P.U. 21 (2003)

IN THE MATTER OF the **PUBLIC UTILITIES ACT**, R.S.N. 1990, c. P-47, as amended (the "*Act*")

AND

IN THE MATTER OF the application by Newfoundland Power Inc. (the "Applicant") for approval of a contribution in aid of construction ("CIAC") for a line extension to serve seasonal customers (the "Customers") pursuant to section 41(5) of the *Act*.

WHEREAS the Applicant is a corporation duly organized and existing under the laws of the Province of Newfoundland and Labrador, is a public utility within the meaning of the *Act*, and is also subject to the provisions of the *Electrical Power Control Act*, *1994;* and

WHEREAS the Customers consist of thirteen (13) Seasonal Customers whose residences are

located at Mansfield Pond near Brigus Junction; and

WHEREAS the Customers have requested that the Applicant provide their residences at Mansfield Pond with single-phase electrical service which, in order to so provide, requires the construction of a single-phase extension of 2,917 metres (the "Extension"); and WHEREAS the Extension will not be jointly used by the Applicant and Aliant Telecom Inc.; and

WHEREAS a CIAC for the Extension has been calculated in accordance with Clauses 5(b) and 5(c) of the CIAC Policy: Distribution Line Extensions to Residential and Seasonal Residential Customers approved by Order No. P.U. 7 (1997-98) dated September 30, 1997 (the "Policy") and the CIAC thus calculated is Six thousand six hundred twenty-eight dollars and sixty cents (\$6,628.60), including HST, for each Seasonal Customer; and

WHEREAS the construction cost of the Extension is \$75,842 and Clause 12 (a) of the Policy requires all Line extensions involving CIACs where the construction costs are estimated to be greater than \$25,000 to be submitted to the Board for approval; and

WHEREAS Clause 12(c) of the Policy states that all CIACs for Main Line extensions for primarily seasonal residential customers be submitted to the Board for approval; and

WHEREAS the proposed CIAC is necessary to ensure that the Applicant's investment in the Extension is compensatory over the useful life of the Extension and will not be to the detriment of the Applicant's other customers; and

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

IT IS THEREFORE ORDERED THAT:

Pursuant to Section 41(5) of the *Act*, the Board approves the contribution in aid of construction in the amount of Six thousand six hundred twenty-eight dollars and sixty cents (\$6,628.60), including HST, for each Seasonal Customer, as calculated under the Policy.

DATED at St. John's, Newfoundland and Labrador, this 10th day of July, 2003.

Robert Noseworthy, Chair & Chief Executive Officer.

Darlene Whalen, P.Eng., Vice-Chairperson.

Barbara Thistle, Assistant Board Secretary.