

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

**AN ORDER OF THE BOARD  
NO. P.U. 7(2013)**

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**  
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8 **IN THE MATTER OF** an application by  
9 Newfoundland and Labrador Hydro for  
10 approval of a contribution in aid of construction  
11 for an upgrade of a distribution line from  
12 single-phase to three-phase for the Red Ochre  
13 Regional Development Board pursuant to  
14 Section 41 of the *Act*.

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16  
17 **WHEREAS** Newfoundland and Labrador Hydro ("Hydro") is a corporation continued and  
18 existing under the *Hydro Corporation Act, 2007*, is a public utility within the meaning of  
19 the *Act*, and is also subject to the provisions of the *EPCA*; and  
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21 **WHEREAS** the Red Ochre Regional Economic Development Board (the "Customer") has  
22 requested that Hydro upgrade approximately 5.5 kilometers of the electrical distribution  
23 system in Daniel's Harbour from a single-phase service to a three-phase service; and  
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25 **WHEREAS** the Customer has advised Hydro that the primary purpose for the upgrade is to  
26 facilitate economic growth in the region and specifically to meet the immediate electrical  
27 requirements of Brophy's Dairy Farm in Daniel's Harbour; and  
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29 **WHEREAS** on March 7, 2013 the Board received an application from Hydro for approval  
30 of a CIAC to upgrade existing single-phase lines to provide a three-phase service to  
31 Brophy's Dairy Farm in Daniel's Harbour; and  
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33 **WHEREAS** the estimated construction cost of the Upgrade is \$278,987.40 and is based on  
34 a detailed engineering estimate in accordance with Clause 5(e) of the CIAC Policy:  
35 Distribution Line Extensions and Upgrades to General Service Customers, approved by  
36 Order No. P.U. 27(2005) dated November 2, 2005 (the "Policy"); and

1 **WHEREAS** a CIAC for the upgrade has been calculated in accordance with Clause 5(e) of  
2 the Policy and the CIAC thus calculated is \$262,871.09, excluding HST; and

3  
4 **WHEREAS** Clause 10(ii) of the Policy states that Hydro shall apply to the Board for  
5 approval of all line extensions or upgrades involving CIACs where the costs of the line  
6 extension or upgrade are calculated pursuant to Clause 5(e); and

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8 **WHEREAS** approval of the proposed CIAC is reasonable and prudent to ensure that  
9 Hydro’s investment in the upgrade is compensatory over the useful life of the upgrade and  
10 not to the detriment of Hydro’s other customers.

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12  
13 **IT IS THEREFORE ORDERED THAT:**

- 14  
15 1. The Contribution in Aid of Construction of Two hundred and sixty-two thousand eight  
16 hundred seventy-one dollars and nine cents (\$262,871.09), excluding HST, as  
17 calculated under the policy to provide three-phase service to Brophy’s Dairy Farm in  
18 Daniels's Harbour for the Red Ochre Regional Economic Development Board is  
19 approved.  
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21 2. Hydro shall pay all expenses of the Board arising from this Application.

**DATED** at St. John's, Newfoundland and Labrador, this 15<sup>th</sup> day of March, 2013.

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Darlene Whalen, P.Eng.  
Vice-Chair

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James Oxford  
Commissioner

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Cheryl Blundon  
Board Secretary