

April 2, 2025

Board of Commissioners
of Public Utilities
P.O. Box 21040
120 Torbay Road
St. John's, NL A1A 5B2

Attention: Jo-Anne Galarneau
Executive Director and Board Secretary

Dear Ms. Galarneau:

Re: Application for Approval of a Contribution in Aid of Construction ("CIAC") for Cottage Area Customers located at Joe Batts Pond near Gander

Please find enclosed Newfoundland Power Inc.'s (the "Company") application for approval of the above noted CIAC for a single-phase extension to serve Domestic Customers' residences in the Joe Batts Pond Cottage Area. The Applicant seeks approval under Clause 10(i) of the CIAC Policy: Distribution Line Extensions to Domestic Customers (the "Policy").

This application was originally prepared for filing in March of 2022.¹ The Company recently became aware that the application was not filed at that time due to human error.² The calculations underpinning this application are based on the CIAC cost factors approved by the Board in Order No. P.U. 39 (2020), which were in effect at the time the CIAC was quoted to customers in August 2021.

There is a total of one hundred ninety-six (196) potential Domestic Customers in the Joe Batts Pond Cottage Area. The customers requesting service have requested the Non-Refundable CIAC Option provided for in Clause 6 of the Policy.

The minimum participation rate necessary for customers to avail of the Non-Refundable CIAC Option is 50%. There are further threshold participation rates of 66% and 80%. In March of

¹ Section 41(6) of the *Public Utilities Act* and section 10 of the Policy are not prescriptive as to the timing of an application for Board approval of CIACs; however, the Company's historical practice has been to apply for Board approval once the minimum participation rate threshold has been achieved.

² The Company has determined the source of the internal error. The Company has identified controls and process improvements which will prevent a similar error in the future.

2022, 112 of the 196 customers (a participation rate of 57%) had agreed to accept service and had deposited the minimum down payment amount.

The Non-Refundable CIAC has been calculated in accordance with Clause 6(a) of the Policy on the basis of the participation threshold rate of 50% and the CIAC cost factors approved in Order No. PU. 39 (2020). The Non-Refundable CIAC thus calculated is \$10,199.94 (excluding HST).

A draft of the Order requested is enclosed for the Board's convenience. Should you have any questions on the application, please contact the undersigned.

Yours truly,



Dominic Foley
Legal Counsel

Enclosures

IN THE MATTER OF the *Public Utilities Act*, (the “Act”); and

IN THE MATTER OF an Application by Newfoundland Power Inc. for approval of a contribution in aid of construction for a line extension to serve Domestic Customers residing in Joe Batts Pond Cottage Area (the “Customers”) pursuant to s. 41(5) of the Act.

TO: The Board of Commissioners of Public Utilities (the “Board”)

THE APPLICATION OF Newfoundland Power Inc. (the “Applicant”) **SAYS THAT:**

1. 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*.
2. The Customers’ residences are situated in a Cottage Area known as Joe Batts Pond located near the Town of Gander. The Customers consist of one hundred ninety-six (196) potential residents of the area.
3. A number of the Customers have requested that the Applicant provide their residences with single-phase electrical service. Provision of the requested service requires that the Applicant construct approximately 35,850 metres of single-phase line (the “Extension”). Schedule A to this Application contains a drawing of the Extension.
4. The participating Customers have requested the Non-Refundable Contribution In Aid Of Construction (“CIAC”) Option provided for in Clause 6 of the CIAC Policy: Distribution Line Extensions to Domestic Customers approved by Order No. P.U. 27 (2005), dated November 2, 2005, (the “Policy”).
5. The minimum Participation Percentage necessary to avail of the Non-Refundable CIAC Option is 50%. In March of 2022, 112 of the 196 Customers had accepted service. This is a Participation Percentage of 57%.
6. The sum of the CIAC calculated pursuant to Clause 6(a) and the Basic Investment calculated pursuant to Clause 3 is \$1,599,350.00 and is set out in Schedule B. Clause 10(i) of the Policy states that the Applicant shall apply to the Board for approval of all CIACs where the sum of the CIAC calculated pursuant to Clause 5(a) or Clause 6(a) and the Basic and Additional Investment calculated pursuant to Clauses 3 and 4 is greater than \$50,000.

