



Nova Scotia Utility and Review Board

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July 7, 2010

By E-mail and Courier

Ms. Lee Thomson-Lutz
Capital Manager
Nova Scotia Power Inc.
14th Floor, Barrington Tower
Halifax, NS B3J 2W5

Dear Ms. Thomson-Lutz:

NSPI - Request for Approval of 2010 ACE Plan Work Order - P-128.10
CI# 38834 - TRE5 Turbine Upgrades - LP/IP/HP

The Board has reviewed Nova Scotia Power Inc.'s ("NSPI") letter dated April 30, 2010, requesting Board approval for the following **confidential** 2010 ACE Plan Work Order:

CI# 38834	TRE5 Turbine Upgrades LP/IP/HP	\$5,202,549
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Board staff issued Information Requests on February 5, 2010, and NSPI's responses were received by the Board on March 5, 2010. While the forecast cost of this project in the 2010 ACE Plan was \$4,621,909, NSPI has advised that the revised request of \$5,202,549 is based on the latest budget information available.

The Board has carefully reviewed the documentation filed by NSPI with respect to this expenditure. The Board understands that the purpose of the project is to provide for the refurbishment of the Trenton Unit 5 steam turbine. This refurbishment is being completed as recommended by the turbine manufacturer, Siemens AG, and results from an engineering examination of the equipment which was finalized in 2009.

The Board agrees that the project is necessary for the safe and continued operation of the turbine and the corresponding cost is justified. While the Board has reviewed the cost of the project in the context of the capital work order approval process notice dated November 26, 2009, the Board is satisfied that, in this case, stakeholder participation is not required at this time.

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Accordingly, this will confirm that the Board has approved NSPI's request for the amount of \$5,202,549 with respect to this Work Order.

Yours very truly,

A handwritten signature in dark ink, appearing to read "Margaret A. M. Shears". The signature is fluid and cursive, with the first name being the most prominent.

Margaret A. M. Shears, Q.C.
Vice-chair

Enclosure

cc Eric Ferguson, Director Regulatory Affairs

by e-mail