

SNL2007 CHAPTER H-17
HYDRO CORPORATION ACT, 2007

Amended:
2012 c47 ss11-16; 2016 c36; 2017 c10 s17
CHAPTER H-17

**AN ACT RESPECTING THE NEWFOUNDLAND AND LABRADOR HYDRO-ELECTRIC
CORPORATION**

(Assented to June 14, 2007)

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Be it enacted by the Lieutenant-Governor and House of Assembly in Legislative Session convened, as follows:

Short title

1. This Act may be cited as the Hydro Corporation Act, 2007.

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Definitions

2. In this Act

- (a) "board" means the board of directors of the corporation;
- (b) "chairperson" means the chairperson of the board;
- (c) "corporation" means the Newfoundland and Labrador Hydro-electric Corporation continued by this Act;
- (d) "director" means a director of the board;
- (e) "land" means real property of every kind, and includes tenements, hereditaments, and appurtenances, leaseholds, and an estate, term, easement, right or interest in, to, over, under or affecting land, including rights-of-way, and waters, water rights, water powers and water privileges;
- (f) "minister" means the minister appointed under the Executive Council Act to administer this Act;
- (f.1) "Muskrat Falls Project" means the Muskrat Falls Project as defined in the Energy Corporation Act;
- (g) "person" includes a natural person, a corporation, another entity recognized by law, and the heirs, executors, administrators or other legal representatives of a person;
- (h) "power" includes electrical power, however generated and electrical energy; and
- (i) "works" means all land, property, buildings, plants, machinery, installations, materials, dams, canals, devices, fittings, apparatus, appliances, and equipment made, established or acquired or utilized, or useful for the development, generation or production of power or its transmission, distribution, delivery, supply, sale, purchase or use.

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Corporation continued

3. (1) The Newfoundland and Labrador Hydro-electric Corporation is continued as a corporation.

(2) The corporation is charged with and shall discharge all obligations and liabilities imposed on it or assumed or incurred by it under the name of the Newfoundland and Labrador Power Corporation and existing immediately before January 1, 1975, and all obligations and liabilities imposed on it or assumed or incurred by it under the name of the Newfoundland and Labrador Power Commission and existing immediately before January 1, 1975.

(3) The head office of the corporation shall be at St. John's .

(4) The corporation is an agent of the Crown.

(5) Notwithstanding that the corporation is an agent of the Crown, the corporation may, for the purpose of this Act and subject to conditions it considers necessary,

(a) acquire from the Crown in right of Canada , of the province or of the other provinces of Canada or from an agency of the Crown in right of Canada or of this or another of the provinces of Canada , real and personal property and rights of all kinds;

(b) enter into contracts with the Crown in right of Canada, the province or another province of Canada, or an agency of the Crown in right of Canada or of this or another province of Canada; and

(c) appoint agents to act on its behalf.

(6) Property of the corporation is the property of the Crown, but title to it is vested in the name of the corporation.

(7) A director or a person employed by the corporation does not become, by reason of that office or employment only, an officer or employee of the Crown.

(8) Notwithstanding subsection (2), in all Acts of the Legislature, agreements, legal documents and instruments, the corporation may be referred to as "Newfoundland and Labrador Hydro".

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Crown agency status

3.1 Notwithstanding subsections 3(4), (5) and (6), where the corporation enters into contracts and ancillary arrangements relating to the purchase of electrical energy, capacity and transmission services including contracts providing for direct cost reimbursement to the Muskrat Falls Project, the corporation

shall be considered to have entered into those contracts and ancillary arrangements in its own capacity and not as an agent of the Crown, and the Crown shall not be liable as principal in contract, tort or otherwise at law or equity for the liabilities of the corporation created directly or indirectly by those contracts or arrangements.

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Application of the Corporations Act

4. (1) The Corporations Act, except for section 27, paragraphs 31(a) to (e), sections 32, 76, 81, 167, 169, 172, 173, 177 and 178, subsections 184(3) and (4), section 188, subsections 189(1) and (2), paragraphs 189(3)(a), (d), (h) and (j), sections 200, 201, 203 to 209, subsections 245(1), (2) and (8), sections 273 and 275, subsections 276(1), (3), (4) and (5) and section 277, does not apply to the corporation.

