

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

AN ORDER OF THE BOARD

NO. P.U. 36(2019)

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

6 **IN THE MATTER OF** an application by Newfoundland
7 Power Inc. for approval of a capital expenditure for the
8 relocation of a portion of a transmission line for Cottle’s
9 Island Lumber Company Limited pursuant to section 41
10 of the *Act*.
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13 **WHEREAS** Newfoundland Power Inc. (“Newfoundland Power”) is a corporation continued and
14 existing under the *Hydro Corporation Act, 2007*, is a public utility within the meaning of the *Act*,
15 and is also subject to the provisions of the *EPCA*; and
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17 **WHEREAS** section 41 of the *Act* states that a public utility shall not proceed with the construction,
18 purchase or lease of improvements or additions to its property where:
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- 20 a) the cost of construction or purchase is in excess of \$50,000; or
 - 21 b) the cost of the lease is in excess of \$5,000 in a year of the lease
- 22

23 without prior approval of the Board; and
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25 **WHEREAS** in Order No. P.U. 35(2018) the Board approved Newfoundland Power’s 2019 Capital
26 Budget in the amount of \$93,304,000; and
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28 **WHEREAS** the Board approved supplementary 2019 capital expenditures

- 29 (i) in Order No. P.U. 5(2019) in the amount of \$4,600,000 for the addition of a
30 substation on the north side of the Memorial University of Newfoundland
31 St. John’s campus; and
- 32 (ii) in Order No. P.U. 6(2019) in the amount of \$2,642,000 for the addition of a
33 substation transformer at Newfoundland Power’s Pepperrell Substation and
34 the construction of a three-phase distribution feeder line from Pepperrell
35 Substation; and
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37 **WHEREAS** on October 28, 2019 Newfoundland Power filed an application with the Board
38 requesting approval for the relocation of a portion of a transmission line (the “Application”) for
39 Cottle’s Island Lumber Company Limited (the “Customer”); and

1 **WHEREAS** the Application stated that the Customer operates a lumber milling facility near
2 Summerford; and

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4 **WHEREAS** the Application stated that Newfoundland Power's transmission line 114L ("114L")
5 and distribution line SUM-02 ("SUM-02") are routed along the highway immediately adjacent to
6 the Customer's facility; and

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8 **WHEREAS** the Application stated that, in order to accommodate the addition of a lumber kiln to
9 the facility, the Customer has requested that Newfoundland Power reroute portions of the 114L
10 and SUM-02; and

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12 **WHEREAS** the Application stated that, while the capital costs of rerouting SUM-02 are
13 considered to be approved capital expenditures included in Newfoundland Power's approved 2019
14 capital budget, the capital costs of rerouting 114L are not; and

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16 **WHEREAS** the Application stated the Customer has requested that Newfoundland Power proceed
17 with the project in 2019; and

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19 **WHEREAS** the Application was copied to: Newfoundland and Labrador Hydro ("Hydro") and
20 the Consumer Advocate, Dennis Browne, Q.C.; and

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22 **WHEREAS** on November 1, 2019 Hydro advised that they have no comments on the Application;
23 and

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25 **WHEREAS** no additional submissions were received; and

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27 **WHEREAS** the Board is satisfied that the proposed 2019 supplemental capital expenditure for
28 the relocation of a portion of 114L is justified.

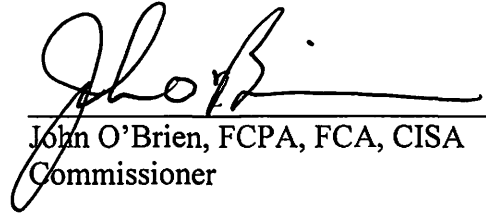
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31 **IT IS THEREFORE ORDERED THAT:**

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33 1. The proposed capital expenditure in the amount of \$309,619 for the relocation of a portion of
34 a transmission line is approved.
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36 2. Newfoundland Power shall pay all expenses of the Board arising from this Application.

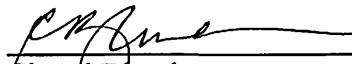
DATED at St. John's, Newfoundland and Labrador, this 7th day of November, 2019.



Darlene Whalen, P. Eng., FEC
Chair and Chief Executive Officer



John O'Brien, FCPA, FCA, CISA
Commissioner



Cheryl Blundon
Board Secretary