
Newfoundland & Labrador

BOARD OF COMMISSIONERS OF PUBLIC UTILITIES

2009-2010 ANNUAL REPORT

WHO WE SERVE

In serving its clients the Board strives to achieve an equitable balance between the interests of consumers and service providers in the electric utility, automobile insurance, petroleum product and motor carrier industries. These clients include the following:

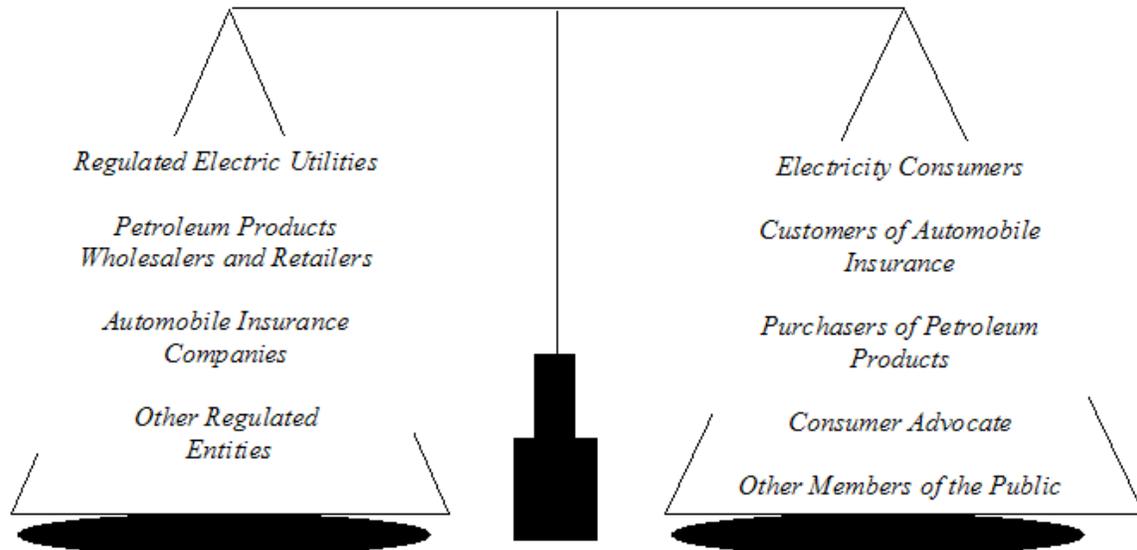


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MESSAGE FROM THE CHAIR AND CHIEF EXECUTIVE OFFICER

In accordance with the *Transparency and Accountability Act* I am pleased to present the annual performance report of the Board of Commissioners of Public Utilities (the “Board”) for the fiscal year ending March 31, 2010.

This report was prepared under my direction and provides a summary of the Board’s achievements in meeting the goals and objectives as outlined in the second year of the 2008-2011 Activity Plan. Future opportunities to further support the continued effective and efficient delivery of our regulatory responsibilities are also provided. As Chair and CEO I am accountable for the results as outlined in the report.

The regulatory mandate of the Board is diverse and includes regulation and oversight of the electric utilities, regulation of automobile insurance rates, setting maximum prices for petroleum products in the Province, as well as limited responsibilities in the areas of motor carrier operations and expropriations. In 2009-2010 the Board continued to improve its regulatory efficiency and effectiveness, made progress in our information management capacity and strengthened its human resource capacity. Over the next year the Board will continue to assess and enhance its practices and procedures striving towards regulatory excellence.

I thank my fellow Commissioners and staff for their continued commitment, professionalism and dedication in providing outstanding service throughout the year and look forward to our continued efforts in 2010-2011.



Andy Wells
Chair and CEO

OVERVIEW

MANDATE AND LINES OF BUSINESS

The Board operates as an independent, quasi-judicial tribunal constituted under the *Public Utilities Act*.

The Board has mandated responsibilities as set out in the following legislation:

Public Utilities Act
Electrical Power Control Act
Automobile Insurance Act
Insurance Companies Act
Petroleum Products Act
Motor Carrier Act
Expropriation Act
Public Utilities Acquisition of Lands Act

The *Public Utilities Act* defines the general powers of the Board, granting authority for the general supervision of public utilities to ensure compliance by public utilities with the law. The public utilities regulated by the Board include Newfoundland Power Inc. and Newfoundland and Labrador Hydro.

The *Electrical Power Control Act* sets out the power policy of the province and provides the Lieutenant Governor in Council with the authority to refer electrical power matters to the Board. The Board also has responsibility under this Act with respect to the establishment and oversight of water management agreements between power suppliers on rivers.

The *Automobile Insurance Act* gives the Board responsibility for the general supervision of the rates an insurer charges or proposes to charge for automobile insurance in the Province. The Board also has responsibilities in relation to the underwriting guidelines and risk classification systems of insurers operating in the Province. Under the *Insurance Companies Act* the Lieutenant Governor in Council can direct the Board to undertake a review of any aspect of insurance in the province.

The *Petroleum Products Act* sets out the manner in which the Board is required to establish maximum prices for regulated petroleum products in the province.

The *Expropriation Act* requires the Board, at the request of the Minister of Transportation and Works or the City of St. John's, to determine the appropriate level of compensation for land expropriated by Government or the City of St. John's.

The *Motor Carrier Act* gives the Board the power to grant certificates and approve rates for public service carriers such as ambulance operations and regularly scheduled bus service along the Trans Canada Highway.

These Acts fall under the responsibility of various departments of Government, including the Department of Justice (*Public Utilities Act*), the Department of Government Services (*Automobile Insurance Act*, *Insurance Companies Act*, and *Petroleum Products Act*) and the Department of Natural Resources (*Electrical Power Control Act*).

To deliver its regulatory mandate the Board conducts public hearings, technical conferences, stakeholder meetings, compliance monitoring, audits, detailed technical/financial reviews, and investigations.

The Board is accountable administratively through the Minister of Justice who presents the Board's annual budget for approval by the Lieutenant Governor in Council and tables its annual report in the legislature. The Board is also subject to the requirements of the *Transparency and Accountability Act* which requires the Board to prepare and submit activity plans and performance reports annually.

VISION

The vision of the Board of Commissioners of Public Utilities is of regulation which balances the interests of consumers, industry and the public in a fair and reasoned way, and which maintains the trust and confidence of the people of Newfoundland and Labrador.

MISSION

By 2011 the Board will have enhanced its capacity to deliver effective and efficient regulation in the Province.

KEY STATISTICS

The work of the Board is diverse and has broad implications for most residents of Newfoundland and Labrador.

- The Board is responsible for the regulation of Newfoundland and Labrador Hydro and Newfoundland Power Inc., with a combined customer base of approximately 275,614 residential and general service customers, as well as 4 industrial customers on the island.
- The Board regulates automobile insurance rates and underwriting guidelines for insurance companies operating in the province. These 51 companies write total premiums of approximately \$292,301,000 insuring approximately 277,000 private passenger and commercial vehicles in the province. The automobile insurance market in the province continues to show a high level of concentration, with 13 insurers writing 90% of all the automobile insurance business.
- The Board sets maximum prices for regulated petroleum products sold in the Province through a network of 14 oil company related suppliers, approximately 21 wholesalers and 434 retailers of gasoline, automotive diesel and heating fuels.
- The Board currently has 59 active ambulance certificates and 55 active bus service certificates.

ORGANIZATION

Created by statute in 1949 the Board is comprised of four full-time commissioners, appointed by the Lieutenant Governor in Council, including the Chair and Chief Executive Officer and the Vice Chair. The *Public Utilities Act* gives the Chair and Chief Executive Officer the full authority for the overall operation, management and financial administration of the Board.

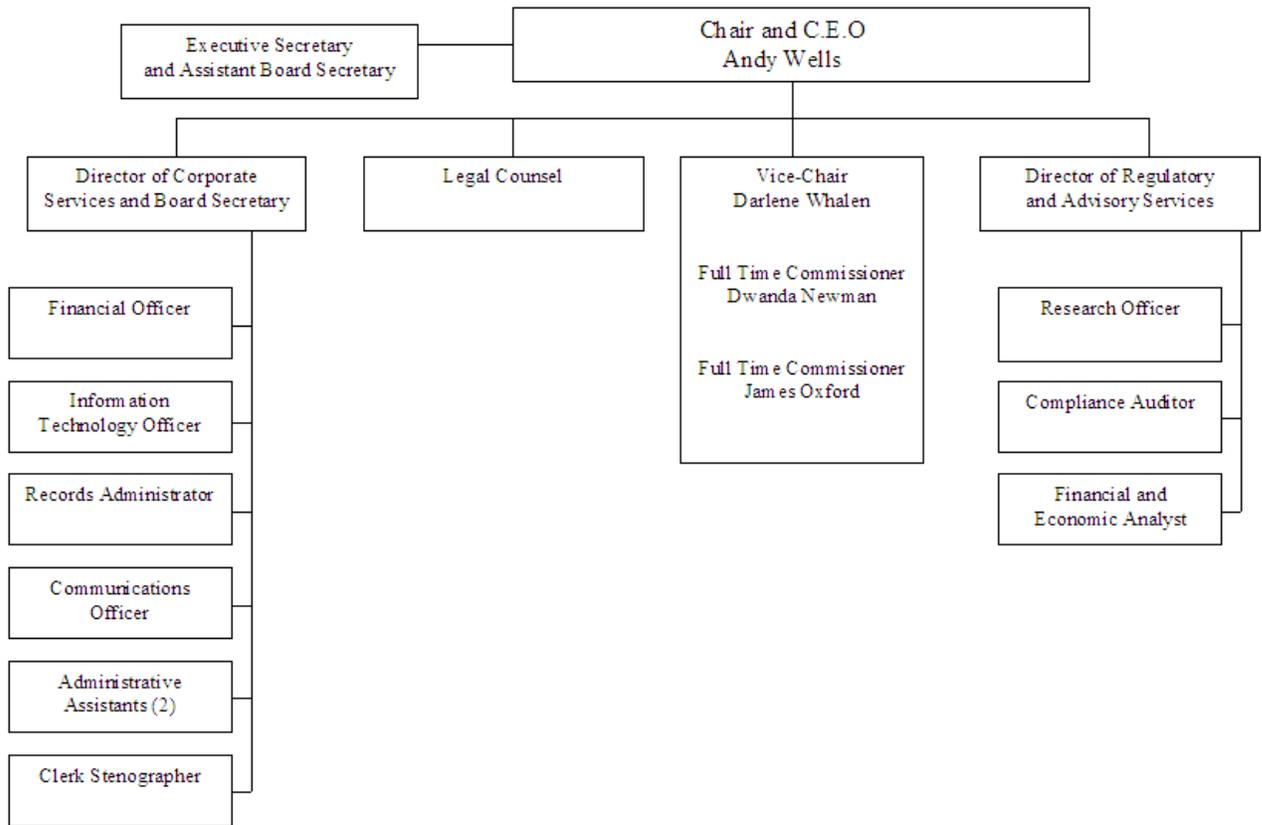
The Board has 14 permanent and 4 contractual staff located in offices in St. John's and Grand Falls-Windsor.

The Board’s functional organizational structure, shown in the Board’s Organizational Chart (Figure 1), consists of **regulatory and advisory services** and **corporate services**. Regulatory and Advisory Services oversees the Board’s regulatory mandate with responsibility for coordination and management of applications, research, investigations, compliance monitoring, financial/technical reviews, and customer complaints.

Corporate Services is responsible for management of the internal administrative functions of the Board including finance, communications, information technology and human resource services.

