

P.U. 33(2006)

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**IN THE MATTER OF the
PUBLIC UTILITIES ACT,
R.S.N.L. 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 cottage area 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 are Domestic Customers with residences located in a Cottage Area
known as The Pond That Feeds The Brook located near North River, Conception Bay and the
Customers consist of twenty-eight (28) potential residents of the Cottage Area; and

WHEREAS a number of the Customers (the “Participating Customers”) have requested that the
Applicant provide their residences with single-phase electrical service and provision of the requested
service requires that the Applicant construct approximately 5,123 metres of single-phase line (the
“Extension”); and

1 **WHEREAS** the Participating Customers have requested the Non-Refundable CIAC Option
2 provided for in Clause 6 of the CIAC Policy: Distribution Line Extensions to Domestic Customers
3 approved by Order No. P.U. 27 (2005), dated November 2, 2005 (the “Policy”); and
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5 **WHEREAS** the Policy provides that the minimum Participation Percentage necessary to avail of the
6 Non-Refundable CIAC Option is 50% and, to date, 14 out of the 28 Customers have accepted
7 service for a Participation Percentage of 50%; and
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9 **WHEREAS** a CIAC has been calculated in accordance with Clause 6(a) of the Policy, and the
10 CIAC thus calculated is Five thousand eight hundred fifteen dollars and sixty-three cents
11 (\$5,815.63), including HST, for each Customer; and
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13 **WHEREAS** the sum of the CIAC calculated pursuant to Clause 6(a) and the Basic Investment
14 calculated pursuant to Clause 3 is \$133,952 and Clause 10(i) of the Policy states that the Applicant
15 shall apply to the Board for approval of all CIACs where the sum of the CIAC calculated pursuant to
16 Clause 5(a) or Clause 6(a) and the Basic and Additional Investment calculated pursuant to Clauses 3
17 and 4 is greater than \$50,000; and
18

19 **WHEREAS** the proposed CIAC is necessary to ensure that the Applicant’s investment in the
20 Extension is compensatory over the useful life of the Extension and will not be to the detriment of
21 the Applicant’s other customers.

1 **IT IS THEREFORE ORDERED THAT:**

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3 Pursuant to Section 41(5) of the *Act*, the Board approves the Non-Refundable Contribution in Aid of
4 Construction in the amount of Five thousand eight hundred fifteen dollars and sixty-three cents
5 (\$5,815.63), including HST, per Customer as calculated under the Policy, to provide single-phase
6 service to Domestic Customers located in The Pond That Feeds The Brook Cottage Area, near North
7 River, Conception Bay.

DATED at St. John's, Newfoundland and Labrador, this 20th day of October 2006.

Robert Noseworthy
Chair & Chief Executive Officer

Darlene Whalen, P.Eng.
Vice-Chair

G. Cheryl Blundon
Board Secretary