

P.U. 6(2007)

1
2 **IN THE MATTER OF** the
3 **PUBLIC UTILITIES ACT,**
4 RSNL 1990, c. P-47, as amended
5 (the “*Act*”)
6

7 **AND**
8

9 **IN THE MATTER OF** the application by
10 Newfoundland Power Inc. (the “Applicant”)
11 for approval of a contribution in aid of construction
12 (“CIAC”) for a line extension to serve Domestic
13 Customers residing in a cottage area (the “Customers”)
14 pursuant to section 41(5) of the *Act*; and
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16

17 **WHEREAS** the Applicant is a corporation duly organized and existing under the laws of the
18 Province of Newfoundland and Labrador, is a public utility within the meaning of the *Act*, and is
19 also subject to the provisions of the *Electrical Power Control Act, 1994*; and
20

21 **WHEREAS** the Customers are Domestic Customers with residences located in a Cottage Area
22 described as Witless Bay Line (Phase 2) near the community of Witless Bay and the Customers
23 consist of eighteen (18) potential residents of the Cottage Area; and
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25 **WHEREAS** a number of the Customers (the “Participating Customers”) have requested that the
26 Applicant provide their residences with single-phase electrical service and provision of the requested
27 service requires that the Applicant construct approximately 2,374 metres of single-phase line (the
28 “Extension”); and
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30 **WHEREAS** the Participating Customers have requested the Non-Refundable CIAC Option
31 provided for in Clause 6 of the CIAC Policy: Distribution Line Extensions to Domestic Customers
32 approved by Order No. P.U. 27 (2005), dated November 2, 2005 (the “Policy”); and

1 **WHEREAS** the Policy provides that the minimum Participation Percentage necessary to avail of the
2 Non-Refundable CIAC Option is 50%, and to date 9 out of the 18 Customers have accepted service
3 for a Participation Percentage of 50%; and
4

5 **WHEREAS** a CIAC has been calculated in accordance with Clause 6(a) of the Policy, and the
6 CIAC thus calculated is Four thousand one hundred thirty-six dollars and ninety-three cents
7 (\$4,136.93), including HST; and
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9 **WHEREAS** the sum of the CIAC calculated pursuant to Clause 6(a) and the Basic Investment
10 calculated pursuant to Clause 3 is \$64,016 and Clause 10(i) of the Policy states that the Applicant
11 shall apply to the Board for approval of all CIACs where the sum of the CIAC calculated pursuant to
12 Clause 5(a) or Clause 6(a) and the Basic and Additional Investment calculated pursuant to Clauses 3
13 and 4 is greater than \$50,000; and
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15 **WHEREAS** the proposed CIAC is necessary to ensure that the Applicant's investment in the
16 Extension is compensatory over the useful life of the Extension and will not be to the detriment of
17 the Applicant's other customers; and
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19 **WHEREAS** the Board is satisfied that approval of the requested deviation from the Policy is
20 reasonable in the circumstances.
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22 **IT IS THEREFORE ORDERED THAT:**
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- 24 1. Pursuant to Section 41(5) of the *Act*, the Board approves the Non-Refundable Contribution
25 in Aid of Construction in the amount of Four thousand one hundred thirty-six dollars and
26 ninety-three cents (\$4,136.93), including HST, as calculated under the Policy to provide
27 single-phase service to Domestic Customers located in a Cottage Area described as Witless
28 Bay Line (Phase 2) near the community of Witless Bay.
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- 30 2. The Applicant shall pay all expenses of the Board arising from this Application.

DATED at St. John's, Newfoundland and Labrador, this 26th day of March 2007.

Robert Noseworthy
Chair & Chief Executive Officer

Darlene Whalen, P.Eng.
Vice-Chair

G. Cheryl Blundon
Board Secretary