Figure 1

*Board of Commissioners of Public Utilities
Organizational Chart
At March 31, 2010*



FINANCIAL

The Board’s annual operating expenses for 2009-2010 were \$2,149,962. The comparative expenditures for the previous five-year period are shown below:

Board of Commissioners of Public Utilities						
Expenditures						
Years Ended- March 31						
	2005	2006	2007	2008	2009	2010
Operating - SJ Office	\$1,952,985	\$1,998,677	\$1,330,576	\$1,730,320	\$1,568,949	\$1,722,233
Operating - GF-W	\$444,764	\$467,668	\$470,530	\$407,025	\$447,395	\$427,729
Operating - Total	\$2,397,749	\$2,466,345	\$1,801,106	\$2,137,345	\$2,016,344	\$2,149,962
Hearings - Board	\$271,658	\$468,383	\$437,856	\$371,963	\$171,533	\$508,801
Hearings - Consumer Advocate	\$33,779	\$62,891	\$328,901	\$570,240	\$76,176	\$529,450
Hearing - Total	\$305,437	\$531,274	\$766,757	\$942,203	\$247,706	\$1,038,251
Total Expenditures	\$2,703,186	\$2,997,619	\$2,567,863	\$3,079,548	\$2,264,050	\$3,188,213

The Board is fully funded through assessments charged to regulated industries/companies and cost recoveries in specific hearings and certain other matters. The annual assessments depend on the actual allocation of work performed by the Board in a given year. For 2009-2010 the Board assessed 47% (\$1,150,703) of its annual revenue requirement to electrical utilities, 31% (\$760,614) was assessed to automobile insurance companies, and 22% (\$540,606) was assessed to the petroleum products industry.

Public hearings and certain other matters are funded outside of normal budgeted activities on a cost recovery basis in accordance with applicable legislation. During 2009-2010 the Board’s accumulated hearing costs totaled \$1,038,251, which include amounts relating to Newfoundland Power’s 2010 general rate application and an application by Nalcor Energy to establish the terms of a water management agreement. Further details regarding the Board’s recoverable costs can be found in Note 4 to the Board’s Financial Statements included with this Annual Report.

HIGHLIGHTS AND ACCOMPLISHMENTS

The Board’s focus on strategic planning guides its overall operations and ensures that, to the extent possible, the Board can effectively and efficiently respond to those matters which often arise unexpectedly in the context of economic regulation. Compliance monitoring and general regulatory oversight constitute a significant portion of the Board’s ongoing regulatory activities, especially in the areas of public utility and automobile insurance rate regulation.

During 2009-2010 the Board issued 57 Orders under the *Public Utilities Act*, the *Automobile Insurance Act* and the *Motor Carrier Act*, as detailed in Appendix I. In addition the Board ordered 35 adjustments to the maximum price of regulated petroleum products. Maximum pricing adjustments for each of the regulated refined petroleum products for 2009-2010 can be found in Appendix II of this report.

The Board’s highlights for 2009-2010 are outlined as follows:

1) ***Utility Regulation***

Thirty-nine orders were issued under the Board's public utilities mandate. On June 26, 2009, the Board approved an average decrease of 6.6% in Newfoundland Power customers' electricity rates as of July 1, 2009 in accordance with the annual operation of the municipal tax adjustment and rate stabilization account. In December 2009 the Board issued Order Nos. P.U. 43(2009) and P.U. 46(2009) relating to a general rate application of Newfoundland Power, which resulted in an overall average increase in customer rates of 3.5% effective January 1, 2010.

On November 4, 2009 the Board issued Order No. P.U. 41(2009) approving Newfoundland Power's 2010 Capital Budget totaling \$64,679,000, and fixing and determining the average rate base for 2008 at \$820,876,000. The Board issued Order No. P.U. 1(2010) on January 22, 2010 approving Newfoundland and Labrador Hydro's 2010 Capital Budget of \$52,775,000, and fixing and determining the average rate base for 2008 at \$1,489,786,000. The Board also issued orders arising from applications for supplementary approval of 2010 capital spending, contributions in aid of construction, and various other financial matters.

On November 10, 2009 Nalcor Energy applied for an order of the Board establishing the terms of a water management agreement with Churchill Falls (Labrador) Corporation Limited with respect to the Churchill River. On March 8, 2010 the Board issued Order No. P.U. 8(2010) establishing the terms of the water management agreement.

2) ***Automobile Insurance Regulation***

During 2009-2010 the Board issued seven orders in relation to applications for increases in various automobile insurance rates and other changes by insurers, and processed 28 rate filings proposing no change or reductions in rates.

3) ***Petroleum Products Pricing Regulation***

During the year 30 scheduled adjustments and five interruption formula adjustments were made to the maximum price of regulated petroleum products,

On September 17, 2009 the Board completed a review of its policy in relation to the annual maximum price freeze in Labrador. The Board advised that its policy of suspending maximum prices for the winter maximum in Zones 10, 11a, 12, 13 and 14 would continue but would be discontinued in Zones 11 and 11b. Maximum prices in Zones 11 and 11b instead will follow the regularly scheduled price adjustments throughout the year.

Amendments to the *Petroleum Products Act* and the *Petroleum Products Act Regulations* were approved in the winter of 2009-2010, which related to the definitions and determination of benchmarks, cost recovery and the collection of information by the Board. The Board subsequently implemented a blended benchmark for diesel motor fuel (as is the case for furnace oil) to more accurately reflect the composition of these products being brought to market.

On January 14, 2010, based a submissions from industry and an extensive analysis of both operational and cost data, the Board implemented a 1.0 cent per litre increase in the total allowed mark-up for furnace oil and stove oil heating fuels to cover the increasing costs of supplying these products to consumers.

On January 25, 2010 the Board received an application from Irving Energy Distribution and Marketing requesting a temporary increase in the maximum allowable price of propane as a result of an unscheduled shut down at the North Atlantic Petroleum Refinery in Come By Chance. On February 8, 2010 the Board issued an order allowing Irving Energy Distribution and Marketing to charge on an interim basis additional 5.2 cpl over and above the maximum retail price for propane.

Beginning on January 28, 2010 the Board moved from a biweekly maximum price adjustment to a weekly maximum price adjustment occurring each Thursday. This methodological change brought the Board in line with other Atlantic provinces and resulted in the elimination of the interruption formula.

5) ***Motor Carrier Regulation***

Eleven orders were issued under the Board's Motor Carrier mandate. Nine of these orders related to ambulance services and two related to a regularly scheduled trans-island bus passenger service.

6) ***Administrative***

In September the Board welcomed Mr. James Oxford as a full-time Commissioner.

During the year the Board implemented paperless Board meetings, resulting in increased efficiencies and cost savings through the elimination of copying, storage and disposal costs.

REPORT ON PLANNED ACTIVITIES

PROGRESS ON STRATEGIC ISSUES

In 2008 the Board published its 2008-2011 Activity Plan in accordance with the *Transparency and Accountability Act*. The plan reflects strategic directions of Government and is consistent with the directions provided in the Guidebook for Improved Accountability for Government Entities. Within the broad context of the Board's governing legislation, governing structure and reporting requirements to the Minister of Justice, the Board believes that it contributes to the overall strategic directions that define the priorities of Government in its support of the strategic directions of **Public Trust and Confidence** and **Innovation and Efficiencies**.

In developing its 2008-2011 Activity Plan the Board focused on strategic issues that are related to its regulatory mandate. In keeping with this focus the Board identified strategic issues, including goals, measures and indicators, for the three-year planning horizon 2008-2011. These are set out below with the results for the reporting period ending March 31, 2010.

ISSUE 1: REGULATORY EFFICIENCY AND EFFECTIVENESS

The Board continues to focus on the management and administration of its processes and practices to promote regulatory efficiency and effectiveness and to respond to emerging issues in regulation. Throughout the year the Board continued its consultation with stakeholders, consumers and the public to improve its regulatory processes and reduce regulatory burden. The response of stakeholders to these improvements has been extremely positive.

Goal: By March 31, 2011 the Board will have achieved continued improvement in regulatory efficiency and effectiveness.

Measure: Continued improved regulatory efficiency and effectiveness.

- Indicators:**
- Standards, schedules and timelines implemented.
 - Additional regulatory initiatives identified.
 - Policies and procedures implemented.

<p>Objective (2010): By March 31, 2010 the Board will have identified additional regulatory initiatives which strengthen its regulatory framework.</p> <p>Measure: Improved regulatory efficiency and effectiveness.</p>	
<p>Indicators:</p> <ul style="list-style-type: none"> • <i>Regulatory savings</i> 	<p>Results:</p> <p>The Board continued to manage regulatory costs. Costs for hearings can be as high as \$15,000 per day primarily due to legal and expert witness costs, travel costs and transcriptions. Counsel meetings and negotiated settlements reduced the number of required hearing days in Newfoundland Power’s general rate application and eliminated hearing days for the capital budget applications, resulting in significant regulatory cost savings.</p>
<ul style="list-style-type: none"> • <i>Improved regulatory response</i> 	<p>The Board continued to improve its regulatory response. In 2009-2010 an automatic response process was introduced for routine applications with a 14-day time limit for comments by stakeholders to ensure a quick turnaround time for applications and referrals. In 2009-2010 80% of the public utilities applications and over 50% of automobile insurance and motor carrier applications were decided in 60 days or less from receipt of the application. This is an improvement from the previous year when 72% of the Board orders were issued in 60 days or less.</p>
<ul style="list-style-type: none"> • <i>Improved processes</i> 	<p>The Board continues to simplify and streamline its regulatory processes to reduce regulatory burden for stakeholders. Scheduled regulatory meetings between Board staff and the utilities have led to improved communications, reduced turnaround times, more efficient processes and ultimately reduced regulatory burden. The introduction of a 14-day timeframe for commentary in routine applications has improved response time and has brought forward issues sooner in more complicated matters.</p>

Issue 2: HUMAN RESOURCE CAPACITY

To ensure operational continuity the Board has initiated a strategy to ensure that Board has the human resource capacity to deliver its regulatory mandate and respond to emerging issues. Effective alignment of staff, skills and training is necessary for the Board to meet succession-planning issues.

GOAL: By March 31, 2011 the Board will have initiated a human resources strategy to ensure that the organization maintains the skills and competencies necessary to deliver its mandate.

Measure: Enhanced organizational and operational capacity.

- Indicators:**
- Organizational review completed.
 - Efficiencies gained through streamlining its human resource capacity.
 - Enhanced responsiveness to emerging technical issues and client/stakeholders needs.

Objective (2010): By March 31, 2010 the Board will have developed a strategy to identify training and educational needs for employees.	
Measure: Training and educational needs are identified for on-going succession planning.	
Indicators:	Results:
• <i>Training and educational needs are identified.</i>	The Board has developed a strategy that has identified training and education needs of all employees. The Commissioners and Staff continue to participate in education and training requirements that have been identified to meet functional requirements, including succession planning, and individual professional development needs.

ISSUE 3: MANAGEMENT OF RECORDS/INFORMATION

Information and records are vital to the organization and systematic records management is fundamental to organizational efficiency. The Board has identified the establishment of an efficient and effective records management program that ensures integrity of its records while meeting legal, financial and accountability standards and requirements as a key business priority.

GOAL: By March 31, 2011 the Board will have strengthened its information management capacity.

Measures: Strengthened information management strategy.

- Indicators:**
- Records/Information Management issues identified.
 - Implementation of Records/Information Management Strategy.
 - Improved access to information by staff and the public.

Objective (2010): By March 31, 2010 the Board will have commenced implementation of its Records/Information Management Strategy.	
Measures: Implementation of Records/Information Management Strategy	
Indicators:	Results:
<ul style="list-style-type: none"> • <i>Development of classification plan derived from records inventory.</i> 	The records/information inventory and classification plan has been completed. The next phase will involve the transfer of information into the Board’s new information management program.
<ul style="list-style-type: none"> • <i>Initial staff training requirements of TRIM completed.</i> 	The timetable/schedule for the records/information management strategy has been implemented. The Board purchased TRIM, the records management software identified in its Records Management strategy. Training requirements/plans have been developed but implementation will be delayed until 2011 pending the return of the Records Administrator from leave.

OBJECTIVES

In its 2008-2011 Activity Plan the Board committed to focus on strategic issues that are related to its regulatory mandate. The following objectives, measures and indicators have been developed in relation to the strategic issues identified for the next fiscal year 2010-2011:

Issue 1: Regulatory Efficiency and Effectiveness.

Objective (2011): By March 31, 2011 the Board will have implemented policies and procedures to ensure continued regulatory efficiency and effectiveness.

