

P.U. 2(2007)

1
2 **IN THE MATTER OF** the
3 **PUBLIC UTILITIES ACT,**
4 R.S.N.L. 1990, c. P-47, as amended
5 (the “*Act*”)
6

7 **AND**
8

9 **IN THE MATTER OF** the application by
10 Newfoundland Power Inc. (the “Applicant”)
11 for approval of:

- 12 (i) a contribution in aid of construction
13 (“CIAC”) for a line extension to
14 serve Domestic Customers residing in a
15 cottage area (the “Customers”)
16 pursuant to section 41(5) of the *Act*; and
17 (ii) a deviation from the CIAC Policy applicable
18 to Domestic Customers (the “Policy”) in
19 relation to the calculation of the
20 participation percentage as provided for in
21 Clause 6 (a)(ii) of the Policy.
22

23 **WHEREAS** the Applicant is a corporation duly organized and existing under the laws of the
24 Province of Newfoundland and Labrador, is a public utility within the meaning of the *Act*, and is
25 also subject to the provisions of the *Electrical Power Control Act, 1994*; and
26

27 **WHEREAS** the Customers are Domestic Customers with cottage properties located in a Cottage
28 Area at Nine Island Pond near Roaches Line, and the Customers consist of forty-five (45) potential
29 residents of the Cottage Area; and
30

31 **WHEREAS** a number of the Customers (the “Participating Customers”) have requested that the
32 Applicant provide their residences with single-phase electrical service and provision of the requested
33 service requires that the Applicant construct approximately 5,026 metres of single-phase line (the
34 “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
4

5 **WHEREAS** a CIAC has been calculated in accordance with Clause 6(a) of the Policy, and the
6 CIAC thus calculated is Three thousand three hundred ninety-three dollars and fifty-three cents
7 (\$3,393.53), including HST, for each Customer; and
8

9 **WHEREAS** the Policy provides that the minimum Participation Percentage necessary to avail of the
10 Non-Refundable CIAC Option is 50%, or 23 out of the 45 potential residents of the area; and
11

12 **WHEREAS** due to a clerical error the Applicant initially calculated a CIAC of \$3,520.70 on the
13 basis of 44 (rather than 45) potential residents and advised the Customers that payment of the CIAC
14 would be required from 22 (rather than 23) Customers in order to proceed with the provision of
15 service to the area; and
16

17 **WHEREAS** the Applicant has received a written commitment to accept service and payment of the
18 minimum down payment from 22 Customers, for a Participation Percentage of 49%; and
19

20 **WHEREAS** a Participation Percentage of 50% would be achieved if a single additional Customer
21 paid the minimum down payment, but the Applicant has stated that it is unlikely it will receive
22 another minimum down payment prior to construction of the Extension; and
23

24 **WHEREAS** the Applicant, pursuant to Clause 10 (ii) of the Policy, requests that the Board approve
25 a Non-Refundable CIAC of Three thousand three hundred ninety-three dollars and fifty-three cents
26 (\$3,393.53); including HST, for each customer of the Cottage Area, and a deviation from the Policy
27 with respect to the participation of 49%, rather than 50%, of the Customers; and

1 **WHEREAS** the Board is satisfied that approval of the requested deviation from the Policy is
2 reasonable in the circumstances.

3

4 **IT IS THEREFORE ORDERED THAT:**

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6 Pursuant to Section 41(5) of the *Act*, the Board approves the Non-Refundable Contribution in Aid of
7 Construction in the amount of Three thousand three hundred ninety-three dollars and fifty-three
8 cents (\$3,393.53), including HST, per Customer as calculated under the Policy, and the deviation
9 from the Policy as requested in the Application, to provide single-phase service to Domestic
10 Customers located in a Cottage Area located at Nine Island Pond near Roaches Line.

DATED at St. John's, Newfoundland and Labrador, this 22nd day of January 2007.

Robert Noseworthy
Chair & Chief Executive Officer

Darlene Whalen, P.Eng.
Vice-Chair

G. Cheryl Blundon
Board Secretary