

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

AN ORDER OF THE BOARD

NO. P. U. 5(2008)

1 **IN THE MATTER OF** the *Electrical Power*
2 *Control Act*, RSNL 1994, Chapter E-5.1 (the
3 “*EPCA*”) and the *Public Utilities Act*, RSNL 1990,
4 Chapter P-47 (the “*Act*”) as amended, and their
5 subordinate regulations;

6
7 **AND**
8

9 **IN THE MATTER OF** the application by
10 Newfoundland and Labrador Hydro (“Hydro”)
11 for approval of a change in the rates to be
12 charged for the supply of power and energy
13 to Island Interconnected customers (excluding
14 Burgeo school and library) and Isolated Rural
15 customers (excluding Government departments),
16 pursuant to Sections 70 and 71 of the *Act*.

17
18
19 **WHEREAS** Hydro is a corporation continued and existing under the *Hydro Corporation Act*, is
20 a public utility within the meaning of the *Act*, and is subject to the provisions of the *EPCA*; and
21

22 **WHEREAS** on December 20, 2007 Hydro filed the within application with the Board seeking
23 approval of these new rates for the sale of power and energy to Island Interconnected customers
24 (Rate Class 1.1, 2.1, 2.2, 2.3, 2.4 and 4.1), Isolated Rural Domestic customers, excluding
25 Government departments (Rate Class 1.2D), Isolated Rural General Service customers, excluding
26 Government departments, (Rate Class 2.1D and 2.2D), and Isolated Rural street and area lighting
27 (Rate Class 4.1D), to be implemented effective January 1, 2008 (the “Application”); and
28

29 **WHEREAS** on December 24, 2007 the Board issued Order No. P.U. 35(2007) approving the
30 proposals set out in the application on an interim basis, effective January 1, 2008, noting that given
31 the timing of the application there was insufficient time to finalize the application; and
32

33 **WHEREAS** the Board asked its financial consultants, Grant Thornton, to review the proposals set
34 out in the within application to ensure that the proposals are proper and in accordance with Order
35 No. P.U. 8(2007); and

1 **WHEREAS** on February 22, 2008 the Board received a report from Grant Thornton concluding that
2 the rates are properly calculated and are in compliance with Order No. P.U. 8(2007); and
3

4 **WHEREAS** on February 29, 2008 the Board provided a copy of the Grant Thornton report and
5 invited comments from Hydro, the Consumer Advocate, Newfoundland Power and the island
6 industrial customers of Hydro; and
7

8 **WHEREAS** the Board did not receive any additional information or feedback in relation to this
9 application in response to the request for comments: and
10

11 **WHEREAS** the Board is satisfied that it the proposed rates, rules and regulations are accurate and
12 consistent with previous orders of the Board and Orders in Council issued by Government, it is
13 reasonable and appropriate to approve on a final basis the proposed rates, rules and regulations,
14 effective January 1, 2008; and
15

16 **WHEREAS** since the Board has determined that the existing rates, rules and regulations, approved
17 on an interim basis in Order No. P.U. 35(2007), should be confirmed, there is no finding of excess
18 earnings.
19

20 **IT IS THEREFORE ORDERED THAT:**
21

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

DATED at St. John's, Newfoundland and Labrador, this 2nd day of May 2008.

Andrew Wells
Chair & Chief Executive Officer

Darlene Whalen, P.Eng.
Vice-Chair

Barbara Thistle
Assistant Board Secretary

Schedule A

Order No. P. U. 5(2008)

Effective: January 1, 2008

NEWFOUNDLAND AND LABRADOR HYDRO

RATE No. 1.1

DOMESTIC

Availability:

For Service to a Domestic Unit or to buildings or facilities which are on the same Serviced Premises as a Domestic Unit and used by the same Customer exclusively for domestic or household purposes, whether such buildings or facilities are included on the same meter as the Domestic Unit or metered separately.

