

P.U. 4 (2002-2003)

IN THE MATTER OF the
PUBLIC UTILITIES ACT,
R.S.N. 1990, c. P-47, as amended
("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
Pitcher's Pond Golf Inc. ("the Customer") 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 Customer will operate a golf course located near the Town of Whiteway; and

WHEREAS the Customer has requested that the Applicant provide its facility with three-phase
electrical service for a pump house and single-phase electrical service for a clubhouse which, in
order to so provide, requires the upgrade of 3,200 metres of two-phase line to three-phase standard
and the construction of 935 metres of additional three-phase line and 200 metres of single-phase line
the "Extension"); and

WHEREAS the Extension will not be jointly used by the Applicant and Aliant Telecom Inc.; and

WHEREAS the maximum demand estimated for the Customer's facility is less than 75 kW and in accordance with Regulation 5(b) of the Applicant's *Rates, Rules and Regulations* approved by the Board from time to time, a contribution in aid of construction ("CIAC") is required to cover the cost of transformers, equipment and any line extension or upgrade required to provide three-phase service and the CIAC thus calculated is reduced by the value of any single-phase plant supported by the projected revenue from the customer; and

WHEREAS a CIAC of the Extension has been calculated in accordance with Clause 5(b) of the CIAC Policy: Distribution Line Extensions and Upgrades to General Service Customers, approved by Order No. P.U. 7 (1997-98) dated the 30th day of September, 1997 (the "Policy"), which calculation assumes the Extension will supply service to a pump house with an estimated peak demand of 47.0 kW and a clubhouse with an estimated peak demand of less than 10 kW and the CIAC thus calculated is Ninety-seven thousand three hundred fifty-nine dollars (\$97,359.00) including HST; and

WHEREAS the estimated demand for the facility is based on information supplied by the customer and the estimated load factor for the facility is based on usage data for similar facilities; and

WHEREAS the construction cost of the Extension is \$91,200 and Clause 11(a) of the Policy states that all Line Extensions or Upgrades involving CIACs in which the construction costs are estimated to be greater than \$25,000 must be submitted to the Board for approval; and

WHEREAS the proposed expenditures on the Extension are necessary for the Applicant to provide service and facilities to the Customer which are reasonably safe and adequate and just and reasonable as required pursuant to s. 37 of the Act; 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 customers.

IT IS THEREFORE ORDERED THAT:

Pursuant to Section 41(5) of the Act, the Board approves the contribution in aid of construction in the amount of Ninety-seven thousand three hundred fifty-nine dollars (\$97,359.00), including HST, as calculated under the Policy, to provide three-phase service for a pump house and single-phase service for the clubhouse, to serve a golf course for Pitcher's Pond Golf Inc. located near the Town of Whiteway.

DATED at St. John's, Newfoundland and Labrador, this 2nd day of May, 2002.

Robert Noseworthy,
Chair & Chief Executive Officer.

Darlene Whalen, P.Eng.,
Vice-Chairperson.

G. Fred Saunders,
Commissioner.

Barbara Thistle,
Assistant Board Secretary.