

1 **Q. Relocate/Replace Distribution Lines for Third Parties pp. 48-49 of 100.**  
2 **At p. 49 it indicates that for certain projects, costs less betterment were recovered**  
3 **from Eastlink. In relation to these referenced projects, please detail the amounts**  
4 **recovered from Eastlink and please explain how the concept of betterment was both**  
5 **defined, quantified and reflected in the recoveries for these projects.**

6  
7 A. Table 1 shows the contributions from Eastlink associated with the project  
8 Relocate/Replace Distribution Lines for Third Parties from 2006 through 2009.  
9  
10

Table 1

**Relocate/Replace Distribution Lines  
for Third Parties EastLink Contributions  
2006 – 2009**

| Year | \$ 000's |
|------|----------|
| 2006 | 759      |
| 2007 | 801      |
| 2008 | 236      |
| 2009 | 697      |

11  
12  
13 Relocation and replacement of plant for cable operators, including Eastlink, is covered  
14 under Article 7 of the Pole Rental Agreement established with these parties in 1996. A  
15 copy is provided in Attachment B to response to Request for Information CA-NP-17.  
16

17 Clause 7.01 of the Pole Rental Agreement defines the requirement of the cable operator  
18 (the "Licensee") to reimburse Newfoundland Power (the "Power Company") as follows:  
19

20 "...the Licensee shall, on demand and presentation of a statement of cost,  
21 reimburse the Power Company for its reasonable costs and expenses less  
22 any benefit derived by the Power Company from the alterations, such  
23 benefits to be restricted to replacement cost of a Pole of similar size less  
24 the Structural Value of the Pole being removed. The Structural Value  
25 shall be calculated as the estimated cost to install a new Pole of similar  
26 size multiplied by the appropriate percent condition factor as set forth in  
27 Schedule 2 of the Agreement."  
28

29 The contributions from Eastlink shown in Table 1 reflect the reimbursement  
30 requirement as defined in clause 7.01 of the Pole Rental Agreement.