

P.U. 39 (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’ residences are located at Woodford’s Station Road, Holyrood
and the Customers consist of two (2) seasonal residents of the area; and

WHEREAS in November 2000, the Company constructed a 373-metre single-phase line extension to connect Mr. Doug Edison, one of the Customers, and Mr. Edison paid a contribution in aid of construction (CIAC) of Eight thousand two hundred ninety-three dollars and eighty cents (\$8,293.80), including HST, an amount approved by the Board in order No. P.U. 29 (2000-2001); and

WHEREAS the Applicant has received a request to provide the seasonal residence of Ms. Lesley Ann Ryan at Woodford's Station Road with single-phase electrical service which, in order to so provide, requires the utilization of the existing 373-metre extension constructed in 2000 and the construction of a further 272 metres of single-phase line (the "Extension"); and

WHEREAS only the existing 373-metre portion of the Extension will be jointly used by the Applicant and Aliant Telecom Inc.; and

WHEREAS a CIAC has been calculated in accordance with Clause 5(b) and Clause 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 nine hundred ninety-two dollars and fifty-eight cents (\$6,992.58), including HST; 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 Applicant's CIAC Handbook as filed with the Board contains a guideline that limits the length of an individual customer's Service Line that can be included in the calculation of a CIAC in respect of an extension serving primarily seasonal customers; and

WHEREAS the intent of this guideline, which is a deviation from the Policy, is to avoid having other customers share the costs attributable to unusually long Service Lines across customers' private property; and

WHEREAS the application of this guideline results in a further contribution of One thousand nine hundred forty-three dollars and fifty cents (\$1,943.50), including HST, being charged to Lesley Ann Ryan; and

WHEREAS Clause 12(b) of the Policy states that all deviations from the Policy in the calculation of CIACs for Line extensions must 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 s. 37 of the Act.

IT IS THEREFORE ORDERED THAT:

Pursuant to Section 41(5) of the Act, the Board approves the:

- (1) contribution in aid of construction in the amount of Six thousand nine hundred ninety-two dollars and fifty-eight cents (\$6,992.58), including HST, for each Customer, as calculated under the Policy; and
- (2) additional contribution in aid of construction in the amount of One thousand nine hundred forty-three dollars and fifty cents (\$1,943.50), including HST, to be charged to Ms. Lesley Ann Ryan.

DATED at St. John's, Newfoundland and Labrador, this 4th day of December, 2003.

Robert Noseworthy,
Chair & Chief Executive Officer.

Darlene Whalen, P.Eng.
Vice-Chair.

G. Cheryl Blundon,
Board Secretary.