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

<u>AND</u>

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 and residential 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 five (5) Seasonal Customers and one (1) Residential Customer whose residences are located at Lily Brook, near the community of Terra Nova; and

WHEREAS the Customers had requested that the Applicant provide their residences at Lily Brook with single-phase electrical service which, in order to so provide, required the construction of a single-phase extension of 550 metres (the "Extension"); and

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

WHEREAS a CIAC of the Extension has been calculated in accordance with Clauses 5(a), 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 Two thousand six hundred eighty-three dollars and thirty-three cents (\$2,683.33), including HST, for each Seasonal Customer and One hundred ninety-nine dollars and thirty-three cents (\$199.33), including HST, for the Residential Customer; 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.

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 Two thousand six hundred eight-three dollars and thirty-three cents (\$2,683.33), including HST, for each Seasonal Customer and One Hundred ninety-nine dollars and thirty-three cents (\$199.33), including HST, for the Residential 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.