

P.U. 7(2007)

1 **IN THE MATTER OF** the
2 **PUBLIC UTILITIES ACT,**
3 RSNL 1990, c. P-47, as amended
4 (the “*Act*”)
5

6 **AND**
7

8 **IN THE MATTER OF** the application by
9 Newfoundland and Labrador Hydro (the “Applicant”)
10 for approval of a contribution in aid of construction
11 (“CIAC”) for a single-phase line extension to serve
12 the Northwest Arm Cottage Area (Section C), Hare Bay
13 near route 430 pursuant to Section 41(5) of the *Act*; and
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18 **WHEREAS** the Applicant is a corporation duly organized and existing under the laws of the
19 Province of Newfoundland and Labrador, is a public utility within the meaning of the *Act*, and is
20 also subject to the provisions of the *Electrical Power Control Act, 1994*; and
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22 **WHEREAS** the cottage lot owners at Northwest Arm Cottage Area (Section C) (the “Customers”)
23 have requested the Applicant to supply single-phase electrical service to the cottage lots located at
24 Hare Bay near route 430; and
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26 **WHEREAS** the Customers have requested that the Applicant provide single-phase electrical service
27 which, in order to so provide, requires the extension of 5,174 metres of single-phase distribution line
28 to service 52 potential customers; and

1 **WHEREAS** the Applicant has calculated a total CIAC for the Line Extension in accordance with
2 Clause 6(a) of the CIAC Policy: Distribution Line Extensions to Domestic Customers approved by
3 Order No. P. U. 7 (2006), dated February 1, 2006 (the “Policy”), which calculation assumes the Line
4 Extension will supply service to 32 customers interested in the service out of a total of 52 potential
5 customers; and

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7 **WHEREAS** the total estimated construction cost to supply power to 52 potential customers is
8 \$141,560.54, including HST, and Clause 10(i) of the Policy states that the Applicant shall apply to
9 the Board for approval of “all Line Extensions involving CIACs where the sum of the CIAC
10 calculated pursuant to Clause 5(a) or Clause 6(a) and the Basic and Additional Investment calculated
11 pursuant to Clauses 3 and 4 is greater than \$50,000”; and

12
13 **WHEREAS** the Applicant has calculated a shared CIAC for the Line Extension in accordance with
14 Clause 6(a) of the Policy, which calculation assumes the Line Extension will supply service to 32
15 customers and the non-refundable CIAC thus calculated is \$2,547.90 each; including HST; and

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

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21 **WHEREAS** the proposed CIAC is necessary to ensure that the Applicant’s investment in the Line
22 Extension is compensatory over the useful life of the Line Extension and will not be to the detriment
23 of the Applicant’s other customers; and

1 **IT IS THEREFORE ORDERED THAT:**

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3 1. Pursuant to Section 41(5) of the *Act*, the Contribution in Aid of Construction in the amount
4 of Two thousand five hundred forty-seven dollars and ninety cents (\$2,547.90), including
5 HST, as calculated under the Policy to provide single-phase service to 32 seasonal residential
6 customers located at the Northwest Arm Cottage Areas (Section C), Hare Bay, located off
7 route 430, as calculated under the Policy is approved.

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9 2. The Applicant shall pay all expenses of the Board arising from this Application.

DATED at St. John's, Newfoundland and Labrador, this 11th day of April 2007.

Robert Noseworthy
Chair & Chief Executive Officer

Darlene Whalen, P.Eng.
Vice-Chair

Cheryl Blundon
Board Secretary