

**NEWFOUNDLAND AND LABRADOR
BOARD OF COMMISSIONERS OF PUBLIC UTILITIES**

AN ORDER OF THE BOARD

NO. P. U. 12(2008)

1 **IN THE MATTER OF** the *Electrical Power*
2 *Control Act*, RSNL 1994, Chapter E-5.1 (the
3 “*EPCA*”) and the *Public Utilities Act*, RSNL 1990,
4 Chapter P-47 (the “*Act*”) as amended, and their
5 subordinate regulations;

6
7 **AND**
8

9 **IN THE MATTER OF** the application by
10 Newfoundland Power Inc. (“Newfoundland Power”)
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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17 **WHEREAS** Newfoundland Power is a corporation duly organized and existing under the laws of
18 the 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 *EPCA, 1994*; and
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21 **WHEREAS** the Customers are Domestic Customers with residences located in a Cottage Area
22 known as Sandy Point (Areas 2) located near the community of Norris Arm South and the
23 Customers consist of thirteen (13) potential residents of the Cottage Area; and
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25 **WHEREAS** a number of the Customers (the “Participating Customers”) have requested that
26 Newfoundland Power provide their residences with single-phase electrical service and provision of
27 the requested service requires that Newfoundland Power construct approximately 2,230 metres of
28 single-phase line (the “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 Extension 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, 8 of the 13 Customers have accepted service for
3 a Participation Percentage of 62%; 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 five hundred eighty-eight dollars and ninety-four cents
7 (\$4,588.94), excluding HST; and

8 **WHEREAS** the sum of the CIAC calculated pursuant to Clause 5(a) and the Basic Investment
9 calculated pursuant to Clause 3 is \$57,600 and Clause 10(i) of the Policy states that Newfoundland
10 Power shall apply to the Board for approval of all CIACs where the sum of the CIAC calculated
11 pursuant to Clause 5(a) or Clause 6(a) and the Basic and Additional Investment calculated pursuant
12 to Clauses 3 and 4 is greater than \$50,000; and

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14 **WHEREAS** the proposed CIAC is necessary to ensure that Newfoundland Power's investment in
15 the Extension is compensatory over the useful life of the Extension and will not be to the detriment
16 of Newfoundland Power's other customers.

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19 **IT IS THEREFORE ORDERED THAT:**

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22 1. The Non-Refundable CIAC of four thousand five hundred eighty-eight dollars and ninety-
23 four cents (\$4,588.94), excluding HST, as calculated under the Policy to provide single-
24 phase service to Domestic Customers located in the Cottage Area known as Sandy Point
25 (Area 2) located near the community of Norris Arm South, is approved.
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27 2. Newfoundland Power shall pay all expenses of the Board arising from this Application.

DATED at St. John's, Newfoundland and Labrador, this 19th day of June 2008.

Andrew Wells
Chair and Chief Executive Officer

Darlene Whalen, P.Eng.
Vice-Chair

Dwanda Newman, LL.B.
Commissioner

G. Cheryl Blundon
Board Secretary