



April 21, 2011

VIA ELECTRONIC FILING

Ms. Nancy McNeil
Regulatory Affairs Officer/Clerk
Nova Scotia Utility and Review Board
3rd Floor
1601 Lower Water Street
Halifax, Nova Scotia B3J 3P6

Re: Nova Scotia Notice of Filing - Application for Approval of Reliability Standards

Dear Ms. McNeil:

By this final submission, in accordance with the October 15, 2010 timeline for the approval of the North American Electric Reliability Corporation ("NERC") submitted Reliability Standards and Northeast Power Coordinating Council, Inc ("NPCC") Regional Reliability Criteria, NERC respectfully requests that the Nova Scotia Utility and Review Board ("NSUARB") issue an order approving the following of its filings:

June 30, 2010 *Application for Approval of Reliability Standards* to NSUARB.

July 21, 2010 *Supplemental Filing Re: Nova Scotia Notice of Filing - Application for Approval of Reliability Standards* clarifying that NERC seeks approval of (1) Exhibits C and E - the Reliability Standards approved by FERC and the associated NERC Glossary of Terms; (2) Exhibit F - the associated Violation Risk Factors; and (3) Exhibit G - the associated Violation Severity Levels.

Further in support of its request, NERC submitted the following to the NSUARB:

October 11, 2010 Letter regarding the status of NERC Reliability Standards in other Canadian Provinces.

February 10, 2011 Response to the January 20, 2011 Information Requests issued by NSUARB on behalf of the NSUARB Staff and Nova Scotia Power, Inc. regarding NERC- R-10 Matter No. M03324. In this response, NERC included an updated *A Summary of Canadian Provincial Adoption of Reliability Standards Framework* with the status of NERC Reliability Standards in other jurisdictions.

As provided in the referenced February 10, 2011 response, NERC respectfully requests the approval of: (1) Exhibit F - the associated Violation Risk Factors ("VRF"); and (2) Exhibit G - the associated Violation Severity Levels ("VSL"), as stated in its Application for Approval of Reliability Standards to NSUARB, therein. VRFs and VSLs provide important signals as to the seriousness and severity of the violations of the standards. The determination of violations and any associated sanctions will be made by NSUARB following its appropriate processes.

With respect to the process by which the NSUARB evaluates the Reliability Standards, NERC again recommends that the NSUARB initiate a quarterly standards review process following the provision of each Reliability Standards filing by NERC. An annual review process would prove inadequate as NERC requires a common set of Reliability Standards to enforce promptly. The regular and responsive review of Reliability Standards provides for reasonable notice and opportunity for public comment, due process, openness, and balance of interests while preserving reliability and avoiding undue discrimination.

NERC hopes that the referenced information is useful to the NSUARB in its deliberation on the adoption of Reliability Standards as mandatory and enforceable in Nova Scotia. We encourage you to move in that direction. We would be pleased to discuss this subject further and provide additional detail if this would be of assistance.

Respectfully submitted,

/s/ V. Davis Smith

V. Davis Smith

*Attorney for North American Electric
Reliability Corporation*

CC: David Cook, North American Electric Reliability Corporation
Margaret Mayora, Northeast Power Coordinating Council, Inc.
Nicole Godbout, Nova Scotia Power Inc.