

WHENEVER. WHEREVER.
We'll be there.



October 2, 2023

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

Attention: Jo Galarneau
Executive Director and Board Secretary

Dear Ms. Galarneau:

**Re: Application for Approval of a Contribution in Aid of Construction ("CIAC") for
Three-Phase Service for Dairy Farms in the Town of Cormack**

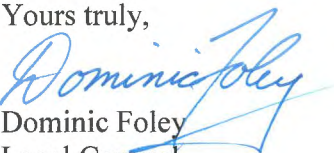
Please find enclosed Newfoundland Power Inc.'s (the "Company") application for approval of the above noted CIAC for a line extension to provide three-phase service to two (2) dairy farms, one located on Veterans Drive and one located on Spruce Avenue, in the Town of Cormack.

In order to provide the requested service, it is necessary to upgrade 4,159 metres of single-phase to three-phase, upgrade 2,100 metres of two-phase to three-phase and construct a 247 metre three-phase extension (the "Extension"). The total estimated cost of the line extension, using the applicable cost per metre factors, exceeds \$100,000. As such, section 5(e) of the Company's CIAC Policy: Distribution Line Extensions and Upgrades to General Service Customers (the "Policy") requires the completion of a detailed engineering cost estimate.

The construction cost of the proposed line extension based on the detailed engineering estimate is \$1,381,398.58 (excluding HST). Section 10(ii) of the Policy further requires that all extensions or upgrades involving CIACs calculated in accordance with section 5(e) of the Policy be submitted to the Board for approval.

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

Newfoundland Power Inc.

55 Kenmount Road • P.O. Box 8910 • St. John's, NL A1B 3P6
PHONE (709) 737-5500 ext. 6200 • FAX (709) 737-2974 • dfoley@newfoundlandpower.com

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 three-phase service for two dairy farms in the Town of Cormack (the “Customers”) pursuant to section 41(5) of the Act.

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

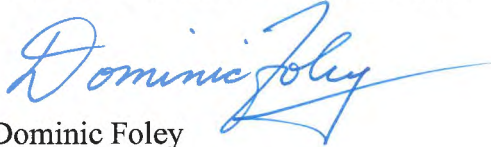
THE APPLICATION OF Newfoundland Power Inc. (the “Applicant”) **SAYS THAT:**

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 operate two dairy farms, one located on Veterans Drive and one located on Spruce Avenue, in the Town of Cormack.
3. The Customers have requested that the Applicant provide two dairy farms, one located on Veterans Drive and one located on Spruce Avenue, in the Town of Cormack with three-phase electrical service. In order to provide the requested service, it is necessary to upgrade 4,159 metres of single-phase to three-phase, upgrade 2,100 metres of two-phase to three-phase and construct a 247 metre three-phase extension (the “Extension”). Schedule A to this Application contains a drawing of the Extension.
4. A contribution in aid of construction (“CIAC”) for the Extension has been calculated in accordance with section 5(e) of the CIAC Policy: Distribution Line Extensions and Upgrades to General Service Customers, approved by Order No. P.U. 27 (2005), dated November 2, 2005 (the “Policy”). Based on a detailed engineering estimate as required by section 5(e) of the Policy, the estimated construction cost of the Extension is \$1,381,398.58. Schedule B to this Application contains a detailed calculation of the construction cost.
5. The Extension will supply service to two dairy farms with an estimated peak demand of 108 kW and 66 kW, respectively. As a result of the farms’ forecast load, as well as the remaining life credit, the CIAC calculated is \$1,152,359.58 excluding HST. Schedule B to this Application also contains the detailed calculation of the CIAC.

6. Section 10(ii) of the Policy states that the Company shall apply to the Board for approval of all line extensions or upgrades involving CIACs where the cost of the line extension or upgrade is calculated pursuant to section 5(e) of the Policy.
7. The proposed CIAC as calculated in Schedule B is necessary to ensure that the Applicant's investment in the Extension is compensatory over the useful life of the extension and will not be to the detriment of the Applicant's other customers.
8. This Application seeks approval of the CIAC as calculated in accordance with the Policy.
9. Communications with respect to this Application should be forwarded to the attention of Dominic Foley, Counsel to the Applicant.
10. **THE APPLICANT REQUESTS** that the Board approve, pursuant to section 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 October, 2023.

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
Facsimile: (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 three-phase service for two dairy farms in the Town of Cormack (the “Customers”) pursuant to section 41(5) of the Act.

