

Efficiency Nova Scotia Corporation

MEMORANDUM

TO: DSM Stakeholders
FROM: William Lahey
Allan Crandlemire

DATE: 31 August 2010
SUBJECT: Efficiency Nova Scotia Update

As Chair of the Board of Directors and as Interim CEO of Efficiency Nova Scotia Corporation (ENSC), we want to provide an update on what the corporation has been doing thus far in its early stages, and to tell you about what lies ahead over the next few months. Although you may not have heard much about ENSC over the summer, we have been busy.

Since ENSC was officially formed in January 2010, the corporation has been establishing itself, going through many of the processes that any start-up company follows. ENSC is not only a new entity; it is also navigating new territory in Nova Scotia as a non-profit, performance based corporation with a public-interest mandate, independent from both the provincial government and Nova Scotia Power. We are truly starting from the ground up.

The first step was naming the Chair and initial five members of the Board of Directors by the Province of Nova Scotia. The Board has been establishing its governance terms; charting a strategic path, vision, mission and priorities; hiring interim expertise; and ensuring the corporation is strongly positioned for developing the 2012 electricity Demand Side Management (DSM) Plan and the transition of managing Nova Scotia's electricity DSM programs.

To broaden and strengthen its oversight for the organization, the Board advertised for applicants and will appoint additional members in the weeks ahead.

ENSC is committed to following best practices, learning from the knowledge and insights of similar organizations that are well-established and well-respected in their jurisdictions, and seen as leaders in the energy efficiency and conservation field. We have had two extensive, productive video conferences with Oregon Energy Trust and will have a similar session with Efficiency Vermont later this week.

Yesterday, ENSC took another step in its evolution as the independent body that will oversee and administer energy efficiency programs for Nova Scotians. After thorough discussions over the past several months, Nova Scotia Power and ENSC jointly filed their DSM Transition Plan with the Nova Scotia Utility and Review Board. The plan outlines the orderly transition of DSM management from Nova Scotia Power to Efficiency Nova Scotia, under the supervision and oversight of the UARB.

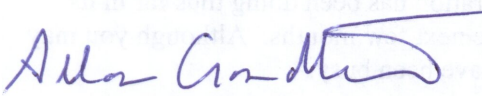
With our current interim staff, we have finance, accounting, administrative, human resource, communications and marketing expertise. We have been working on our organizational structure, job descriptions, employee compensation, and benefits structure and are about to ramp up with the recruitment of permanent staff, aiming to have many of ENSC's positions filled in October.

We are in the midst of developing our website and visual identity and selecting appropriate financial software, an IT and information management system, insurance coverage, and an agreement on suitable office space.

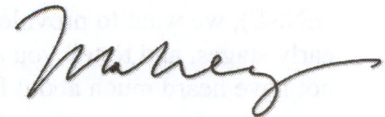
In the coming weeks, we will be seeking your feedback and insights on electricity DSM, to ensure any questions you may have will be answered, and to chart priorities for the months ahead. ENSC will also continue to engage the Program Development Working Group for advice and information sharing.

In the meantime, please give us a call or send a note anytime if you have any issue to discuss. We look forward to building a strong relationship with you and your organization.

Sincerely,



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William Lahey
Chair of the Board of Directors
Efficiency Nova Scotia Corporation