(2) A requirement in a section referred to in subsection (1) to register or to provide information to the registrar does not apply to the corporation.

(3) Where there is a conflict between a provision referred to in subsection (1) and this Act, this Act prevails.

(4) The provisions of this Act constitute the articles of the corporation.

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Corporation's objects

5. (1) The objects of the corporation are to develop and purchase power on an economic and efficient basis, and, in particular, to engage in the province and elsewhere in the development, generation, production, transmission, distribution, delivery, supply, sale, purchase and use of power from water, steam, gas, coal, oil, wind, hydrogen or other products used or useful in the production of power, and to supply power, at rates consistent with sound financial administration, for domestic, commercial, industrial or other uses in the province, and, subject to the prior approval of the Lieutenant-Governor in Council, outside of the province.

(2) Notwithstanding subsection (1), the corporation may engage in those activities that the Lieutenant-Governor in Council may approve.

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Board of directors

6. (1) For the exercise and discharge of the powers and duties of the corporation, there shall be a board of directors composed of not less than 5 and not more than 14 persons.

(2) The directors shall be appointed by the Lieutenant-Governor in Council, shall hold office during pleasure only and are eligible for reappointment.

(3) Except where otherwise prescribed under this Act, the corporation may exercise its powers by a resolution of the board.

(4) The directors shall be paid the salary or other remuneration that the Lieutenant-Governor in Council may determine, and the salary or remuneration together with all reimbursable expenses shall be paid by the corporation out of its funds.

(5) Where a vacancy occurs on the board because of the death, illness, resignation, removal of a member, or for another reason, the Lieutenant-Governor in Council may appoint a person to fill the vacancy.

(6) Exercise of the powers of the corporation is not impaired because of a vacancy on the board.

(7) Until the board makes other provision under section 10, a majority of the directors who then hold office constitutes a quorum of the board.

(8) Notwithstanding that it is afterward discovered that there was some defect in the appointment or qualification of a person purporting to be a director, all acts done by the corporation and the board shall be as valid as if that defect had not existed.

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Chairperson and CEO

7. (1) There shall be a chairperson of the board to be appointed by the Lieutenant-Governor in Council from among the directors.

(2) The chairperson holds office for the period and under the terms and conditions that may be prescribed by the Lieutenant-Governor in Council or in an agreement made under section 9 , and shall vacate office in accordance with those terms and conditions.

(3) There shall be a chief executive officer of the corporation, to be appointed by the Lieutenant-Governor in Council, who shall, subject to the terms of appointment that may be established by the Lieutenant-Governor in Council or in an agreement made under section 9 , and, subject to the directions of the board, be charged with the general direction, supervision and control of the business of the board and the corporation.

(4) The same person may not hold the offices of chairperson and chief executive officer simultaneously.

(5) During the incapacity or absence of the chairperson, one of the other directors other than the chief executive officer, where the chief executive officer is a director, elected by the board for the purpose shall act as chairperson of the board.

(6) During the absence or incapacity of the chief executive officer, the board may appoint an acting chief executive officer who shall perform the duties of the chief executive officer until his or her return or resumption of duties or until a new chief executive officer is appointed.

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Minutes

8. The chairperson shall ensure that regular minutes are kept of the meetings of the board.

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Service contract

9. (1) With the approval of the Lieutenant-Governor in Council the corporation may enter into an agreement with a person that provides for his or her appointment to the office of chairperson or chief executive officer of the corporation.

(2) An agreement under this section may prescribe the terms and conditions of appointment to the office and the term, tenure and remuneration, including the salary, pension and other rights and benefits that the appointee is to receive and the terms and conditions under which the appointment may be terminated and by whom before the expiration of the term of the appointment.

(3) A person with whom an agreement is made under this section in relation to an office

(a) holds that office in accordance with the agreement and shall vacate it accordingly; and

(b) does not, by reason only of the appointment to that office, become an employee of the province.

