

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

**AN ORDER OF THE BOARD
NO. P. U. 16(2011)**

1 **IN THE MATTER OF** the *Electrical Power*
2 *Control Act, 1994*, 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**
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8 **IN THE MATTER OF** an application by
9 Newfoundland Power Inc. pursuant to
10 Section 41(5) of the *Act* for the approval
11 of a Contribution in Aid of Construction for
12 a line extension to serve Domestic Customers
13 residing in the cottage area known as Double
14 Pond located in the Mahers area on the Avalon
15 Peninsula.

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18 **WHEREAS** the Newfoundland Power Inc. ("Newfoundland Power") is a corporation duly
19 organized and existing under the laws of the Province of Newfoundland and Labrador, is a
20 public utility within the meaning of the *Act*, and is also subject to the provisions of the
21 *EPCA*; and

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23 **WHEREAS** on June 29, 2011 Newfoundland Power filed an application (the
24 "Application") for approval of a Contribution in Aid of Construction ("CIAC") for a line
25 extension to serve cottage area customers (the "Customers"); and

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27 **WHEREAS** the Customers are Domestic Customers with residences located in a cottage
28 area known as Double Pond located in the Mahers area on the Avalon Peninsula and the
29 Customers consist of twenty-three (23) potential residents of the cottage area; and

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31 **WHEREAS** a number of the Customers (the "Participating Customers") have requested
32 that their residences be provided with single-phase electrical service and provision of the
33 requested service requires that Newfoundland Power construct approximately 2,482 metres
34 of single-phase line (the "Extension"); and

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36 **WHEREAS** the Participating Customers have requested the Non-Refundable CIAC Option
37 provided for in Clause 6 of the CIAC Policy: Distribution Line Extensions to Domestic
38 Customers (the "Policy") approved by Order No. P.U. 27(2005); and

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WHEREAS the Policy provides that the minimum participation percentage necessary to avail of the Non-Refundable CIAC Option is 50%, and to date, 12 of the 23 Customers have accepted service for a participation percentage of 52%; and

WHEREAS a CIAC has been calculated in accordance with Clause 6(a) of the Policy, and the CIAC thus calculated is three thousand five dollars and ninety-eight cents (\$3,005.98), excluding HST; and

WHEREAS the sum of the CIAC calculated pursuant to Clause 6(a) and the Basic Investment calculated pursuant to Clause 3 is \$77,360.00 and Clause 10(i) of the Policy states that the Newfoundland Power shall apply to the Board for approval of all CIACs where the sum of the CIAC calculated pursuant to Clause 5(a) or Clause 6(a) and the Basic and Additional Investment calculated pursuant to Clauses 3 and 4 is greater than \$50,000; and

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

IT IS THEREFORE ORDERED THAT:

- 1. The Non-Refundable contribution in aid of construction of three thousand five dollars and ninety-eight cents (\$3,005.98), excluding HST, as calculated under the Policy, to apply to Domestic Customers located in the cottage area known as Double Pond is approved.
- 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 July, 2011.

Andy Wells
Chair & Chief Executive Officer

Darlene Whalen, P.Eng.
Vice-Chair

James Oxford
Commissioner

Cheryl Blundon
Board Secretary