

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

AN ORDER OF THE BOARD

NO. P.U. 33(2013)

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; and
6

7 **IN THE MATTER OF** an application by
8 Newfoundland and Labrador Hydro for approval of
9 a capital expenditure for the replacement of a
10 breaker at the Hinds Lake generating station
11 pursuant to section 41 of the *Act*.
12
13

14 **WHEREAS** Newfoundland and Labrador Hydro ("Hydro") is a corporation continued and
15 existing under the *Hydro Corporation Act*, is a public utility within the meaning of the *Act*, and
16 is subject to the provisions of the *EPCA*; and
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18 **WHEREAS** in Order Nos. P.U. 2(2013) and P.U. 4(2013) the Board approved Hydro's 2013
19 Capital Budget; and
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21 **WHEREAS** subsection 41(3) of the *Act* states that a public utility shall not proceed with the
22 construction, purchase or lease of improvements or additions to its property where:
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- 24 a) the cost of construction or purchase is in excess of \$50,000; or
 - 25 b) the cost of the lease is in excess of \$5,000 in a year of the lease
- 26

27 without prior approval of the Board; and
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29 **WHEREAS** the Board approved supplementary 2013 capital expenditures in:
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- 31 (i) Order No. P.U. 1(2013) in the amount of \$284,100 for the refurbishment of the
32 stop logs at the Burnt Dam Spillway;
- 33 (ii) Order No. P.U. 12(2013) in the amount of \$5,198,000 for the refurbishment of the
34 marine terminal at the Holyrood Thermal Generating Station;
- 35 (iii) Order No. P.U. 14(2013) in the amount of \$12,809,700 for the refurbishment and
36 repairs to Unit 1 at the Holyrood Thermal Generating Station;
- 37 (iv) Order No. P.U. 15(2013) in the amount of \$3,823,600 for 2013 to install
38 additional 230 kV transformer capacity at the Oxen Pond Terminal Station;

- 1 (v) Order No. P.U. 20(2013) in the amount of \$8,015,800 for the replacement of the
2 alternator on the Hardwoods Gas Turbine;
3 (vi) Order No P.U. 25(2013) in the amount of \$11,741, plus HST, for the lease of
4 vehicles; and
5 (vii) Order No. P.U. 31(2013) in the amount of \$207,000 as a supplementary amount to
6 the Allowance for Unforeseen Items; and
7

8 **WHEREAS** on October 22, 2013 Hydro filed an application with the Board requesting approval
9 of a capital expenditure in the amount of \$388,700 to replace a breaker at the Hinds Lake
10 generating station (the “Application”); and
11

12 **WHEREAS** the Application was copied to Newfoundland Power Inc., the Consumer Advocate,
13 the Island Industrial Customers Group (Corner Brook Pulp and Paper Limited, North Atlantic
14 Refining Limited and Teck Resources Limited) and Vale Newfoundland and Labrador Limited;
15 and
16

17 **WHEREAS** the Island Industrial Customers Group issued a Request for Information which was
18 answered by Hydro on October 29, 2013; and
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20 **WHEREAS** the Board did not receive any submissions from the parties in relation to the
21 Application; and
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23 **WHEREAS** Hydro advises that the Hinds Lake generating station is an essential part of the
24 Island Interconnected system and the proposed capital expenditure is required to ensure reliable
25 generation through the winter season; and
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27 **WHEREAS** the Board is satisfied that the proposed 2013 supplemental capital expenditure for
28 replacement of a breaker at the Hinds Lake generating station is necessary to allow Hydro to
29 provide service and facilities which are reasonably safe and adequate and just and reasonable.
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31
32 **IT IS THEREFORE ORDERED THAT:**
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- 34 1. The proposed capital expenditure of \$388,700 for the replacement of a breaker at the
35 Hinds Lake generating station is approved.
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37 2. Hydro shall pay all expenses of the Board arising from this Application.

DATED at St. John's, Newfoundland and Labrador this 6th day of November, 2013.

Dwanda Newman, LL.B.
Commissioner

James Oxford
Commissioner

Cheryl Blundon
Board Secretary