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P.U. 5(2006)

IN THE MATTER OF the
PUBLIC UTILITIES ACT,
R.S.N.L. 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 cottage area 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 Domestic Customers with residences located in a Cottage Area at
Belbin’s Pond off the Salmonier Line and the Customers consist of thirty-nine (39) potential
residents of the Cottage Area; and

1 **WHEREAS** a number of the Customers (the “Participating Customers”) have requested that the
2 Applicant provide their residences with single-phase electrical service and provision of the requested
3 service requires that the Applicant construct approximately 4,933 metres of single-phase line (the
4 “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

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10 **WHEREAS** the Policy provides that the minimum Participation Percentage necessary to avail of the
11 Non-Refundable CIAC Option is 50%, and to date, 22 out of the 39 Customers have accepted
12 service for a Participation Percentage of 56%; and

13

14 **WHEREAS** a CIAC has been calculated in accordance with Clause 6(a) of the Policy, and the
15 CIAC thus calculated is Four thousand seventy-six dollars and eighty-two cents (\$4,076.82),
16 including HST, for each Customer; and

17

18 **WHEREAS** the sum of the CIAC calculated pursuant to Clause 6(a) and the Basic Investment
19 calculated pursuant to Clause 3 is \$134,726 and Clause 10(i) of the Policy states that the Applicant
20 shall apply to the Board for approval of all CIACs where the sum of the CIAC calculated pursuant to
21 Clause 5(a) or Clause 6(a) and the Basic and Additional Investment calculated pursuant to Clauses 3
22 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
7 Pursuant to Section 41(5) of the *Act*, the Board approves the Non-Refundable Contribution in Aid of
8 Construction in the amount of Four thousand seventy-six dollars and eighty-two cents (\$4,076.82),
9 including HST, as calculated under the Policy, to provide single-phase service to Domestic
10 Customers located in a Cottage Area at Belbin's Pond off the Salmonier Line, Newfoundland and
11 Labrador.

12 **DATED** at St. John's, Newfoundland and Labrador, this 27th day of January 2006.

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Robert Noseworthy
Chair & Chief Executive Officer

Darlene Whalen, P.Eng.
Vice-Chair

29 _____
30 G. Cheryl Blundon
Board Secretary