

February 29, 2024

Board of Commissioners of Public Utilities  
Prince Charles Building  
120 Torbay Road, P.O. Box 21040  
St. John's, NL A1A 5B2

Attention: Jo-Anne Galarneau  
Executive Director and Board Secretary

**Re: Application for Approval of a Contribution in Aid of Construction – Line Extension for the Department of Transportation and Infrastructure**

Please find enclosed Newfoundland and Labrador Hydro's ("Hydro") application for approval of a Contribution in Aid of Construction ("CIAC") to be charged to the Department of Transportation and Infrastructure as a General Service Customer.

Hydro has received a request for single-phase electrical service from the Department of Transportation and Infrastructure for a highway depot. The provision of the requested service requires Hydro to construct approximately 5,300 metres of single-phase line, as illustrated in Schedule 2 of the enclosed application.<sup>1</sup>

The CIAC calculated in accordance with Clause 5(e) of the CIAC Policy<sup>2</sup> is \$662,120.70, excluding HST. This is illustrated in the detailed calculation of the CIAC, contained in Schedule 3 to the application.

Should you have any questions, please contact the undersigned.

Yours truly,

**NEWFOUNDLAND AND LABRADOR HYDRO**



Shirley A. Walsh  
Senior Legal Counsel, Regulatory  
SAW/nk

Encl.

ecc:

**Board of Commissioners of Public Utilities**  
Jacqui H. Glynn  
Board General

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<sup>1</sup> The construction of the single-phase line falls within Hydro's Provide Service Extensions (2024) project, proposed in the "2024 Capital Budget Application," Newfoundland and Labrador Hydro, July 12, 2023, approved as per *Public Utilities Act*, RSNL 1990, c P-47, Board Order P.U. 35(2023), Board of Commissioners of Public Utilities, December 21, 2023.

<sup>2</sup> "Contribution in Aid of Construction Policy: Distribution Line Extensions and Upgrades to General Service Customers," Newfoundland and Labrador Hydro, January 26, 2023 ("CIAC Policy"), Clause 5(e).  
<https://nlhydro.com/wp-content/uploads/2023/02/CIAC-for-Website-January-26-2023.pdf>.

# Contribution in Aid of Construction

Department of Transportation and Infrastructure Line  
Extension

February 29, 2024

An application to the Board of Commissioners of Public Utilities



**IN THE MATTER OF** the *Electrical Power Control Act, 1994*, SNL 1994, Chapter E-5.1 (“EPCA”) and the *Public Utilities Act*, RSNL 1990, Chapter P-47 (“Act”), and regulations thereunder; and

**IN THE MATTER OF** an application by Newfoundland and Labrador Hydro (“Hydro”) for approval of a Contribution in Aid of Construction (“CIAC”) for a line extension for the Department of Transportation and Infrastructure.

**To: The Board of Commissioners of Public Utilities (“Board”)**

**THE APPLICATION OF HYDRO STATES THAT:**

**A. Background**

1. Hydro is a corporation continued and existing under the *Hydro Corporation Act, 2007*,<sup>1</sup> is a public utility within the meaning of the *Act*, and is subject to the provisions of the *EPCA*.

**B. Application**

2. Hydro has received a request from the Department of Transportation and Infrastructure for single-phase electrical service to a highway depot located at the junction of Route 432 and 433 on the Great Northern Peninsula, Newfoundland. The provision of the requested service requires Hydro to construct approximately 5,300 metres of single-phase line. The request for service is attached to this application as Schedule 1; Schedule 2 to this application illustrates the approximate location of the single-phase line extension.
3. As illustrated in the detailed calculation contained in Schedule 3 to this application, the CIAC amount is \$662,120.70, excluding HST. Clause 5(e) of the *CIAC Policy*<sup>2</sup> requires detailed cost estimates to be used in place of the applicable Cost per Metre in determining the cost of a line extension or upgrade when the cost of a line extension or upgrade is estimated to be greater than \$100,000. Clause 10(i) requires Hydro to apply to the Board for approval of CIACs for line

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<sup>1</sup> *Hydro Corporation Act, 2007*, SNL 2007, c H-17.

