

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

AN ORDER OF THE BOARD

NO. P.U. 5(2011)

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

6
7 **AND**

8
9 **IN THE MATTER OF** an application by
10 Newfoundland and Labrador Hydro for the approval
11 for the lease of accommodations in Labrador West for
12 its Operations pursuant to Section 41 of the *Act*.

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15 **WHEREAS** Newfoundland and Labrador Hydro (“Hydro”) is a corporation continued and
16 existing under the *Hydro Corporation Act*, is a public utility within the meaning of the *Act*, and
17 is also subject to the provisions of the *EPCA*; and

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19 **WHEREAS** Section 41(3) of the *Act* requires that a public utility not proceed with the
20 construction, purchase or lease of improvements or additions to its property where:
21 a) the cost of construction or purchase is in excess of \$50,000; or
22 b) the cost of the lease is in excess of \$5,000 in a year of the lease,
23 without prior approval of the Board; and

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25 **WHEREAS** in Order No. P.U. 38(2010), issued December 23, 2010, the Board approved, *inter*
26 *alia*, Hydro’s 2011 Capital Budget of \$55,046,000; and

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28 **WHEREAS** on March 7, 2011 Hydro applied to the Board requesting approval to enter into a
29 one-year lease for residential accommodation in Labrador City or Wabush for its lineworkers
30 temporarily stationed in Labrador West to support Hydro’s Labrador west operations (the
31 “Application”); and

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33 **WHEREAS** Hydro advised that it intends to enter into a lease for residential accommodations,
34 has issued a tender and anticipates the annual rent to be between \$40,000 and \$60,000 per year
35 (plus HST); and

1 **WHEREAS** on March 7, 2011 copies of the Application were circulated to the Consumer
2 Advocate, Newfoundland Power Inc., and Hydro's Industrial Customers; and
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4 **WHEREAS** the Board issued requests for information which were answered by Hydro on
5 March 15, 2011; and

6 **WHEREAS** on March 15, 2011 the Consumer Advocate advised that he did not intend to
7 comment on the Application; and
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9 **WHEREAS** Newfoundland Power Inc. and Hydro's Industrial Customers did not comment on
10 the Application; and
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12 **WHEREAS** the Board is satisfied that it is reasonable and prudent to approve a one-year lease
13 of residential accommodations in Labrador City or Wabush in an amount not to exceed \$60,000
14 per year, plus HST.
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17 **IT IS THEREFORE ORDERED THAT:**
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1. The Application to enter into a one-year lease of residential accommodations in Labrador
20 City or Wabush in an amount not to exceed \$60,000 per year, plus HST, is approved.
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2. Hydro shall file a copy of the executed lease with the Board.
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3. Hydro shall pay all expenses of the Board arising from this Application.

DATED at St. John's, Newfoundland and Labrador, this 18th day of March, 2011.

Darlene Whalen, P.Eng.
Vice-Chair

Dwanda Newman, LL.B.
Commissioner

James Oxford
Commissioner

G. Cheryl Blundon
Board Secretary