

1 **Q. DISTRIBUTION**

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3 **PUB 54.0**

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5 **B-43 Relocate Distribution Lines for Third Parties**

6 **Please provide the proposed capital expenditure for 2006 Net of the contributions**  
7 **expected from the customers making the requests.**

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9 A. The cost of relocating distribution lines for third parties in 2006 is estimated at \$685,000.  
10 Contributions to be recovered from third parties in relation to the relocation of  
11 distribution lines at their request are estimated at \$100,000. The estimated net  
12 expenditure for such relocations is therefore \$585,000.

13  
14 Requests for relocations are typically initiated by Aliant, cable television operators, the  
15 Department of Works, Services and Transportation or individual customers. In all cases,  
16 a contribution in aid of construction is determined in accordance with either a specific  
17 agreement with the third party, such as the Facilities Partnership Agreement with Aliant,  
18 or on the basis of cost less depreciation.

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20 Much of the relocation work for Aliant and the cable television operators involves old,  
21 substandard plant that is either fully or substantially depreciated. Contributions are low  
22 relative to replacement cost, since they are based on the undepreciated value of the plant  
23 being replaced.

24  
25 Additions to rate base on account of capital expenditures for the relocation of distribution  
26 lines are net of the required contributions of those requesting the relocations.