P.U. 6 (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 Bay Roberts ("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 subject to the provisions of the *Electrical Power Control Act, 1994*; and

WHEREAS the Customer will operate a tourist chalet located on Veterans Memorial Highway, near the Town of Bay Roberts; and

WHEREAS the Customer has requested that the Applicant provide its facility near Bay Roberts with single-phase electrical service which, in order to so provide, requires the construction of 1,107 metres of single-phase line (the "Extension"); and

WHEREAS the Extension will be jointly used by the Applicant and Aliant Telecom Inc.; and

WHEREAS a contribution in aid of construction ("CIAC") of the Extension has been calculated in accordance with Clause 5(a) of the CIAC Policy: Distribution Line Extensions and Upgrades to General Service Customers, approved by Order No. P.U. 7 (1997-98) dated the 30th day of September, 1997 (the "Policy"), which calculation assumes the Extension will supply service to a tourist chalet with an estimated peak demand of 10 kW and the CIAC thus calculated is Twenty-two thousand three hundred thirty dollars and seventy cents (\$22,330.70) including HST; and

WHEREAS the estimated demand for the facility is based on information supplied by the customer; and

WHEREAS the construction cost of the Extension is \$28,782.00 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 the contribution in aid of

construction in the amount of Twenty-two thousand three hundred thirty dollars and seventy cents

(\$22,330.70), including HST, as calculated under the Policy, to provide single-phase, joint-use

extension to serve a tourist chalet located on Veterans Memorial Highway, near Bay Roberts.

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.

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Barbara Thistle, Assistant Board Secretary.