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5		
6		P.U. 48(2004)
7		
8		
9		HE MATTER OF THE PUBLIC
10		ITIES ACT, R.S.N. 1990,
11	CHA	PTER P-47 ("THE ACT")
12		
13		AND
14	***	WELL THE OF BOARD OF BOARD
15		HE MATTER OF BOARD ORDER
16	NOS.	P.U. 4 (1997-98) AND P.U. 7 (1997-98)
17		AND
18		AND
19	INI TI	HE MATTED OF AN ADDITION DV
20		HE MATTER OF AN APPLICATION BY FOUNDLAND POWER INC. ("NEWFOUNDLAND
21		ER") FOR APPROVAL OF:
22 23	100	ER) FOR ALL ROVAL OF.
24		
25	(i)	REVISED DISTRIBUTION LINE COST PER
26	(-)	METRE FOR CIAC'S;
27	(ii)	REVISED DISTRIBUTION PLANT UPGRADE
28	()	COST FOR CIAC'S; AND
29	(iii)	REVISED CONTRIBUTION IN AID OF
30	()	CONSTRUCTION ("CIAC") COST FACTORS
31		
32		
33		WHEREAS Board Order No. P.U. 4 (1997-98) issued by the Board on the 4th day of
34	Augu	st, 1997 required amongst other things that,
35		Newfoundland Power file annually, together with an affidavit, a schedule of current
36		costs, and the effective CIAC Policy Appendices entitled, <u>Distribution Plant Upgrade</u>
37		Cost for CIAC's, and both Residential and General Service Distribution Line Cost
38		per Metre for CIAC's,
39	and	

1 - 2 -

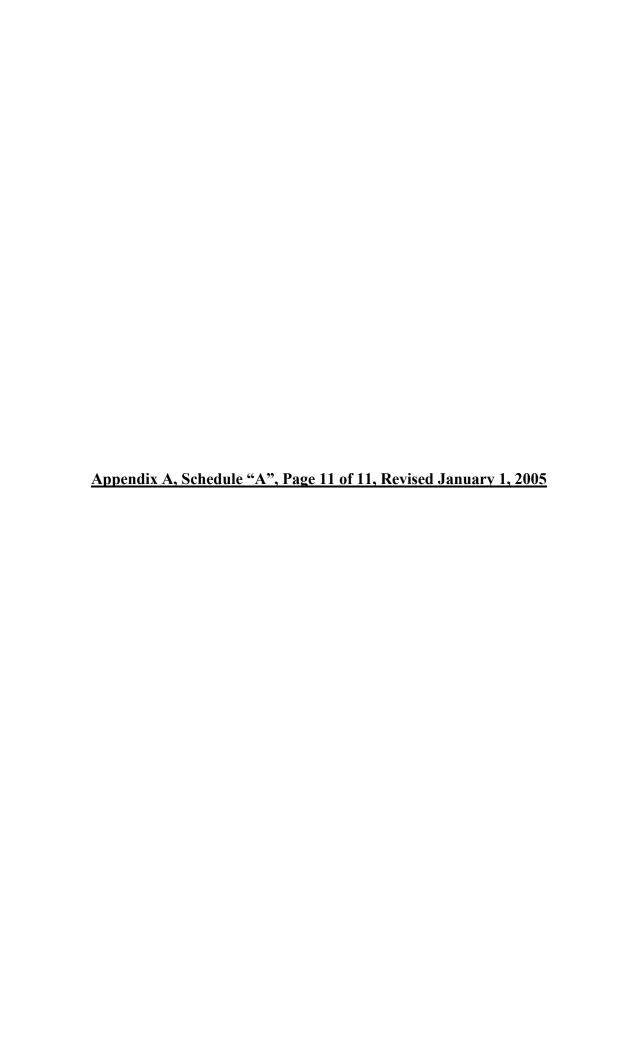
2	WHEREAS Board Order No. P.U. 7 (1997-98) issued by the Board on September 30, 1997,
3	approved the revised CIAC Policy of Newfoundland Power, effective October 1, 1997, and
4	
5	WHEREAS by letter dated October 13, 2004 Newfoundland Power submitted for the
6	Board's review, Schedule A, Distribution Line Cost Per Metre for Residential and Seasonal
7	Residential CIAC's (Appendix A, Page 11 of 11 to the Residential Policy), and Schedule B,
8	Distribution Line Cost Per Metre for General Service CIAC's (Appendix A, Page 12 of 15 to the
9	General Service Policy), Schedule C, Distribution Plant Support Table for General Service CIAC's
10	(Appendix B, Page 13 of 15 to the General Service Policy), Schedule D, Distribution Plant Upgrade
11	Cost for General Service CIAC's (Appendix C, Page 14 of 15 to the General Service Policy) and
12	Schedule E, Unit Cost Factors for General Service Customers used in the detailed method for
13	calculating CIACs (Appendix D, Page 15 of 15 to the General Service Policy), and
14	
15	WHEREAS Board staff have reviewed the Schedules submitted by Newfoundland Power, as
16	well as the supporting information received with respect to these Schedules, and
17	
18	WHEREAS Board staff recommended that the Board approve the revised CIAC
19	Appendices.
20	

