

June 7, 2013

Board of Commissioners of Public Utilities
Prince Charles Building
120 Torbay Road, P.O. Box 21040
St. John's, NL
A1A 5B2

ATTENTION: Ms. Cheryl Blundon
Director of Corporate Services & Board Secretary

Dear Ms. Blundon:

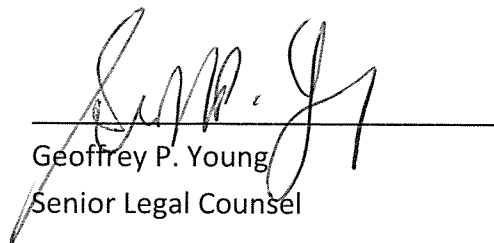
Re: An Ex Parte Application by Newfoundland and Labrador Hydro (Hydro) for approval, pursuant to Section 41 of the Act, of three-year leases for two vehicles.

Please find enclosed the original plus eight copies of the above-noted application, supporting affidavit, and draft order for the approval of three-year leases for two vehicles.

Should you have any questions, please contact the undersigned.

Yours truly,

NEWFOUNDLAND AND LABRADOR HYDRO



Geoffrey P. Young
Senior Legal Counsel

GPY/jc

IN THE MATTER OF the *Electrical Power Control Act*, RSNL 1994, Chapter E-5.1 (the EPCA) and the *Public Utilities Act*, RSNL 1990, Chapter P-47 (the Act), and regulations thereunder;

AND IN THE MATTER OF an *Ex Parte* Application by Newfoundland and Labrador Hydro pursuant to Subsection 41(3) of the Act, for the approval of three-year leases for two vehicles.

TO: The Board of Commissioners of Public Utilities (the Board)

THE APPLICATION OF NEWFOUNDLAND AND LABRADOR HYDRO (Hydro) STATES THAT:

1. Hydro is a corporation continued and existing under the *Hydro Corporation Act, 2007*, is a public utility within the meaning of the Act and is subject to the provisions of the *Electrical Power Control Act, 1994*.
2. Hydro provides automobiles to members of its executive, and is leasing two such vehicles at this time. Hydro has opted to lease two Subaru Outback Wagons as there was no material difference in the alternative to buy, as shown below:

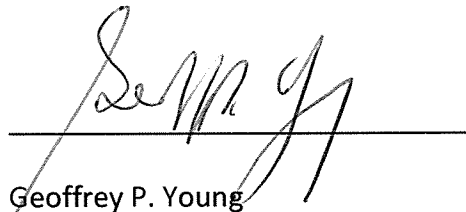
	<u>Vehicle 1</u>	<u>Vehicle 2</u>
Purchase Price	\$33,619	\$33,480
Net Present Value of Cash Flows (Lease)	\$33,844	\$33,416

3. Pursuant to paragraph Section 41(3)(b) of the Act, a public utility shall not proceed with the lease of improvements or additions to its property where the

cost of the lease is in excess of \$5,000 in a year of the lease without the prior approval of the Board.

4. Hydro is therefore seeking the Board's approval of the lease obligations for the aforesaid vehicles in the amount of \$490.73 per month (\$5,888.76 per annum) with HST excluded for a term of 36 months for Vehicle 1 and \$487.71 per month (\$5,852.52 per annum) with HST excluded for a term of 36 months for Vehicle 2.

DATED at St. John's, Newfoundland and Labrador, this 1th day of June 2013.



Geoffrey P. Young
Counsel for the Applicant
Newfoundland and Labrador Hydro
500 Columbus Drive P.O. Box 12400
St. John's, Newfoundland and Labrador
A1B 4K7
Telephone: (709) 737-1277
Facsimile: (709) 737-1782

IN THE MATTER OF the *Electrical Power Control Act*, RSNL 1994, Chapter E-5.1 (the *EPCA*) and the *Public Utilities Act*, RSNL 1990, Chapter P-47 (the *Act*) and regulations thereunder;

AND IN THE MATTER OF an *Ex Parte* Application by Newfoundland and Labrador Hydro for the approval, pursuant to Subsection 41(3) of the Act, of three-year leases for two vehicles.

