

**NEWFOUNDLAND AND LABRADOR  
BOARD OF COMMISSIONERS OF PUBLIC UTILITIES**

**AN ORDER OF THE BOARD**

**NO. P.U. 31(2016)**

1 **IN THE MATTER OF** the *Electrical Power*  
2 *Control Act, 1994*, SNL 1994, Chapter E-5.1 (the  
3 “*EPCA*”) and the *Public Utilities Act*, RSNL 1990,  
4 Chapter P-47 (the “*Act*”), as amended, and regulations  
5 thereunder; and  
6

7 **IN THE MATTER OF** an application by  
8 Newfoundland Power Inc. for approval of:

- 9 (1) a Contribution in Aid of Construction for a line  
10 extension to serve Domestic Customers in the  
11 cottage area known as Stagg Pond, near  
12 Glovertown, pursuant to section 41  
13 of the *Act*; and  
14 (2) a deviation from the Contribution in Aid of  
15 Construction applicable to Domestic Customers in  
16 relation to the calculation of the participation percentage  
17 as provided for in clause 6(a)(ii) of the policy.  
18  
19

20 **WHEREAS** Newfoundland Power Inc. (“Newfoundland Power”) is a corporation duly  
21 organized and existing under the laws of the Province of Newfoundland and Labrador, is a public  
22 utility within the meaning of the *Act*, and is also subject to the provisions of the *EPCA*; and  
23

24 **WHEREAS** on June 23, 2016 Newfoundland Power filed an application for approval of a  
25 Contribution in Aid of Construction (“CIAC”) for a single-phase line extension of approximately  
26 8,102 metres (the “Extension”) to serve Domestic Customers in a cottage area known as Stagg  
27 Pond, near Glovertown; and  
28

29 **WHEREAS** 17 potential customers of the area (the “Participating Customers”) have requested  
30 that Newfoundland Power provide electrical service; and  
31

32 **WHEREAS** the Participating Customers have requested the Non-Refundable CIAC Option  
33 provided for in Clause 6 of the CIAC Policy: Distribution Line Extensions to Domestic  
34 Customers approved by Order No. P.U. 27 (2005) (the “Policy”); and  
35

36 **WHEREAS** the Non-Refundable CIAC, calculated in accordance with Clause 6 of the Policy, is  
37 nine thousand six hundred forty-six dollars and four cents (\$9,646.04), excluding HST; and

1 **WHEREAS** the sum of the Non-Refundable CIAC calculated pursuant to Clause 6 and the Basic  
2 Investment calculated pursuant to Clause 3 exceeds \$50,000, and therefore, in accordance with  
3 Clause 10(i) of the Policy Board approval is required; and  
4

5 **WHEREAS** the Policy provides that the minimum participation percentage necessary to avail of  
6 the Non-Refundable CIAC Option is 50% and, to date, 17 out of the 36 customers, constituting a  
7 participation percentage of 47.2%, have provided Newfoundland Power with written  
8 confirmation that they will accept service and pay the approved CIAC; and  
9

10 **WHEREAS** a participation percentage of 50% would be achieved if one additional customer  
11 paid the minimum down payment and Newfoundland Power believes that at least one additional  
12 customer will pay the approved CIAC upon completion of construction of the Extension and  
13 provision of electricity service to the area; and  
14

15 **WHEREAS** pursuant to Clause 10(ii) of the Policy Newfoundland Power is required to apply to  
16 the Board for any deviation from the Policy; and  
17

18 **WHEREAS** Newfoundland Power, pursuant to section 41(5) of the *Act*, requests that the Board  
19 approve a Non-Refundable CIAC of nine thousand six hundred forty-six dollars and four cents  
20 (\$9,646.04), excluding HST, for each customer of the Cottage Area; and  
21

22 **WHEREAS** Newfoundland Power, pursuant to Clause 10(ii) of the Policy, requests that the  
23 Board relax the requirement of the Policy that 50% of the Participating Customers must pay at  
24 least the minimum down payment on their CIAC prior to the commencement of construction of  
25 the Extension; and  
26

27 **WHEREAS** the proposed CIAC is necessary to ensure that Newfoundland Power's investment  
28 is compensatory over the useful life of the Extension and will not be to the detriment of  
29 Newfoundland Power's other customers, and the Board is satisfied that a deviation from the  
30 policy with regards to minimum participation percentage for the non-refundable CIAC option  
31 should be approved in this circumstance.  
32  
33

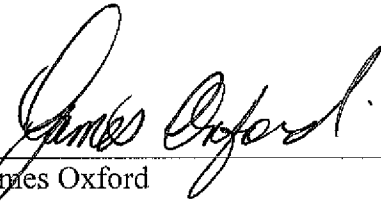
34 **IT IS THEREFORE ORDERED THAT:**  
35

- 36 1. The Non-Refundable Contribution in Aid of Construction of nine thousand six hundred  
37 forty-six dollars and four cents (\$9,646.04), excluding HST, to apply to Domestic  
38 Customers located in the cottage area known as Stagg Pond, near Glovertown, is approved.  
39
- 40 2. A deviation from the Policy requirement respecting down payments to allow  
41 Newfoundland Power to commence construction of the Extension is approved.  
42
- 43 3. Newfoundland Power shall pay all expenses of the Board arising from this Application.

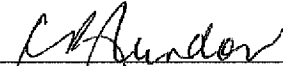
DATED at St. John's, Newfoundland and Labrador, this 14<sup>th</sup> day of July, 2016.



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Darlene Whalen, P.Eng.  
Vice-Chair



\_\_\_\_\_  
James Oxford  
Commissioner



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Cheryl Blundon  
Board Secretary