<sup>2</sup> “*Contribution in Aid of Construction Policy: Distribution Line Extensions and Upgrades to General Service Customers*,” Newfoundland and Labrador Hydro, January 26, 2023 (“*CIAC Policy*”), Clause 5(e), p. 6 of 12. <https://nlhydro.com/wp-content/uploads/2023/02/CIAC-for-Website-January-26-2023.pdf>.

extensions or upgrades involving CIACs where the costs of the line extension or upgrade calculated pursuant to Clause 5(a) are estimated to be greater than \$50,000.<sup>3</sup> The Department of Transportation and Infrastructure has agreed with the calculation of the CIAC; the CIAC Quote, Customer Quote Acceptance Form, and Application for Service, all of which are attached to this application as Schedule 4.

4. The proposed expenditures on the line extension are necessary for Hydro to provide service and facilities to the Department of Transportation and Infrastructure Highway Depot, which are reasonably safe and adequate and just and reasonable, as required pursuant to Section 37 of the *Act*.<sup>4</sup>
5. The proposed CIAC is necessary to ensure that Hydro's investment in the line extension is compensatory over the useful life of the line extension and will not be to the detriment of Hydro's other customers.

**C. Hydro's Request**

6. Hydro requests that the Board make an Order pursuant to Section 41(5) of the *Act*,<sup>5</sup> approving the CIAC of \$662,120.70, excluding HST, as calculated under the *CIAC Policy*.

**D. Communications**

7. Communications with respect to this application should be forwarded to Shirley A. Walsh, Senior Legal Counsel, Regulatory for Hydro.

**DATED** at St. John's in the province of Newfoundland and Labrador on this 29th day of February 2024.

**NEWFOUNDLAND AND LABRADOR HYDRO**




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Shirley A. Walsh  
 Counsel for the Applicant  
 Newfoundland and Labrador Hydro,  
 500 Columbus Drive, P.O. Box 12400  
 St. John's, NL A1B 4K7  
 Telephone: (709) 685-4973

<sup>3</sup> *Supra*, f.n. 2, Clause 10(i) at p. 8 of 12.

<sup>4</sup> *Public Utilities Act*, RSNL 1990, c P-47, s 37.

<sup>5</sup> *Public Utilities Act*, RSNL 1990, c P-47, s 41(5).

# Schedule 1

## Request for Service – General Information

Roddickton Highway Depot – Roddickton





## REQUEST FOR SERVICE GENERAL INFORMATION

### CUSTOMER INFORMATION

Name	Government of Newfoundland and Labrador
Current Address	
Service Address	Intersection of Route 432 and Route 433, Near Roddickton
Phone Number	709-637-2496 (Ford Burden)

### GENERAL SERVICE ONLY

1.	Nature of business: Provincial Highway Depot		
2.	Location of Premises:	Yes	No
	Public Road	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Within Community	<input type="checkbox"/>	<input checked="" type="checkbox"/>
	Municipal or Other Plan	<input type="checkbox"/>	<input type="checkbox"/>
	Permanent Service	<input checked="" type="checkbox"/>	<input type="checkbox"/>
3.	Single Phase Service	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Three Phase Service	<input type="checkbox"/>	<input checked="" type="checkbox"/>
4.	Service Voltage:		
5.	Service Size in Amps: 600 Service Conductor Size (mcm): 300 Conductor Type: <input checked="" type="checkbox"/> Cu, <input type="checkbox"/> Al. Lugs Required: <input type="checkbox"/> Single, <input checked="" type="checkbox"/> Double		
6.	Please provide breakdown of connected load (attach separate sheet if more room required).		
		<u>1 Phase</u>	<u>3 Phase</u>
	Lighting (kW)	4.65	_____
	Heating (kW)	59	_____
	Miscellaneous (kW)	10	_____
	Motors (kW)	14.22	_____
	Total (kW)	87.87	_____
7.	Estimated Peak Demand: 87.87 (Total kW of load expected to be on at the same time)		
8.	Estimated annual load factor: Or estimated annual consumption (kWh)		
9.	If applicable, the expected service life:		
10.	A copy of the customer's electrical drawings.		
11.	A copy of the customer's site plan.		
12.	Date service required (ready for connection). As soon as possible		
13.	Primary metering requested (extra charges may apply). (subject to the customer supplying and maintaining all distribution facilities beyond the point of supply)		
14.	Temporary / Construction power requested (extra charges may apply).		