- 3 -

IT IS THEREFORE ORDERED THAT:

2

3 4 5 6 7 8	1.	(a) Appendix A, Schedule "A", Page 11 of 11 Revised, of the Contribution in Aid o Construction Policy: Distribution Line Extensions to Residential and Seasona Residential Customers, approved by Order No. P.U. 32 (2001-2002) be and it i hereby rescinded and replaced by Appendix A, Schedule "A", Page 11 of 11 Revised January 1, 2005, appended to this Order.
9 10 11 12		(b) Appendix A, Schedule "B", Page 12 of 15 Revised January 31, 2002, Appendix B, Schedule "C", Page 13 of 15 Revised January 31, 2002, and Appendix C, Schedule "D", Page 14 of 15 Revised January 31, 2002
13 14 15 16 17		of the Contribution in Aid of Construction Policy: Distribution Line Extensions and Upgrades to General Service Customers, approved by Order No P.U. 32 (2001-2002 be and they are hereby rescinded and replaced by the following Appendices, and appended to this Order:
18 19 20 21 22		Appendix A, Schedule "B", Page 12 of 15 Revised January 1, 2005, Appendix B, Schedule "C", Page 13 of 15 Revised January 1, 2005, and Appendix C, Schedule "D", Page 14 of 15 Revised January 1, 2005.
23		(c) Appendix D, Schedule "E", Page 15 of 15, Revised January 31, 2002
24252627		of the Contribution In Aid of Construction Policy, CIAC Cost Factors to General Service customers, approved by Order No. P.U. 32 (2001-2002) be and it is hereby revised and replaced by the following appendix, and appended to this Order
28 29		Appendix D, Schedule "E", Page 15 of 15, Revised January 1, 2005.
30 31	2.	The revised cost factors submitted with the application dated October 13, 2004, and
32		approved above, are to be used in the calculation of all CIAC's with effect from January 1
33		2005, and, where advantageous to customers of the Newfoundland Power, on all CIAC'
34		quoted but unpaid as of January 1, 2005.
35		
36	3.	Newfoundland Power submit a revised CIAC Policy in its entirety incorporating the
37		revisions approved herein.



