

5.1 Port Union Building Replacement

Q. Page 7. Newfoundland Power states that “There is no fresh air supply into the structure apart from when exterior doors are opened. Without adequate fresh air supply and extraction, the Facility does not meet the Newfoundland and Labrador Occupational Health and Safety Regulations.”

- a) What are the implications of not meeting the Newfoundland and Labrador Occupational Health and Safety Regulations (monetary and other)?**
- b) Does Newfoundland Power have concerns with the building remaining open given it does not meet the Regulations? If no, please explain.**
- c) In the Capital Budget Overview, pages 4 to 5, Newfoundland Power states that once it is determined that a capital expenditure may be necessary, all viable alternatives are assessed, including alternatives that could result in the deferral of capital expenditures. Did Newfoundland Power consider deferral of this project?**

- A. a) *Occupational Health and Safety Regulations*, NLR 5/12 (the “Regulations”), require appropriate circulation of clean and wholesome air, adequate ventilation, and that airborne impurities are made harmless and inoffensive.¹ The Port Union district office building is in excess of 58 years old. The only direct fresh air ingress into the Port Union district office is through exterior openings, such as windows and doors. By current interior air ventilation standards, ventilation in the Port Union district office is no longer considered adequate. However, the Company has no evidence that the air inside the building is unclean, unwholesome, or that it contains airborne impurities or unacceptable particulate matter.

This project is not justified solely on the basis of violating regulations related to ventilation, but on the results of a comprehensive condition assessment. Newfoundland Power conducted a comprehensive condition assessment on this building in 2024.² The condition assessment identified deficiencies with this building that include non-standard superstructural elements which are causing large deflections in the interior flooring system, deficient and failed components of the building envelope, architectural systems that have deteriorated to the point of requiring replacement, inadequate mechanical systems including poor air circulation, and electrical infrastructure that may constitute an asbestos hazard.³ Newfoundland Power has determined that continued operation of a facility in Port Union is least cost for customers.⁴ However, the Company has also determined that, overall, the current Port Union district office has reached the end of its useful service life. Upgrades to the facility can no longer be deferred and, as such, the Company has proposed the building’s replacement as part of the Company’s *2025 Capital Budget Application* in order to ensure that adequate facilities are commissioned as soon as reasonably possible for the benefit of employees and customers.

¹ See the Regulations, section 45. It is an offence to contravene the Regulations. Associated penalties are outlined in sections 67 and 68 of the *Occupational, Health and Safety Act*, RSNL 1990, c. O-3.

² See the response to Request for Information PUB-NP-038.

³ See the response to Request for Information CA-NP-139.

⁴ See the response to Request for Information PUB-NP-037.

- 1 b) See part a). As a result of the condition assessment, the Company has determined
2 that replacement of the facility can no longer be deferred. However, Newfoundland
3 Power has not concluded that the building constitutes an imminent or immediate risk
4 or danger to the health or safety of employees.
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- 6 c) Newfoundland Power continually monitors the condition of its facilities and
7 completes maintenance and repairs on an ongoing basis. The Company regularly
8 utilizes expenditures under its *Additions to Real Property* program to make repairs
9 that extend the useful service life of general property.⁵ A partial roofing replacement
10 completed at the Port Union district building in 2021 prompted the Company to plan
11 a comprehensive condition assessment of the facility. The assessment, completed in
12 2024, determined that, as a result of the overall condition of the facility, upgrades
13 are necessary in 2025.

⁵ For examples of upgrades that have been completed at the Port Union district building, see the Company's *2025 Capital Budget Application*, report *5.1 Port Union Building Replacement*, page 2, Table 1.