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By-laws

10. The board may make by-laws

(a) respecting the calling of meetings of the board;

(b) establishing a quorum of the board;

(c) respecting the conduct of business at meetings of the board and the establishment of committees of the board and the delegation of duties to those committees;

(d) respecting the duties and conduct of the directors and of the officers and employees of the board;

(e) respecting the affixing of the common seal of the corporation and the witnessing of its affixing;

(f) respecting the execution of a contract or instrument on behalf of the corporation;

(g) respecting the lithographing or mechanical reproduction of signatures on bonds, debentures, securities, or other evidence of indebtedness of the corporation or upon coupons and the mechanical reproduction of the common seal of the corporation on the bonds, debentures, securities, other evidence of indebtedness or coupons;

(h) respecting the management and use of any or all of its property by employees, invitees, licensees or permittees of the corporation and by another person; and

(i) generally, for the conduct and management of the affairs of the corporation.

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Appointment of staff

11. (1) The board may appoint those officers, managers, other staff and employees and retain consultants, advisors and other professional persons that it considers necessary and may fix their remuneration and terms of service.

(2) A person who is appointed under this section does not, by reason only of the appointment, become an employee of the province.

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Future power demand forecasts

12. Notwithstanding the by-laws of the corporation or a contract with the corporation for the supply of power, a person to whom power is supplied by the corporation shall on request from the corporation and within the reasonable time that the corporation requires provide to the corporation

(a) a forecast of his or her future power requirements from the corporation covering a period, as prescribed by the corporation, not in excess of 20 years; and

(b) a forecast of the power to be generated by him or her within the period prescribed under paragraph (a), together with other information relating to power requirements and generation that the corporation may reasonably request.

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Subsidiaries of corporation

13. (1) A company is considered to be a subsidiary of the corporation if

(a) it is controlled by

(i) the corporation,

(ii) the corporation and one or more companies, each of which is controlled by the corporation,

or

(iii) one or more companies, each of which is controlled by the corporation; or

(b) it is a subsidiary of a company which is a subsidiary of the corporation.

(2) For the purposes of this section, a company shall be considered to be controlled by the corporation or one or more companies if

(a) shares of the first-mentioned company carrying more than 50% of the votes for the election of directors are held, otherwise than by way of security only, for the benefit of the corporation or other companies; and

(b) the votes carried by the shares are sufficient, if exercised, to elect a majority of the board of directors of the first-mentioned company.

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General powers

14. (1) The corporation may

(a) where it is an agent of the Crown, on behalf of the Crown, or where not an agent of the Crown, in its own capacity enter into contracts or other agreements and acquire and dispose of and otherwise deal with real and personal property and all rights of all kinds in the name of the corporation;

(b) acquire, lease, establish, construct, maintain and operate works in a part of the province and elsewhere for the development and generation of power from water power, coal, peat, wind, gas, oil or hydrogen or by another means and may transmit, make available for use, distribute, deliver, sell, supply and generally use for the purpose of the corporation the power and connect works constructed or installed for those purposes with other power works or systems;

(c) purchase power from a person and transmit, make available for use, distribute, deliver, sell, supply and generally use the power for the purposes of the corporation;

(d) contract with a person for the purchase of petroleum products, notwithstanding another Act;

(e) acquire by purchase, lease or otherwise, land, waters, water privileges, water powers, rights, easements, privileges, proprietary rights and works of every description which the corporation considers necessary, convenient or advisable to acquire for or incidental to the exercise of the powers and duties of the corporation;

(f) sell or otherwise dispose of its property, real or personal, of every nature and kind or an interest in it which is found by the corporation to be unnecessary for the purposes of the corporation, and grant an estate, term, easement, right or interest in, over or respecting the property;

(g) contract with a person for

(i) the supply, transmission and distribution of power to that person, and

(ii) the construction, maintenance and operation of works for or incidental to the generation, transmission and distribution of power on behalf of that person, to be done by the corporation or a person designated by the corporation to do the things referred to in this paragraph, for the consideration that the corporation may prescribe;

(h) deposit money or securities with a bank, trustee, trust company, or other depository in Canada or outside of Canada ;