APPENDIX A Page 11 of 11

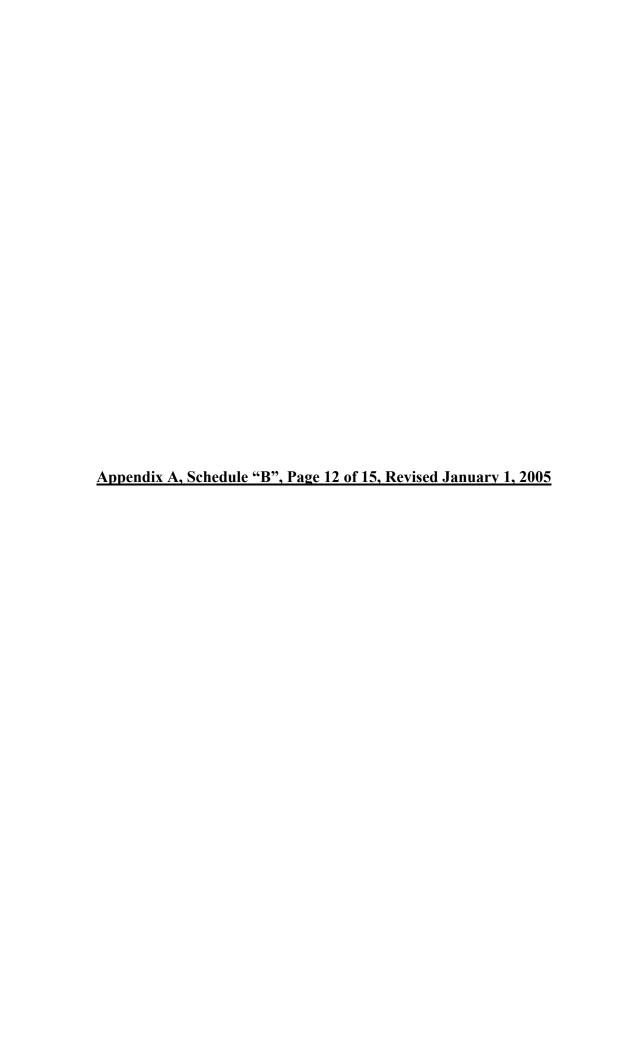
Effective: January 1, 2005

NEWFOUNDLAND POWER INC. RESIDENTIAL AND SEASONAL RESIDENTIAL

DISTRIBUTION LINE COST PER METRE FOR CIACS

TYPE OF CONSTRUCTION	1, 2, 3 COST / METRE
<u>LINE EXTENSIONS</u>	
SINGLE PHASE	

- (1) Reduce the Cost per Metre by \$7 where Newtel Communications Inc. will be attaching to the Line extension
- (2) Reduce the Cost per Metre by \$1 where a Cable Company will be attaching to the Line extension.
- (3) Where necessary, for Seasonal Customers, a transformation cost of \$650 may be added to the CIAC.



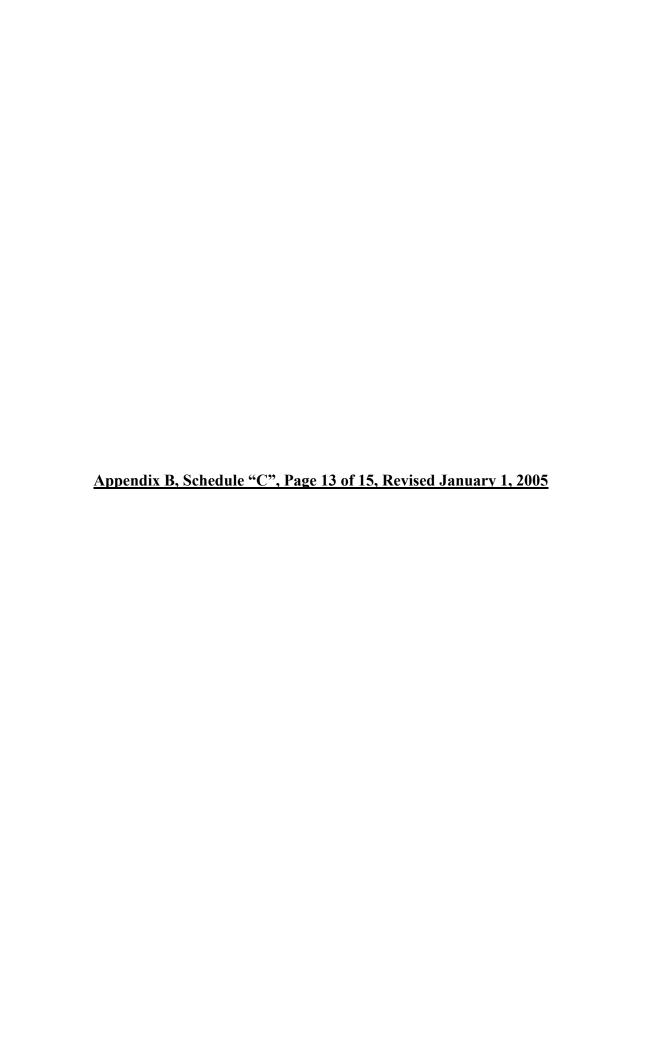
APPENDIX A Page 12 of 15 Effective January 1, 2005