7. A CIAC is required for the Extension as stipulated in Clause 1 of the Policy. The CIAC calculated in accordance with Clause 6(a) of the Policy is ten thousand one hundred ninety-nine dollars and ninety-four cents (\$10,199.94), excluding HST. Schedule B to this Application is a detailed calculation of the CIAC. The CIAC as calculated in Schedule B was quoted to customers in August 2021 by way of a Quote Acceptance Form.
8. Communications with respect to this Application should be forwarded to the attention of Dominic Foley, Counsel to the Applicant.
9. **THE APPLICANT REQUESTS** that the Board approve, pursuant to s. 41(5) of the Act, the CIAC as calculated in Schedule B to this Application.

DATED at St. John's, Newfoundland and Labrador, this 2nd day of April, 2025.

NEWFOUNDLAND POWER INC.



Dominic Foley
Newfoundland Power Inc.
P.O. Box 8910
55 Kenmount Road
St. John's, NL A1B 3P6

Telephone: (709) 737-5500 ext. 6200
Telecopier: (709) 737-2974

IN THE MATTER OF the *Public Utilities Act*, (the “Act”); and

IN THE MATTER OF an Application by Newfoundland Power Inc. for approval of a contribution in aid of construction for a line extension to serve Domestic Customers residing in Joe Batts Pond Cottage Area (the “Customers”) pursuant to s. 41(5) of the Act.

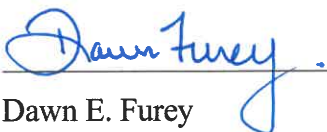
AFFIDAVIT

I, Dawn E. Furey, of the City of St. John’s in the Province of Newfoundland and Labrador, make oath and say as follows:

1. THAT I am employed with Newfoundland Power Inc. as Team Lead, CIAC and Risk Management;
2. THAT I have read and understand the foregoing Application; and
3. THAT, to the best of my knowledge, information and belief, all matters, facts and things set out in this Application are true.

SWORN TO before me at
The City of St. John’s, in the Province of
Newfoundland and Labrador
this 2nd day of April, 2025:


Barrister


Dawn E. Furey



NOTES:

DWG #	TITLE
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REFERENCE DRAWINGS

REV	DATE	DESCRIPTION	APPROVED
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REVISION HISTORY



PROVINCE OF NEWFOUNDLAND AND LABRADOR
pegnl
ENGINEERING
PERMIT D0134

NEWFOUNDLAND POWER INC.

Signature or Member Number
(Member-in-Responsible Charge)

SITE: JOE BATTS POND

PROJECT: COTTAGE DEVELOPMENT PROJECT #

TITLE:

REV DESCRIPTION:


DESIGNED: D. GEORGE CHECKED: N/A

DRAWN: D. GEORGE APPROVED:


