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P.U. 32 (2005)

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 domestic customers residing in a
cottage area (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 Domestic Customers with residences located in a Cottage
Area at Thorburn Lake near Clarenville and the Customers consist of one hundred sixty-four (164)
potential residents of the Cottage Area; and

1 **WHEREAS** a number of the Customers (the “Participating Customers”) have requested
2 that the Applicant provide their residences with single-phase electrical service and provision of the
3 requested service requires that the Applicant construct approximately 24,703 metres of single-phase
4 line (the “Extension”); and

5

6 **WHEREAS** the Participating Customers have requested the Non-Refundable CIAC Option
7 provided for in Clause 6 of the CIAC Policy: Distribution Line Extensions to Domestic Customers
8 approved by Order No. P.U. 27 (2005), dated November 2, 2005 (the “Policy”); and

9

10 **WHEREAS** the Policy provides that the minimum Participation Percentage necessary to
11 avail of the Non-Refundable CIAC Option is 50%, and to date, 82 out of the 164 Customers have
12 accepted service for a Participation Percentage of 50%; and

13

14 **WHEREAS** a CIAC has been calculated in accordance with Clause 6(a) of the Policy, and
15 the CIAC thus calculated is Five thousand one hundred thirty-seven dollars and forty cents
16 (\$5,137.40), including HST, for each Customer; and

17

18 **WHEREAS** the sum of the CIAC calculated pursuant to Clause 6(a) and the Basic
19 Investment calculated pursuant to Clause 3 is \$688,829 and Clause 10(i) of the Policy states that the
20 Applicant shall apply to the Board for approval of all CIACs where the sum of the CIAC calculated
21 pursuant to Clause 5(a) or Clause 6(a) and the Basic and Additional Investment calculated pursuant
22 to Clauses 3 and 4 is greater than \$50,000; and

1 **WHEREAS** the proposed CIAC is necessary to ensure that the Applicant’s investment in the
2 Extension is compensatory over the useful life of the Extension and will not be to the detriment of
3 the Applicant’s other customers.
4

5 **IT IS THEREFORE ORDERED THAT:**

6 Pursuant to Section 41(5) of the *Act*, the Board approves the Non-Refundable Contribution in
7 Aid of Construction in the amount of Five thousand one hundred thirty-seven dollars and forty cents
8 (\$5,137.40), including HST, as calculated under the Policy, to provide single phase service to
9 Domestic Customers located in a Cottage Area at Thorburn Lake near Clarenville, Newfoundland
10 and Labrador.

11 **DATED** at St. John’s, Newfoundland and Labrador, this 13th day of December 2005.

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Robert Noseworthy
Chair & Chief Executive Officer

Darlene Whalen, P.Eng.
Vice-Chair

30 G. Cheryl Blundon
31 Board Secretary