(i) lend money to or invest in a subsidiary of the corporation;

(j) guarantee the repayment by a subsidiary of the corporation of money advanced to that subsidiary by a lender, together with the payment of interest on it and of all charges incurred in connection with it;

(k) guarantee the performance by a subsidiary of the corporation of an obligation of that subsidiary contracted by it with a person to perform, fulfil or observe a covenant, obligation or provision of an agreement, deed, bond, promissory note or other document or instrument;

(l) exercise and enjoy all of the privileges and immunities conferred on it by this Act and do all acts necessary or incidental to the attainment of the objects of the corporation referred to in section 5 ;

(m) carry on business incidental and subsidiary to the carrying out of the objects referred to in section 5 and necessary to enable the company profitably to carry out those objects; and

(n) generally, do all things which the corporation considers necessary, convenient or advisable for or incidental to the exercise of the powers and the discharge of the obligations of the corporation.

(2) The powers of the corporation include

(a) the power to acquire, lease, construct, maintain, operate and use in the province and elsewhere land, works, plants, buildings, structures, machinery, equipment, devices, pole lines, conduits, pipe lines, tunnels and other property used or useful for carrying out the objects of the corporation;

(b) the powers that the Newfoundland and Labrador Power Commission had before July 16, 1974 and the powers that the Newfoundland and Labrador Power Corporation had before January 1, 1975 ;

(c) the powers conferred on the corporation under this Act; and

(d) all other powers that are incidental or conducive to the attainment of the objects of the corporation.

(3) Except with the prior approval of the Lieutenant-Governor in Council, the corporation shall not organize or maintain a subsidiary of the corporation or purchase, sell, otherwise dispose of or deal in shares of a subsidiary of the corporation or of another company, and where the approval is given, the corporation may do the things referred to in this subsection only where it is expressly mentioned in and to the extent provided by the approval.

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Accounting methods and rate stabilization plan

15. (1) The corporation shall

(a) adopt and maintain the depreciation and amortization policies of the corporation that have been recommended by the Board of Commissioners of Public Utilities and that are reflected in the audited financial statements of the corporation for the year ended December 31, 1994; and

(b) adopt and maintain the rate stabilization plan of the corporation on the basis reflected in the audited financial statements of the corporation for the year ended December 31, 1994 , until the Board of Commissioners of Public Utilities otherwise orders under the Public Utilities Act.

(2) For all purposes of the Public Utilities Act, the rate base of the corporation shall include the property and assets of the corporation at their net book value but excludes investments in subsidiaries of the corporation.

(3) For all purposes of the Public Utilities Act , the expenses chargeable to operating account by the corporation shall include

(a) an amount equal to all liabilities of the corporation under the Hydro Pension Plan as assumed under the agreement referred to in paragraph 16 (3)(a) to the extent not funded by the transfer of assets of the PSPP or by a debt or obligation of the Crown under the agreement referred to in paragraph 16 (3)(a) and interest for the period from the date of proclamation of this section to the date on which amortization commences under paragraph (d);

(b) an amount equal to the difference between the amount at which an indebtedness of the corporation which is denominated in a foreign currency is shown in the audited financial statements of the corporation for the year ending December 31, 1994, and the cost to the corporation, in Canadian dollars, of foreign currencies purchased from time to time by the corporation and used by the corporation to repay all or part of such indebtedness; and

(c) all amounts paid by the corporation for nonutility generation totalling approximately 38 megawatts under agreements entered into with up to 4 persons that submitted proposals under the corporation's Request for Proposals 92-195, in each case, except in the case of paragraph (c), as amortized on a consistent basis and over the following periods:

(d) in the case of paragraph (a), 15 years commencing on the later of January 1, 1996 and the beginning of the year when the corporation's rates are first altered under the Public Utilities Act in which the amortization is included in rates at a rate hearing; and

(e) in the case of paragraph (b), 40 years commencing in the year 2002.

(4) The expenses and amortization provided for in subsection (3) shall be considered to be reasonable and prudent and properly chargeable to operating account for all purposes of the Public Utilities Act , including subsection 80(2) of that Act.