NEWFOUNDLAND POWER INC. GENERAL SERVICE

DISTRIBUTION LINE COST PER METRE FOR CIACS

TYPE OF CONSTRUCTION	COST / METRE 1,2
<u>LINE EXTENSIONS</u>	
SINGLE PHASE	\$29
THREE PHASE	\$38
<u>UPGRADES³</u>	
SINGLE PHASE TO THREE PHASE	\$31
TWO PHASE	Ψ.
TO THREE PHASE	\$18

- (1) Reduce the Cost per Metre by \$7 where Newtel Communications Inc. will be attaching to the Line extension
- (2) Reduce the Cost per Metre by \$1 where a Cable Company will be attaching to the Line extension.
- (3) These costs include only the cost associated with primary conductors and related hardware in upgrades. For additional costs refer to Clause 5(d) and Appendix C.



NEWFOUNDLAND POWER INC.

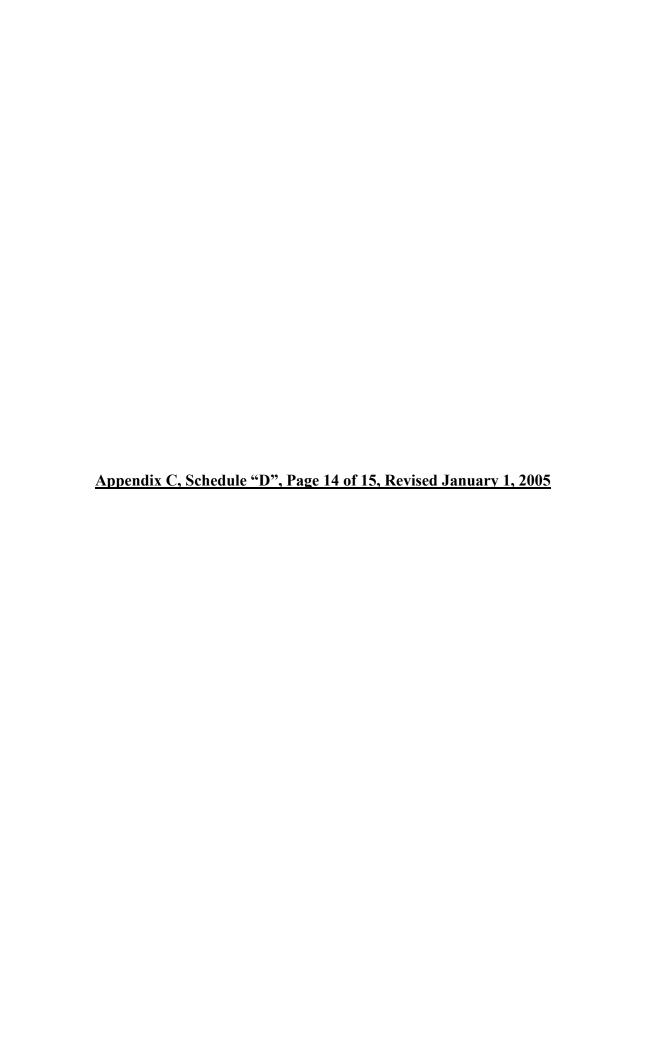
GENERAL SERVICE

DISTRIBUTION PLANT SUPPORT TABLE FOR CIACS

