NEWFOUNDLAND AND LABRADOR
BOARD OF COMMISSIONERS OF PUBLIC UTILITIES

AN ORDER OF THE BOARD

NO. P.U. 37(2014)

IN THE MATTER OF the Electrical Power Control Act, 1994, SNL 1994, Chapter E-5.1 (the "EPCA") and the Public Utilities Act, RSNL 1990, Chapter P-47 (the "Act"), as amended, and regulations thereunder; 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 the cottage area known as Joe's Lake, near the town of Badger pursuant to section 41 of the Act.

WHEREAS Newfoundland Power Inc. ("Newfoundland Power") 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 EPCA; and

WHEREAS on July 31, 2014 Newfoundland Power filed an application for approval of a Contribution in Aid of Construction ("CIAC") for a single-phase line extension of approximately 2,281 metres (the "Extension") to serve Domestic Customers in a cottage area known as Joe’s Lake, near the Town of Badger; and

WHEREAS ten potential customers of the area (the "Participating Customers") have requested that Newfoundland Power provide electrical service; 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 Non-Refundable CIAC, calculated in accordance with Clause 6 of the Policy, is four thousand one hundred fifty-nine dollars and sixty-three cents ($4,159.63), excluding HST; and

WHEREAS the sum of the Non-Refundable CIAC calculated pursuant to Clause 6 and the Basic Investment calculated pursuant to Clause 3 exceeds $50,000 and therefore, in accordance with Clause 10(i) of the Policy, Board approval is required; and
WHEREAS the Policy provides that the minimum participation percentage necessary to avail of the Non-Refundable CIAC Option is 50% and, to date, 10 out of the 19 potential customers, constituting a participation percentage of 53%, have provided Newfoundland Power with written confirmation that they will accept service and have paid the minimum down-payment; and

WHEREAS Newfoundland Power, pursuant to section 41(5) of the Act, requests that the Board approve a Non-Refundable CIAC of four thousand one hundred fifty-nine dollars and sixty-three cents ($4,159.63), excluding HST, for each customer of the Cottage Area; and

WHEREAS the proposed CIAC is necessary to ensure that Newfoundland Power's investment 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 four thousand one hundred fifty-nine dollars and sixty-three cents ($4,159.63), excluding HST, to apply to Domestic Customers located in the cottage area known as Joe's Lake, near the Town of Badger 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 22th day of August, 2014.

Darlene Whalen, P.Eng.
Vice-Chair

James Oxford
Commissioner

Cheryl Blundon
Board Secretary