Customer/Electrician signature verifies that his information is accurate and understands information is subject to a 2 year review:

Prepared by: Ford Burden Date: November 7 2022

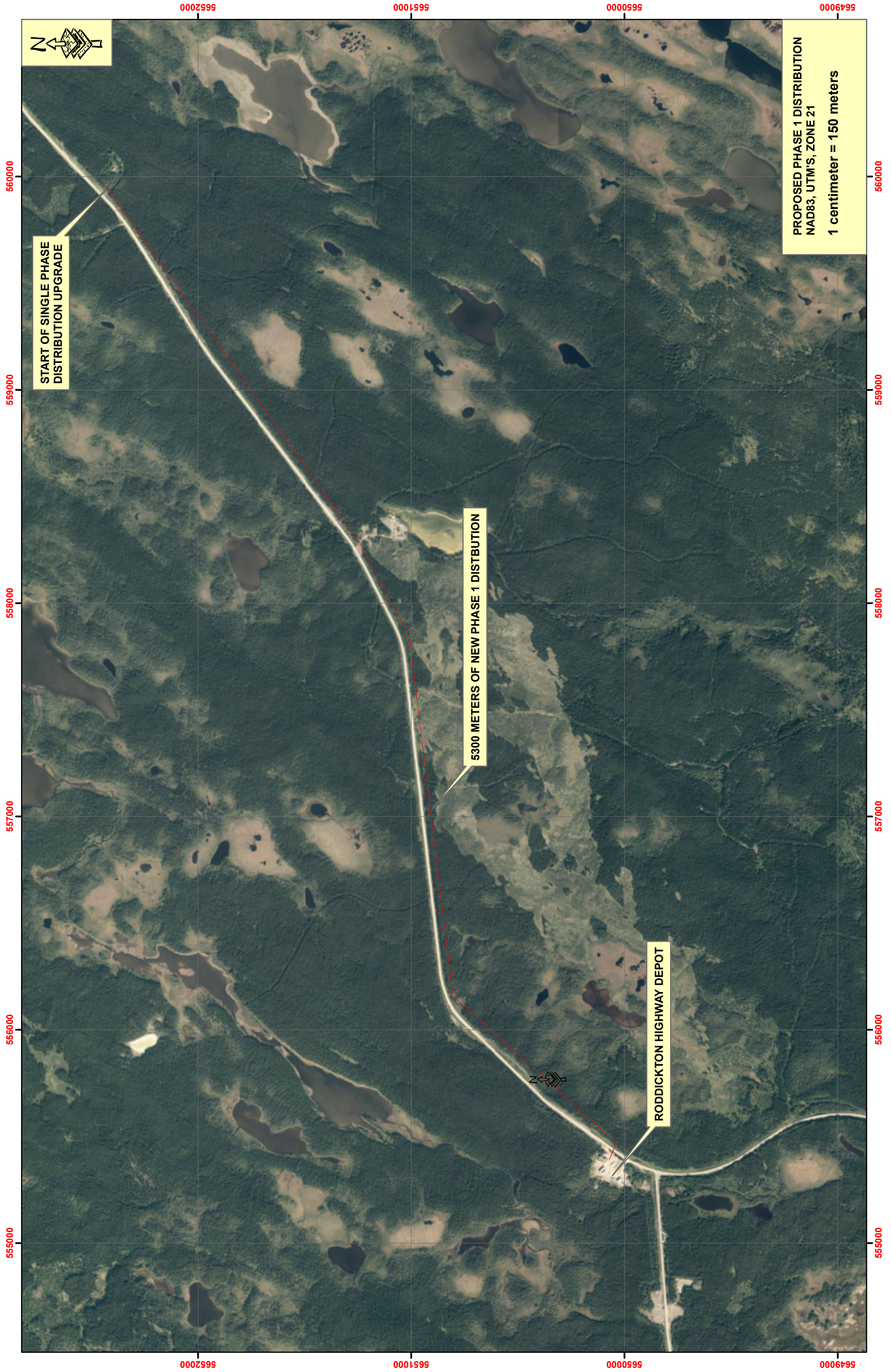
# Schedule 2

## Location of Line Extension

Roddickton Highway Depot – Roddickton





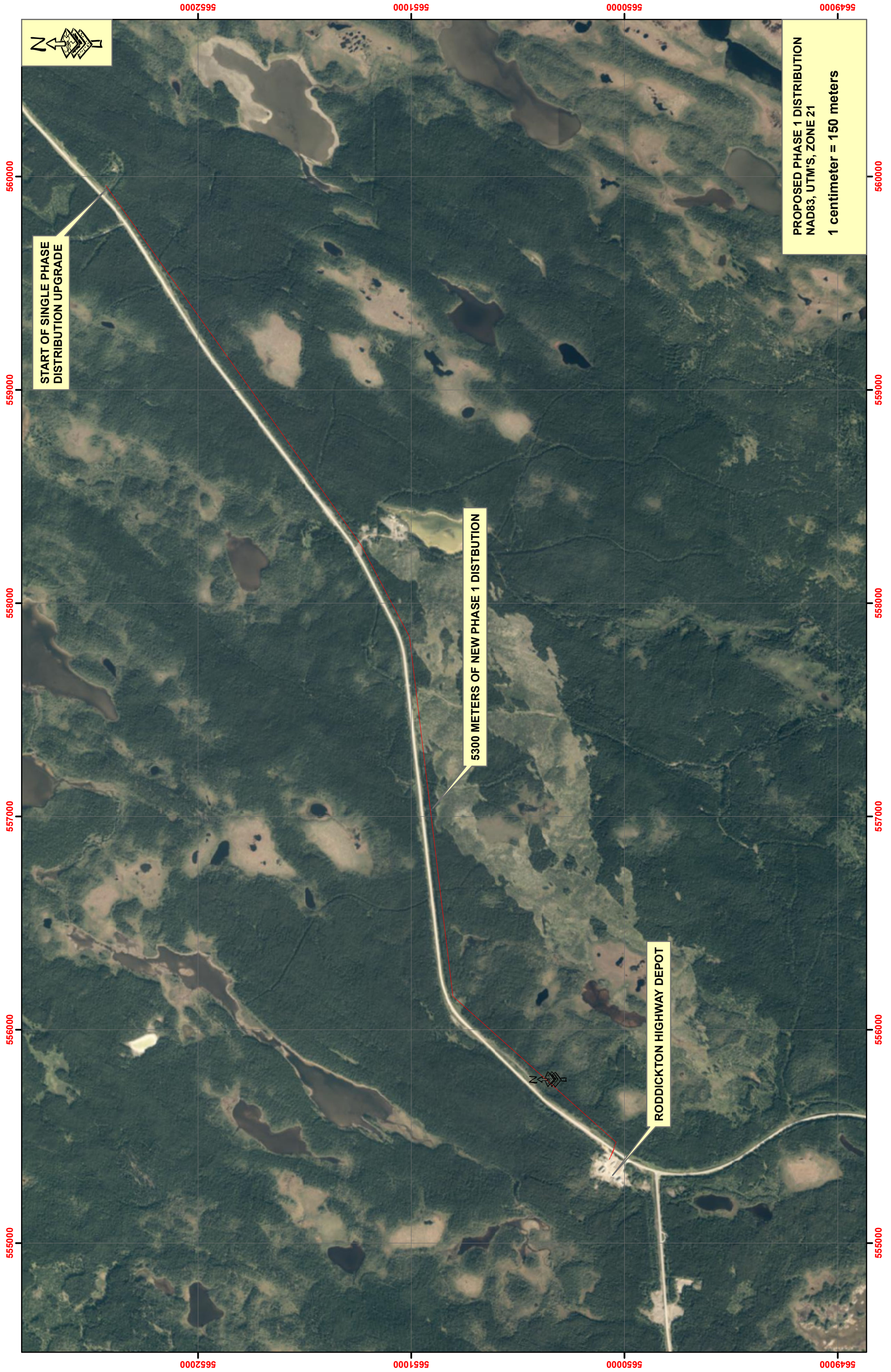
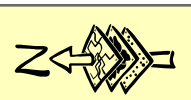