(5) Where there is a conflict between this section and the provisions of the Public Utilities Act , the provisions of this section shall prevail.

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Pensions

16. (1) In this section and subsection 15 (3)

(a) "GMPP" means the Government Money Purchase Plan established under the Government Money Purchase Pension Plan Act;

(b) "Hydro Money Purchase Plan" means a registered defined contribution pension plan established and administered by the corporation and includes a plan in substitution of it;

(c) "Hydro Pension Plan" means a registered defined benefit pension plan established and administered by the corporation and includes a plan in substitution of it;

(d) "Pension Act" means the Public Service Pensions Act, 1991 ;

(e) "PSPP" means the Public Service Pension Plan established under the Pension Act;

(f) "transferred GMPP employees" means current employees who are members of the GMPP, and former employees of the corporation (other than persons who ceased to be employed by the corporation prior to retirement but continued to be entitled to accrue further benefits under the PSPP by virtue of subsequent employment with other than the corporation) who are receiving benefits or are entitled to deferred benefits from the GMPP, and spouses, dependants and other beneficiaries of those former employees; and

(g) "transferred PSPP employees" means current employees who are members of the PSPP and former employees of the corporation (other than persons who ceased to be employed by the corporation prior to retirement but continued to be entitled to accrue further benefits under the PSPP by virtue of subsequent employment with other than the corporation) who are receiving benefits or are entitled to deferred benefits from the PSPP, and spouses, dependants and other beneficiaries of those former employees.

(2) The corporation may, with the approval of the Minister of Finance, establish

(a) the Hydro Pension Plan and the Hydro Pension Plan, where established, shall accept the transfer of all benefits accrued to the date of proclamation of this section under the PSPP on behalf of transferred PSPP employees; and

(b) the Hydro Money Purchase Plan and the Hydro Money Purchase Plan shall, where established, accept the value of all assets accrued to the date of proclamation of this section under the GMPP on behalf of the transferred GMPP employees.

(3) The Minister of Finance may

(a) enter into an agreement with the corporation to provide for the transfer to and assumption by the Hydro Pension Plan of the assets and liabilities of the PSPP with respect to the transferred PSPP employees on those terms, as to funding of liabilities assumed by the Hydro Pension Plan, that the minister and the corporation may agree and upon the transfer, all liabilities with respect to pension benefits of the transferred PSPP employees shall be the liabilities of the corporation and the Hydro Pension Plan; and

(b) enter into an agreement with the corporation to provide for the transfer to the Hydro Money Purchase Plan of the assets of the GMPP with respect to the transferred GMPP employees on those terms that the minister and the corporation may agree and upon the transfer, all liabilities with respect to pension benefits of the transferred GMPP employees shall be the liabilities of the corporation and the Hydro Money Purchase Plan.

(4) The agreement entered into between the Minister of Finance and the corporation in accordance with paragraph (3)(a) may provide for an instrument of the Crown to fund in whole or in part liabilities assumed by the Hydro Pension Plan and the minister may pay out of the Consolidated Revenue Fund those amounts that are necessary to service or discharge the obligations of the Crown under that instrument.

(5) Where there is conflict between this section and the provisions of the Pension Benefits Act, 1997, the provisions of this section shall prevail.

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Acts applicable

17. (1) The Labour Relations Act applies to the corporation.

(2) All collective bargaining agreements and other agreements of the corporation with a trade union, council of trade unions, employee bargaining agent or affiliated bargaining agent shall continue in force as if made under the Labour Relations Act.

(3) A trade union, council of trade unions, employee bargaining agent or affiliated bargaining agent that is party to a collective bargaining agreement with the corporation under subsection (2) shall be considered to be certified for the purpose of the Labour Relations Act.

(4) Section 11.1 of the Public Sector Restraint Act, 1992 applies to the corporation and its employees.

(5) For the purpose of section 22 of the Electrical Power Control Act, 1994, the Order of the Labour Relations Board under the Public Service Collective Bargaining Act dealing with essential employees of the corporation dated August 23, 1989 which bound the corporation and Local 1615 of the International Brotherhood of Electrical Workers shall be considered to be an order of the public utilities board under section 22 in respect of the corporation, and that order may be amended by the public utilities board as if it were an order made by it.

