

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

AN ORDER OF THE BOARD

NO. P.U. 15(2010)

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

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 Gambo Pond Cottage
13 Area near the Community of Gambo (the “Customers”)
14 pursuant to Subsection 41(5) of the *Act*.

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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 May 17, 2010 the Board received an application from Newfoundland Power
22 for approval of a CIAC for a line extension to the Customers; and

23
24 **WHEREAS** the Customers are Domestic Customers with residences in a Cottage Area
25 known as Gambo Pond located near the Town of Gambo and the Customers consist of
26 ninety-one (91) potential 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
31 approximately 7,552 metre single-phase line (the “Extension”); and

32
33 **WHEREAS** the Participating Customers have requested the Non-Refundable CIAC Option
34 provided for in Clause 6 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, 46 of the 91 Customers have
40 accepted service for a Participation Rate of 51%; and

1 **WHEREAS** a CIAC has been calculated in accordance with Clause 6(a) of the Policy, and
2 the CIAC thus calculated is Two thousand five hundred forty-six dollars and forty-six cents
3 (\$2,504.46), excluding HST; and
4

5 **WHEREAS** the sum of the CIAC calculated pursuant to Clause 6(a) of the Policy, and the
6 Basic Investment calculated pursuant to Clause 3 is \$239,200.25 and Clause 10(i) of the
7 Policy states that Newfoundland Power shall apply to the Board for approval of all CIACs
8 where the sum of the CIAC calculated pursuant to Clause 5(a) or Clause 6(a) and the Basic
9 and Additional Investment calculated pursuant to Clauses 3 and 4 is greater than \$50,000;
10 and
11

12 **WHEREAS** approval of the proposed CIAC is reasonable and prudent to ensure that
13 Newfoundland Power's investment in the New Extension is compensatory over the useful life
14 of the New Extension and not to the detriment of Newfoundland Power's other customers.
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16 **IT IS THEREFORE ORDERED THAT:**
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- 18 1. The Board approves the Non-Refundable CIAC of Two thousand five hundred forty-six
19 dollars and forty-six cents (\$2,504.46), excluding HST, as calculated under the Policy to
20 apply to Domestic Customers located in the Cottage Area known as Gambo Pond,
21 pursuant to ss. 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 28th day of May 2009.

Andy Wells
Chair & Chief Executive Officer

Darlene Whalen, P.Eng.
Vice-Chair

Cheryl Blundon
Board Secretary