

P.U. 22(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 and Labrador Hydro (the “Applicant”)
for approval of a Contribution in Aid of Construction
(“CIAC”) for a single-phase line extension to serve
a Microwave Communications Tower located on
Moliak Hill, near Rigolet, Labrador, 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
subject to the provisions of the *Electrical Power Control Act, 1994*; and

WHEREAS Aliant Telecom Incorporated (the “Customer”) has requested the Applicant to
supply single-phase electrical service to a Microwave Communications Tower located on Moliak
Hill, near Rigolet, Labrador, and

WHEREAS the Customer has requested that the Applicant provide single-phase electrical service which, in order to so provide, requires the extension of approximately nine thousand (9,000) metres of single-phase distribution line to serve an expected demand between 10 kW and 350 kVA; and

WHEREAS 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”), requires the Applicant to calculate CIACs for General Service Customers with a demand between 10 kW and 350 kVA by the applicable Cost per Metre; and

WHEREAS the Applicant has applied for approval of a CIAC that deviates from the Policy in that it is using the detailed method for CIAC calculation using the “estimated construction costs” as set out in Clause 5(c) instead of the method set out in Clause 5(b) that uses the approved “Cost per metre” values; and

WHEREAS Clause 11(b) of the Policy states that the Applicant shall apply to the Board for approval of any deviations from the Policy in the calculation of CIACs for Line Extensions; and

WHEREAS the Applicant has calculated a total CIAC for the Line Extension in accordance with Clause 5(c) of the Policy, which calculation assumes the Non Joint-Use Line Extension will supply service to one (1) general service customer and the total CIAC thus calculated is five hundred seventy thousand eight hundred forty-six dollars (\$570,846.00), including HST; and

WHEREAS the total estimated construction cost of the Line Extension is \$570,846.00 and Clause 11(a) of the Policy states that all Line Extensions or Upgrades involving CIACs where the construction costs are estimated to be greater than \$25,000 must be submitted to the Board for approval; and

WHEREAS the proposed expenditures on the Line Extension are necessary for the Applicant to provide service and facilities to the Customer which are reasonably safe and adequate and just and reasonable as required pursuant to s. 37 of the Act; and

WHEREAS the proposed CIAC is necessary to ensure that the Applicant's investment in the Line Extension is compensatory over the useful life of the Line 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 five hundred seventy thousand, eight hundred and forty-six dollars (\$570,846.00), including HST, for the supply of single-phase electrical service to one (1) general service customer, Aliant Telecom Incorporated's Microwave Communications Tower site, located on Moliak Hill, near Rigolet, Labrador as calculated under the Policy.

Dated at St. John's, Newfoundland and Labrador, this 6th day of July, 2004.

Robert Noseworthy,
Chair and Chief Executive Officer.

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

G. Cheryl Blundon,
Director of Corporate Services
and Board Secretary.