

**NEWFOUNDLAND AND LABRADOR
BOARD OF COMMISSIONERS OF PUBLIC UTILITIES**

AN ORDER OF THE BOARD

NO. P. U. 13(2008)

1 **IN THE MATTER OF** the *Electrical Power*
2 *Control Act*, RSNL 1994, Chapter E-5.1 (the
3 “*EPCA*”) and the *Public Utilities Act*, RSNL 1990,
4 Chapter P-47 (the “*Act*”) as amended, and their
5 subordinate regulations;

6
7 **AND**
8

9 **IN THE MATTER OF** the application by
10 Newfoundland Power Inc. (“Newfoundland Power”)
11 for approval of a contribution in aid of construction
12 (“CIAC”) for a line extension to serve domestic
13 customers residing in a cottage area (the “Customers”)
14 pursuant to Section 41(5) of the *Act*; and
15

16
17 **WHEREAS** Newfoundland Power is a corporation duly organized and existing under the laws of
18 the Province of Newfoundland and Labrador, is a public utility within the meaning of the *Act*, and is
19 also subject to the provisions of the *EPCA, 1994*; and
20

21 **WHEREAS** the Customers are Domestic Customers with residences located in a Cottage Area
22 known as Smith’s Pond located near the town of Gander and the Customers consist of eighteen (18)
23 potential residents of the Cottage Area; and
24

25 **WHEREAS** a number of the Customers (the “Participating Customers”) have requested that
26 Newfoundland Power provide their residences with single-phase electrical service and provision of
27 the requested services requires that Newfoundland Power construct approximately 5,732 metres of
28 single-phase line (the “Extension”); and

1 **WHEREAS** the Participating Customers have requested the Non-Refundable CIAC Option
2 provided for in Clause 6 of the CIAC Policy: Distribution Line Extension to Domestic Customers
3 approved by Order No. P. U. 27(2005), dated November 2, 2005, (the “Policy”); and
4

5 **WHEREAS** the Policy provides that the minimum Participating Percentage necessary to avail of the
6 Non-Refundable CIAC Option is 50%, and to date, 12 of the 18 Customers have accepted service for
7 a Participation Percentage of 67%; and
8

9 **WHEREAS** a CIAC has been calculated in accordance with Clause 6(a) of the Policy, and the
10 CIAC thus calculated is Eight thousand four hundred thirty-six dollars and fifty-three cents
11 (\$8,436.53), excluding HST; and
12

13 **WHEREAS** the sum of the CIAC calculated pursuant to Clause 6(a) and the Basic Investment
14 calculated pursuant to Clause 3 is \$143,300 and Clause 10(i) of the Policy states that Newfoundland
15 Power shall apply to the Board for approval of all CIACs where the sum of the CIAC calculated
16 pursuant to Clause 5(a) or Clause 6(a) and the Basic and Additional Investment calculated pursuant
17 to Clauses 3 and 4 is greater than \$50,000; and
18

19 **WHEREAS** the proposed CIAC is necessary to ensure that Newfoundland Power’s investment in
20 the Extension is compensatory over the useful life of the Extension and will not be to the detriment
21 of Newfoundland Power’s other customers.
22

23 **IT IS THEREFORE ORDERED THAT:**
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- 25 1. The Non-Refundable CIAC of eight thousand four hundred thirty-six dollars and fifty-three
26 cents (\$8,436.53), excluding HST, as calculated under the Policy to apply to Domestic
27 Customers located in the Cottage Area known as Smith’s Pond, is approved.
28
- 29 2. Newfoundland Power shall pay all expenses of the Board arising from this Application.

DATED at St. John's, Newfoundland and Labrador, this 19th day of June 2008.

Andy Wells
Chair & Chief Executive Officer

Darlene Whalen, P.Eng.
Vice-Chair

Dwanda Newman, LL.B.
Commissioner

Cheryl Blundon
Board Secretary