

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

**AN ORDER OF THE BOARD
NO. P.U. 26(2014)**

1 **IN THE MATTER OF** the *Electrical Power*
2 *Control Act, 1994*, SNL 1994, Chapter E-5.1 (the
3 "*EPCA*") and the *Public Utilities Act*, RSNL 1990,
4 Chapter P-47 (the "*Act*"), as amended, and regulations
5 thereunder; and
6

7 **IN THE MATTER OF** an application by
8 Newfoundland and Labrador Hydro for approval
9 of a Contribution in Aid of Construction from Cooke
10 Aquaculture Inc. for the upgrade of a distribution line
11 from single-phase to three-phase service in Daniel's
12 Harbour pursuant to section 41 of the *Act*.
13
14

15 **WHEREAS** Newfoundland and Labrador Hydro ("Hydro") is a corporation continued and
16 existing under the *Hydro Corporation Act, 2007*, is a public utility within the meaning of
17 the *Act*, and is also subject to the provisions of the *EPCA*; and
18

19 **WHEREAS** Cooke Aquaculture Inc. ("Cooke Aquaculture") has requested that Hydro
20 upgrade approximately nine kilometers of distribution line in Daniel's Harbour from a
21 single-phase service to a three-phase service; and
22

23 **WHEREAS** Cooke Aquaculture has advised Hydro that the primary purpose for the
24 upgrade is to facilitate economic growth in the region and specifically to meet the
25 immediate electrical needs of its Kelly Cove Salmon Fish Hatchery located in the
26 community of Daniel's Harbour; and
27

28 **WHEREAS** in Order No. P.U. 6(2013) the Board approved a Contribution in Aid of
29 Construction ("CIAC") of \$287,472.49, excluding HST, for the Red Ochre Regional
30 Economic Development Board to upgrade the distribution line serving the Kelly Cove Fish
31 Hatchery in Daniel's Harbour from single-phase to three-phase service; and
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33 **WHEREAS** following the Board's approval of the CIAC in Order No. P.U. 6(2013), the
34 Red Ochre Regional Economic Development Board office closed and the upgrade of the
35 distribution line was delayed; and
36

37 **WHEREAS** on June 20, 2014 the Board received an application from Hydro for approval
38 of a CIAC from Cook Aquaculture to upgrade the distribution line serving the Kelly Cove
39 Salmon Fish Hatchery in Daniel's Harbour to provide three-phase service; and

1 **WHEREAS** the estimated construction cost of the upgrade is \$372,681.59 and is based on
2 a detailed engineering estimate in accordance with Clause 5(e) of the CIAC Policy;
3 Distribution Line Extensions and Upgrades to General Service Customers approved by
4 Order No. P.U. 27(2005), dated November 2, 2005 (the "Policy"); and
5

6 **WHEREAS** the proposed CIAC for the upgrade in the amount of \$329,806.72, excluding
7 HST, was calculated in accordance with Clause 5(e) of the Policy; and
8

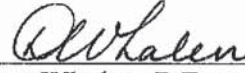
9 **WHEREAS** Clause 10(ii) of the Policy states that Hydro shall apply to the Board for
10 approval of all line extensions or upgrades involving CIACs where the costs of the line
11 extension or upgrade are calculated pursuant to Clause 5(e); and
12

13 **WHEREAS** approval of the proposed CIAC from Cooke Aquaculture is reasonable and
14 prudent to ensure that Hydro's investment in the upgrade is compensatory over the useful
15 life of the upgrade and not to the detriment of Hydro's other customers.
16

17
18 **IT IS THEREFORE ORDERED THAT:**
19

- 20 1. The Contribution in Aid of Construction of three hundred and twenty-nine thousand,
21 eight hundred six dollars and seventy-two cents (\$329,806.72), excluding HST, to
22 provide three-phase service to the Cooke Aquaculture Inc. Kelly Cove Salmon Fish
23 Hatchery in Daniel's Harbour is approved.
24
25 2. Hydro shall pay all expenses of the Board arising from this Application.

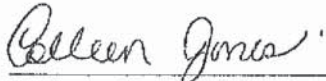
DATED at St. John's, Newfoundland and Labrador, this 11th day of July, 2014.



Darlene Whalen, P.Eng.
Vice-Chair



Dwanda Newman, LL.B.
Commissioner



Colleen Jones
Assistant Board Secretary