

P. U. 17(2006)

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IN THE MATTER OF the
Public Utilities Act, R.S.N.L. 1990,
c. P-47, as amended (“the *Act*”)

AND

IN THE MATTER OF an application by
Newfoundland Power Inc. (the “Applicant”)
for approval to proceed with the construction
and purchase of certain improvements to its
property pursuant to Section 41(3) of the *Act*,
amending its 2006 capital budget approved by
Order No. P. U. 30(2005) (the “Application”),
and supplemental Orders No. P.U. 34(2005)
and P.U. 13(2006).

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 Section 41 (3) of the *Act* requires that a public utility shall not proceed with the
construction, purchase or lease of improvements or additions to its property where the cost of the
construction or purchase is in excess of \$50,000 or the cost of the lease is in excess of \$5,000 in
a year of the lease without the prior approval of the Board; and

1 **WHEREAS** owners of residences in the Howley Cottage Area, located along Route 61 near the
2 Community of Howley have requested that the Applicant provide their residences with single
3 phase electrical service; and

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5 **WHEREAS** the estimated capital expenditure of \$1,294,000 required to construct the Extension
6 to the Howley Cottage Area was not reflected in the Applicant's 2006 Capital Budget approved
7 by the Board; and

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9 **WHEREAS** 50% of the four hundred and fifteen (415) potential customers have agreed to
10 accept the Non-Refundable CIAC Option provided for in Clause 6 of the CIAC Policy:
11 Distribution Line Extensions to Domestic Customers approved by Order No P.U. 27(2005) dated
12 November 2, 2003; and

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14 **WHEREAS** in Order No. P.U. 30 (2005), the Board approved total 2006 capital expenditures of
15 \$49,258,000; and

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17 **WHEREAS** in Order No. P.U. 34 (2005) the Board approved an application for capital
18 expenditures of \$963,200 supplemental to the approved 2006 budget; and

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20 **WHEREAS** in Order No. P.U. 13 (2006) the Board approved an application for capital
21 expenditures of \$705,300 supplemental to the approved 2006 budget; and

1 **WHEREAS** the proposed amendment to the 2006 Capital Budget requests that the 2006
2 Distribution budget be increased by \$1,214,000 and the 2006 Substations budget be increased by
3 \$80,000; and

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5 **WHEREAS** the proposed expenditures are necessary for the Applicant to ensure that the
6 facilities are reasonably safe and adequate and just and reasonable as required pursuant to s. 41
7 of the *Act*.

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9 **IT IS THEREFORE ORDERED THAT:**

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11 1. Pursuant to Section 41(3) of the *Act*, the Board approves the supplemental 2006 capital
12 expenditures of \$1,294,000 to construct a proposed line extension to serve the Howley
13 Cottage Area.

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15 2. The Applicant shall pay the expenses of the Board arising from this Application.

DATED at St. John's, Newfoundland and Labrador, this 12th day of June 2006.

Robert Noseworthy
Chair and Chief Executive Officer

Darlene Whalen, P.Eng.
Vice-Chair

G. Cheryl Blundon
Board Secretary