Rate: (Includes Municipal Tax and Rate Stabilization Adjustments)

Basic Customer Charge: \$15.60 per month

Energy Charge:

All kilowatt-hours @ 9.030¢ per kWh

Minimum Monthly Charge \$15.60

Discount:

A discount of 1.5% of the amount of the current month's bill, but not less than \$1.00, will be allowed if the bill is paid within 10 days after it is issued.

General:

Details regarding conditions of service are provided in the Rules and Regulations. **This rate does not include the Harmonized Sales tax (HST) which applies to electricity bills.**

NEWFOUNDLAND AND LABRADOR HYDRO

RATE No. 2.1

GENERAL SERVICE 0 - 10 kW

Availability¹:

For Service (excluding Domestic Service) where the maximum demand occurring in the 12 months ending with the current month is less than 10 kilowatts.

Rate: (Includes Municipal Tax and Rate Stabilization Adjustments)

Basic Customer Charge: \$17.90 per month
Energy Charge:
All kilowatt-hours @ 11.015¢ per kWh

Minimum Monthly Charge: Single Phase..... \$17.90
Three Phase..... \$35.80

Discount:

A discount of 1.5% of the amount of the current month's bill, but not less than \$1.00, will be allowed if the bill is paid within 10 days after it is issued.

General:

Details regarding conditions of service are provided in the Rules and Regulations. **This rate does not include the Harmonized Sales tax (HST) which applies to electricity bills.**

¹ This rate is also available to fish plants in Isolated Rural Systems with a connected load of 30kW or greater.

NEWFOUNDLAND AND LABRADOR HYDRO

RATE No. 2.2

GENERAL SERVICE 10 - 100 kW (110 kVA)

Availability¹:

For Service (excluding Domestic Service) where the maximum demand occurring in the 12 months ending with the current month is 10 kilowatts or greater but less than 100 kilowatts (110 kilovolt-amperes).

Rate: (Including Municipal Tax and Rate Stabilization Adjustments)

Basic Customer Charge: \$20.62 per month

Demand Charge:

\$8.64 per kW of billing demand in the months of December, January, February and March and \$7.14 per kW in all other months. The billing demand shall be the maximum demand registered on the meter in the current month.

Energy Charge:

First 150 kilowatt-hours per kW of billing demand..... @8.563¢ per kWh
All excess kilowatt-hours..... @ 6.255¢ per kWh

Maximum Monthly Charge:

The Maximum Monthly Charge shall be 16.3 cents per kWh plus the Basic Customer Charge, but not less than Minimum Monthly Charge.

Minimum Monthly Charge:

Single Phase \$20.62 per month
Three Phase: \$35.80 per month

Discount:

A discount of 1.5% of the amount of the current month's bill, but not less than \$1.00, will be allowed if the bill is paid within 10 days after it is issued.

General:

Details regarding metering [in particular Regulation 7 (n)], transformation [in particular Regulation 9(k)], and other conditions of service are provided in the Rules and Regulations. **This rate does not include the Harmonized Sales tax (HST) which applies to electricity bills.**

¹ This rate is also available to fish plants in Isolated Rural Systems with a connected load of 30kW or greater.

NEWFOUNDLAND AND LABRADOR HYDRO
RATE No. 2.3
GENERAL SERVICE 110 kVA (100 kW) - 1000 kVA

Availability¹:

For Service where the maximum demand occurring in the 12 months ending with the current month is 110 kilovolt-amperes (100 kilowatts) or greater but less than 1000 kilovolt-amperes.

Rate: (Including Municipal Tax and Rate Stabilization Adjustments)

Basic Customer Charge:\$92.81 per month

Demand Charge:

\$7.46 per kVA of billing demand in the months of December, January, February and March and \$5.96 per kVA in all other months. The billing demand shall be the maximum demand registered on the meter in the current month.

Energy Charge:

First 150 kilowatt-hours per kVA of billing demand,
up to a maximum of 30,000 kilowatt-hours..... @ 8.431¢ per kWh
All excess kilowatt-hours..... @ 6.106¢ per kWh

Maximum Monthly Charge:

The Maximum Monthly Charge shall be 16.3 cents per kWh plus the Basic Customer Charge.

