

P.U. 8 (2004)

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 for a line extension to serve
the Town of Avondale ("the Customer")
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 Customer will operate a pumping station located at Lee's Pond near Avondale; and

WHEREAS the Customer has requested that the Applicant provide its facility at Lee's Pond with three-phase electrical service which, in order to so provide, requires the upgrade of 346 metres of two-phase line and 417 metres of single-phase line to three-phase standard and the construction of a further 749 metres of three-phase line (the "Extension"); and

WHEREAS the Extension will not be jointly used by the Applicant and Aliant Telecom Inc.; and

WHEREAS the maximum demand estimated for the Customer's facility is less than 75 kW and in accordance with Regulation 5(b) of the Applicant's Rates, Rules and Regulations approved by the Board from time to time, a contribution in aid of construction ("CIAC") is required to cover the cost of transformers, equipment and any line extension or upgrade required to provide three-phase service and the CIAC thus calculated is reduced by the value of any single-phase plant supported by the projected revenue from the Customer; and

WHEREAS a CIAC of the Extension has been calculated in accordance with Clause 5(b) of the CIAC Policy: Distribution Line Extensions and Upgrades to General Service Customers, approved by Order No. P.U. 7 (1997-98) dated September 30, 1997 (the "Policy"), which calculation assumes the Extension will supply service to a pumping station with an estimated peak demand of 13.0 kW and the CIAC thus calculated is Fifty thousand nine hundred nine-one dollars (\$50,991.00) including HST; and

WHEREAS the estimated construction cost of the Extension is \$42,840.00 and Clause 11(a) of the Policy states that all Lines Extensions or Upgrades involving CIACs in which the construction costs are estimated to be greater than \$25,000 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.

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 Fifty thousand nine hundred ninety-one dollars (\$50,991.00), including HST, as calculated under the Policy to provide three-phase service to a pumping station for the Town of Avondale.

DATED at St. John's, Newfoundland and Labrador, this 9th day of March, 2004.

Robert Noseworthy,
Chair & Chief Executive Officer.

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

G. Cheryl Blundon,
Board Secretary.