GENERAL SERVICE (10-350 KVA) METRES PER KVA / KW

ANNUAL LOAD FACTOR	LESS THAN 10%	10%-15%	16%-20%	21%-25%	26%-30%	31%-35%	36%-40%	41%-45%	46%-50%	51%-55%	56%-60%	61%-65%	OVER 65%
						LIN	IE EXTENSIC	ONS					
SINGLE PHASE	0.0	3.5	8.5	10.5	11.0	11.0	11.5	11.5	11.5	11.5	12.0	12.0	12.5
THREE PHASE	0.5	2.5	6.0	7.5	7.5	8.0	8.0	8.0	8.0	8.0	8.0	8.5	8.5
							UPGRADES*	:					
SINGLE PHASE													
TO THREE PHASE	0.5	3.5	8.0	9.5	10.0	10.0	10.0	10.0	10.5	10.5	10.5	10.5	10.5
TWO PHASE TO THREE PHASE	1.0	6.0	14.0	17.0	17.5	17.5	18.0	18.0	18.0	18.5	18.5	18.5	19.0

^{*} These allowances include only the costs associated with primary conductors and related hardware. For additional costs refer to Clause 5(d) and Appendix C.



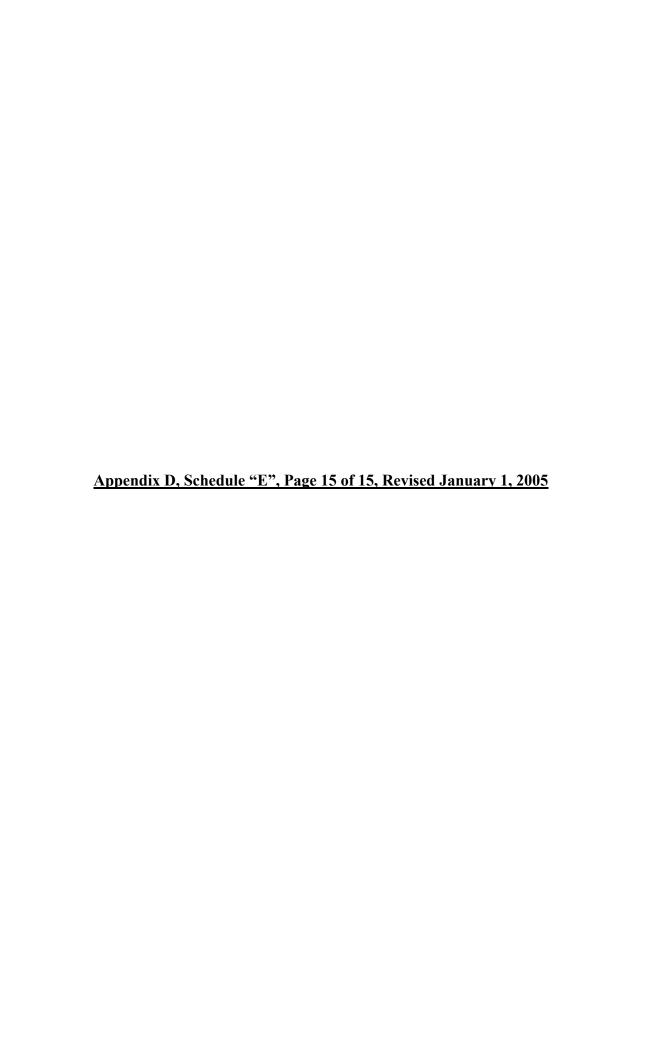
APPENDIX C Page 14 of 15 Effective January 1, 2005