Discount:

A discount of 1.5% of the amount of the current month's bill, up to a maximum of \$500.00, will be allowed if the bill is paid within 10 days after it is issued.

General:

Details regarding metering [in particular Regulation 7 (n)], transformation [in particular Regulation 9(k)], and other conditions of service are provided in the Rules and Regulations. **This rate does not include the Harmonized Sales tax (HST) which applies to electricity bills.**

¹ This rate is also available to fish plants in Isolated Rural Systems with a connected load of 30kW or greater.

NEWFOUNDLAND AND LABRADOR HYDRO
RATE No. 2.4
GENERAL SERVICE 1000 kVA AND OVER

Availability¹:

For Service where the maximum demand occurring in the 12 month period ending with the current month is 1000 kilovolt-amperes or greater.

Rate: (Including Municipal Tax and Rate Stabilization Adjustments)

Basic Customer Charge:\$185.64 per month

Billing Demand Charge:

\$7.05 per kVA of billing demand in the months of December, January, February and March and \$5.55 per kVA in all other months. The billing demand shall be the maximum demand registered on the meter in the current month.

Energy Charge:

First 100,000 kilowatt-hours @ 7.042¢ per kWh
All excess kilowatt-hours..... @ 5.980¢ per kWh

Maximum Monthly Charge:

The Maximum Monthly Charge shall be 16.3 cents per kWh plus the Basic Customer Charge.

Discount:

A discount of 1.5% of the amount of the current month's bill, up to a maximum of \$500.00, will be allowed if the bill is paid within 10 days after it is issued.

General:

Details regarding metering [in particular Regulation 7 (n)], transformation [in particular Regulation 9(k)], and other conditions of service are provided in the Rules and Regulations. **This rate does not include the Harmonized Sales tax (HST) which applies to electricity bills.**

¹ This rate is also available to fish plants in Isolated Rural Systems with a connected load of 30kW or greater.

NEWFOUNDLAND AND LABRADOR HYDRO

RATE No. 4.1

STREET AND AREA LIGHTING SERVICE

Availability:

For Street and Area Lighting Service in the Rural Island Interconnected area and the L'Anse au Loup system, where the electricity is supplied by Hydro and all fixtures, wiring and controls are provided, owned and maintained by Hydro.

Monthly Rate: (Including Municipal Tax and Rate Stabilization Adjustment)

	SENTINEL / STANDARD
MERCURY VAPOUR	
250W (9,400 lumens)	\$19.09
HIGH PRESSURE SODIUM ¹	
100W (8,600 lumens)	15.16
150W (14,400 lumens)	19.09
250W (23,200 lumens)	25.25
400W (45,000 lumens)	34.47

¹ For all new installations and replacements.

Special poles used exclusively for lighting service

Wood..... \$6.29

General:

Details regarding conditions of service are provided in the Rules and Regulations.
This rate schedule does not include the Harmonized Sales Tax (HST) which applies to electricity bills.

NEWFOUNDLAND AND LABRADOR HYDRO

RATE 1.2D

DOMESTIC DIESEL

Availability:

For all the Island and Labrador diesel service areas of Hydro (excluding Government Departments) for service to a domestic unit or to buildings or facilities which are on the same Serviced premises as a Domestic Unit and used by the same Customer exclusively for domestic or household purposes, whether such buildings or facilities are included on the same meter as the Domestic Unit or metered separately. All churches, schools, and community halls in the diesel service areas are also subject to this rate.

Rate: (Including Municipal Tax and Rate Stabilization Adjustments)

Basic Customer Charge: \$15.60 per month

Energy Charge:

First Block (See Table Below) kilowatt-hours per month @ 9.030¢ per kWh

Second Block (See Table Below) kilowatt-hours per month @ 10.423¢ per kWh

All kWh over 1000 kilowatt-hours per month @ 14.131¢ per kWh

	Jan.	Feb.	Mar.	Apr.	May	Jun.	Jul.	Aug.	Sept.	Oct.	Nov.	Dec.
<i>First Block</i>	1000	1000	900	900	800	800	700	700	700	800	900	1000
<i>Second Block</i>	0	0	100	100	200	200	300	300	300	200	100	0

Minimum Monthly Charge \$15.60

Discount:

A discount of 1.5% of the amount of the current month's bill, but not less than \$1.00, will be allowed if the bill is paid within 10 days after it is issued.

