



Nova Scotia Utility and Review Board

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September 10, 2010

By email: rene.gallant@emera.com

Mr. Rene Gallant
General Manager Regulatory Affairs
14th Floor, Barrington Tower
Nova Scotia Power Inc.
1894 Barrington Street
P. O. Box 910
Halifax, NS B3J 2W5

Dear Mr. Gallant:

2009 - Analysis of Executive Management Expenses - P-875.2

This correspondence is further to the 2009 Analysis of Executive Management Expenses Report (Report) dated and filed with the Board on April 30, 2010.

As NSPI is aware, in a letter dated June 10, 2009, regarding NSPI's 2008 Report, the Board stated that:

The Board's role is to ensure that executive compensation costs, like all other charges to ratepayers, must be justifiable and reasonable. The issue of these costs has been of particular concern to the Board over the last few years. On a number of occasions, following the initial Order requiring an Annual Report on executive compensation, the Board has directed that additional information be filed by NSPI in order for the Board to conduct a full review of these costs.

While the Board has determined that the current reporting standards are adequate at this time, NSPI should clearly understand that a full and vigilant examination of NSPI's Annual Report on executive compensation remains a high priority for the Board and can be revisited at any time in future should circumstances warrant.

Following a review of the information set out in the 2009 Report, the Board is generally satisfied that at this time there is no material change in the portion of executive management costs which

are charged to ratepayers than that which occurred in 2008. Accordingly, while the Board has no further comment to make on this current Report, its intent to conduct the form of scrutiny on future Reports will continue as described in the previous correspondence noted above.

Yours truly,

A handwritten signature in dark ink, appearing to read "Nancy McNeil". The signature is fluid and cursive, with the first name "Nancy" written in a larger, more prominent script than the last name "McNeil".

Nancy McNeil
Regulatory Affairs Officer/Clerk

c.c. Mr. S. Bruce Outhouse, Q.C., Board Counsel
Rob Bennett, President and CEO
Mr. Eric Ferguson, Director Regulatory Affairs

By email
By email
By email