Sept. 11, 2008	Scheduled	1.4	138.7	-0.9	143.4
Sept. 15, 2008	Intervention ³	10.9	149.6	0.0	143.4
Sept. 18, 2008	Interruption	-12.4	137.2	-4.7	138.7
Sept. 25, 2008	Scheduled	-7.0	130.2	-1.4	137.3
Oct. 9, 2008	Scheduled	-5.4	124.8	-1.2	136.1
Oct. 16, 2008	Interruption	-8.4	116.4	-7.3	128.8
Oct. 23, 2008	Scheduled	-4.0	112.4	-4.7	124.1
Oct. 30, 2008	Interruption	-4.9	107.5	0.0	124.1
Nov. 6, 2008	Scheduled	-5.8	101.7	-3.7	120.4
Nov. 13, 2008	Interruption	-5.8	95.9	-4.6	115.8
Nov. 20, 2008	Scheduled	-3.2	92.7	-3.4	112.4
Dec. 4, 2008	Scheduled	-2.7	90.0	-3.9	108.5
Dec. 11, 2008	Interruption	-7.8	82.2	-10.1	98.4
Dec. 18, 2008	Scheduled	3.0	85.2	-1.7	96.7
Jan. 1, 2009	Scheduled	-6.3	78.9	-6.3	90.4
Jan. 8, 2009	Interruption	7.0	85.9	8.3	98.7
Jan. 15, 2009	Scheduled	-0.2	85.7	-0.9	97.8
Jan. 22, 2009	Interruption	5.6	91.3	0.0	97.8
Jan. 29, 2009	Scheduled	-0.7	90.6	-0.5	97.3
Feb. 12, 2009	Scheduled	3.3	93.9	-2.9	94.4
Feb. 26, 2009	Scheduled	-2.8	91.1	-4.2	90.2
March 12, 2009	Scheduled	3.7	94.8	0.7	90.9
March 26, 2009	Scheduled	0.3	95.1	2.4	93.3

¹ Zone 1 (Avalon Peninsula) is the base pricing zone. All pricing adjustments indicated were applied across all zones.

² Interruption formula criteria were met, and maximum prices were adjusted outside of the scheduled price change.

³ An intervention was required to adjust maximum prices because of extraordinary and significant movement in market data.

**Home Heating Fuels
Maximum Price Changes: April 1, 2008 to March 31, 2009**

Zone 1 (Avalon Peninsula)¹

Date	Regulation mode	Furnace Oil		Stove Oil		Residential Propane	
		+ / -	cpl	+ / -	cpl	+ / -	cpl
April 10, 2008	Scheduled	3.29	107.55	0.43	105.33	1.1	85.9
April 17, 2008	Interruption ²	6.5	114.05	5.08	110.41	0.0	85.9
April 24, 2008	Scheduled	-2.27	111.78	-0.12	110.29	2.0	87.9
May 8, 2008	Scheduled	-6.58	105.20	-0.59	109.70	1.8	89.7
May 15, 2008	Interruption	7.79	112.99	7.79	117.49	0.0	89.7
May 22, 2008	Scheduled	1.75	114.74	1.75	119.24	1.1	90.8
May 29, 2008	Interruption	4.24	118.98	4.24	123.48	0.0	90.8
June 5, 2008	Scheduled	-4.29	114.69	-4.29	119.19	-0.1	90.7
June 12, 2008	Interruption	5.94	120.63	5.94	125.13	0.0	90.7
June 19, 2008	Scheduled	1.35	121.98	1.35	126.48	1.2	91.9
July 3, 2008	Scheduled	-1.55	120.43	-1.55	124.93	2.9	94.8
July 10, 2008	Interruption	5.21	125.64	5.21	130.14	0.0	94.8
July 17, 2008	Scheduled	-1.79	123.85	-1.79	128.35	1.9	96.7
July 24, 2008	Interruption	-7.84	116.01	-7.84	120.51	0.0	96.7
July 31, 2008	Scheduled	-3.9	112.11	-3.9	116.61	-1.8	94.9
Aug. 14, 2008	Scheduled	-4.54	107.57	-4.54	112.07	-2.6	92.3
Aug. 28, 2008	Scheduled	-2.77	104.80	-2.77	109.30	-2.3	90.0
Sept. 11, 2008	Scheduled	-0.95	103.85	-0.95	108.35	0.9	90.9
Sept. 18, 2008	Interruption	-5.54	98.31	-5.54	102.81	0.0	90.9
Sept. 25, 2008	Scheduled	-0.52	97.79	-0.52	102.29	-2.8	88.1
Oct. 9, 2008	Scheduled	-2.32	95.47	-2.32	99.97	-1.7	86.4
Oct. 16, 2008	Interruption	-7.19	88.28	-7.19	92.78	-5.0	81.4
Oct. 23, 2008	Scheduled	-3.26	85.02	-3.26	89.52	-4.5	76.9
Nov. 6, 2008	Scheduled	1.22	86.24	-1.91	87.61	0.7	77.6
Nov. 20, 2008	Scheduled	-5.55	80.69	-5.3	82.31	-5.8	71.8
Dec. 4, 2008	Scheduled	-4.71	75.98	-3.88	78.43	-1.2	70.6
Dec. 11, 2008	Interruption	-8.12	67.86	-7.93	70.50	0.0	70.6
Dec. 18, 2008	Scheduled	-1.67	66.19	-1.14	69.36	2.0	72.6
Jan. 1, 2009	Scheduled	-5.22	60.97	-5.69	63.67	1.4	74.0
Jan. 8, 2009	Interruption	7.12	68.09	5.78	69.45	0.0	74.0
Jan. 15, 2009	Scheduled	0.18	68.27	0.35	69.80	0.3	74.3
Jan. 29, 2009	Scheduled	-1.72	66.55	0.25	70.05	3.5	77.8
Feb. 12, 2009	Scheduled	-3.5	63.05	-2.85	67.20	2.0	79.8
Feb. 26, 2009	Scheduled	-3.46	59.59	-3.97	63.23	0.7	80.5
March 12, 2009	Scheduled	0.07	59.66	0.21	63.44	-4.9	75.6
March 26, 2009	Scheduled	2.06	61.72	1.28	64.72	-4.2	71.4

All prices are listed in cents per litre (cpl) excluding HST

¹ Zone 1 (Avalon Peninsula) is the base pricing zone. All pricing adjustments indicated were applied across all zones.

² Interruption formula criteria were met, and maximum prices were adjusted outside of the scheduled price change.

COMMISSIONERS
Year End - March 31, 2009

Chair and Chief Executive Officer Andy Wells
Vice-Chair Darlene Whalen
Full-time Commissioner Dwanda Newman
Full-time Commissioner Vacant

STAFF
Year End - March 31, 2009

Director of Corporate Services and Board Secretary Cheryl Blundon
Director of Regulatory and Advisory Services Robert Byrne
Financial and Economic Analyst Doreen Dray
Financial Officer Don Seaward
Legal Counsel Jacqueline Glynn
Senior Electrical Engineer Vacant
Compliance Auditor Ryan Oake
Information Technology Officer Mike McNiven
Executive Secretary and Assistant Board Secretary Barbara Thistle
Clerk-Steno Colleen Wood
Records Administrator Sara Kean
Research Officer David Hillier
Communications Officer Michelle Hicks
Administrative Assistant Kendra Pelley
Administrative Assistant Venus Hollett

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