START OF SINGLE PHASE  
DISTRIBUTION UPGRADE

5300 METERS OF NEW PHASE 1 DISTRIBUTION

RODDICKTON HIGHWAY DEPOT

PROPOSED PHASE 1 DISTRIBUTION  
NAD83, UTM'S, ZONE 21  
1 centimeter = 150 meters





# Schedule 3

## Contribution in Aid of Construction Calculation

Roddickton Highway Depot – Roddickton



**Contribution in Aid of Construction<sup>1</sup>  
General Service  
Single-Phase Extension**

**Customer:** Government of Newfoundland and Labrador **File #:** 486.85.50/0.23.1582963

**Location:** Roddickton Highway Depot - Roddickton

**Particulars:** Single-Phase Service Requested  
Service Requires a 5,300-metre Line Extension  
Customer Estimates Demand at 87.87 kW

Detailed Construction Cost	\$ 846,700.00 (a)
Operations and Maintenance Factor <sup>2</sup>	<u>7.10%</u>
Operations and Maintenance Amount	<b>\$ 60,115.70 (b)</b>
Construction Cost + O&M (a+b)	\$ 906,815.70
Joint Use Credit <sup>3</sup>	(228,600.00)
Less: Company Basic Investment <sup>4</sup>	(5,145.00)
Less: Load Based Investment <sup>5</sup>	<u>(10,950.00)</u>
Contribution In Aid of Construction (before HST)	\$ 662,120.70
HST (15%)	<u>\$ 99,318.11</u>
<b>Total Contribution in Aid of Construction</b>	<b><u>\$ 761,438.81</u></b>

<sup>1</sup> Using detailed estimated construction cost.

<sup>2</sup> From 2023 CIAC Costing Manual. Percentage of Maintenance over Life of Asset.

<sup>3</sup> 40% of installed cost of poles.

<sup>4</sup> As per sections 3(i) and 3 (iv) and Appendix A of the CIAC Policy for General Service Customers.  
(85m + 20m Right of Way @ \$49\$/m).

<sup>5</sup> The connected load provided by the customer is 87.87kW. An estimated peak demand of 60KVA less 10KVA derives the 50KVA used for this calculation as per section 4b and Appendix B of the CIAC Policy for General Service Customers.

# Schedule 4

CIAC Quote

CIAC Quote Acceptance

Application for Service

Roddickton Highway Depot – Roddickton





Newfoundland and Labrador Hydro  
Hydro Place, 500 Columbus Drive  
P.O. Box 12400, St. John's, NL  
Canada A1B 4K7  
t. 709.737.1400 | f. 709.737.1800  
nlhydro.com

September 27, 2023

Ford Budden  
Transportation and Infrastructure  
PO Box 2006  
Corner Brook, NL A2H 6J8

**All information contained in this letter is subject to the approval of the Board of Commissioners of Public Utilities. All calculations are subject to change, based on the ruling of this Board.**

Dear Ford Budden:

Thank you for your inquiry on the availability and cost of providing single phase electrical service to your highway depot located at the junction of Route 432 and 433. According to the Contribution in Aid of Construction (CIAC) Policy approved by the Board of Commissioners of Public Utilities, general service customers are sometimes required to pay a portion of the construction cost of the line extension. The amount of the charge depends on both the length of the extension required and the energy requirements of the customer.

Two years following the connection of the electrical service the CIAC will be reviewed to determine the accuracy of the estimated load requirements provided to us. It is therefore important that the original load information be as accurate as possible. The CIAC will be recalculated using the actual load data for the 12 months preceding the review and if there is a variation of more than \$100.00 from the original CIAC, the difference will be applied to the electricity account for this service as either a credit, or an additional charge.

A Hydro representative has reviewed your request and has developed a design for the line extension. The cost to construct the distribution infrastructure to supply your facility is \$673,070.70. Based on your facility requiring a single phase service with an total connected load of 88 KVA and an estimated maximum demand of 60 KVA, Hydro will provide an additional investment credit of \$10,950.00 toward the line construction and upgrade. Your contribution toward the construction of the extension (CIAC) is \$662,120.70 + \$99,318.11 HST totaling \$761,438.81. If the above load data is not accurate please contact us before November 27, 2023 with the correct information as your CIAC requirement may be adjusted as a result of the two-year review.



