

P.U. 2(2004)

IN THE MATTER OF the
PUBLIC UTILITIES ACT,
R.S.N. 1990, c. P-47, as amended
(the “Act”)

AND

IN THE MATTER OF the application by
Newfoundland Power Inc. (the “Applicant”)
for approval of a contribution in aid of
construction (“CIAC”) for a line extension to
serve seasonal customers (the “Customers”)
pursuant to section 41(5) of the Act.

WHEREAS the Applicant is a corporation duly organized and existing under the laws of
the Province of Newfoundland and Labrador, is a public utility within the meaning of the Act, and is
also subject to the provisions of the *Electrical Power Control Act, 1994*; and

WHEREAS the Customers consist of four (4) Seasonal Customers whose residences are
located at Gould’s Pond near Hodgewater Line; and

WHEREAS the Customers have requested that the Applicant provide their residences at Gould's Pond with single-phase electrical service which, in order to so provide, requires the construction of a single-phase extension of 989 metres (the "Extension"); and

WHEREAS the Extension is a further extension to a line constructed in 1999 to serve other Seasonal Customers in the Gould's Pond area and the inclusion of the cost of the Extension would result in an increase in the contribution in aid of construction ("CIAC") amount for those other customers; and in accordance with Clause 5(d) of the Policy, the Extension is deemed a separate line for the purpose of calculating the CIAC for the Customers; and

WHEREAS the Extension will not be jointly used by the Applicant and Aliant Telecom Inc.;

and

WHEREAS a CIAC of the Extension has been calculated in accordance with Clauses 5(b) and 5 (c) of the CIAC Policy: Distribution Line Extensions to Residential and Seasonal Residential Customers approved by Order No. P.U. 7 (1997-98) dated September 30, 1997 (the "Policy") and the CIAC thus calculated is Seven thousand one hundred eleven dollars and three cents (\$7,111.03), including HST, for each Seasonal Customer; and

WHEREAS the construction cost of the Extension is \$25,714 and Clause 12(a) of the Policy requires all Line extensions involving CIACs where the construction costs are estimated to be greater than \$25,000 to be submitted to the Board for approval; and

WHEREAS Clause 12(c) of the Policy states that all CIACs for Main Line extensions for primarily seasonal residential customers be submitted to the Board for approval; and

WHEREAS the proposed CIAC is necessary to ensure that the Applicant's investment in the Extension is compensatory over the useful life of the Extension and will not be to the detriment of the Applicant's other customers; and

WHEREAS the proposed expenditures on the Extension are necessary for the Applicant to provide service and facilities to the Customers which are reasonably safe and adequate and just and reasonable as required pursuant to s. 37 of the Act.

IT IS THEREFORE ORDERED THAT:

Pursuant to Section 41(5) of the Act, the Board approves a contribution in aid of construction in the amount of Seven thousand one hundred eleven dollars and three cents (\$7,111.03), including HST, for each Seasonal Customer, as calculated under the Policy.

DATED at St. John's, Newfoundland and Labrador, this 3rd day of February, 2004.

Robert Noseworthy,
Chair & Chief Executive Officer.

G. Fred Saunders,
Commissioner.

G. Cheryl Blundon,
Board Secretary.