Measure: Improved regulatory efficiency and effectiveness.

Indicators:

- Policies and procedures addressing regulatory efficiencies implemented.
- Continued progress in regulatory response.

Issue 2: Human Resource Capacity.

Objective (2011): By March 31, 2011 the Board will have initiated its training and educational strategy for its employees.

Measure: Training and Educational strategy implemented.

Indicators:

- Employees complete training and educational requirements specifically identified.

Issue 3: Management of Records/Information.

Objective (2011): By March 31, 2011 the Board will have completed its Records/Information Management Strategy.

Measure: Continued Progress in the Records/Information Management Strategy.

Indicators:

- Records/Information catalogued and transferred in accordance with targets.
- Information contained on Board’s website reviewed.

OPPORTUNITIES AND CHALLENGES AHEAD

The Board's primary challenge is fulfilling its mandate efficiently and effectively while ensuring the delivery of regulatory services in an open, fair, and transparent manner. The Board must be able to respond to a changing regulatory environment, which may involve significant legislative, market or other structural changes. In this context the Board, with the cooperation of stakeholders, endeavors to identify opportunities for improvements in its processes and practices. The changing environment requires new and different approaches and at times rationalization of resources to ensure that the Board can continue to meet its legislated mandate.

As part of its legislated responsibility for the general supervision of all public utilities in the Province the Board periodically reviews the service and facilities provided by the public utilities to ensure that electrical service in the province is reasonably safe and adequate. Quality of service reviews of utilities in the province examine technical aspects of the power system such as the planning, design and operations of the power system and how these impact on the overall quality and reliability of electrical services for consumers. The Board commenced quality of service reviews in early 2010 for both utilities. Unlike previous reviews the Board expects these technical reviews will be conducted over a four-year period, with particular issues being addressed annually.

FINANCIAL STATEMENTS



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AUDITORS' REPORT

To: The Board of Commissioners of Public Utilities

We have audited the statement of financial position of the Board of Commissioners of Public Utilities (the "Board") as at March 31, 2010 and the statements of operations, accumulated surplus and cash flows for the year then ended. These financial statements are the responsibility of the Board's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Board as at March 31, 2010 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

Chartered Accountants
St. John's, Newfoundland & Labrador
May 28, 2010

BOARD OF COMMISSIONERS OF PUBLIC UTILITIES

**Statement of Financial Position
March 31, 2010**

	2010	2009
ASSETS		
Current		
Cash	\$1,413,648	\$ 1,950,658
Receivables	94,617	65,270
Recoverable costs (Note 4)	1,022,865	121,034
Prepaid expenses	15,785	16,283
	2,546,915	2,153,245
Capital assets (Note 5)	93,987	62,279
	\$2,640,902	\$ 2,215,524
LIABILITIES		
Current		
Payables and accruals	\$ 144,887	\$ 173,902
Payroll accruals	463,367	353,166
Designated pension funds (Note 7)	159,864	119,124
	768,118	646,192
Commitments (Note 10)		
ACCUMULATED SURPLUS		
Invested in capital assets	93,987	62,279
Invested in designated pension funds	(159,864)	(119,124)
Internally restricted (Note 8)	1,272,610	1,283,774
Unrestricted	666,051	342,403
	1,872,784	1,569,332
	\$2,640,902	\$ 2,215,524

On Behalf of the Board 

Chairperson and CEO

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Vice-Chairperson

BOARD OF COMMISSIONERS OF PUBLIC UTILITIES

Statement of Operations
Year Ended March 31, 2010

	2010	2009
<hr/>		
Revenues		
Regulatory assessments	\$2,451,923	\$2,208,131
Interest and other income	2,386	24,744
Pension fund earnings, net of expenses (Note 7)	(895)	3,799
<hr/>		
	2,453,414	2,236,674
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Expenses		
Amortization	12,239	16,391
Consulting fees	119,840	138,170
Office equipment, supplies and services	64,688	58,113
Pension obligations estimation adjustment (Note 7)	39,845	51,245
Rent and insurance (Note 10)	245,287	235,072
Salaries and associated costs	1,576,303	1,400,439
Telecommunications	31,901	31,508
Training and membership	34,174	33,527
Travel	25,685	51,879
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	2,149,962	2,016,344
<hr/>		
Excess of revenues over expenses	\$ 303,452	\$ 220,330
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BOARD OF COMMISSIONERS OF PUBLIC UTILITIES

**Statement of Accumulated Surplus
Year Ended March 31, 2010**

	2010				2009	
	Invested in Capital Assets	Invested in Designated Pension Funds	Internally Restricted (Note 8)	Unrestricted	Total	Total
Balance as at beginning of year	\$ 62,279	\$(119,124)	\$1,283,774	\$342,403	\$1,569,332	\$1,349,002
Excess of revenues over expenses	(12,239)	(40,740)	-	356,431	303,452	220,330
Invested in capital assets	43,947	-	-	(43,947)	-	-
Restricted during the year	-	-	(11,164)	11,164	-	-
Balance as at end of year	\$ 93,987	\$(159,864)	\$1,272,610	\$666,051	\$1,872,784	\$1,569,332

BOARD OF COMMISSIONERS OF PUBLIC UTILITIES

Statement of Cash Flows
Year Ended March 31, 2010

	2010	2009
Operating activities		
Cash receipts from assessments and other revenues	\$ 2,424,067	\$ 2,205,106
Cash paid to suppliers and employees	(2,056,039)	(1,932,299)
Cash provided by operating activities	368,028	272,807
Hearing and review activities		
(Increase) decrease in recoverable costs	(901,831)	89,498
Cash (used in) provided by hearing and review activities	(901,831)	89,498
Investing activities		
Purchase of capital assets	(43,947)	(32,979)
Decrease in designated pension funds	40,740	47,446
Cash (used in) provided by investing activities	(3,207)	14,467
(Decrease) increase in cash during year	(537,010)	376,772
Cash position as at beginning of year	1,950,658	1,573,886
Cash position as at end of year	\$ 1,413,648	\$ 1,950,658

BOARD OF COMMISSIONERS OF PUBLIC UTILITIES

**Notes to Financial Statements
March 31, 2010**

1. General

The Board of Commissioners of Public Utilities (the “Board”) is an independent, quasi-judicial regulatory tribunal constituted in 1949 by the Lieutenant-Governor in Council pursuant to the *Public Utilities Act*. The Board regulates the electric utilities in the Province of Newfoundland and Labrador and is responsible for ensuring that the rates charged are reasonable and that the service provided is safe and reliable. Other responsibilities include: (a) the regulation of automobile insurance rates; (b) the regulation of, from June 8, 2004, fuel prices pursuant to the Petroleum Products Act; (c) limited regulation of the motor carrier industry as it relates to certain passenger and ambulance operations; and (d) establishing compensation for matters referred to the Board pursuant to the *Expropriation Act*. The Board was incorporated on May 12, 2000 pursuant to an amendment to the *Public Utilities Act* and as a Crown entity of the Province is not subject to provincial or federal income taxes.

2. Summary of significant accounting policies

These financial statements have, in all material respects, been prepared in accordance with Canadian generally accepted accounting principles, the more significant of which are set out below:

a) Operating revenues and expenses

Operating revenues and expenses are accounted for on the accrual basis.

b) Recoverable costs

Recoverable costs relating to regulatory hearings and specific enquiries held by the Board are accrued until the Board orders payment. The costs and subsequent recoveries for these enquiries are not included in the operating revenues and expenses of the Board.

c) Capital assets

Capital assets are recorded on the Statement of Financial Position at their historical cost and are amortized as follows:

- Furniture and equipment - 20% declining balance method
- Computer hardware - 35% declining balance method
- Computer software - 50% declining balance method
- Leasehold improvements - the lesser of five year straight-line and remaining term of the lease

BOARD OF COMMISSIONERS OF PUBLIC UTILITIES

Notes to Financial Statements

March 31, 2010

2. Significant accounting policies (cont'd)

d) Severance pay

Severance pay is accounted for on the accrual basis and is based upon years of service and current salary levels. The entitlement to severance pay vests with employees after nine years of continual service and accordingly no provision has been made in the accounts for employees with less than nine years of continual service. The amount is payable when the employee ceases employment with the Board.

e) Use of estimates

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires the Board's management to make estimates and assumptions that affect the amounts reported in the financial statements and the notes related thereto. Actual results may differ from those estimates.

f) Cash and cash equivalents

Cash and cash equivalents is comprised of funds held in operating bank accounts, or invested in short-term or cashable deposits and treasury bills.

g) Financial instruments

In accordance with section 3855, "Financial Instruments – Recognition and Measurement", the Board has classified its cash and cash equivalents as held for trading and measures them at fair value. Transaction costs and any gains or losses arising from changes in fair value are recognized immediately in the statement of operations. Accounts receivable are classified as loans and receivables, and accounts payable are classified as other financial liabilities. Both are measured at amortized cost.

h) Designated pension funds

The Board maintains a defined benefit pension plan for two former commissioners. The Board accrues its obligation under employee benefit plans, net of plan assets. The cost of the Board's defined benefit pension is actuarially determined using the accumulated benefit method. The actuarial assumptions are a rate of return of 4.39% per annum using the UP94 mortality table projected to 2020 with scale AA.

3. Financial instruments

The Board's financial instruments consist of cash, receivables, recoverable costs and payables and accruals. Unless otherwise noted, it is management's opinion that the Board is not exposed to significant interest, currency or credit risks arising from these financial instruments. The fair value of these financial instruments approximate their carrying values, unless otherwise noted.

BOARD OF COMMISSIONERS OF PUBLIC UTILITIES

Notes to Financial Statements

March 31, 2010

4. Recoverable costs

	2010	2009
Recoverable costs, beginning of year	\$ 121,034	\$210,532
Add – specific enquiry costs incurred during the year:		
Consulting fees	405,713	169,531
Consumer Advocate	529,450	76,173
Legal	63,955	-
Transcription and printing	11,994	-
Advertising and notice	26,235	1,963
Other	904	39
	1,038,251	247,706
Less – costs recovered during the year	1,159,285	458,238
	136,420	337,204
Recoverable costs, end of year	\$1,022,865	\$121,034

5. Capital Assets

	2010			2009
	Original Cost	Accumulated Amortization	Net Book Value	Net Book Value
Furniture and equipment	\$240,938	\$209,588	\$ 31,350	\$ 18,467
Computer hardware	156,605	134,404	22,201	15,839
Computer software	63,233	23,419	39,814	27,144
Leasehold improvements	132,284	131,662	622	829
	\$593,060	\$499,073	\$ 93,987	\$ 62,279

6. Bank credit agreement

The Board has established a \$1,000,000 line-of-credit subject to a general security agreement over all accounts and book debts, equipment, tangible capital assets and certain other assets. Any outstanding balance bears interest at the bank prime rate plus 0.5%.

BOARD OF COMMISSIONERS OF PUBLIC UTILITIES

**Notes to Financial Statements
March 31, 2010**

7. Designated pension funds and pension obligations

Designated pension funds are disclosed in the Statement of Financial Position as net of the related pension obligation.

The Board maintains a deferred benefit pension plan for two former commissioners. Designated pension funds have been established and consist of investments maintained in trust with RBC Dexia Investor Services Trust on behalf of these pensioners and are recorded at market value.

	2010	2009
Balance on deposit, beginning of year	\$202,076	\$263,722
Add – earnings net of expenses	(895)	3,799
Deduct – benefit payments	201,181	267,521
	65,445	65,445
Balance on deposit, end of year	135,736	202,076
Related pension obligation	(295,600)	(321,200)
	\$(159,864)	\$(119,124)

Pension obligations represent the present value of accrued pension benefits as calculated in an actuarial report dated April 13, 2010. A pension obligations estimation adjustment of \$39,845 (2009 - \$51,245) is included in expenses in the fiscal year.

