

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

AN ORDER OF THE BOARD

NO. P. U. 8(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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16
17 **WHEREAS** Newfoundland Power 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 also subject
19 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 known as
22 Golden Gullies located near Roaches Line and the Customers consist of twelve (12) residents of the Cottage
23 Area; and
24

25 **WHEREAS** the Customers have requested that Newfoundland Power provide their residences with single-
26 phase electrical service and provision of the requested service requires that Newfoundland Power utilize an
27 existing 2,534 metres line extension constructed in 2000 to serve customer’s residences at Goulds Big Pond
28 (the “Existing Extension”) and construct a further 2,194 metre single-phase line (the “New Extension”); and

29 **WHEREAS** a CIAC of the New Extension has been calculated in accordance with Clause 5(a) and Clause
30 5(c) of the CIAC Policy: Distribution Line Extensions to Domestic Customers approved by Order No. P. U.
31 27(2005), dated November 2, 2005, (the “Policy”) and the CIAC thus calculated is four thousand three
32 hundred eighty-three dollars and thirty-three cents (\$4,383.33), excluding HST; and
33

34 **WHEREAS** the New Extension represents an addition to the Existing Extension and is separate from the
35 Existing Extension by a continuous section of more than 300 metres of line with no customer premises
36 located thereon, and the average CIAC for customers served by the Existing Extension is four thousand nine
37 hundred twenty-three dollars and forty-one cents (\$4,923.41); and
38

1 **WHEREAS** combining the cost of serving the Customers with the cost of serving those customers served by
2 the Existing Extension results in a reduction of the average CIAC for the customers served by the Existing
3 Extension and Newfoundland Power submits it is appropriate to combine the Golden Gullies and Goulds Big
4 Pond Cottage Areas for the purpose of determining a CIAC, and the CIAC thus calculated is four thousand
5 seven hundred twenty-seven dollars and ninety-six cents (\$4,727.96); and
6

7 **WHEREAS** the sum of the CIAC calculated pursuant to Clause 5(a) and the Basic Investment calculated
8 pursuant to Clause 3 is \$61,350 and Clause 10(i) of the Policy states that Newfoundland Power shall apply to
9 the Board for approval of all CIACs where the sum of the CIAC calculated pursuant to Clause 5(a) or Clause
10 6(a) and the Basic and Additional Investment calculated pursuant to Clauses 3 and 4 is greater than \$50,000;
11 and
12

13 **WHEREAS** the proposed CIAC is necessary to ensure that Newfoundland Power's investment in the New
14 Extension is compensatory over the useful life of the New Extension and will not be to the detriment of
15 Newfoundland Power's other customers.
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17 **IT IS THEREFORE ORDERED THAT:**
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- 19 1. The Board approves the Refundable CIAC of four thousand seven hundred twenty-seven dollars and
20 ninety-six cents (\$4,727.96), excluding HST, as calculated under the Policy to apply to Domestic
21 Customers in the Golden Gullies and Goulds Big Pond Cottage Areas, pursuant to s. 41(5) of the *Act*.
22
23 2. Newfoundland Power shall pay all expenses of the Board arising from this Application.

DATED at St. John's, Newfoundland and Labrador, this 15th day of May 2008.

Andy Wells
Chair and Chief Executive Officer

Darlene Whalen, P.Eng.
Vice-Chair

Dwanda Newman, LL.B.
Commissioner

G. Cheryl Blundon
Board Secretary