

P.U. 13 (2002-2003)

IN THE MATTER OF the
PUBLIC UTILITIES ACT,
R.S.N. 1990, c. P-47, as amended
("the Act")

AND

IN THE MATTER OF the application
by Newfoundland Power Inc. ("the
Applicant") for approval of a contribution
in aid of construction ("CIAC") for a line
extension to serve the City of St. John's
(the "Customer") 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 Customer will operate a pumping station located on Autumn Drive in St. John's; and

WHEREAS the Customer has requested that the Applicant provide its facility with three-phase electrical
service which, in order to so provide, requires the upgrade of 715 meters of two-phase line and 385 metres
of single-phase line to three-phase standard and the construction of a further 30 metres of three-phase line

(the “Extension”); and

WHEREAS the Extension will not be jointly used by the Applicant and Aliant Telecom Inc.; and

WHEREAS the maximum demand estimated for the Customer’s facility is less than 75 kW and in accordance with Regulation 5(b) of the Applicant’s Rates, Rules and Regulations approved by the Board from time to time, a contribution in aid of construction (“CIAC”) is required to cover the cost of transformers, equipment and any line extension or upgrade required to provide three-phase service and the CIAC thus calculated is reduced by the value of any single-phase plant supported by the projected revenue from the Customer, and

WHEREAS a CIAC of the Extension has been calculated in accordance with Clauses 5 (b) of the CIAC Policy: Distribution Line Extension To General Service Customers, approved by Order No. P.U. 7 (1997-98) dated September 30, 1997 (the “Policy”), which calculation assumes the Extension will supply service to a pumping station with an estimated peak demand of 40.0 kW and the CIAC thus calculated is Thirty-five thousand five hundred forty dollars and seventy-five cents (\$35,540.75), including HST; and

WHEREAS the construction cost of the Extension is \$35,665.00 and Clause 11 (a) of the Policy states that all Line Extensions or Upgrades involving CIACs in which the construction costs are estimated to be greater than \$25,000 must be submitted to the Board for approval; and

WHEREAS the proposed expenditures on the Extension are necessary for the Applicant to provide service and facilities to the Customer which are reasonably safe and adequate and just and reasonable as required pursuant to s. 37 of the Act; 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:

Pursuant to Section 41(5) of the Act, the Board approves

- (a) the CIAC in the amount of Thirty-five thousand five hundred forty dollars and seventy-five cents (\$35,540.75), including HST, as calculated under the Policy to provide service to a pumping station from the City of St. John's.

DATED at St. John's, Newfoundland and Labrador this 9th day of July 2002.

Robert Noseworthy,
Chair & Chief Executive Officer.

Darlene Whalen, P.Eng.,
Vice-Chairperson.

G. Cheryl Blundon,
Board Secretary.