In addition, other commissioners and employees for which no designated pension plan has been established are members of The Public Service Pension Fund Act 1991. Pension contributions deducted from commissioners' and employees' salaries are matched by the Board and then remitted to the Province of Newfoundland and Labrador Pooled Pension Fund from which pensions will be paid to commissioners and employees when they retire. The Board's share of pension expense for the year of \$102,942 (2009 - \$86,058) is included in salaries and associated costs.

BOARD OF COMMISSIONERS OF PUBLIC UTILITIES

**Notes to Financial Statements
March 31, 2010**

8. Internally restricted surplus

The Board has adopted a formal policy to accumulate and restrict estimated amounts required to meet expected future obligations. The amounts restricted as at March 31, 2010 are as follows:

	2010	2009
Lease commitments	\$ 217,475	\$ 242,900
Payroll contingency	82,160	91,048
Redundancy pay contingency	559,297	536,159
Working capital	413,678	413,667
	\$1,272,610	\$1,283,774

9. Assessment reductions and subsequent event

Pursuant to Section 13(7) of the Public Utilities Act, the Board approved reductions in assessments to electrical utilities, the insurance industry and the petroleum products industry for the 2010-2011 assessments. These will amount to \$290,283, \$101,594 and \$274,174, respectively (total - \$666,051).

10. Commitments

The Board has the following lease commitments for the rental of office space in St. John's and Grand Falls-Windsor:

St. John's

- a) lease agreement in the amount of \$17,417 per month (\$209,004 per annum), concluding May 31, 2013.

Grand Falls-Windsor

- b) lease agreement in the amount of \$2,825 per month (\$33,900 per annum), payable on a month-to-month basis with a three month termination period.

APPENDIX I

SUMMARY OF ORDERS OF THE BOARD
UNDER THE PUBLIC UTILITIES ACT
APRIL 1, 2009 TO MARCH 31, 2010

Newfoundland and Labrador Hydro (“Hydro”)

Board Order No. P.U. 17 (2009)

Application:

Issued: April 17, 2009

Approval of certain rules and regulations pertaining to the supply of electrical power and energy to one of its industrial customers, Corner Brook Pulp and Paper Limited pursuant to s. 71 of the Act.

Decision:

1. The Corner Brook Pulp and Paper Limited Service Agreement, as set out in the attached Schedule “A”, is hereby approved for a term of no longer than two years from the date of this Order.
2. Hydro shall apply to the Board for approval of a subsequent Service Agreement for the provision of service to Corner Brook Pulp and Paper Limited at least thirty days prior to the end of the term of the Service Agreement approved in this Order.
3. Hydro shall pay all expenses of the Board arising from this Application.

Newfoundland Power Inc. (“NP”)

Board Order No. P.U. 18 (2009)

Application:

Issued: May 6, 2009

Approval for the removal from service of a distribution line on the Burin Peninsula.

Decision:

1. Pursuant to s. 38 of the Act, the Board approves and consents to removal of the Line as proposed by the Application.
2. Newfoundland Power shall pay all costs and expenses of the Board in connection with this Application.

Newfoundland and Labrador Hydro

Board Order No. P.U. 19 (2009)

Application:

Issued: May 7, 2009

Approval of the installation of cold reheat condensate drains and high-pressure heater trip on Unit 2 at the Holyrood Thermal Generating Station pursuant to s. 41 of the Act.

Decision:

1. Pursuant to s. 41 of the Act, the Board approves the expenditure of \$191,600 to install cold reheat condensate drains and high-pressure heater trip on Unit 2 at Holyrood in place of the same project for Unit 1.
2. Hydro shall pay all expenses of the Board arising from this Application.

Newfoundland and Labrador Hydro

Board Order No. P.U. 20 (2009)

Application:

Issued: May 22, 2009

Approval of the cost to be recovered through the Rate Stabilization Plan charged to Newfoundland Power Inc. and the Island Industrial Customers of consuming No. 6 fuel not exceeding 0.7% sulphur by weight.

Decision:

1. The recovery of Hydro’s costs of burning 0.7% sulphur content No. 6 fuel at the Holyrood Thermal Generating Station through the operation of the Rate Stabilization Plan after March 31, 2009 is approved.
2. The costs of the fuel shall be calculated in accordance with the usual operation of the Rate Stabilization Plan from March 31, 2009.
3. Hydro shall pay all expenses of the Board arising from this Application.

Newfoundland Power Inc.

Board Order No. P.U. 21 (2009)

Application:

Issued: May 22, 2009

Application for an Order approving the Demand Management Incentive Account – Disposition of 2008 Balance.

Decision:

1. The Board approves, pursuant to s. 58 and s. 80 of the Act, the disposition of the 2008 balance in the Demand Management Incentive Account as well as the related income tax effects by means of a credit in the amount of \$641,336 to the Rate Stabilization Account, as of March 31, 2009.
2. NP shall pay all costs and expenses of the Board in connection with this Application.

Newfoundland and Labrador Hydro

Board Order No. P.U. 22 (2009)

Application:

Issued: June 16, 2009

Approval, pursuant to s. 70 (1) of the Act, of the Rate Stabilization Plan component of the rates to be charged to Newfoundland Power Inc.

Decision:

1. The Board approves:
 - (a) the proposed modifications to the fuel rider component of the Rate Stabilization Plan;
 - (b) the rates to be charged by Hydro to Newfoundland Power, as set out in Schedule “A” to this Order, to be effective for consumption on or after July 1, 2009; and
 - (c) the Rate Stabilization Plan Rules as set out in Schedule “B” to this Order, to be effective July 1, 2009.
2. Hydro shall pay the expenses of the Board incurred in connection with this matter.

Newfoundland and Labrador Hydro

Board Order No. P.U. 23 (2009)

Application:

Issued: June 16, 2009

Approval for the development of an on-line Work Protection Code (WPC) training software program.

Decision:

1. The capital expenditure of \$160,800 for the development of an on-line Work Protection Code training software program is approved.
2. Hydro shall pay all expenses of the Board arising from this Application.

Newfoundland Power Inc.

Board Order No. P.U. 24 (2009)

Application:

Issued: June 17, 2009

Procedural Order re: General Rate Application by Newfoundland Power Inc. to establish customer electricity rates for 2010.

Decision:

1. The registered Intervenor, the Schedule of Dates, and the Rules of Procedure for the hearing of the Application are as set out in Appendix “A” to this Order.

Newfoundland Power Inc.

Board Order No. P.U. 25 (2009)

Application:

Issued: June 24, 2009

Approval of a Contribution in Aid of Construction (CIAC) for a line extension to serve domestic customers in a cottage area known as Terra Nova Lake.

Decision:

1. The Board approves the Non-Refundable CIAC of five thousand four hundred thirty-five dollars and eighty-five cents (\$5,435.85), excluding HST, as calculated under the Policy, to apply to Domestic Customers located in the Cottage Area known as Terra Nova Lake, pursuant to s. 41(5) of the Act.
2. NP shall pay all expenses of the Board arising from this Application.

Newfoundland Power Inc.

Board Order No. P.U. 26 (2009)

Application:

Issued: June 26, 2009

Approval of Rate Stabilization Adjustment and Municipal Tax Adjustment to be effective July 1, 2009.

Decision:

1. The Rate Stabilization Adjustment of 0.066 cents/kWh and the Municipal Tax Adjustment factor of 1.02447 are approved.
2. The proposed rates to customers of NP, as set out in Schedule A to this Order, are approved, to be effective on all electrical consumption on and after July 1, 2009.
3. NP shall pay the expenses of the Board in connection with this Application.

Newfoundland and Labrador Hydro

Board Order No. P.U. 27 (2009)

Application:

Issued: June 26, 2009

Application for rate changes to Island Interconnected Customers (excluding Burgeo School and Library) and Isolated Rural Customers (excluding Government departments) to be effective July 1, 2009.

Decision:

1. The rates proposed by Hydro for its Island Interconnected customers (excluding Burgeo School and Library) and Isolated Rural customers (excluding Government departments), to be effective on all electrical consumption on and after July 1, 2009, as set out in Schedule A to this Order, are approved.
2. Hydro shall pay the expenses of the Board incurred in connection with this Application.

Newfoundland and Labrador Hydro

Board Order No. P.U. 28 (2009)

Application:

Issued: July 9, 2009

Approval of a capital expenditure in relation to a condition assessment and life extension study for the Holyrood Thermal Generating Station pursuant to s. 41 of the Act.

Decision:

1. The Board approves the budgeted capital expenditure of \$1,895,000 for the proposed Condition Assessment and Life Extension Study for the Holyrood Thermal Generating Station.
2. Hydro shall pay all expenses of the Board arising from this Application.

Newfoundland Power Inc.

Board Order No. P.U. 29 (2009)

Application:

Issued: July 27, 2009

Approval of an additional amount of \$710,000 to the Allowance for Unforeseen items, pursuant to s. 41(3) of the Act.

Decision:

1. Pursuant to s. 41(3) of the Act the Board approves an additional amount of \$710,000 to the Allowance for Unforeseen Items account approved in Order No. P. U. 27(2008).
2. NP shall pay all the expenses of the Board arising from this Application.

Newfoundland and Labrador Hydro

Board Order No. P.U. 30 (2009)

Application:

Issued: July 31, 2009

Approval of Rate Changes to Labrador Interconnected Rate Class 5.1H pursuant to s. 71 of the Act.

Decision:

1. The Board approves the rate to be charged for the sale of secondary energy in Rate Class 5.1H as attached hereto as Schedule "A" to be effective June 1, 2009.
2. Hydro shall pay all expenses of the Board arising from this Application.

Newfoundland and Labrador Hydro

Board Order No. P. U. 31 (2009)

Application:

Issued: August 4, 2009

Approval of the rehabilitation of the Nain Diesel Generating Plant, pursuant to s. 41(3) of the Act.

Decision:

1. The proposed capital expenditure of \$2,804,700 for the rehabilitation of the Nain Diesel Generating Plant is approved.
2. Hydro shall pay all expenses of the Board arising from this Application.

Newfoundland Power Inc.

Board Order No. P. U. 32 (2009)

Application:

Issued: September 4, 2009

Approval of supplemental capital expenditures to the Long Harbour Distribution Feeder Construction (Vale Inco), pursuant to s. 41(3) of the Act.

Decision:

1. The Board approves the proposed capital expenditure of \$1,165,000 to construct the distribution line and upgrade the Western Avalon Substation.
2. NP shall pay all the expenses of the Board arising from this Application.

Newfoundland and Labrador Hydro

Board Order No. P.U. 33 (2009)

Application:

Issued: September 4, 2009

Approval of the rehabilitation of a gas turbine generator to be located at the Stephenville Gas Turbine Plant, pursuant to s. 41(3) of the Act.

Decision:

1. The Board approves the proposed capital expenditure of \$2,086,200 for the rehabilitation of the gas turbine generator to be located at the Stephenville Plant.
2. Hydro shall pay all expenses of the Board arising from this Application.

Newfoundland and Labrador Hydro

Board Order No. P. U. 34 (2009)

Application:

Issued: September 4, 2009

Approval of the Hinds Lake powerhouse slope stabilization, pursuant to s. 41(3) of the Act.

Decision:

1. The Board approves the proposed capital expenditure of \$1,136,000 for the Hinds Lake powerhouse slope stabilization.
2. Hydro shall pay all expenses of the Board arising from this Application.

Newfoundland Power Inc.

Board Order No. P.U. 35 (2009)

Application:

Issued: September 4, 2009

Approval of a Contribution in Aid of Construction for Cottage Area Customers located at Princeton Big Pond on the Bonavista Peninsula, pursuant to s. 41(5) of the Act.

Decision:

1. The Board approves the Non-Refundable CIAC of Five thousand six hundred fifty-one dollars and ninety-four cents (\$5,651.94), excluding HST, as calculated under the Policy to apply to Domestic Customers located in the Cottage Area known as Princeton Big Pond, pursuant to s. 41(5) of the Act.
2. The Board approves the deviation from the Policy proposed by NP, and NP's commencing construction of the Extension with a Participation Percentage of 49.2% as proposed in the Application.
3. NP shall pay all expenses of the Board arising from this Application.

Newfoundland Power Inc.

