

1 **P.U. 29(2006)**
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4 **IN THE MATTER OF THE PUBLIC**
5 **UTILITIES ACT**, R.S.N.L. 1990, c. P-47,
6 as amended (the “*Act*”)
7

8 **AND**
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10 **IN THE MATTER OF** the revised application by
11 Newfoundland and Labrador Hydro (the “Applicant”)
12 for approval of a Contribution in Aid of Construction
13 (“CIAC”) for a single-phase line extension to serve
14 Aliant Telecom Incorporated’s Rocky Ridge Communications
15 Tower located off the Burgeo Highway, Route 480,
16 pursuant to Section 41(5) of the *Act*.
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21 **WHEREAS** the Applicant is a corporation duly organized and existing under the laws of the
22 Province of Newfoundland and Labrador, is a public utility within the meaning of the *Act*, and is
23 subject to the provisions of the *Electrical Power Control Act, 1994*; and
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25 **WHEREAS** Aliant Telecom Incorporated (the “Customer”) has requested the Applicant to supply
26 approximately 8,000 metres of single-phase electrical service to its Rocky Ridge Communications
27 Tower located off the Burgeo Highway, Route 480; and
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29 **WHEREAS** the Applicant applied for and received an Order from the Board on April 7, 2006
30 (Order No. P.U. 11, 2006) approving a customer contribution from Aliant Telecom in the amount of
31 \$432,736.00, including HST, for the construction of this distribution line; and

1 **WHEREAS** after the aforesaid Order was issued but prior to any construction having occurred, the
2 Applicant determined that there were unforeseen market increases in construction costs from those
3 used in the calculation for the CIAC, which increases were then communicated to the Customer; and

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5 **WHEREAS** the Customer has agreed to pay a revised CIAC based upon these increased costs in the
6 amount of \$537,927.00 including HST; and

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8 **WHEREAS** Clause 10(ii) of the Policy states that the Applicant shall apply to the Board for
9 approval of all Line extensions or Upgrades involving CIACs where the costs of the Line Extension
10 or Upgrade are calculated pursuant to Clause 5(e); and

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12 **WHEREAS** the proposed expenditures on the Line extension are necessary for the Applicant to
13 provide service and facilities to the Customer which are reasonably safe and adequate and just and
14 reasonable as required pursuant to section 37 of the *Act*; and

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16 **WHEREAS** the proposed CIAC is necessary to ensure that the Applicant's investment in the Line
17 Extension is compensatory over the useful life of the Line extension and will not be to the detriment
18 of the Applicant's other customers.

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1 **IT IS THEREFORE ORDERED THAT:**

- 2 1. Order No. P.U. 11 (2006) dated April 7, 2006, approving a contribution in aid of
3 construction in the amount of \$432,736.00, including HST, be and it is hereby rescinded.
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- 5 2. Pursuant to section 41(5) of the *Act*, the Board approves the revised contribution in aid of
6 construction in the amount of \$537,927.00, including HST, for the supply of single-phase
7 electrical service to one general service customer, Aliant Telecom Incorporated's Rocky
8 Ridge Communications Tower, located off the Burgeo Highway, Route 480, as calculated
9 under the Policy.

Dated at St. John's, Newfoundland and Labrador, this 27th day of September 2006.

Robert Noseworthy
Chair and Chief Executive Officer

Darlene Whalen, P.Eng.
Vice-Chair

G. Cheryl Blundon
Board Secretary