



Nova Scotia Utility and Review Board

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July 21, 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# 29009 - Right-of-Way Purchase, Northern Nova Scotia

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

CI# 29009	Right-of-Way Purchase, Northern Nova Scotia	\$4,462,493
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As NSPI is aware, in the Board's decision dated November 5, 2008, on NSPI's application for revisions to rates, the need for improvements in transmission planning was identified by the Board. It stated that:

[39] The Board also accepts Liberty's comments on the second issue relating to NSPI's transmission capacity to import and export power. NSPI is directed to consider this issue and file a report with the Board no later than June 30, 2009, outlining its plans for improvements to its transmission capacity to facilitate power imports. The Board is mindful that NSPI has, in the 2008 ACE Plan, included a request for capital expenditures related to this issue.

In addition, limitations with respect to the existing inter-tie was raised during the 2005 Power Outage Review proceeding.

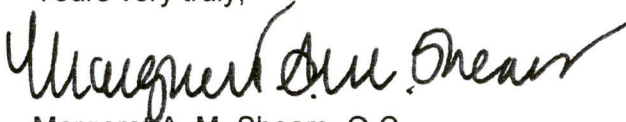
Board staff issued Information Requests on February 5, 2010 as a part of NSPI's 2010 ACE Plan, and NSPI's responses were received by the Board on March 5, 2010.

The Board understands that the purpose of the project is to provide an easement for a second 345kV transmission line that will parallel the existing 345kV transmission line inter-tie now in place with New Brunswick. The Board also understands that this project is being undertaken in order that

the route of the line will be established and complementary studies for environmental permits and detailed line design can be advanced.

The Board agrees that the project is necessary and is a key first step in the planning for strengthening of the transmission inter-tie with New Brunswick. Accordingly, this will confirm that the Board has approved NSPI's request for the amount of \$4,462,493 with respect to this **confidential** Work Order.

Yours very truly,

A handwritten signature in black ink, appearing to read "Margaret A. M. Shears". The signature is fluid and cursive, with a long horizontal stroke at the end.

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

Enclosure

cc Eric Ferguson, Director Regulatory Affairs

by e-mail