Board Order No. P.U. 36 (2009)

Application:

Issued: September 4, 2009

Approval of a Contribution in Aid of Construction for Cottage Area Customers located at Mobile First Pond on the Southern Shore, pursuant to s. 41(5) of the Act.

Decision:

1. The Board approves the Refundable CIAC of Three thousand three hundred seven dollars and fifty cents (\$3,307.50), excluding HST, as calculated under the Policy to apply to Domestic Customers located in the Mobile First Pond Cottage Area (Phase 2), pursuant to s. 41(5) of the Act.
2. NP shall pay all expenses of the Board arising from this Application

Newfoundland and Labrador Hydro

Board Order No. P.U. 37 (2009)

Application:

Issued: October 1, 2009

Ex Parte application for the extension of time for the filing of an application required by Order No. P.U. 1 (2009) concerning rates to be charged for the supply of power and energy by Newfoundland and Labrador Hydro to Non-Government Rural Isolated Domestic and General Service customers.

Decision:

1. Hydro shall make an application no later than October 30, 2009 to finalize the rates to be effective January 1, 2010 for its Non-Government Rural Isolated Domestic and General Service Customers.
2. Hydro shall include all rate pages for the proposed rates with the application.
3. Hydro shall pay all expenses of the Board arising from this Application.

Newfoundland Power Inc.

Board Order No. P. U. 38 (2009)

Application:

Issued: October 9, 2009

Approval of an additional amount of \$375,000 to the Allowance for Unforeseen Items, pursuant to s. 41(3) of the Act.

Decision:

1. The Board approves the proposed addition of a supplementary amount of \$375,000 to the Allowance for Unforeseen Items Account approved in Order No. P. U. 27(2008).
2. NP shall pay all the expenses of the Board arising from this Application.

Newfoundland Power Inc.

Board Order No. P.U. 39 (2009)

Application:

Issued: October 9, 2009

Approval of Contribution in Aid of Construction for Domestic Customers located in a Cottage Area known as Emberley Place (Mahers) located near the existing Mahers Cottage Area, pursuant to s. 41(5) of the Act.

Decision:

1. The Board approves the Non-Refundable CIAC of Three thousand nine hundred forty-seven dollars and twenty-six cents (\$3,947.26), excluding HST, as calculated under the Policy to apply to Domestic Customers located in the Cottage Area known as Emberley Place (Mahers), pursuant to s. 41(5) of the Act.
2. NP shall pay all expenses of the Board arising from this Application.

Newfoundland and Labrador Hydro

Board Order No. P.U. 40 (2009)

Application:

Issued: October 21, 2009

Approval of the replacement of microwave radio equipment between the Godaleich Hill Microwave Site and the Upper Salmon Generating Station, pursuant to s. 41(3) of the Act.

Decision:

1. The Board approves the proposed capital expenditure of \$196,500 for the replacement of microwave radio equipment between the Godaleich Hill Microwave Site and the Upper Salmon Generating Station.
2. Hydro shall pay all expenses of the Board arising from this Application.

Newfoundland Power Inc.

Board Order No. P.U. 41 (2009)

Application:

Issued: November 4, 2009

Approval pursuant to s. 41 and s. 78 of the Act of:

- a) its 2010 Capital Budget of \$64,679,000; and
- b) fixing and determining its average rate base for 2008 in the amount of \$820,876,000.

Decision:

1. NP's capital purchases and construction projects in excess of \$50,000, as set out in Schedule A to this Order, are approved.
2. The 2010 Capital Budget for improvements and additions to NP's property in an amount of \$64,679,000 is approved.
3. The average rate base for the year ending December 31, 2008 is hereby fixed and determined at \$820,876,000.
4. Unless otherwise directed by the Board, NP shall file an annual report to the Board on its 2010 capital expenditures by March 1, 2011.
5. Unless otherwise directed by the Board, NP shall provide, in conjunction with the 2011 Capital Budget Application, a status report on the 2010 capital budget expenditures showing for each project:
 - a) the approved budget for 2010;
 - b) the expenditures prior to 2010;
 - c) the 2010 expenditures to the date of the Application;
 - d) the remaining projected expenditures for 2010;
 - e) the variance between the projected total expenditures and the approved budget; and
 - f) an explanation of the variance.
6. NP shall pay all costs and expenses of the Board incurred in connection with the Application.

Newfoundland and Labrador Hydro

Board Order No. P. U. 42 (2009)

Application:

Issued: November 16, 2009

Application for the fixing and determining of the revised average rate base for each of 2005, 2006 and 2007, pursuant to s. 78 of the Act.

Decision:

1. Hydro's revised average rate base for 2005 is fixed and determined in the amount of \$1,475,728,000.
2. Hydro's revised average rate base for 2006 is fixed and determined in the amount of \$1,478,649,000.
3. Hydro's revised average rate base for 2007 is fixed and determined in the amount of \$1,483,524,000.
4. Hydro shall file a report with the Board no later than March 31, 2010, setting out the amendments to its internal audit measures and any other internal controls which will be implemented to reduce the possibility of future errors and omissions in the calculation of rate base.
5. Hydro shall pay all expenses of the Board arising from this Application.

Newfoundland Power Inc.

Board Order No. P.U. 43 (2009)

Application:

Issued: December 11, 2009

General Rate Application by NP to establish customer electricity rates for 2010.

Decision:

Rate Base and Range of Return on Rate Base

1. NP shall calculate and file a revised forecast average rate base and return on rate base for 2010, based on its proposals in the Application, incorporating the determinations set out in this Order, including:
 - a) a proportion of regulated common equity in the capital structure not to exceed 45%; and
 - b) a return on regulated common equity of 9.0%.
2. The allowed range of return on rate base shall be 36 basis points for 2010 and for use in the Automatic Adjustment Formula, unless otherwise ordered by the Board.

2010 Test Year Revenue Requirement

3. NP shall calculate and file a revised forecast total revenue requirement for the 2010 test year based on its proposals in the Application, incorporating the determinations set out in this Order.

Automatic Adjustment Formula

4. Unless the Board orders otherwise the rate of return on rate base for 2011 and 2012 shall be set using the Automatic Adjustment Formula.

5. Unless the Board orders otherwise NP shall apply no later than November 30th in each of 2010 and 2011 for the application of the Automatic Adjustment Formula to the rate of return on rate base and, if required, for a revised Schedule of rates, tolls and charges effective January 1, 2011 and January 1, 2012 respectively.
6. Unless the Board orders otherwise NP shall file its next general rate application with the Board no later than May 31, 2012 with a 2013 test year.

Accounting/Regulatory Matters

7. NP shall continue to use the cash method for accounting for Other Post Employment Benefits costs unless otherwise ordered by the Board.
8. NP shall file with the Board, no later than June 30, 2010, a comprehensive proposal for the adoption of the accrual method of accounting for Other Post Employment Benefits costs as of January 1, 2011, including alternatives and recommendations in relation to:
 - a) a deferral mechanism to capture annual variances arising from changes in the discount rate and other assumptions; and
 - b) the recovery of the transitional balance associated with the adoption of accrual accounting for Other Post Employment Benefits costs.
9. NP's proposal to create a Pension Expense Variance Deferral Account as of January 1, 2010 and as defined in Schedule A is approved.
10. NP shall create a Hearing Cost Deferral Account to recover over three years commencing January 1, 2010 hearing costs relating to this Application in the total amount of \$750,000.
11. The following deferral accounts are approved for continued use:
 - a) Energy Supply Cost Variance Account;
 - b) Demand Management Incentive Account; and
 - c) Conservation Cost Deferral Account.
12. NP shall file as part of its next general rate application a report on the performance of the Demand Management Incentive Account, including a summary of the amounts of transfers and savings and an examination of the incentive effects of:
 - a) the Demand Management Incentive Account;
 - b) other existing regulatory mechanisms related to power purchase costs; and
 - c) possible alternative mechanisms with respect to the effectiveness and efficiency of the incentive to reduce power purchase costs.
13. NP's proposal to recover the 2009 conservation programming costs of approximately \$1.5 million over the remaining four years of the 5-year Energy Conservation Plan is approved.
14. NP shall file its next depreciation study relating to plant in service as of December 31, 2009.
15. NP, in consultation with the Consumer Advocate, shall file no later than March 31, 2010 a revised schedule for the ongoing retail rate design study.
16. NP, in consultation with the Consumer Advocate, shall file no later than June 30, 2010 a report with recommendations and alternatives in relation to the policies for deployment of Newfoundland Power's staff to affiliated and other companies for emergency response.
17. NP shall file a monthly update in relation to the transition to International Financial Reporting Standards (IFRS), beginning on February 1, 2010 and continuing until full implementation, replacing the quarterly reporting previously ordered by the Board.

Rates, Rules and Regulations

18. NP shall file for the approval of the Board revised rates, tolls and charges effective for service provided on and after January 1, 2010, based on the proposals in the Application, incorporating the determinations set out in this Order.

Hearing Costs

19. NP shall pay the expenses of the Board arising from the Application, including the expenses of the Consumer Advocate incurred by the Board.

Newfoundland and Labrador Hydro

Board Order No. P.U. 44 (2009)

Application:

Issued: December 14, 2009

Approval of the deferral of expenses associated with the repair of the Unit 1 Turbine at the Holyrood Thermal Generating Station as a Major Extraordinary Repair, pursuant to s. 69, s. 78 and s. 80 of the Act.

Decision:

1. The Application is denied.
2. Hydro shall pay the expenses of the Board arising from this Application.

Newfoundland and Labrador Hydro

Board Order No. P. U. 45 (2009)

Application:

Issued: December 21, 2009

Approval of changes in the rates to be charged for the supply of power and energy to certain Labrador Interconnected customers and related changes in the Rate Stabilization Plan Rules, pursuant to s. 70 and s. 71 of the Act.

Decision:

1. The decrease of the monthly amount of the 2010 automatic rate adjustment in the Rural Rate Alteration in the Rate Stabilization Plan from (\$5,766) to (\$47,847), is approved, as attached in Schedule A.
2. The Schedule of Rates for certain Labrador Interconnected customers, as attached in Schedule B, is approved, effective January 1, 2010.
3. Hydro shall pay the expenses of the Board arising from this Application.

Newfoundland Power Inc.

Board Order No. P.U. 46 (2009)

Application:

Issued: December 24, 2009

Approval of customer rates, tolls and charges reflecting the determinations set out in Order No. P. U. 43(2009) re Newfoundland Power's 2010 General Rate Application.

Decision:

1. The Board approves the forecast average rate base for 2010 of \$871,585,000, pursuant to s. 80 of the Act.
2. The Board approves the rate of return on rate base for 2010 of 8.23% in a range of 8.05% to 8.41%, pursuant s. 80 of the Act.
3. The Board approves the Schedule of Rates, Tolls and Charges of Newfoundland Power attached hereto and marked as Schedule "A", to be effective for service provided on and after January 1, 2010, pursuant to s. 70(1) of the Act.
4. The Board approves the Rules and Regulations attached hereto as Schedule "B", to be effective January 1, 2010.
5. The Board approves the revised definition of the Excess Earnings Account attached hereto and marked as Schedule "C".
6. NP shall pay the expenses of the Board arising from this Application.

Newfoundland and Labrador Hydro

Board Order No. P.U. 47 (2009)

Application:

Issued: December 24, 2009

Approval of a change in rates to be charged for the supply of power and energy to Island Interconnected customers (excluding Burgeo School and Library) and Isolated Rural customers (excluding Government departments), pursuant to s. 70(1) of the Act.

Decision:

1. The rates proposed by Hydro for its Island Interconnected customers (Rate Class 1.1, 2.1, 2.2, 2.3, 2.4 and 4.1) and Isolated Rural customers (Rate Class 1.2D, 2.1D, 2.2D and 4.1D), to be effective for service provided on and after January 1, 2010, as set out in Schedule "A" to this Order, are approved.
2. Hydro shall pay the expenses of the Board arising from this Application.

