

WHENEVER. WHEREVER.
We'll be there.



August 7, 2023

Board of Commissioners
of Public Utilities
P.O. Box 21040
120 Torbay Road
St. John's, NL A1A 5B2

Attention: G. Cheryl Blundon,
Director of Corporate Services
and Board Secretary

Dear Ms. Blundon:

Re: Application for Approval of a Contribution in Aid of Construction (“CIAC”) for Cottage Area Customers located at Jonathan’s Pond near Gander

Please find enclosed Newfoundland Power Inc.’s (the “Company”) application for approval of the above noted CIAC for a single-phase extension to serve Domestic Customers’ residences in the Jonathan’s Pond Cottage Area. The Applicant seeks approval under Clause 10(i) of the CIAC Policy: Distribution Line Extensions to Domestic Customers (the “Policy”).

There is a total of twenty-eight (28) potential Domestic Customers in the Jonathan’s Pond Cottage Area. The customers requesting service at this time have requested the Non-Refundable CIAC Option provided for in Clause 6 of the Policy.

The minimum participation rate necessary for customers to avail of the Non-Refundable CIAC Option is 50%. There are further threshold participation rates of 66% and 80%. To date, 15 of the 28 customers (a participation rate of 54%) have agreed to accept service and have deposited the minimum down payment amount.

The Non-Refundable CIAC has been calculated in accordance with Clause 6(a) of the Policy on the basis of the participation threshold rate of 54%. The Non-Refundable CIAC thus calculated is \$10,011.16 (excluding HST).

Newfoundland Power Inc.

55 Kenmount Road • P.O. Box 8910 • St. John's, NL A1B 3P6

PHONE (709) 737-5500 ext. 6200 • FAX (709) 737-2974 • dfoley@newfoundlandpower.com

Board of Commissioners
of Public Utilities
August 7, 2023
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A draft of the Order requested is enclosed for the Board's convenience. Should you have any questions on the application, please contact the undersigned.

Yours truly,



Dominic Foley
Legal Counsel

Enclosures

Newfoundland Power Inc.

55 Kenmount Road • P.O. Box 8910 • St. John's, NL A1B 3P6
PHONE (709) 737-5500 ext. 6200 • FAX (709) 737-2974 • dfoley@newfoundlandpower.com

IN THE MATTER OF the *Public Utilities Act*, (the “Act”); and

IN THE MATTER OF an Application by Newfoundland Power Inc. for approval of a contribution in aid of construction for a line extension to serve Domestic Customers residing in Jonathan’s Pond Cottage Area (the “Customers”) pursuant to s. 41(5) of the Act.

TO: The Board of Commissioners of Public Utilities (the “Board”)

THE APPLICATION OF Newfoundland Power Inc. (the “Applicant”) **SAYS THAT:**

1. The Applicant is a corporation duly organized and existing under the laws of the Province of Newfoundland and Labrador, is a public utility within the meaning of the Act, and is subject to the provisions of the *Electrical Power Control Act, 1994*.
2. The Customers’ residences are situated in a Cottage Area known as Jonathan’s Pond located near the Town of Gander. The Customers consist of twenty-eight (28) potential residents of the area.
3. A number of the Customers have requested that the Applicant provide their residences with single-phase electrical service. Provision of the requested service requires that the Applicant construct approximately 4,550 metres of single-phase line (the “Extension”). Schedule A to this Application contains a drawing of the Extension.
4. The participating Customers have requested the Non-Refundable CIAC Option provided for in Clause 6 of the CIAC Policy: Distribution Line Extensions to Domestic Customers approved by Order No. P.U. 27 (2005), dated November 2, 2005, (the “Policy”).
5. The minimum Participation Percentage necessary to avail of the Non-Refundable CIAC Option is 50%. To date, 15 of the 28 Customers have accepted service. This is a Participation Percentage of 54%.
6. A contribution in aid of construction (“CIAC”) of the Extension has been calculated in accordance with Clause 6(a) of the Policy. The CIAC thus calculated is ten thousand eleven dollars and sixteen cents (\$10,011.16), excluding HST. Schedule B to this Application is a detailed calculation of the CIAC.
7. The sum of the CIAC calculated pursuant to Clause 6(a) and the Basic Investment calculated pursuant to Clause 3 is \$224,250.00 and is set out in Schedule B. Clause 10(i) of the Policy states that the Applicant 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.

8. The proposed CIAC as calculated in Schedule B is necessary to ensure that the Applicant's investment in the Extension is compensatory over the useful life of the Extension and will not be to the detriment of the Applicant's other customers.
9. Communications with respect to this Application should be forwarded to the attention of Dominic Foley, Counsel to the Applicant.
10. **THE APPLICANT REQUESTS** that the Board approve, pursuant to s. 41(5) of the Act, the CIAC as calculated in Schedule B to this Application.

DATED at St. John's, Newfoundland and Labrador, this 7th day of August, 2023.

