

P.U. 37(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 the application by
Newfoundland Power Inc. (the “Applicant”)
for approval of:

- (i) a contribution in aid of
construction (“CIAC”) for a line
extension to serve Domestic Customers
residing in a cottage area (the “Customers”)
pursuant to section 41(5) of the *Act*; and
- (ii) a deviation from the CIAC Policy
applicable to domestic customers
(the “Policy”) in relation to the calculation
of the participation percentage as provided
for in Clause 6 (a)(ii) of the Policy.

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 are Domestic Customers with residences located in a Cottage Area at
Nine Mile Road near St. Catherine’s, and the Customers consist of seventy-four (74) potential
residents of the Cottage Area; and

1 **WHEREAS** a number of the Customers (the “Participating Customers”) have requested that the
2 Applicant provide their residences with single-phase electrical service and provision of the requested
3 service requires that the Applicant construct approximately 9,941 metres of single-phase line (the
4 “Extension”); and

5 **WHEREAS** the Participating Customers have requested the Non-Refundable CIAC Option
6 provided for in Clause 6 of the CIAC Policy: Distribution Line Extensions to Domestic Customers
7 approved by Order No. P.U. 27 (2005), dated November 2, 2005 (the “Policy”); and

8
9 **WHEREAS** a CIAC has been calculated in accordance with Clause 6(a) of the Policy, and the
10 CIAC thus calculated is Three thousand nine hundred sixty-two dollars and thirty-four cents
11 (\$3,962.34), including HST, for each Customer; and

12
13 **WHEREAS** the Policy provides that the minimum Participation Percentage necessary to avail of the
14 Non-Refundable CIAC Option is 50% and, to date, 38 out of the 74 Customers, constituting a
15 Participation Percentage of 51%, have provided the Applicant with written confirmation that they
16 will accept service and pay the approved CIAC, but only 36 Customers, or 49% of the total number
17 of Customers have paid the minimum downpayment; and

18
19 **WHEREAS** a Participation Percentage of 50% would be achieved if a single additional Customer
20 paid the minimum downpayment, but the Applicant has stated that it is unlikely it will receive
21 another minimum downpayment prior to the construction of the Extension; and

22
23 **WHEREAS** the Applicant, pursuant to Clause 10 (ii) of the Policy, requests the Board to approve a
24 Non-Refundable CIAC of Three thousand nine hundred sixty-two dollars and thirty-four cents
25 (\$3,962.34), including HST, for each Customer of the Cottage Area based on the participation of
26 49% of the Customers; and

1 **WHEREAS** the Board is satisfied that approval of the Application as a deviation from the Policy is
2 reasonable in the circumstances.

3

4 **IT IS THEREFORE ORDERED THAT:**

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6 Pursuant to Section 41(5) of the *Act*, the Board approves a deviation from the Contribution in Aid of
7 Construction Policy in the calculation of a Non-Refundable Contribution in Aid of Construction in
8 the amount of Three thousand nine hundred sixty-two dollars and thirty-four cents (\$3,962.34),
9 including HST, per Customer as calculated under the Policy, to provide single-phase service to
10 Domestic Customers located in a Cottage Area, at Nine Mile Road near St. Catherine's.

DATED at St. John's, Newfoundland and Labrador, this 14th day of November 2006.

Robert Noseworthy
Chair & Chief Executive Officer

Darlene Whalen, P.Eng.
Vice-Chair

G. Cheryl Blundon
Board Secretary