

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

AN ORDER OF THE BOARD

NO. P.U. 27(2023)

1 **IN THE MATTER OF** the **Electrical Power**
2 **Control Act, 1994**, SNL 1994, Chapter E-5.1
3 (the “**EPCA**”) and the **Public Utilities Act**,
4 RSNL 1990, Chapter P-47 (the “**Act**”), as
5 amended, and regulations thereunder; and
6

7 **IN THE MATTER OF** an application by
8 Newfoundland Power Inc. for approval of
9 a Contribution in Aid of Construction to provide
10 three-phase service to two dairy farms located
11 in the Town of Cormack, pursuant to section 41
12 of the **Act**.
13
14

15 **WHEREAS** Newfoundland Power Inc. (“Newfoundland Power”) is a corporation duly organized
16 and existing under the laws of the Province of Newfoundland and Labrador, is a public utility
17 within the meaning of the **Act**, and is also subject to the provisions of the **EPCA**; and
18

19 **WHEREAS** on October 2, 2023 Newfoundland Power filed an application for approval of a
20 Contribution in Aid of Construction (“CIAC”) for a line extension to provide three-phase service
21 to two dairy farms located in the Town of Cormack; and
22

23 **WHEREAS** pursuant to Clause 5(e) of the CIAC Policy: Distribution Line Extensions and Upgrades
24 to General Service Customers approved by Order No. P.U. 27(2005) (the “Policy”), detailed
25 engineering cost estimates will be used when the cost of a line extension or upgrade calculated
26 using the applicable Cost per Metre is estimated to be greater than \$100,000; and
27

28 **WHEREAS** to provide the requested three-phase electrical service it is necessary to upgrade 4,159
29 metres of single-phase to three-phase, upgrade 2,100 metres of two-phase to three phase and
30 construct a 247 metre three-phase extension and the estimated construction cost, based on a
31 detailed engineering estimate in accordance with Clause 5(e) of the Policy, is one million three
32 hundred and eighty-one thousand three hundred and ninety-eight dollars and fifty-eight cents
33 (\$1,381,398.58); and
34

35 **WHEREAS** the CIAC, calculated in accordance with Clause 5(e) of the Policy, is one million one
36 hundred and fifty-two thousand three hundred and fifty-nine dollars and fifty-eight cents
37 (\$1,152,359.58), excluding HST; and

1 **WHEREAS** Clause 5(c) of the Policy states that, in cases where the Line extension or Upgrade will
2 be shared by more than one customer, the CIAC will be apportioned based on the length of the
3 Line extension or Upgrade required to serve each customer; and
4

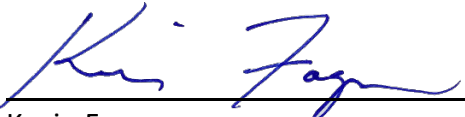
5 **WHEREAS** Clause 10(ii) of the Policy states that Newfoundland Power shall apply to the Board for
6 approval of all line extensions or upgrades involving CIACs where the cost of the line extension
7 or upgrade is calculated pursuant to Clause 5(e); and
8

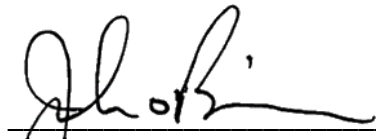
9 **WHEREAS** the proposed CIAC is necessary to ensure Newfoundland Power’s investment is
10 compensatory over the useful life of the extension and will not be to the detriment of its other
11 customers.
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13
14 **IT IS THEREFORE ORDERED THAT:**
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- 16 1. The Contribution in Aid of Construction of one million one hundred and fifty-two thousand
17 three hundred and fifty-nine dollars and fifty-eight cents (\$1,152,359.58), excluding HST, for
18 a line extension to provide three-phase service to two dairy farms located in the Town of
19 Cormack is approved.
20
21 2. Newfoundland Power shall pay all expenses of the Board arising from this Application.

DATED at St. John’s, Newfoundland and Labrador, this 13th day of October 2023.


Kevin Fagan
Chair and Chief Executive Officer


John O'Brien, FCPA, FCA, CISA
Commissioner


Jo-Anne Galarneau
Board Secretary