NEWFOUNDLAND POWER INC.



Dominic Foley
Newfoundland Power Inc.
P.O. Box 8910
55 Kenmount Road
St. John's, NL A1B 3P6

Telephone: (709) 737-5500 ext. 6200
Telecopier: (709) 737-2974

IN THE MATTER OF the *Public Utilities Act*, (the “Act”); and

IN THE MATTER OF an Application by Newfoundland Power Inc. for approval of a contribution in aid of construction for a line extension to serve Domestic Customers residing in Jonathan’s Pond Cottage Area (the “Customers”) pursuant to s. 41(5) of the Act.

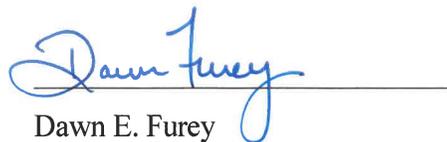
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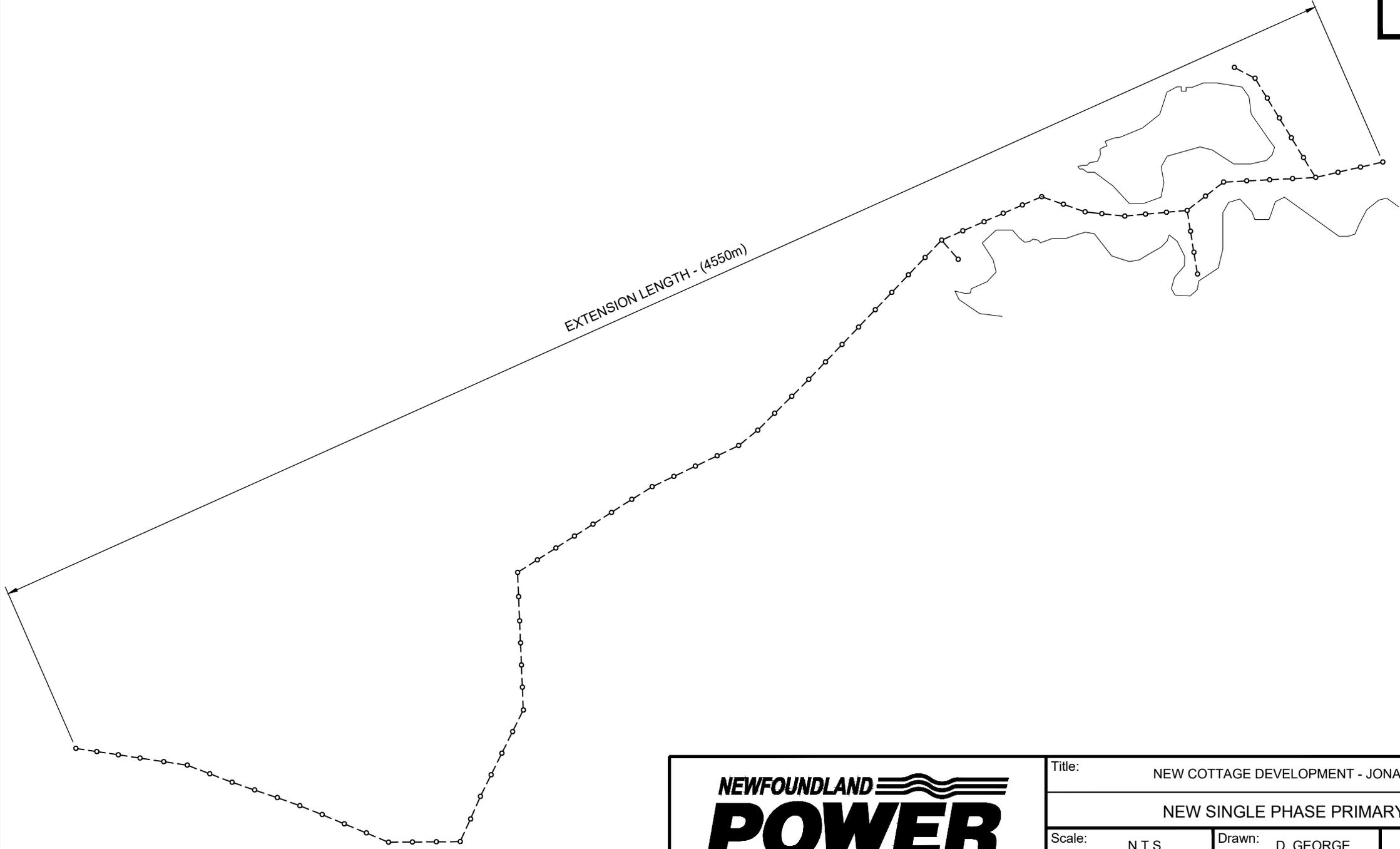
I, Dawn E. Furey, of the City of St. John’s in the Province of Newfoundland and Labrador, make oath and say as follows:

1. THAT I am employed with Newfoundland Power Inc. as Team Lead, CIAC and Risk Management;
2. THAT I have read and understand the foregoing Application; and
3. THAT, to the best of my knowledge, information and belief, all matters, facts and things set out in this Application are true.