Ford Budden  
Transportation and Infrastructure  
September 27, 2023

Page 2 of 3

Your CIAC Reference Number for the above quote is 1582963 and is valid until March 27, 2024. After this date, a new quotation must be calculated to reflect possible changes in labor and material costs. Hydro reserves the right to make adjustments within this six (6) month period if errors are discovered in the calculation of this estimate, in which case you will be notified immediately of the change.

This CIAC will require PUB approval. If you wish to proceed with this request please sign and return the enclosed Quote Acceptance Form so that Hydro may proceed with preparation of an application to the PUB for approval of this project.

Hydro will not proceed with construction of the line extension until the following is received:

- Payment of the CIAC.
- A completed and duly signed copy of the enclosed Quote Acceptance Form.
- A completed and duly signed copy of the enclosed Application for Service Form.

Construction of your line extension, and your entitlement to any refunds or partial refunds of your CIAC, are subject to the following conditions:

1. Before construction begins, Hydro requires standard easement rights for any portion of the line that will be constructed over private property. This ensures that Hydro has access to the line and equipment should the need arise. Hydro will arrange for any necessary easements. If however, easements cannot be obtained for the proposed route, an alternate route will be determined and a corresponding CIAC will be calculated.

Please note: it may take 12 months to obtain easements from the Provincial Crown Lands Department if the line extension involves Crown Land. Permission for line construction and related work near bodies of water will take considerably longer due to stringent environmental regulations.

2. Should additional customers connect to the line extension within 10 years from the date of its construction, you may be entitled to a refund. Hydro will calculate the refund in accordance with established guidelines as approved by the Board of Commissioners of Public Utilities. Refunds will only be applicable if a CIAC is required after the 2 year review.
3. Hydro shall make all reasonable efforts to identify when a CIAC refund is required due to additional customers connecting to the line extension and to

Ford Budden  
Transportation and Infrastructure  
September 27, 2023

Page 3 of 3

ensure the appropriate refund is paid within 90 days of any new connection. If your refund is not processed within 90 days of the connection of another customer, the refund amount will earn interest for each day past the 90-day deadline.

4. Hydro retains legal title to the line and may connect other customers to it at any time.
5. Hydro is responsible for the maintenance of the line and for its eventual replacement.

Newfoundland and Labrador Hydro looks forward to serving you. If you require additional information regarding your CIAC, please call toll-free at 1-888-737-1296 between 8:30 a.m. and 4:00 p.m., Monday to Friday.

Sincerely yours,  
**NEWFOUNDLAND & LABRADOR HYDRO**



Nicholas Kardos  
Customer Services

Enclosures

H.S.T Registration #121394928RT0001

c.c. K. Slade, NLH – St. Anthony  
J MacKinnon, NLH – St. Anthony  
M. LaVallee, NLH – Bishop Falls  
File: 486.85.50/0.23.1582963



Newfoundland and Labrador Hydro  
Hydro Place, 500 Columbus Drive  
P.O. Box 12400, St. John's, NL  
Canada A1B 4K7  
t. 709.737.1400 | f. 709.737.1800  
nhydro.com

### CIAC Quote Acceptance - General Service

All rates and fees charged for electric service, and the Rules and Regulations governing the provision of that service, are approved by the Rules & Regulations governing the provision of that service, are approved by the Newfoundland and Labrador Board of Commissioners of Public Utilities.

The undersigned ("the Customer") requests Newfoundland and Labrador Hydro ("the Company") to provide electrical service at the location listed below.

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CIAC Reference No: 1582963

Customer Name: \_\_\_\_\_ Current Account No: \_\_\_\_\_

Consultants Name (if applicable): \_\_\_\_\_


Property Location: Junction of Route 432 and 433- Roddickton-Highway-Depot

Present Mailing Address: \_\_\_\_\_

City/Town: \_\_\_\_\_ Province: \_\_\_\_\_ Postal Code: \_\_\_\_\_

Present Street Address: \_\_\_\_\_ City/Town: \_\_\_\_\_

Home Phone No: \_\_\_\_\_ Work Phone No: \_\_\_\_\_

Customer's Signature:  Date: February 26, 2024

Customer's Title: Greg Clarke Occupation: ADM, Infrastructure

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The basic level of company investment provided to all new general service customers is 85 metres of single phase line extension. Additional company investment may be provided depending on the customer's load requirements and resulting revenue to Newfoundland and Labrador Hydro. This additional investment will be based on the estimated demand and energy consumption derived from the load information provided by you.