Newfoundland and Labrador Hydro

Board Order No. P.U. 1 (2010)

Application:

Issued: January 22, 2010

Approval pursuant to s. 41 and s. 78 of the Act of:

- a) its 2010 Capital Budget of \$52,775,000;
- b) its 2010 capital purchases and construction projects in excess of \$50,000;
- c) the proposed estimated contributions in aid of construction for 2010; and
- d) fixing and determining its average rate base for 2008 in the amount of \$1,489,786,000.

Decision:

1. Pursuant to s. 41 of the Act Hydro's proposed capital purchases and construction projects in excess of \$50,000 are approved, as set out in Schedule A to this Order.
2. Pursuant s. 41 of the Act the 2010 Capital Budget for improvements and additions to Hydro's property in an amount of \$ 52,775,000 is approved.
3. The project Upgrade Plant Access Road – Bay d'Espoir (Page B-10): \$1,550,000 is approved but the costs for this project shall not be recovered from customers unless otherwise ordered by the Board.
4. Unless otherwise directed by the Board Hydro shall file an annual report to the Board on its 2010 capital expenditures by March 1, 2011.
5. Unless otherwise directed by the Board Hydro shall file a report on April 15, 2010 in relation to supplementary capital budget applications and carryovers associated with the 2009 capital budget.
6. Unless otherwise directed by the Board Hydro shall provide, in conjunction with the 2011 Capital Budget Application, a status report on the 2010 capital budget expenditures showing for each project:
 - a) the approved budget for 2010;
 - b) the expenditures prior to 2010;
 - c) the 2010 expenditures to the date of the application;
 - d) the remaining projected expenditures for 2010;
 - e) the variance between the projected total expenditures and the approved budget; and
 - f) an explanation of the variance.
7. Pursuant to s. 78 of the Act the rate base for the year ending December 31, 2008 is hereby fixed and determined at \$1,489,786,000.
8. Hydro shall pay all costs and expenses of the Board incurred in connection with the Application.

Nalcor Energy

Board Order No. P.U. 2 (2010)

Application:

Issued: January 22, 2010

Application for an order to establish the terms of a water management agreement between Nalcor Energy and Churchill Falls (Labrador) Corporation Limited for the Churchill River, Labrador.

Decision:

1. The Registered Intervenors in this proceeding are as set out in the attached Schedule "A" to this Order.

Newfoundland Power Inc.

Board Order No. P.U. 3 (2010)

Application:

Issued: January 27, 2010

Approval of a contribution in aid of construction for a single-phase extension to serve Central Newfoundland Waste Management Authority pursuant to s. 41(5) of the Act.

Decision:

1. The contribution in aid of construction of \$55,700.00, excluding HST, as proposed by NP to provide single-phase service to a water management facility for the Central Newfoundland Waste Management Authority is approved.
2. NP shall pay all the expenses of the Board arising from this Application.

Newfoundland Power Inc.

Board Order No. P.U. 4 (2010))

Application:

Issued: January 28, 2010

Approval to proceed with the construction and purchase of certain improvements and additions to NP's property (extension of a distribution feeder on the Avalon Peninsula to meet the temporary service requirements of Vale Inco Newfoundland & Labrador Limited, a division of Vale Inco) pursuant to s. 41(3) of the Act.

Decision:

1. The proposed capital expenditure of \$330,500 to proceed with the construction of the improvements and additions to NP's distribution feeder along Route 101 in Long Harbour is approved.
2. NP shall pay all the expenses of the Board arising from this Application.

Nalcor Energy

Board Order No. P.U. 5 (2010)

Application:

Issued: January 29, 2010

Application for an order to establish the terms of a water management agreement between Nalcor Energy and Churchill Falls (Labrador) Corporation Limited for the Churchill River, Labrador. (Intervenor Costs).

Decision:

1. No order in relation to costs will be made at this time.

Nalcor Energy

Board Order No. P.U. 6 (2010)

Application:

Issued: February 4, 2010

Application for an order to establish the terms of a water management agreement between Nalcor Energy and Churchill Falls (Labrador) Corporation Limited for the Churchill River, Labrador. (Claims of Confidentiality)

Decision:

1. The Guaranteed Winter Availability Contract and the Shareholders' Agreement will be placed on the record but will be considered to be confidential.
2. The terms and conditions of the release of documents considered confidential will be determined by the Board on a receipt of a request for disclosure.

Newfoundland Power Inc.

Board Order No. P.U. 7 (2010)

Application:

Issued: February 24, 2010

Approval of:

- a) revised distribution line cost per metre for Contributions in Aid of Construction (CIAC's);
- b) revised distribution plant upgrade cost for CIAC's; and
- c) revised CIAC cost factors.

Decision:

1. The revised cost factors submitted with the Application and contained in Schedules "A", "B", "C" and "D" attached to this Order are approved to be used in the calculation of all CIAC's with effect from March 3, 2010, and, where advantageous to customers of NP, on all CIAC's quoted but unpaid as of March 3, 2010.
2. NP submit a revised CIAC Policy in its entirety incorporating the revisions approved herein.

Nalcor Energy

Board Order No. P.U. 8 (2010)

Application:

Issued: March 9, 2010

Application for an order to establish the terms of a water management agreement between Nalcor Energy and Churchill Falls (Labrador) Corporation Limited for the Churchill River, Labrador. (Final Order)

Decision:

1. The terms of the water management agreement between Nalcor Energy and Churchill Falls (Labrador) Corporation Limited, attached as Schedule A, are established.
2. The parties may apply to the Board for an order in relation to costs within 30 days of the date of the Board's Reasons for Decision in respect of this Order.
3. Nalcor Energy shall pay all the expenses of the Board arising from this Application.

**SUMMARY OF ORDERS OF THE BOARD
UNDER THE AUTOMOBILE INSURANCE ACT
APRIL 1, 2009 TO MARCH 31, 2010**

The Dominion of Canada General Insurance Company

Board Order No. A.I. 3 (2009)

Application:

Issued: April 14, 2009

Approval of a revised private passenger automobile insurance rating program.

Decision:

The revised rate proposal received on March 30, 2009 for the Private Passenger Automobile class of business is approved to be effective no sooner than May 1, 2009 for new business and July 1, 2009 for renewal business.

The Sovereign General Insurance Company

Board Order No. A.I. 4 (2009)

Application:

Issued: May 4, 2009

Approval to adopt the rates and rating program of Canadian Union Insurance Company for its miscellaneous vehicles class of business.

Decision:

The proposed rates and rating program for the miscellaneous class of business of The Sovereign General Insurance Company is approved with effect from July 1, 2009.

IAO Actuarial Consulting Service

Board Order No. A.I. 5 (2009)

On behalf of: Arch Insurance Company

Issued: July 22, 2009

Application:

Approval to adopt IAO advisory rates for Private Passenger Automobiles, Interurban Trucks, Miscellaneous Vehicles and Garage Section classes of business written in the Province.

Decision:

The Application of IAO, on behalf of Arch, to adopt IAO advisory rates for Private Passenger Automobiles, Interurban Trucks, Miscellaneous Vehicles and Garage Section classes of business in the Province is denied.

The Dominion of Canada General Insurance Company

Board Order No. A.I.6 (2009)

Application:

Issued: July 22, 2009

Approval to implement rating revisions for its Collector Vehicle class of automobile insurance business.

Decision:

The proposed rates and rating program for the collector vehicle class of business of The Dominion of Canada General Insurance Company is approved with effect from August 1, 2009 for new business and October 1, 2009 for renewal business.

RBC General Insurance Company (“RBC”)

Board Order No. A.I. 7 (2009)

Application:

Issued: July 28, 2009

Approval of a revised private passenger automobile insurance rating program.

Decision:

1. The application is denied.
2. RBC shall submit for the approval of the Board within 60 days of this order a revised rate filing incorporating the proposals set out in the June 5, 2009 filing except that: i) the expense provision shall be no higher than 25.15% and shall be allocated equally across all coverages; ii) the return on investment shall be no lower than 5.4%; and, iii) the current definition of driving record 7 shall be used.

The Personal Insurance Company

Board Order No. A.I. 8 (2009)

Application:

Issued: August 7, 2009

Approval of an optional Accident-Free Protection Endorsement for its Private Passenger class of business.

Decision:

The proposed rates for the Accident-Free Protector Endorsement is approved to be effective no sooner than October 4, 2009.

RBC General Insurance Company

Board Order No. A.I. 9 (2009)

Application:

Issued: November 25, 2009

Approval of a revised private passenger automobile insurance rating program.

Decision:

The revised rate proposal received on September 29, 2009 for the private passenger class of business is approved to be effective no sooner than January 1, 2010 for new business and February 15, 2010 for renewal business.

**SUMMARY OF ORDERS OF THE BOARD
UNDER THE MOTOR CARRIER ACT
APRIL 1, 2009 TO MARCH 31, 2010**

Daniel's Harbour Community Ambulance Inc.

Board Order No. M.C. 3 (2009)

Application:

Issued: April 6, 2009

Approval of a Motor Carrier Certificate to provide:

IRREGULAR ROUTE SPECIALITY AMBULANCE SERVICE for the transportation of persons requiring medical attention or under medical care upon the request of a medical doctor or a registered nurse from Daniel's Harbour and any point within an 80 kilometre road radius of Daniel's Harbour to any hospital, nursing home, or home for senior citizens within the province of Newfoundland and Labrador, and upon the specific request of a medical doctor, registered nurse or a police officer between any two points in Newfoundland and Labrador.

Decision:

Approval granted as a result of a meeting of the Board.

Community of Daniel's Harbour

Board Order No. M.C. 4 (2009)

Application:

Issued: April 6, 2009

To discontinue providing service under its Motor Carrier Certificate No. 6163 conditional on the granting of a license to operate the same service to Daniel's Harbour Community Ambulance Inc.

Decision:

Motor Carrier Certificate No. 6163 issued to the Community of Daniel's Harbour is cancelled with effect from April 6, 2009.

Collins' Ambulance Service Ltd.

Board Order No. M.C. 5 (2009)

Application:

Issued: May 19, 2009

Approval of a Motor Carrier Certificate to provide:

IRREGULAR ROUTE SPECIALTY AMBULANCE SERVICE for the transportation of persons requiring medical attention or under medical care upon the request of a Medical Doctor or Registered Nurse from Burin, Port au Bras, Fox Cove, Mortier, Marystown, Epworth, Salt Pond, Burin Bay Arm and Great Salmonier to any hospital, nursing home, first aid station or home for senior citizens and upon the request of a Medical Doctor, Registered Nurse or a Police Officer between any two points in Newfoundland and Labrador.

Decision:

Approval granted as a result of a meeting of the Board.

Vincent's Enterprise Inc

Board Order No. M.C. 6 (2009)

Application

Issued: May 19, 2009

To discontinue providing service under its Motor Carrier Certificate No. 6395 conditional on the granting of a license to operate the same service to Bonavista North Transportation (2008) Inc.

Decision:

Motor Carrier Certificate No. 6395 issued to the Vincent's Enterprise Inc. is cancelled with effect from May 19, 2009.

Dorman Roberts Ltd.

Board Order No. M.C. 7 (2009)

Application:

Issued: June 30, 2009

Approval of revised rates for its trans-island public passenger bus service.

Decision:

The application dated May 28, 2008 is denied.

Fleetline Bus Co. Ltd.

Board Order No. M.C. 8 (2009)

Application:

Issued: July 14, 2009

To discontinue providing service under its Motor Carrier Certificate No. 493.

Decision:

Motor Carrier Certificate No. 493 issued to Fleetline Bus Co. Ltd. is cancelled with effect from June 18, 2009, and shall, together with all Schedules, be returned to the Board.

Applicant

Board Order No. M.C. 9 (2009)

Application:

Issued: July 22, 2009

To discontinue providing service under Motor Carrier Certificate No. 3583 conditional on the granting of a license to operate the same service to Collins' Ambulance Service Limited.

Decision:

Motor Carrier Certificate No. 3583 issued to Applicant is cancelled with effect from July 22, 2009.

Fiander's Marystown Ambulance Service Ltd.

