

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

**AN ORDER OF THE BOARD**

**NO. P.U. 23(2010)**

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*”) and regulations thereunder;

5  
6 **AND**  
7

8 **IN THE MATTER OF** an application by  
9 Newfoundland and Labrador Hydro (“Hydro”) for  
10 approval of a contribution in aid of construction  
11 (“CIAC”) for a line extension to serve Domestic  
12 Customers residing in the Flatwater Pond Northeast  
13 Cottage Area near the community of Baie Verte,  
14 pursuant to Subsection 41(5) of the *Act*.

15  
16  
17 **WHEREAS** Hydro is a corporation duly organized and existing under the laws of the  
18 Province of Newfoundland and Labrador, is a public utility within the meaning of the *Act*,  
19 and is also subject to the provisions of the *EPCA*; and

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21 **WHEREAS** on June 25, 2010 the Board received an application from Newfoundland and  
22 Labrador Hydro for approval of a CIAC for a line extension to the Customers; and

23  
24 **WHEREAS** the customers are Domestic Customers with residences in a cottage area known  
25 as Flatwater Pond Northeast located near the Town of Baie Verte and the customers consist  
26 of forty-three (43) potential residents of the cottage area; and

27  
28 **WHEREAS** a number of the customers (the “Participating Customers”) have requested that  
29 Hydro provide their residences with single-phase electrical service and provision of the  
30 requested service requires that Hydro construct approximately 4,833 metre single phase line  
31 (the “Extension”); and

32  
33 **WHEREAS** the Participating Customers have requested the Non-Refundable CIAC Option  
34 provided for in Clause 6 of the CIAC Policy; Distribution Line Extensions to Domestic  
35 Customers approved by Order No. P.U. 27 (2005), dated November 2, 2005 (the “Policy”);  
36 and

37  
38 **WHEREAS** the Policy provides that the minimum Participation Percentage necessary to  
39 avail of the Non-Refundable CIAC Option is 50% and to date, 25 of the 43 customers have  
40 accepted service for a Participation Rate of 58%; and

1 **WHEREAS** a CIAC has been calculated in accordance with Clause 6(a) of the policy,  
2 and the CIAC thus calculated is three thousand eighty-six dollars and fifteen cents  
3 (\$3,086.15), excluding HST; and

4  
5 **WHEREAS** the sum of the CIAC calculated pursuant to Clause 6(a) of the Policy and the  
6 Basic Investment calculated pursuant to Clause 3 is \$106,163.50, and Clause 10(i) of the  
7 Policy states that Newfoundland and Labrador Hydro shall apply to the Board for approval of  
8 all CIACs where the sum of the CIAC calculated pursuant to Clause 5(a) or Clause 6(a) and  
9 the Basic and Additional Investment calculated pursuant to Clauses 3 and 4 is greater than  
10 \$50,000.00; and

11  
12 **WHEREAS** the proposed CIAC is necessary to ensure that Hydro's investment in the line  
13 extension is compensatory over the useful life of the line extension and will not be to the  
14 detriment of Hydro's other customers.

15  
16 **IT IS THEREFORE ORDERED THAT:**

- 17  
18 1. The Board approves the Non-Refundable CIAC of three thousand eighty-six dollars and  
19 fifteen cents (\$3,086.15) excluding HST, as calculated under the Policy to apply to  
20 Domestic Customers located in the cottage area known as Flatwater Pond Northeast.  
21  
22 2. Hydro shall pay all expenses of the Board arising from this Application.

**Dated** at St. John's, Newfoundland and Labrador, this 6<sup>th</sup> day of July, 2010.

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Darlene Whalen, P.Eng.  
Vice-Chair

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James Oxford  
Commissioner

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G. Cheryl Blundon  
Board Secretary