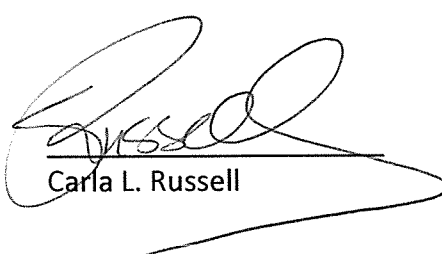
AFFIDAVIT

I, Carla L. Russell, Chartered Accountant, of St. John's in the Province of Newfoundland and Labrador, make oath and say as follows:

1. I am Manager, Rates and Regulation Department, of Newfoundland and Labrador Hydro, the Applicant named in the attached Application.
2. I have read and understand the foregoing Application.
3. I have personal knowledge of the facts contained therein, except where otherwise indicated, and they are true to the best of my knowledge, information and belief.

SWORN at St. John's in the)
Province of Newfoundland and)
Labrador this 14th day of June)
2013, before me:)


Barrister – Newfoundland and Labrador


Carla L. Russell

(DRAFT ORDER)
NEWFOUNDLAND AND LABRADOR
BOARD OF COMMISSIONERS OF PUBLIC UTILITIES

AN ORDER OF THE BOARD

NO. P.U. __ (2013)

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*”), and regulations thereunder;

5
6 **AND**

7
8 **IN THE MATTER OF** an *Ex Parte* Application
9 by Newfoundland and Labrador Hydro
10 pursuant to Subsection 41(3) of the Act for
11 the approval of three-year leases for two vehicles.

12
13
14
15 **WHEREAS** Newfoundland and Labrador Hydro (“Hydro”) is a corporation continued
16 and existing under the *Hydro Corporation Act, 2007*, is a public utility within the
17 meaning of the Act, and is subject to the provisions of the *EPCA*; and

18
19 **WHEREAS** Subsection 41(3) of the Act requires that a public utility not proceed with
20 the construction, purchase or lease of improvements or additions to its property where:

- 21
22 a) the cost of construction or purchase is in excess of \$50,000; or
23 b) the cost of the lease is in excess of \$5,000 in a year of the lease,

24
25 without prior approval of the Board; and

26
27 **WHEREAS** in Order Nos. P.U. 2(2013) and P.U. 4(2013) the Board approved Hydro’s
28 2013 Capital Budget; and

29
30 **WHEREAS** the Board approved supplementary 2013 capital expenditures in:

- 31
32 (i) Order No. P.U. 1(2013) in the amount of \$284,100 for the refurbishment of the
33 stop logs at the Burnt Dam Spillway; and
34 (ii) Order No. P.U. 12(2013) in the amount of \$5,198,000 for the refurbishment of the
35 marine terminal at the Holyrood Thermal Generating Station; and
36 (iii) Order No. P.U. 14(2013) in the amount of \$12,809,700 for the refurbishment and
37 repairs to Unit 1 at the Holyrood Thermal Generating Station; and
38 (iv) Order No. P.U. 15(2013) in the amount of \$3,823,600 to install additional 230 kV
39 transformer capacity at the Oxen Pond Terminal Station; and
40 (v) Order No. P.U. 20(2013) in the amount of \$8,105,800 for the replacement of
41 Hardwoods gas turbine alternator; and

1 **WHEREAS** on June 7, 2013 Hydro applied to the Board requesting approval of three-
2 year automobile leases for two vehicles; and

3
4 **WHEREAS** the proposed leases are for an amount of \$490.73 or \$5,888.76 per annum
5 (plus HST) for Vehicle 1 and \$487.71 or \$5,852.52 per annum (plus HST) for Vehicle 2;
6 and

7
8 **WHEREAS** the Board is satisfied that it is reasonable and prudent to approve, on an *ex*
9 *parte* basis, the proposed three-year leases for two vehicles.

10

11

12 **IT IS THEREFORE ORDERED THAT:**

13

14 1. Hydro's two proposed three-year automobile leases in the amounts of \$490.73
15 per month (excluding HST) and \$487.71 per month (excluding HST), are
16 hereby approved.

17

18 2. Hydro shall pay all expenses of the Board arising from this Application.

19

20

21

22 **DATED** at St. John's, Newfoundland and Labrador, this _____ day of _____, _____.

23

24

25

26

27

28

29

30

31

32

33

34