

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

**AN ORDER OF THE BOARD**

**NO. P.U. 39(2009)**

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;

5  
6 **AND**  
7

8 **IN THE MATTER OF** an application by  
9 Newfoundland Power Inc. (“Newfoundland Power”)  
10 for approval of a contribution in aid of construction  
11 (“CIAC”) for a line extension to serve Domestic  
12 Customers residing in the Emberley Place Cottage  
13 Area near Mahers (the “Customers”) pursuant to  
14 Subsection 41(5) of the *Act*.

15  
16  
17 **WHEREAS** Newfoundland Power is a corporation duly organized and existing under the  
18 laws of the Province of Newfoundland and Labrador, is a public utility within the meaning of  
19 the *Act*, and is also subject to the provisions of the *EPCA*; and

20  
21 **WHEREAS** on October 2, 2009 the Board received an application from Newfoundland  
22 Power for approval of a CIAC for a line extension to the Customers; and

23  
24 **WHEREAS** the Customers are Domestic Customers with residences located in a Cottage  
25 Area known as Emberley Place (Mahers) located near the existing Mahers Cottage Area, and  
26 the Customers consist of sixteen (16) residents of the Cottage Area; and

27  
28 **WHEREAS** a number of the Customers (the “Participating Customers”) have requested that  
29 Newfoundland Power provide their residences with single-phase electrical service and  
30 provision of the requested service requires that Newfoundland Power construct a 2,353 metre  
31 single-phase line (the “New Extension”); and

32  
33 **WHEREAS** the Participating Customers have requested the Non-Refundable CIAC Option  
34 provided for in Clause 5 of the CIAC Policy: Distribution Line Extension to Domestic  
35 Customers approved by Order No. P.U. 27 (2005), dated November 2, 2005 (the “Policy”);  
36 and

37  
38 **WHEREAS** the Policy provides that the minimum Participation Percentage necessary to  
39 avail of the Non-Refundable CIAC Option is 50%, and to date, 8 of the 16 Customers have  
40 accepted service for a Participation Rate of 50%; and

1 **WHEREAS** a CIAC has been calculated in accordance with Clause 6(a) of the Policy, and  
2 the CIAC thus calculated is Three thousand nine hundred forty-seven dollars and twenty-six  
3 cents (\$3,947.26), excluding HST; and  
4

5 **WHEREAS** the New Extension represents an addition to an existing line extension  
6 constructed in 1997 to serve other customers in the Mahers Cottage Area (the “Existing  
7 Extension”) and the CIAC for customers served by the Existing Extension is Two thousand  
8 two hundred five dollars and fifty-two cents (\$2,305.52), excluding HST; and  
9

10 **WHEREAS** combining the costs of serving those customers served by the Existing  
11 Extension results in an average CIAC of Two thousand three hundred five dollars and fifty-  
12 two cents (\$2,305.52), excluding HST and this represents an increase in the CIAC for the  
13 customers served by the Existing Extension; and  
14

15 **WHEREAS** in accordance with Clause 5(b)(ii) of the Policy the New Extension is to be  
16 deemed a separate Line extension for the purpose of determining a CIAC; and  
17

18 **WHEREAS** the sum of the CIAC calculated pursuant to Clause 5(a) and the Basic  
19 Investment calculated pursuant to Clause 3 is \$63,000.00 and Clause 10(i) of the Policy states  
20 that Newfoundland Power shall apply to the Board for approval of all CIACs where the sum  
21 of the CIAC calculated pursuant to Clause 5(a) or Clause 6(a) and the Basic and Additional  
22 Investment calculated pursuant to Clauses 3 and 4 is greater than \$50,000; and  
23

24 **WHEREAS** approval of the proposed CIAC is reasonable and prudent to ensure that  
25 Newfoundland Power’s investment in the New Extension is compensatory over the useful life  
26 of the New Extension and not to the detriment of Newfoundland Power’s other customers.  
27

28 **IT IS THEREFORE ORDERED THAT:**  
29

- 30 1. The Board approves the Non-Refundable CIAC of Three thousand nine hundred forty-  
31 seven dollars and twenty-six cents (\$3,947.26), excluding HST, as calculated under the  
32 Policy to apply to Domestic Customers located in the Cottage Area known as Emberley  
33 Place (Mahers), pursuant to ss. 41(5) of the *Act*.  
34
- 35 2. Newfoundland Power shall pay all expenses of the Board arising from this Application.

Dated at St. John's, Newfoundland and Labrador, this 9<sup>th</sup> day of October 2009.

---

Andy Wells  
Chair & Chief Executive Officer

---

Cheryl Blundon  
Board Secretary