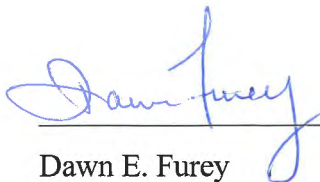
AFFIDAVIT

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

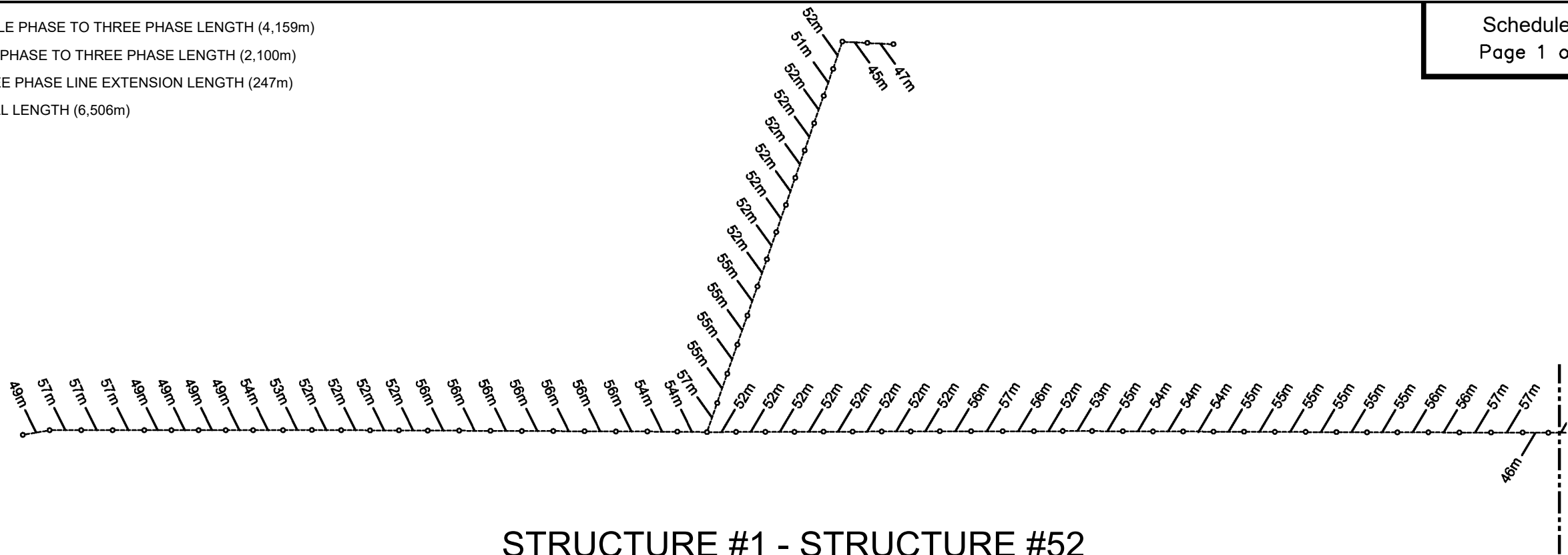
1. THAT I am employed with Newfoundland Power Inc. as Team Lead, CIAC and Risk Management;
2. THAT I have read and understand the foregoing Application; and
3. THAT, to the best of my knowledge, information and belief, all matters, facts and things set out in the Application are true.

SWORN TO before me at the City of St. John’s, in the Province of Newfoundland and Labrador
This 2nd day of October, 2023:

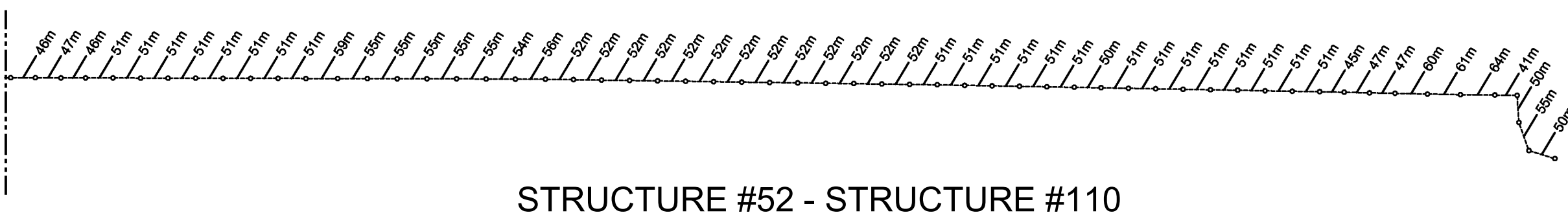

Barrister


Dawn E. Furey

SINGLE PHASE TO THREE PHASE LENGTH (4,159m)
 TWO PHASE TO THREE PHASE LENGTH (2,100m)
 THREE PHASE LINE EXTENSION LENGTH (247m)
 TOTAL LENGTH (6,506m)



STRUCTURE #1 - STRUCTURE #52



STRUCTURE #52 - STRUCTURE #110



Title:		CORMACK FARMS, NL	
NEW THREE PHASE UPGRADE			
Scale:	N.T.S.	Drawn:	D. GEORGE
Date:	2023/09/28	App:	
		DWG No. 426900 SHEET 1 OF 1	

**CONTRIBUTION IN AID OF CONSTRUCTION
GENERAL SERVICE**

CUSTOMER: Dairy Farms in the Town of Cormack
Location: Veterans Drive / Spruce Avenue, Cormack

BASIS OF ESTIMATE Upgrade 4,159 metres of single-phase line to three-phase
Upgrade 2,100 metres of two-phase line to three-phase
Construct 247 metres of new three-phase line

