

**P.U. 31 (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 for a line extension to serve  
the Town of Port Union ("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 at Whirl Pond near Port Union;  
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 construction of 800 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 Clause 5(b) of the CIAC Policy: Distribution Line Extensions and Upgrades 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 12.6 kW and the CIAC thus calculated is Thirty-eight thousand three hundred twenty-three dollars and seventy-five cents (\$38,323.75) including HST; and

**WHEREAS** the construction cost of the Extension is \$37,825.00 and Clause 11(a) of the Policy states that all Lines 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 the contribution in aid of construction in the amount of Thirty-eight thousand three hundred twenty-three dollars and seventy-five cents (\$38,323.75), including HST, as calculated under the Policy to provide service to a pumping station for the Town of Port Union.

**DATED** at St. John's, Newfoundland and Labrador, this 4<sup>th</sup> day of December, 2002.

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Robert Noseworthy,  
Chair & Chief Executive Officer.

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

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G. Cheryl Blundon,  
Board Secretary.