NEWFOUNDLAND POWER INC. GENERAL SERVICE

DISTRIBUTION PLANT UPGRADE COST FOR CIACS

TYPE OF TRANSFER OR REPLACEMENT	COST *
REPLACE POLES - UP TO 45'	\$1,190
DISTRIBUTION SECONDARY PER POLE / SPAN TRANSFER ONLY REPLACE CONDUCTOR	\$520 \$700
SERVICE DROP PER POLE / SPAN TRANSFER ONLY REPLACE CONDUCTOR	\$50 \$150
TRANSFORMER MOUNTINGS SINGLE TRANSFORMER TWO OR THREE TRANSFORMERS	\$710 \$1,890
POLE GUY	•••
TRANSFER ONLY REPLACE GUY	\$30 \$70
REPLACE ANCHOR	\$280
STREETLIGHTING - TRANSFER SINGLE FIXTURE	\$230
STREETLIGHTING DUPLEX PER POLE / SPAN TRANSFER ONLY REPLACE CONDUCTOR	\$50 \$90

^{*} Includes all overheads



APPENDIX D Page 15 of 15 Effective January 1, 2005

NEWFOUNDLAND POWER INC.

2000 COST OF SERVICE STUDY

2000 Actual using Temporarily Approved Methodology from Order No. 7 (1996-97), and 1996 Load Factor Estimates.

CIAC COST FACTORS

Cost Factors based on the Cost of Service Study:

Less: Distribution Return, Income Taxes & Depreciation : Distribution Overhead Lines O&M Expenses

Plus: Adjustment for the January 1, 2002 Rate Changes

GENERAL SERVICE 2.1 (0-10 kW) COMPANY Owned Transi	former	GENERAL SERVICE 2.2 (10-100 kW) COMPANY Owned Transformer		
CUSTOMER DEMAND ENERGY	\$13 /BILL 2.78 ¢/kWh 3.55 ¢/kWh	CUSTOMER DEMAND ENERGY	6.39	/BILL \$/kW ¢/kWh
GENERAL SERVICE 2.3 (110-350 kVA) COMPANY Owned Transi	former	GENERAL SERVICE 2.3 (110-350 kVA) CUSTOMER Owned Transformer		
CUSTOMER DEMAND ENERGY	\$72 /BILL 6.34 \$/kVA 3.55 ¢/kWh	CUSTOMER DEMAND ENERGY	6.34	/BILL \$/kVA ¢/kWh
GENERAL SERVICE 2.3 (350-1000 kVA) COMPANY Owned Transi	former	GENERAL SERVICE 2.3 (350-1000 kVA) PRIMARY CUSTOMER Owned Transformer		
CUSTOMER DEMAND ENERGY	\$72 /BILL 5.53 \$/kVA 3.55 ¢/kWh	CUSTOMER DEMAND ENERGY	4.65	/BILL \$/kVA ¢/kWh
GENERAL SERVICE 2.4 (OVER 1000 kVA) PRIMAR CUSTOMER Owned Trans		GENERAL SERVICE 2.4 (OVER 1000 kVA) TRANSMISSION CUSTOMER Owned Transformer		
CUSTOMER DEMAND ENERGY	\$154 /BILL 5.77 \$/kVA 3.50 ¢/kWh	CUSTOMER DEMAND ENERGY	5.77	/BILL \$/kVA ¢/kWh

COST TO BE USED FOR CUSTOMERS OVER 350 KVA IN THE CALCULATION OF PLANT SUPPORTED IN THE DERIVATION OF A CIAC.

	Secondary	Primary	Transmission
CUSTOMER \$/BILL	\$72	\$148	\$105
DEMAND \$/kVA	\$5.53	\$5.21	\$5.77
ENERGY ¢/kWh	3.55	3.50	3.46

Annualized Fixed Charge Rate (Full Life)	11.4%		
Capital O&M Factor (Full Life)	6.8%		