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Application of Acts

18. Whether or not the corporation is an agent of the Crown

(a) the Mechanics' Lien Act applies in respect of the corporation and all property to which title is vested in the name of the corporation; and

(b) the Workplace Health, Safety and Compensation Act applies in respect of the corporation and its employees.

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Application of Acts

19. The corporation is subject to the Water Resources Act .

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Borrowing power

20. (1) Subject to the prior approval of the Lieutenant-Governor in Council, the corporation may

(a) borrow money for its purposes, including the installation and maintenance of a system for the development, generation, production, transmission, distribution, delivery, supply, sale or use of power; and

(b) to secure the repayment of money borrowed

(i) issue bonds, debentures, or other securities of the corporation,

(ii) execute and deliver mortgages, assignments, conveyances, charges or other encumbrances of and over property of every nature and kind, both present and future, title to which is vested in the corporation, and

(iii) enter into, execute and deliver a trust deed, trust indenture or an agreement with a lender, a trustee acting for the holders of bonds and debentures or other person, and the money may be borrowed at the rate of interest and upon the terms and conditions, and the instruments and documents may be issued or executed and delivered in the form, that the Lieutenant-Governor in Council, or, where the authority to do so is delegated to the Minister of Finance by the Lieutenant-Governor in Council, the Minister of Finance, approves.

(2) The securities of the corporation may be made payable in a currency approved by the Lieutenant-Governor in Council and expressed in the security.

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Guarantee of loans

21. Subject to the prior approval of the Lieutenant-Governor in Council, the Minister of Finance acting for and on behalf of the Crown may unconditionally guarantee both as to principal and interest, including interest on overdue interest, premium and sinking fund payments, loans authorized under section 20 to be raised by the corporation, and the loan may be raised by bonds, debentures, or other securities to be issued by the corporation

(a) in a principal amount not exceeding the amount;

(b) at a rate of interest;

(c) on the terms and conditions; and

(d) with provision for redemption at the time,

that may be approved by the Lieutenant-Governor in Council or, where the authority to do so is delegated to the Minister of Finance by the Lieutenant-Governor in Council, the Minister of Finance, and the bonds, debentures or other securities may be issued or sold in the numbers and amounts, at the times, at the prices, and upon the terms that the Lieutenant-Governor in Council or that minister may approve.

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Manner and form of guarantee

22. Notwithstanding the Financial Administration Act or another Act or law, when a guarantee is given under section 21 of this Act, it shall be given in the manner and form that the Lieutenant-Governor in Council approves, and the form of guarantee shall be signed on behalf of the province by the Minister of Finance, his or her deputy minister or another minister whom the Lieutenant-Governor in Council may designate, and that signature may be engraved, lithographed or otherwise mechanically reproduced on the bonds, debentures or other securities in respect of which the guarantee is given.

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Guarantee of payment

23. Where the payment of interest or a premium or a sinking fund payment has been guaranteed under this Act, the Crown may incur liability in excess of the principal amount of the loan to be raised by way of bonds, debentures, or other securities, to the extent of the guarantee of the interest, premium and sinking fund payment.

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Guarantee of repayment

24. The power conferred by section 21 to guarantee the repayment of bonds, debentures or other securities includes the power to guarantee the repayment of part of the bonds, debentures or other securities.

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Short-term loans

25. (1) The corporation may, for its purposes, raise short-term loans

- (a) in the manner and form;
- (b) in the amounts;
- (c) in the currencies;
- (d) for the period, not exceeding 2 years;
- (e) at the rates of interest, including interest on overdue interest; and
- (f) on the conditions, including conditions relating to discounts, premiums, charges and

commissions,

that the corporation may determine.

(2) The total of the short-term loans raised under subsection (1) and outstanding at any time shall not exceed a limit to be fixed by the Lieutenant-Governor in Council, and it is the duty of the Minister of Finance to see that this total is not exceeded.