All CIACs are reviewed after two years from the date of construction of the line extension to determine the accuracy of load information used in the CIAC calculation process. Variations in recalculated CIAC amounts of \$100 or greater will be applied to the customer's account (the revised amount may result in either a refund or an addition charge).

Please indicate whether you wish to accept any additional load based company investment at this time or whether you would prefer to await the results of our two year review:

I wish to accept the additional load based company investment now. I acknowledge I will be subject to a 2 year review and any variance of \$100 or greater will be charged / credited to my account.

I do not wish to accept the additional load based company investment at this time. I would prefer to await the results of the two year review.

By accepting the additional load based company investment now, I agree to pay to the Company a contribution in aid of construction of \$ 761,438.81 (including HST) for provision of that service. By declining to accept the additional load based company investment now, I agree to pay to the Company a contribution in aid of construction of \$ 774,031.31 (including HST) for provision of that service.



Application For Service  
 New Service

Customer Information			
Account Number	00059127		
Name	DEPT OF TRANSPORTATION & WORKS		
I.D. (S.I.N./D.L.)		Spouse/Co-Occupant	
Address	PO BOX 8700		
City	ST. JOHN'S	Province	NL
Postal Code	A1B 4J6		
Telephone	709 6372551	Business Telephone	
Fax		Email Address	GNIInvoices@gov.nl.ca
Service Address		Type of Business	
Previous Account #		Landlord	
Previous Customer		Class of Service	GOV
Water Heating	Cooking	Space Heating	Electric Heating
Meter Information			
Meter Number		Connection Date	
K.W.H Reading		Installed By	
Demand Reading		Setting	
Phase		Dial	
Serial Number		Type	
Retest		Bill Mult.	
Primary Metering		Customer Owned Transformer	
Connected Load			
K.W.		K.V.A	
Remarks			
CIAC WO#1582963			

**Contract**  
 The undersigned hereby applies to Newfoundland and Labrador Hydro (Hydro) for the class of electric service indicated above to be rendered at the service address designated above and agrees to pay the rates to be charged for this service and to abide by the rules and regulations under which it is rendered, which rates, rules and regulations shall be as now prescribed by, or for, Hydro and as may be at any time, and from time to time, amended. acceptance of this application by, or for, Hydro, as evidenced by a properly authorized signature, shall constitute a contract binding upon the undersig and Hydro. Such contract shall be for a period of one year from the date hereof and from month to month thereafter.

Accepted by the Customer Service Department on behalf of Hydro on this 27th day of September, 2023

Copies of rates, rules and regulations are available on request

Signature of Applicant



# Affidavit



**IN THE MATTER OF** the *Electrical Power Control Act, 1994*, SNL 1994, Chapter E-5.1 (“EPCA”) and the *Public Utilities Act, RSNL 1990*, Chapter P-47 (“Act”), and regulations thereunder


**IN THE MATTER OF** an application by Newfoundland and Labrador Hydro (“Hydro”) for approval of a Contribution in Aid of Construction (“CIAC”) for a line extension for the Department of Transportation and Infrastructure.

**AFFIDAVIT**

I, Dana Pope, of St. John’s in the province of Newfoundland and Labrador, make oath and say as follows:

- 1) I am Vice President, Regulatory and Stakeholder Relations, Newfoundland and Labrador Hydro, the applicant named in the attached application.
- 2) I have read and understand the foregoing application.
- 3) To the best of my knowledge, information, and belief, all of the matters, facts, and things set out in this application are true.

**SWORN** at St. John’s in the province of Newfoundland and Labrador this 29th day of February 2024, before me:

  
Commissioners for Oaths, Newfoundland and Labrador  
*Michael Latha*  
*Barrister, NL*

  
Dana Pope