Board Order No. M.C. 10 (2009)

Application:

Issued: July 28, 2009

Approval of a Motor Carrier Certificate to provide the following service:

IRREGULAR ROUTE SPECIALITY AMBULANCE SERVICE for the transportation of persons requiring medical attention or under medical care upon the request of a medical doctor or a registered nurse from Marystown, Little Bay, Burin, Spanish Room, Rock Harbour, John the Bay, Red Harbour, Bull Cove, Port au Bras, Mortier, Fox Cove, Beau Bois, Burin Bay Arm, Salt Pond and Lewins Cove to any hospital, nursing home, first aid station, or home for senior citizens, and upon the specific request of a medical doctor, registered nurse or a police officer, between any two points in Newfoundland and Labrador.

Decision:

Approval granted as a result of a meeting of the Board.

Cow Head Ambulance Inc.

Board Order No. M.C. 11 (2009)

Application:

Issued: September 16, 2009

Approval of a Motor Carrier Certificate to provide the following service:

IRREGULAR ROUTE SPECIALTY AMBULANCE SERVICE for the transportation of persons requiring medical attention or under medical care upon the request of a medical doctor or registered nurse from the communities of Cow Head and St. Paul's, and any point located on Highway Route No. 430 between Cow Head and St. Paul's, to any hospital, nursing home, first aid station or home for senior citizens and upon the specific request of a medical doctor, registered nurse or a police officer between any two points within the province of Newfoundland and Labrador.

Decision:

Approval granted as a result of a meeting of the Board.

Town of Cow Head

Board Order No. M.C. 12 (2009)

Application:

Issued: October 7, 2009

To discontinue providing service under its Motor Carrier Certificate No. 6390 conditional on the granting of a license to operate the same service to Cow Head Ambulance Inc.

Decision:

Motor Carrier Certificate No. 6390 issued to the Town of Cow Head is cancelled with effect from September 25, 2009.

Applicant

Board Order No. M.C. 13 (2009)

Application:

Issued: December 15, 2009

To discontinue providing service under Motor Carrier Certificate No. 3584 conditional on the granting of a license to operate the same service to Fiander's Marystown Ambulance Service Ltd.

Decision:

Motor Carrier Certificate No. 3584 issued to the Applicant is cancelled with effect from December 15, 2009.

APPENDIX II

**SUMMARY OF MAXIMUM PRICE CHANGES
UNDER THE PETROLEUM PRODUCTS ACT
APRIL 1, 2009 TO MARCH 31, 2010**

Pricing Zones

The Province is divided into 14 primary pricing zones for the setting of maximum prices for petroleum products. Each of these pricing zones is separated from the next by unique geographic boundaries, and each has established product-pricing differentials from the base zone. These zone price differentials are added to the base prices for products in the base zone to reflect the additional costs for the transportation, storage and distribution of the products in the destination zone. As well, where primary zones contain special geographic features, such as islands, pricing sub-zones have been established to reflect the additional cost of providing products to these more remote locations.

Zone 1 (Avalon) is the base zone for motor fuels, Zone 1 ANE (Avalon North East) is the base zone for heating fuels, except residential propane, which has Zone 2 (Burin Peninsula/ Bonavista Peninsula / Bonavista Bay) as its base zone because the majority of the propane that is consumed in the Province is produced at the oil refinery in Come By Chance.

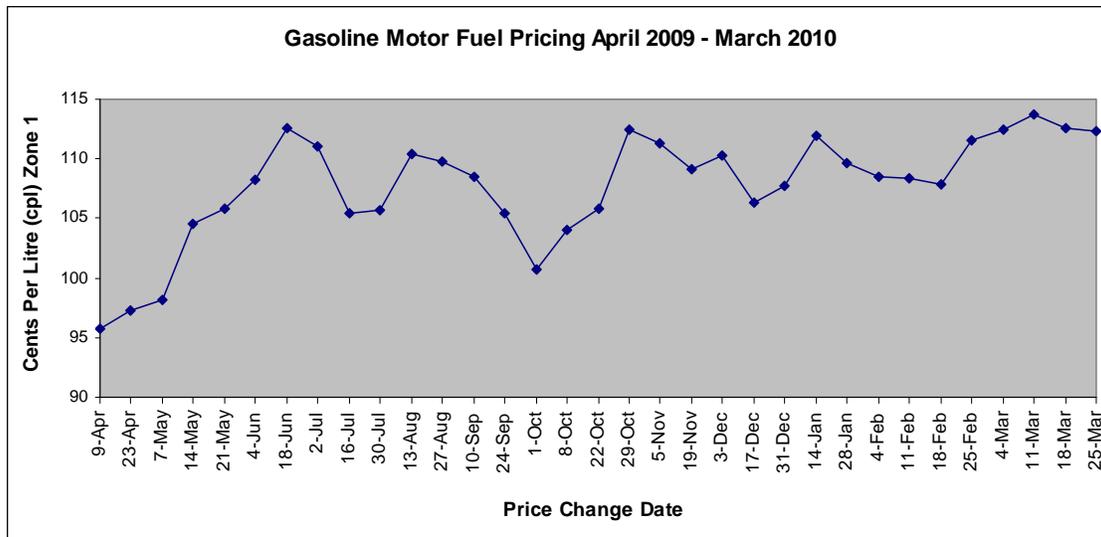
The following charts reflect the overall pricing movements in the base zone for each of the refined petroleum products for which maximum prices are regulated. (Note: the lines joining the data points in the following graphs are intended to reflect trends only and do not represent gradual increases or decreases in prices between the indicated price changes.)

There were 35 changes to the maximum prices of various fuel products throughout 2009-10. These adjustments include scheduled price changes (30), and interruptions (5).

Gasoline Motor Fuel

There were 33 adjustments (18 increases and 15 decreases) to the maximum price of gasoline: 30 were scheduled adjustments, and three were related to the use of the interruption formula.

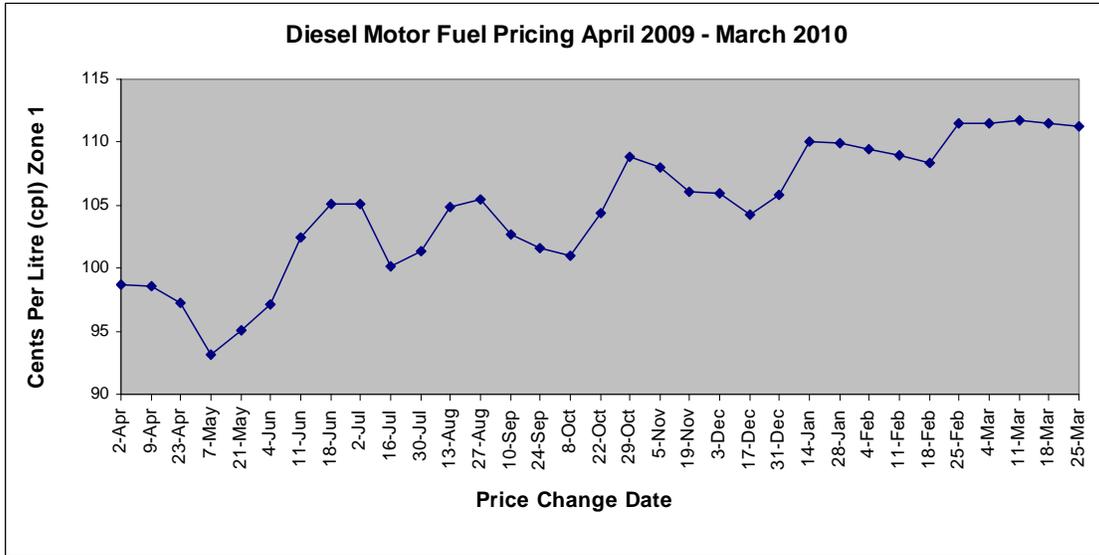
Maximum Gasoline Motor Fuel Prices



Diesel Motor Fuel

There were 33 adjustments (14 increases, 17 decreases, and two adjustments with no change) to the maximum price of automotive diesel: 30 were scheduled adjustments and three were related to the use of the interruption formula.

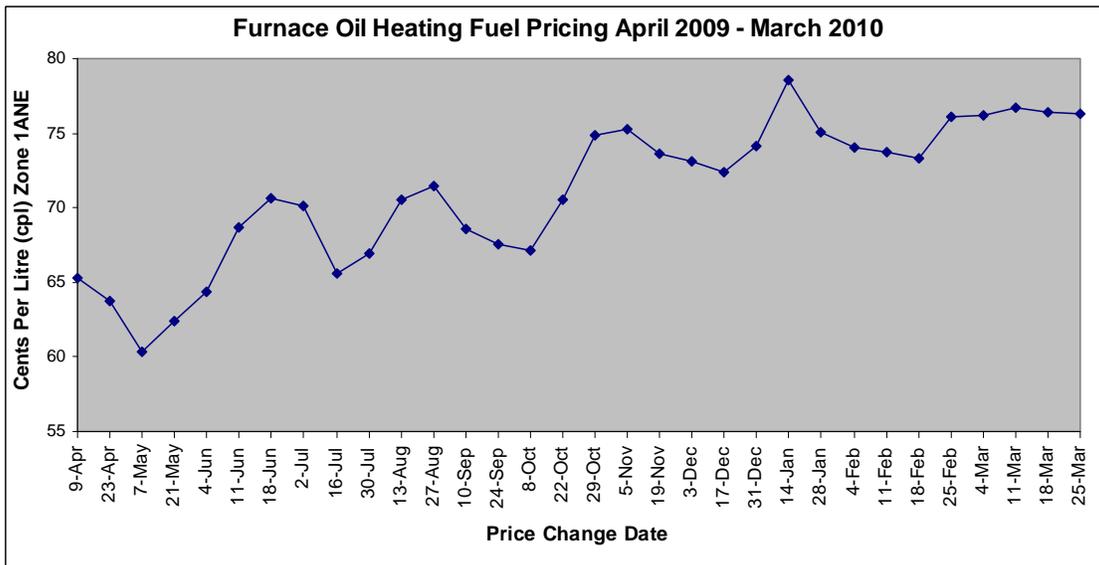
Maximum Diesel Motor Fuel Prices



Furnace Oil Heating Fuel

There were 32 adjustments (16 increases, and 16 decreases) to the maximum price of furnace oil: 30 were scheduled adjustments, and two were related to the use of the interruption formula.

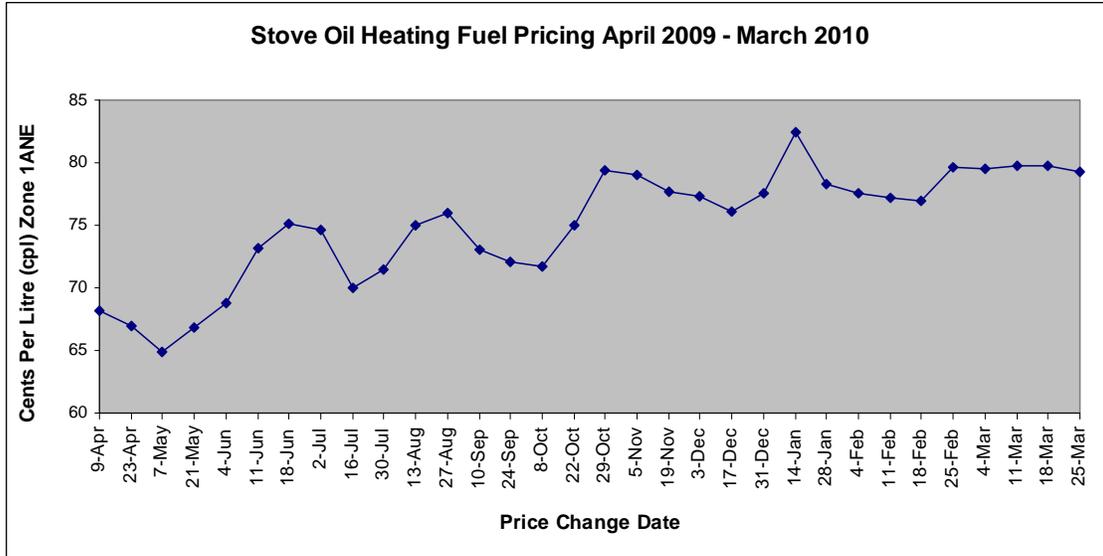
Maximum Furnace Oil Heating Fuel Prices



Stove Oil Heating Fuel

There were 32 adjustments (15 increases and 17 decreases) to the maximum price of stove oil: 30 were scheduled adjustments, and two were related to the use of the interruption formula.