(3) The Minister of Finance acting on behalf of the Crown may unconditionally guarantee the repayment of a sum raised under subsection (1), the payment of interest, including interest on overdue interest and the payment of a premium.

(4) The total of the guarantees made under subsection (3) and outstanding at any time shall not exceed a limit to be fixed by the Lieutenant-Governor in Council, and it is the duty of the Minister of Finance to see that this total is not exceeded.

(5) A guarantee given under this section shall be in the form that the Minister of Finance approves, and the form of guarantee shall be signed on behalf of the province by that minister whose signature may be engraved, lithographed or otherwise mechanically reproduced on the bonds, debentures or other securities in respect of which the guarantee is given.

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Agreements

26. The Minister of Finance, acting on behalf of the Crown, may enter into, execute and deliver a trust deed, trust indenture or an agreement with the corporation, a lender, a trustee acting for the holders of bonds, debentures or other securities of the corporation or other person or company setting out the terms and conditions of a guarantee of a loan to be made under this Act.

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Performance guarantee

27. Subject to the prior approval of the Lieutenant-Governor in Council, the Minister of Finance acting on behalf of the Crown may guarantee the performance by the corporation of an obligation of the corporation contracted by it with a person

- (a) to pay money or an instalment; or
- (b) to perform, fulfil or observe a covenant, obligation or provision of an agreement, deed, bond, promissory note or other document or instrument.

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Loans by government

28. Notwithstanding the Financial Administration Act or another Act or law, the Lieutenant-Governor in Council may advance to the corporation a sum to enable the corporation to reach its objects or to carry on its business, and the advance may be made in the amount, for the term, at the rate of interest and on the terms and conditions that may be approved by the Lieutenant-Governor in Council.

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Performance under guarantee

29. (1) A payment or advance that the Crown may approve in the exercise of a power conferred by this Act or be required to make under this Act shall be paid by the Minister of Finance out of the Consolidated Revenue Fund or, where the payment is to be made in performance of a guarantee, it may be paid out of funds provided in the manner prescribed in section 55 of the Financial Administration Act.

(2) Notwithstanding subsection (1), in respect of the Muskrat Falls Project, a payment or advance that the Crown may approve in the exercise of a power conferred by this Act or be required to make under this Act shall be paid by the Minister of Finance out of the Consolidated Revenue Fund.

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Total amount of loan

30. (1) The total amount of the corporation's outstanding debt at any time shall not exceed \$2,100,000,000 in Canadian currency or its equivalent in the currency of another country.

(2) The total debt referred to in subsection (1) that is guaranteed by or on behalf of the Crown shall not exceed \$2,100,000,000 in Canadian currency or its equivalent in the currency of another country.

2016 c36 s1

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Financial year

31. The financial year of the corporation shall be the calendar year.

2007 cH-17 s31

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Capital and operating expenses

32. The corporation shall, not later than November 30 in each year, provide to the minister a budget containing the estimated capital and operating expenses of the corporation for its next succeeding financial year.

2007 cH-17 s32

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Audit and financial statement

33. (1) The board shall annually appoint an auditor who shall annually audit the financial statement of the corporation.

(2) The board shall, not later than April 30 in each year, prepare and submit to the minister a report containing

(a) an audited consolidated financial statement setting out the assets and liabilities of the corporation as at the end of the immediately preceding financial year and the results of its operations for that financial year; and

(b) a report by the board giving an account of the activities of the corporation during the immediately preceding financial year and setting out other matters that may appear to it to be of public interest in relation to the affairs or activities of the corporation, and the statement and report shall be laid before the Legislature within 15 days after they are submitted to the minister, if the Legislature is then in session, or, if it is not in session, then within 15 days after the beginning of the next session.

(3) The financial statement referred to in subsection (2) shall be signed by 2 directors and shall have attached to it the auditor's report referred to in subsection (5).

(4) The remuneration of the auditors referred to in subsection (1) shall be fixed annually by the board and shall be paid by the corporation out of its funds.

(5) The report of the auditors shall be sent to the minister with each annual report of the corporation referred to in subsection (2), and it shall state whether the financial statements present fairly the financial position of the corporation and the results of its operations for the period under review and whether the financial statements were prepared in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding period.

