

P.U. 5 (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 (the "Application") for a line
extension to serve primarily seasonal
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 located on Trails End Road which forms part of the Mahers Cottage
Area and consist of five (5) Seasonal Customers; and

WHEREAS by letter dated March 26, 1997 the Board approved a minimum contribution in aid of
construction (CIAC) for the Mahers Cottage Area of \$1,729.57, before tax; and

WHEREAS under the CIAC Policy: Distribution Line Extensions and Upgrades, approved by the Board, by letter dated October 14, 1993, customers requesting service in the Mahers Cottage Area were required to pay a CIAC based on the higher of the cost to serve the customer as an individual or the minimum CIAC to serve the Mahers Cottage Area; and

WHEREAS the Customers have requested that the Applicant provide their residences at Trails End Road with single-phase electrical service and that the individual CIAC for each Customer be based on the average of the total cost to serve all five (5) Customers; and

WHEREAS provision of the requested service requires the construction of a single-phase extension of 394 metres (the “Extension”); and

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

WHEREAS a CIAC of the Extension has been calculated in accordance with Clauses 5(b) and 5(c) of the CIAC Policy: Distribution Line Extensions To Residential and Seasonal Residential Customers, approved by Order No. P.U. 7 (1997-98) dated the 30th day of September, 1997 (the “Policy”), thus calculated is Two thousand eight hundred fifty-two dollars and eighty-nine cents (\$2,852.89) including HST; and

WHEREAS deriving the CIAC amount on the basis of the average of the total cost to serve all five (5) Customers, rather than the individual cost to serve each Customer, is a modification of the CIAC approval that applies for the Mahers Cottage Area; 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; and

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

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 Two thousand eight hundred fifty-two dollars and eighty-nine cents (\$2,852.89), including HST, as calculated under the Policy, for each of the five (5) Seasonal Customers as described in the Application with premises located on Trails End Road in the Mahers Cottage Area.

DATED at St. John's, Newfoundland and Labrador, this 2nd day of May, 2002.

Robert Noseworthy,
Chair & Chief Executive Officer.

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

G. Fred Saunders,
Commissioner.

Barbara Thistle,
Assistant Board Secretary.