Rate Stabilization Clause:

This Rate is subject to the Rate Stabilization Adjustment arising from the operation of the Rate Stabilization Clause which forms part of the Schedule of Rates. The adjustment is applicable only to the first block kWh per month.

Municipal Tax Clause:

This Rate is subject to the Municipal Tax Adjustment arising from the operation of the Municipal Tax Clause which forms part of the Schedule or Rates.

General:

Details regarding conditions of service are provided in the Rules and Regulations. **This rate does not include the Harmonized Sales tax (HST) which applies to electricity bills.**

NEWFOUNDLAND AND LABRADOR HYDRO

RATE 2.1D

GENERAL SERVICE DIESEL 0-10 kW

Availability:

For all the Island and Labrador diesel service areas of Hydro (excluding Government Departments) for non-domestic services where the maximum demand occurring in the 12 months ending with the current month is less than 10 kilowatts.

Rate:

Basic Customer Charge: \$18.95 per month

Energy Charge:

All kilowatt-hours @ 16.151¢ per kWh

Minimum Monthly Charge: Single Phase..... \$18.95

Three Phase..... \$34.74

Discount:

A discount of 1.5% of the amount of the current month's bill, but not less than \$1.00 or more than \$500.00, will be allowed if the bill is paid within 10 days after it is issued.

General:

Details regarding conditions of service are provided in the Rules and Regulations. **This rate does not include the Harmonized Sales tax (HST) which applies to electricity bills.**

NEWFOUNDLAND AND LABRADOR HYDRO
RATE 2.2D
GENERAL SERVICE DIESEL OVER 10 kW

Availability:

For all the Island and Labrador diesel service areas of Hydro (excluding Government Departments) for non-domestic services where the maximum demand occurring in the 12 months ending with the current month is 10 kilowatts or greater.

Rate:

Basic Customer Charge: \$26.61 per month

Demand Charge:

The maximum demand registered on the meter in the current month..... @ \$11.81 per kW

Energy Charge:

All kilowatt-hours @ 15.012¢ per kWh

Minimum Monthly Charge: Single Phase..... \$26.61
Three Phase..... \$58.02

Discount:

A discount of 1.5% of the amount of the current month's bill, but not less than \$1.00 or more than \$500.00, will be allowed if the bill is paid within 10 days after it is issued.

General:

Details regarding metering [in particular Regulation 7 (n)], transformation [in particular Regulation 9(k)], and other conditions of service are provided in the Rules and Regulations. **This rate does not include the Harmonized Sales tax (HST) which applies to electricity bills.**

NEWFOUNDLAND AND LABRADOR HYDRO
RATE No. 4.1D
STREET AND AREA LIGHTING SERVICE DIESEL

Availability:

For Street and Area Lighting Service (excluding Government Departments) throughout the Island and Labrador diesel service areas of Hydro, where the electricity is supplied by Hydro and all fixtures, wiring and controls are provided, owned and maintained by Hydro.

Monthly Rate: (Including Municipal Tax and Rate Stabilization Adjustment)

	SENTINEL / STANDARD
MERCURY VAPOUR	
250W (9,400 lumens)	\$19.09
HIGH PRESSURE SODIUM ¹	
100W (8,600 lumens)	15.16
150W (14,400 lumens)	19.09
250W (23,200 lumens)	25.25
400W (45,000 lumens)	34.47

¹ For all new installations and replacements.

Special poles used exclusively for lighting service

Wood..... \$6.29

General:

Details regarding conditions of service are provided in the Rules and Regulations.
This rate schedule does not include the Harmonized Sales Tax (HST) which applies to electricity bills.