SCALE: N.T.S.	DRAWING NUMBER SHEET 2	REVISION
DATE: 2022/03/10	2 OF 3	

DWG #		TITLE	
REFERENCE DRAWINGS			
REV	DATE	DESCRIPTION	APPROVED

REVISION HISTORY



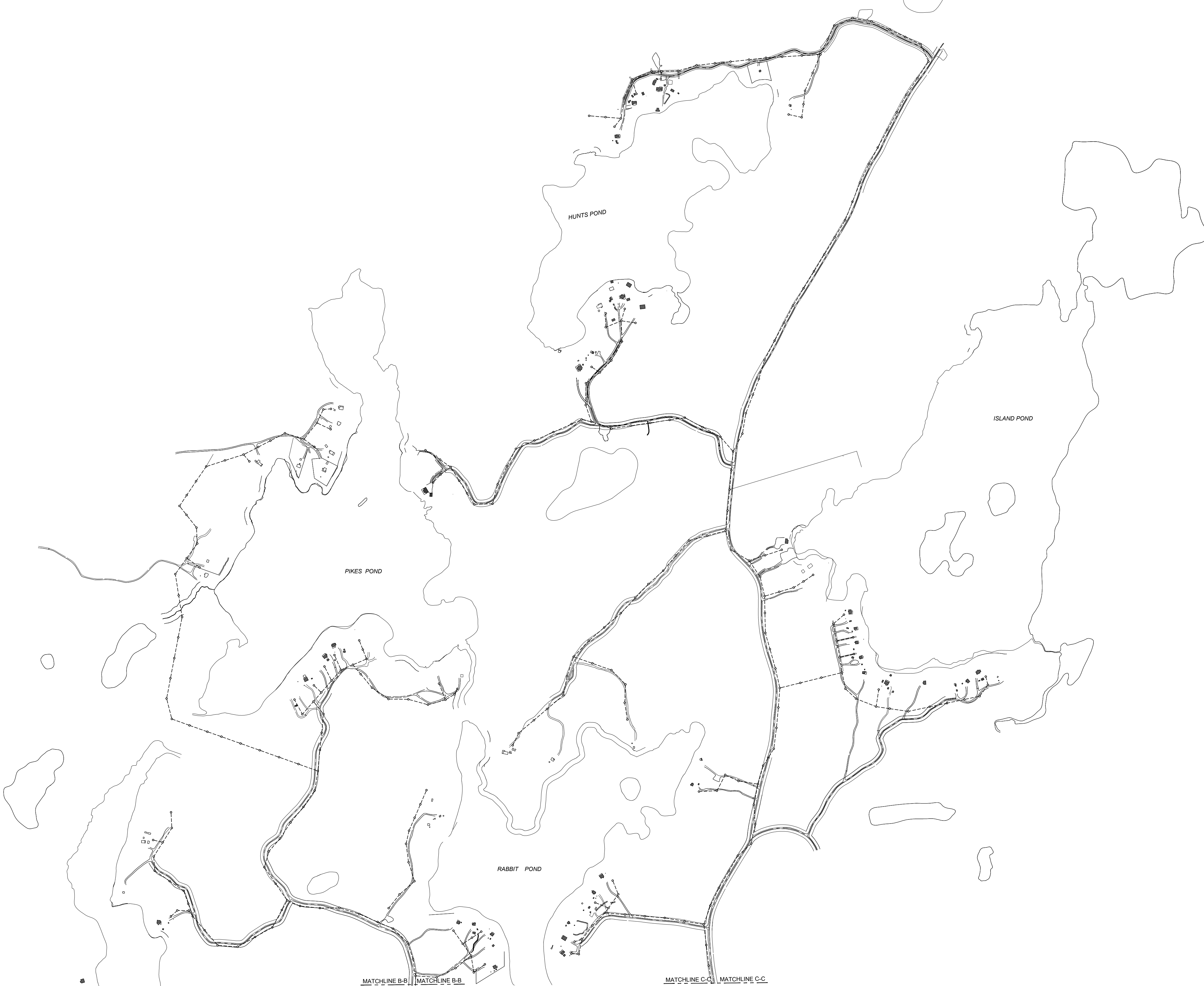
NEWFOUNDLAND
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PROVINCE OF NEWFOUNDLAND AND LABRADOR
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DATE: 2022/03/10	SHEET 3	
	3 OF 3	
	REVISION	



MAIN LINE EXTENSION - 31,000 METERS
SERVICE LINES/DROPS - 4,850 METERS
TOTAL: 35,850 METERS

MATCHLINES B-B AND C-C - END POINT

Contribution in Aid of Construction¹
Joe Batts Pond Cottage Area

Estimated Construction Cost (for total potential of 196 cottage lots):

Main Line Extension	31,000 Metres @ \$45/metre	\$ 1,395,000.00
Service Line	4,850 Metres @ \$45/metre	\$ 218,250.00
Clearing Distance	23,500 Metres @ \$4/metre	\$ 94,000.00
Easements (194 @ \$400 per Easement)		77,600.00
Corner Brook Pulp and Paper Limited Timber Limits Fee		35,000.00
Total Estimated Construction Cost		\$ 1,819,850.00