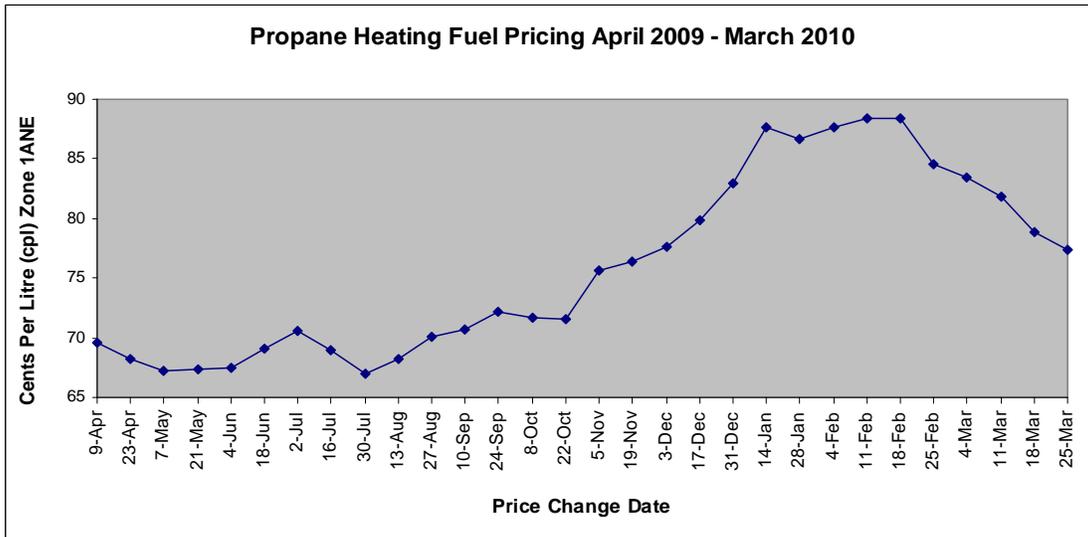
Maximum Stove Oil Heating Fuel Prices



Propane Heating Fuel

There were 30 adjustments (16 increases, 13 decreases, and one adjustment with no change) to the maximum price of residential propane: all 30 were scheduled adjustments.

Maximum Residential Propane Prices



Summary of Petroleum Pricing Changes

The following tables demonstrate the pricing adjustments during the period April 1, 2009 to March 31, 2010 for each of the refined petroleum products regulated by the Board, using data from Zone 1 (Avalon Peninsula) for motor fuels and Zone 1 ANE (Avalon Northeast) for heating fuels.

SUMMARY TABLES OF MAXIMUM PRICE CHANGES

Motor Fuels
Maximum Price Changes: April 1, 2009 to March 31, 2010
Zone 1 (Avalon Peninsula)¹

Date	Regulation mode	Gasoline Motor Fuel		Diesel Motor Fuel	
		Regular Unleaded Self-Serve			
<i>All prices are listed in cents per litre (cpl) including HST</i>					
		+/-	cpl	+/-	cpl
April 2, 2009	Interruption ²	0.0	95.1	5.4	98.7
April 9, 2009	Scheduled	0.7	95.8	-0.1	98.6
April 23, 2009	Scheduled	1.5	97.3	-1.3	97.3
May 7, 2009	Scheduled	0.8	98.1	-4.1	93.2
May 14, 2009	Interruption	6.5	104.6	0.0	93.2
May 21, 2009	Scheduled	1.2	105.8	1.9	95.1
June 4, 2009	Scheduled	2.4	108.2	2.0	97.1
June 11, 2009	Interruption	0.0	108.2	5.4	102.5
June 18, 2009	Scheduled	4.4	112.6	2.6	105.1
July 2, 2009	Scheduled	-1.6	111.0	0.0	105.1
July 16, 2009	Scheduled	-5.6	105.4	-4.9	100.2
July 30, 2009	Scheduled	0.3	105.7	1.2	101.4
Aug. 13, 2009	Scheduled	4.7	110.4	3.5	104.9
Aug. 27, 2009	Scheduled	-0.6	109.8	0.6	105.5
Sept. 10, 2009	Scheduled	-1.3	108.5	-2.8	102.7
Sept. 24, 2009	Scheduled	-3.1	105.4	-1.1	101.6
Oct. 1, 2009	Interruption	-4.7	100.7	0.0	101.6
Oct. 8, 2009	Scheduled	3.3	104.0	-0.6	101.0
Oct. 22, 2009	Scheduled	1.8	105.8	3.4	104.4
Oct. 29, 2009	Interruption	6.6	112.4	4.5	108.9
Nov. 5, 2009	Scheduled	-1.1	111.3	-0.9	108.0
Nov. 19, 2009	Scheduled	-2.2	109.1	-1.9	106.1
Dec. 3, 2009	Scheduled	1.2	110.3	-0.2	105.9
Dec. 17, 2009	Scheduled	-4.0	106.3	-1.6	104.3
Dec. 31, 2009	Scheduled	1.4	107.7	1.5	105.8
Jan. 14, 2010	Scheduled	4.2	111.9	4.3	110.1
Jan. 28, 2010 ³	Scheduled	-2.2	109.7	-0.2	109.9
Feb. 4, 2010	Scheduled	-1.2	108.5	-0.4	109.5
Feb. 11, 2010	Scheduled	-0.1	108.4	-0.5	109.0
Feb. 18, 2010	Scheduled	-0.6	107.8	-0.6	108.4
Feb. 25, 2010	Scheduled	3.8	111.6	3.1	111.5
March 4, 2010	Scheduled	0.9	112.5	0.0	111.5
March 11, 2010	Scheduled	1.2	113.7	0.2	111.7
March 18, 2010	Scheduled	-1.1	112.6	-0.2	111.5
March 25, 2010	Scheduled	-0.3	112.3	-0.3	111.2

¹ Zone 1 (Avalon Peninsula) is the base pricing zone. All pricing adjustments indicated were applied across all zones.

² Interruption formula criteria were met, and maximum prices were adjusted outside of the scheduled price change.

³ Implementation of weekly adjustments to maximum fuel prices, as well as a winter blend for diesel (25% ultra low sulphur diesel and 75% ultra low sulphur kerosene).

Board of Commissioners of Public Utilities

Heating Fuels Maximum Price Changes: April 1, 2009 to March 31, 2010 Zone 1 ANE (Avalon Northeast)¹

Date	Regulation Mode	Furnace Oil Heating Fuel		Stove Oil Heating Fuel		Propane Heating Fuel	
<i>All prices are listed in cents per litre (cpl) including HST</i>							
		+/-	cpl	+/-	cpl	+/-	cpl
April 9, 2009	Scheduled	3.60	65.32	3.51	68.23	-1.8	69.6
April 23, 2009	Scheduled	-1.61	63.71	-1.28	66.95	-1.4	68.2
May 7, 2009 ²	Scheduled	-3.32	60.39	-2.06	64.89	-1.0	67.2
May 21, 2009	Scheduled	1.99	62.38	1.99	66.88	0.2	67.4
June 4, 2009	Scheduled	1.95	64.33	1.95	68.83	0.1	67.5
June 11, 2009	Interruption ³	4.40	68.73	4.40	73.23	0.0	67.5
June 18, 2009	Scheduled	1.92	70.65	1.92	75.15	1.6	69.1
July 2, 2009	Scheduled	-0.51	70.14	-0.51	74.64	1.5	70.6
July 16, 2009	Scheduled	-4.58	65.56	-4.58	70.06	-1.7	68.9
July 30, 2009	Scheduled	1.35	66.91	1.35	71.41	-1.9	67.0
Aug. 13, 2009	Scheduled	3.64	70.55	3.64	75.05	1.2	68.2
Aug. 27, 2009	Scheduled	0.88	71.43	0.88	75.93	1.9	70.1
Sept. 10, 2009	Scheduled	-2.83	68.60	-2.83	73.10	0.6	70.7
Sept. 24, 2009	Scheduled	-1.07	67.53	-1.07	72.03	1.5	72.2
Oct. 8, 2009	Scheduled	-0.38	67.15	-0.38	71.65	-0.5	71.7
Oct. 22, 2009	Scheduled	3.36	70.51	3.36	75.01	-0.1	71.6
Oct. 29, 2009	Interruption	4.34	74.85	4.34	79.35	0.0	71.6
Nov. 5, 2009 ⁴	Scheduled	0.41	75.26	-0.36	78.99	4.1	75.7
Nov. 19, 2009	Scheduled	-1.62	73.64	-1.35	77.64	0.7	76.4
Dec. 3, 2009	Scheduled	-0.52	73.12	-0.30	77.34	1.2	77.6
Dec. 17, 2009	Scheduled	-0.76	72.36	-1.24	76.10	2.3	79.9
Dec. 31, 2009	Scheduled	1.78	74.14	1.51	77.61	3.0	82.9
Jan. 14, 2010	Scheduled	4.45	78.59	4.84	82.45	4.8	87.7
Jan. 28, 2010 ⁵	Scheduled	-3.51	75.08	-4.19	78.26	-1.0	86.7
Feb. 4, 2010	Scheduled	-1.03	74.05	-0.70	77.56	1.0	87.7
Feb. 11, 2010	Scheduled	-0.31	73.74	-0.42	77.14	0.7	88.4
Feb. 18, 2010	Scheduled	-0.45	73.29	-0.19	76.95	0.0	88.4
Feb. 25, 2010	Scheduled	2.76	76.05	2.68	79.63	-3.9	84.5
March 4, 2010	Scheduled	0.15	76.20	-0.15	79.48	-1.1	83.4
March 11, 2010	Scheduled	0.47	76.67	0.30	79.78	-1.6	81.8
March 18, 2010	Scheduled	-0.25	76.42	0.01	79.79	-2.9	78.9
March 25, 2010	Scheduled	-0.17	76.25	-0.51	79.28	-1.5	77.4

¹ Zone 1 ANE (Avalon Northeast) is the base pricing zone for both furnace oil heating and stove oil heating fuel, propane uses Zone 2 (Burin Peninsula / Bonavista Peninsula / Bonavista Bay). However, for consistency, all prices shown are for Zone 1 ANE. All pricing adjustments indicated were applied across all zones.

² Jet blend: the annual incorporation of the costs associated with blending jet fuel with furnace oil (75-25) to improve its performance during the winter months was removed at this time.

³ Interruption formula criteria were met, and maximum prices were adjusted outside of the scheduled price change.

⁴ Jet blend: the annual incorporation of the costs associated with blending jet fuel with furnace oil (75-25) to improve its performance during the winter months was added at this time.

⁵ Implementation of weekly adjustments to maximum fuel prices.

COMMISSIONERS
Year End - March 31, 2010

Chair and Chief Executive Officer Andy Wells
Vice-Chair Darlene Whalen
Full-time Commissioner Dwanda Newman
Full-time Commissioner James Oxford

STAFF
Year End - March 31, 2010

Director of Corporate Services and Board Secretary Cheryl Blundon
Director of Regulatory and Advisory Services Robert Byrne
Financial and Economic Analyst Doreen Dray
Financial Officer Don Seaward
Legal Counsel Jacqueline Glynn
Senior Electrical Engineer Vacant
Compliance Auditor Ryan Oake
Information Technology Officer Mike McNiven
Executive Secretary and Assistant Board Secretary Barbara Thistle
Clerk-Steno Colleen Wood
Records Administrator Sara Kean
Research Officer David Hillier
Communications Officer Michelle Hicks
Administrative Assistant Kendra Pelley
Administrative Assistant Venus Hollett

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Newfoundland & Labrador

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