Material & Other Costs

Material Costs (excluding poles)	\$ 247,577.88
Poles and Anchors	-
Clearing	87,543.75
Flagging	17,066.00
Surveying	12,000.00
Easements	1,600.00
Miscellaneous	48,236.00
Total Material & Other Costs	<u>\$ 414,023.63</u>

Labour Costs

Labour (Newfoundland Power)	376,015.20
Contract Labour	-
Total Labour Costs	<u>\$ 376,015.20</u>
Engineering & Supervision (15% of labour cost)	56,402.28

Sub-total	<u>\$ 432,417.48</u>
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Total Material, Labour & Other Costs	\$ 846,441.11
General Expenses Capitalized (3%)	25,393.23

Total Construction Costs	<u>\$ 871,834.34</u>
Operating & Maintenance Charge (7.1%)	61,900.24

Aliant Transfer Charge	447,664.00
Costs for CIAC	<u>\$ 1,381,398.58</u>

Less: Three-Phase Minimum Company Investment	(11,900.00) ¹
Less: Additional Load Based Investment	(43,582.00) ²
Less: Remaining Life Credit	(173,557.00)
	<u>\$ 1,152,359.58</u>

¹ Refer to calculation - page 2 of 2 - Schedule B

² Refer to calculation - page 2 of 2 - Schedule B

**CONTRIBUTION IN AID OF CONSTRUCTION
GENERAL SERVICE**

CUSTOMER: Dairy Farms in the Town of Cormack
Location: Veterans Drive / Spruce Avenue, Cormack

Service #1	Farm #1		
<i>Three-Phase Minimum Company Investment (85 metres X \$70/metre)</i>			\$5,950.00
<i>Additional Load Based Investment with Demand > 10 kW</i>			
Estimated Peak Demand		108 kW	
Estimated Annual Load Factor		45.0 %	
<u>Demand > 10 kW</u>	<u>X</u>	<u>Plant Support Factor</u>	
98		\$283.00	\$27,734.00
<hr/>			
Company Investment for Service #1:			<hr/> \$33,684.00 <hr/>

Service #2	Farm #2		
<i>Three-Phase Minimum Company Investment (85 metres X \$70/metre)</i>			\$5,950.00
<i>Additional Load Based Investment with Demand > 10 kW</i>			
Estimated Peak Demand		66 kW	
Estimated Annual Load Factor		45.0 %	
<u>Demand > 10 kW</u>	<u>X</u>	<u>Plant Support Factor</u>	
56		\$283.00	\$15,848.00
<hr/>			
Company Investment for Service #2:			<hr/> \$21,798.00 <hr/>
<hr/>			
Total Three-Phase Minimum Company Investment			<hr/> \$11,900.00 <hr/>
Total Additional Load Based Investment:			<hr/> \$43,582.00 <hr/>

NEWFOUNDLAND AND LABRADOR

AN ORDER OF THE BOARD OF COMMISSIONERS OF PUBLIC UTILITIES

NO. P.U. ____ (2023)

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 THREE-PHASE SUPPLY FOR TWO
DAIRY FARMS IN THE TOWN OF CORMACK
(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 subject to the provisions of the *Electrical Power Control Act, 1994*;

AND WHEREAS the Customers operate dairy farms, one located on Veterans Drive and one located on Spruce Avenue, in the Town of Cormack, in the Province of Newfoundland and Labrador;

AND WHEREAS the Customers have requested that the Applicant provide its facilities with three-phase electrical service and in order to provide the requested service, it is necessary to upgrade 4,159 metres of single-phase to three-phase, upgrade 2,100 metres of two-phase to three-phase and construct a 247 metre three-phase extension (the “Extension”);

AND WHEREAS a contribution in aid of construction (“CIAC”) of the Extension has been calculated in accordance with section 5(e) of the CIAC Policy: Distribution Line Extensions and Upgrades to General Service Customers, approved by Order No. P.U. 27 (2005), dated November 2, 2005 (the “Policy”), which calculation assumes the Extension will supply service to two dairy farms with an estimated peak demand of 108 kW and 66 kW, respectively, and the CIAC thus calculated is \$1,152,359.58 excluding HST;

AND WHEREAS the estimated construction cost of the Extension is \$1,381,398.58 and is based on a detailed engineering estimate in accordance with section 5(e) of the Policy;

AND WHEREAS section 10(ii) of the Policy requires the Company to apply to the Board for approval of all line extensions or upgrades involving CIACs where the cost of the line extension or upgrade is calculated pursuant to section 5(e);

AND WHEREAS the proposed CIAC is necessary to ensure that the Applicant’s investment in the Extension is compensatory over the useful life of the Extension and will not be to the detriment of the Applicant’s other customer.

IT IS THEREFORE ORDERED THAT:

1. The Board approves the CIAC of \$1,152,359.58 excluding HST, as calculated under the Policy to provide three-phase supply to two dairy farms, one located on Veterans Drive and one located on Spruce Avenue, in the Town of Cormack pursuant to section 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 2023.

G. Cheryl Blundon
Board Secretary