SWORN TO before me at
The City of St. John’s, in the Province of
Newfoundland and Labrador
this 7th day of August, 2023:


Barrister


Dawn E. Furey



Title:		NEW COTTAGE DEVELOPMENT - JONATHAN'S POND, NL	
NEW SINGLE PHASE PRIMARY EXTENSION			
Scale:	N.T.S.	Drawn:	D. GEORGE
Date:	2023/07/05	App:	.
		DWG No. 2002-41-119 SHEET 1 OF 1	

**Contribution in Aid of Construction
Jonathan's Pond Cottage Area**

Estimated Construction Cost (for total potential of 28 cottage lots):

Main Line Extension	3,850 Metres @ \$45/metre	\$ 173,250.00
Service Line	700 Metres @ \$45/metre	\$ 31,500.00
Easements (15 @ \$400 per Easement)		6,000.00
Corner Brook Pulp and Paper Limited Timber Limits Fee		45,000.00
Total Estimated Construction Cost		\$ 255,750.00

Minimum CIAC Calculation:

Total Estimated Construction Cost	\$ 255,750.00
Less: Company Investment (28 lots x 25 metres x \$45.00 per metre)	(31,500.00)
Total CIAC Amount for Full Cottage Area (28 customers)	\$ 224,250.00
Minimum CIAC per Customer (\$224,250/ 28 customers)	\$ 8,008.93

Non-refundable CIAC Calculation

Total Potential Cottage Lots	28
Number of Customers Accepting Service	15
Participation Percentage	54%
CIAC Cost Adjustment Factor (from Table 1 of the Policy)	25%
Minimum CIAC per Customer	\$ 8,008.93
Add: CIAC Cost Adjustment (25% x \$8,008.93)	2,002.23
Adjusted CIAC Amount (before HST)	<u>\$ 10,011.16</u>

NEWFOUNDLAND AND LABRADOR

AN ORDER OF THE BOARD OF COMMISSIONERS OF PUBLIC UTILITIES

NO. P.U. ____ (2023)

IN THE MATTER OF THE PUBLIC
UTILITIES ACT, R.S.N. 1990,
CHAPTER P-47 (THE “ACT”)

AND

IN THE MATTER OF THE APPLICATION
BY NEWFOUNDLAND POWER INC.
(THE “APPLICANT”) FOR APPROVAL OF A
CONTRIBUTION IN AID OF CONSTRUCTION
FOR A LINE EXTENSION TO SERVE
COTTAGE AREA CUSTOMERS (THE “CUSTOMERS”)
PURSUANT TO SECTION 41 (5) OF THE ACT.

WHEREAS the Applicant is a corporation duly organized and existing under the laws of the Province of Newfoundland and Labrador, is a public utility within the meaning of the Act, and is also subject to the provisions of the *Electrical Power Control Act, 1994*;

AND WHEREAS the Customers are Domestic Customers with residences located in a Cottage Area known as Jonathan’s Pond located near the Town of Gander and the Customers consist of Twenty-eight (28) potential residents of the Cottage Area;

AND WHEREAS a number of the Customers (the “Participating Customers”) have requested that the Applicant provide their residences with single-phase electrical service and provision of the requested service requires that the Applicant construct approximately 4,550 metres of single-phase line (the “Extension”);

AND WHEREAS the Participating Customers have requested the Non-Refundable CIAC Option provided for in Clause 6 of the CIAC Policy: Distribution Line Extensions to Domestic Customers approved by Order No. P.U. 27 (2005), dated November 2, 2005, (the "Policy");

AND WHEREAS the Policy provides that the minimum Participation Percentage necessary to avail of the Non-Refundable CIAC Option is 50%, and to date, 15 of the 28 Customers have accepted service for a Participation Percentage of 54%;

AND WHEREAS a Contribution in Aid of Construction ("CIAC") has been calculated in accordance with Clause 6(a) of the Policy, and the CIAC thus calculated is ten thousand eleven dollars and sixteen cents (\$10,011.16), 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 \$224,250.00 and Clause 10(i) of the Policy states that the Applicant 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 the Applicant's investment in the Extension is compensatory over the useful life of the Extension and will not be to the detriment of the Applicant's other customers;

IT IS THEREFORE ORDERED THAT:

1. The Board approves the Non-Refundable CIAC of ten thousand eleven dollars and sixteen cents (\$10,011.16), excluding HST, as calculated under the Policy to apply to Domestic Customers located in the Cottage Area known as Jonathan's Pond pursuant to s. 41(5) of the Act.
2. The Applicant shall pay all expenses of the Board arising from this Application.

DATED at St. John's, Newfoundland and Labrador, this day of , 2023.

G. Cheryl Blundon
Board Secretary