(6) The Lieutenant-Governor in Council may, by order, designate or appoint other auditors for carrying out the specific audit of the corporation's accounts and business that the Lieutenant-Governor in

Council may specify in the order, and the auditor general may conduct the additional examination and investigation of the records and operations of the corporation that he or she considers necessary.

(7) For the purposes of an audit, examination or investigation conducted under subsection (6), the person designated or appointed by the Lieutenant-Governor in Council, or the auditor general, may request and shall be supplied by the board with all books, vouchers, records, schedules, working papers and other documentation which he or she considers necessary.

2007 cH-17 s33

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Fund established

34. (1) The Newfoundland and Labrador Hydro-electric Corporation Fund, which shall be separate and distinct from the Consolidated Revenue Fund, is continued.

(2) All money and revenues of the corporation, including the proceeds of loans raised by the corporation, when they come into the hands of the corporation, shall be deposited to the credit of the Newfoundland and Labrador Hydro-electric Corporation Fund and the corporation shall have full authority to administer the money so deposited for the purposes and objects of this Act.

(3) Nothing in subsection (2) shall be taken to prevent the corporation from exercising the power to deal with money in the manner prescribed in paragraph 14 (1)(h).

2007 cH-17 s34

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Financial provisions to have full effect

35. Notwithstanding the Financial Administration Act or another Act or law, paragraph 14 (1)(h) and section 34 of this Act shall have full effect.

2007 cH-17 s35

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Actions

36. (1) Actions, suits or other legal proceedings in respect of a right or obligation acquired or incurred by the corporation may be brought by or against the corporation in the name of the corporation in a court and a judgment shall be carried into effect by the corporation, and where the judgment is for the payment of money, it may be enforced by execution against the money, lands and effects of the corporation as in ordinary cases between party and party.

(2) The corporation is liable in tort for damages for which, if it were a private person of full age and capacity, it would be liable in respect of

(a) torts committed by its employees or agents; or

(b) a breach of duty attaching to the ownership, occupation, possession or control of property.

(3) This section has effect, notwithstanding anything to the contrary contained in the Proceedings Against the Crown Act or another Act or law.

2007 cH-17 s36

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Assets and liabilities of PDD

37. (1) Title to all the property and assets of the Board of Trustees of the Power Distribution District of Newfoundland and Labrador is vested in the corporation.

(2) The corporation is charged with and assumes all of the obligations and liabilities of the Board of Trustees of the Power Distribution District of Newfoundland and Labrador .

2007 cH-17 s37

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Offences

38. (1) A person who

(a) contravenes this Act; or

(b) interferes with or obstructs an inspector or other person in the discharge of his or her duties under this Act

is guilty of an offence and liable on summary conviction to a fine not exceeding \$1,000 and in default of payment of the fine to imprisonment for a period not exceeding 12 months, or to both a fine and imprisonment.

(2) The conviction of a person under paragraph (1)(a) or (b) does not operate as a bar to further prosecution under this Act for a continuance of the offence.

2007 cH-17 s38

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Disposition of shares

39. (1) The issued and outstanding shares of the corporation are vested in the corporation incorporated under the Energy Corporation Act .

(2) The corporation incorporated under the Energy Corporation Act shall not divest itself of the shares vested in it by subsection (1).

(3) Notwithstanding subsection (1), the Lieutenant-Governor in Council may give direction to the directors of the corporation as if the Crown were the beneficial owner of all the issued shares of the corporation to whom subsection 245(2) of the Corporations Act applied.

(4) Where the Lieutenant-Governor in Council gives direction to the directors of the corporation under subsection (3), the Lieutenant-Governor in Council shall inform the directors of the energy corporation established under the Energy Corporation Act .

2007 cH-17 s39; 2017 c10 s17

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RSNL1990 cH-16 Rep.

40. The Hydro Corporation Act is repealed.

2007 cH-17 s40

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Commencement

41. This Act comes into force on a day to be proclaimed by the Lieutenant-Governor in Council. (In force - Jun. 13/08)

2007 cH-17 s41

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