Minimum CIAC Calculation:

Total Estimated Construction Cost	\$ 1,819,850.00
Less: Company Investment (196 lots x 25 metres x \$45.00 per metre)	(220,500.00)
Total CIAC Amount for Full Cottage Area (196 customers)	\$ 1,599,350.00
Minimum CIAC per Customer (\$1,599,350/ 196 customers)	\$ 8,159.95

Non-refundable CIAC Calculation

Total Potential Cottage Lots	196
Number of Customers Accepting Service ²	112
Participation Percentage	57%
CIAC Cost Adjustment Factor (from Table 1 of the Policy)	25%
Minimum CIAC per Customer	\$ 8,159.95
Add: CIAC Cost Adjustment (25% x \$8,159.95)	2,039.99
Adjusted CIAC Amount (before HST)	<u>\$ 10,199.94</u>

¹ Calculations are based on CIAC cost factors approved in Order No. P.U. 39 (2020).

NEWFOUNDLAND AND LABRADOR

AN ORDER OF THE BOARD OF COMMISSIONERS OF PUBLIC UTILITIES

NO. P.U. ____ (2025)

IN THE MATTER OF THE PUBLIC
UTILITIES ACT, R.S.N. 1990,
CHAPTER P-47 (THE “ACT”)

AND

IN THE MATTER OF THE APPLICATION
BY NEWFOUNDLAND POWER INC.
(THE “APPLICANT”) FOR APPROVAL OF A
CONTRIBUTION IN AID OF CONSTRUCTION
FOR A LINE EXTENSION TO SERVE
COTTAGE AREA CUSTOMERS (THE “CUSTOMERS”)
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 also subject to the provisions of the *Electrical Power Control Act, 1994*;

AND WHEREAS the Customers are Domestic Customers with residences located in a Cottage Area known as Joe Batts Pond located near the Town of Gander and the Customers consist of One hundred ninety-six (196) potential residents of the Cottage Area;

AND WHEREAS a number of the Customers (the “Participating Customers”) have requested that the Applicant provide their residences with single-phase electrical service and provision of the requested service requires that the Applicant construct approximately 35,850 metres of single-phase line (the “Extension”);

AND WHEREAS the Participating Customers have requested the Non-Refundable Contribution in Aid of Construction (“CIAC”) Option provided for in Clause 6 of the CIAC Policy: Distribution Line Extensions to Domestic Customers approved by Order No. P.U. 27 (2005), dated November 2, 2005, (the “Policy”);

AND WHEREAS the Policy provides that the minimum Participation Percentage necessary to avail of the Non-Refundable CIAC Option is 50%, and in March of 2022, 112 of the 196 Customers had accepted service for a Participation Percentage of 57%;

AND WHEREAS the sum of the CIAC calculated pursuant to Clause 6(a) and the Basic Investment calculated pursuant to Clause 3 is \$1,599,350.00 and Clause 10(i) of the Policy states that the Applicant shall apply to the Board for approval of all CIACs where the sum of the CIAC calculated pursuant to Clause 5(a) or Clause 6(a) and the Basic and Additional Investment calculated pursuant to Clauses 3 and 4 is greater than \$50,000;

AND WHEREAS a CIAC is required for the Extension as stipulated in Clause 1 of the Policy. The CIAC calculated in accordance with Clause 6(a) of the Policy is ten thousand one hundred ninety nine dollars and ninety-four cents (\$10,199.94), excluding HST;

IT IS THEREFORE ORDERED THAT:

1. The Board approves the Non-Refundable CIAC of ten thousand one hundred ninety-nine dollars and ninety-four cents (\$10,199.94), excluding HST, as calculated under the Policy to apply to Domestic Customers located in the Cottage Area known as Jonathan's Pond pursuant to s. 41(5) of the Act.
2. The Applicant shall pay all expenses of the Board arising from this Application.

DATED at St. John's, Newfoundland and Labrador, this day of , 2025.

Jo-Anne Galarneau
Executive Director and Board Secretary