

Board of Commissioners of Public Utilities

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PRESS RELEASE

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Board approves the Application of Newfoundland Power Inc. for Revisions to Contribution in Aid of Construction Policies

The Newfoundland and Labrador Board of Commissioners of Public Utilities today issued Order No. P.U. 19 (2005) approving the application of Newfoundland Power Inc. to revise its Contribution in Aid of Construction ("CIAC") Policies for domestic and general service customers respecting the demanding of a contribution in aid of construction from customers where the cost of line extensions or upgrades required to provide electrical service will not be recovered by the electricity rates to be paid by those customers.

The Board approves CIAC applications in accordance with these policies, which are generally applied to cottage developments or other projects where costs are over and above those normally recovered through electricity rates. The actual impact on customers will depend on the specific CIAC application and the details in each application.

The CIAC policies were established as a result of a public hearing in 1997 and these latest policy changes are meant to simplify the process for customers, reduce the current regulatory burden for both the company and the Board, and permit greater access to electrical services for seasonal residents.

Newfoundland Power filed the application with the Board on May 20, 2005 pursuant to sections 41(6) and 55 of the Public Utilities Act. The Board published notice of the application on May 28, 2005 inviting comments from interested persons on the proposed changes to the CIAC policy. The Board considered these submissions in reaching its decision.

A copy of the Board's order can be found on the Board's website www.pub.nl.ca.

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