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6 **P. U. 4(2006)**
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9 **IN THE MATTER OF** the
10 *Public Utilities Act*, R.S.N.L. 1990,
11 c. P-47, as amended (the “*Act*”)
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13 **AND**
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15 **IN THE MATTER OF** the application (the “Application”)
16 by Newfoundland Power Inc. (“Newfoundland Power”)
17 pursuant to Section 91(5) of the Act for the approval to amend an
18 existing committed revolving term credit facility
19 to extend the maturity date.
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23 **WHEREAS** Newfoundland Power is a corporation duly organized and existing under the
24 laws of the Province of Newfoundland and Labrador, is a public utility within the meaning of the
25 *Act*, and is also subject to the provisions of the *Electrical Power Control Act, 1994*; and

26 **WHEREAS** by Order No. P.U. 1 (2005), the Board of Commissioners of Public Utilities
27 (the “Board”) approved Newfoundland Power’s issue of a \$100,000,000 committed revolving
28 term credit facility (the “Committed Facility”) to meet the short-term debt requirements of
29 Newfoundland Power arising from the fulfillment of its service obligations under the *Act*; and

30 **WHEREAS** on January 21, 2005 Newfoundland Power entered into a credit agreement
31 (the “Initial Credit Agreement”) which established the Committed Facility in the amount of
32 \$100,000,000 with an initial term of 364 days; and

1 **WHEREAS** the Committed Facility provides Newfoundland Power with access to
2 \$100,000,000 in short-term debt financing for an effective 2-year period as contemplated by
3 Order No. P.U. 1 (2005); and

4 **WHEREAS** the Board received the Application to amend an existing short-term credit
5 facility on January 18, 2006; and

6 **WHEREAS** the Application proposes amending the Committed Facility to provide for a
7 3-year committed revolving credit facility with a maturity date of January 20, 2009 with an
8 option to extend for a further 364 days should Newfoundland Power and the lenders agree (the
9 “Amended Facility”); and

10 **WHEREAS** an agreement to amend the Committed Facility to be executed by
11 Newfoundland Power on or before January 20, 2006 will, together with the Initial Credit
12 Agreement, establish the Amended Facility; and

13 **WHEREAS** the Amended Facility will provide Newfoundland Power with access to
14 \$100,000,000 in short-term debt financing for a 3-year period from January 20, 2006, with an
15 option to extend for a further 364 days, and will effectively extend the maturity of the
16 Committed Facility approved by Order No. P.U. 1 (2005) within the meaning of Section 91(5) of
17 the Act; and

18 **WHEREAS** pursuant to Section 91(5)(b) of the *Act* Newfoundland Power is required to
19 obtain the approval of the Board before extending the maturity of a security; and

20 **WHEREAS** the extension of the maturity date associated with the Committed Facility
21 will provide assurance of continued committed access to short-term credit for a longer period of

1 time, providing greater assurance that Newfoundland Power will be able to fulfill its service
2 obligations under the Act.

3 **IT IS THEREFORE ORDERED THAT**

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5 1. Pursuant to Section 91(5) of the *Act*, the Board approves the extension of the maturity
6 date associated with the Committed Facility as contemplated by the Amended Facility.

7 2. Newfoundland Power shall pay all costs and expenses of the Board incurred in
8 connection with this Application.

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10 **DATED** at St. John's, Newfoundland and Labrador, this 27th day of January 2006.

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Robert Noseworthy
Chair & Chief Executive Officer

Darlene Whalen, P.Eng.
Vice-Chair

G. Cheryl Blundon
Board Secretary