



Nova Scotia Utility and Review Board

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September 22, 2010

By email: Stephen.Pothier@nspower.ca

Mr. Stephen Pothier
Acting Director of Conservation and Energy Efficiency and
Director of Revenue Operations
Nova Scotia Power Inc.
P. O. Box 910, Scotia Square
Halifax, NS B3J 2W5

By email: acrandlemire@efficiencyns.ca

Mr. Allan Crandlemire
Interim Executive Director
Efficiency Nova Scotia Corporation
BMO Building, Suite 602
5151 George Street
PO Box 2144 Central
Halifax, NS B3J 3B7

Dear Messrs Pothier and Crandlemire:

Demand Side Management Transition Plan – P-884(3) / Matter No. M03452

Sections 40 to 43 of the *Efficiency Nova Scotia Corporation Act* ("Act") state that Nova Scotia Power Inc ("NSPI") and Efficiency Nova Scotia Corporation ("ENSC") must enter into a transition plan to address issues related to the transfer of demand-side management ("DSM") programs, funding of the programs, and provision of information needed to effectively execute electricity DSM programs. The *Act* also notes that the transition plan must be approved by the Nova Scotia Utility and Review Board ("Board") and that the ENSC start-up costs approved by the Board could be recovered by NSPI from its ratepayers.

In addition, the Action Plan contained in the 2009 IRP Update report states:

Following establishment of Efficiency Nova Scotia Corporation, develop Terms of Reference for a collaborative working group that includes Efficiency Nova Scotia Corporation, NSPI and UARB staff and consultants to support efficient transition to the new Administrator and pursuit of DSM investments consistent with the IRP and Board approved plans...

On August 30, 2010 NSPI and ENSC jointly filed the Demand Side Management Transition Plan ("Plan") for Board approval. Subsequently on August 31, 2010 the Board forwarded a copy of the

Plan to DSM participants, inviting them to submit any comments by September 10, 2010. No submissions were received.

As required by the Act, the transition plan addresses:

- a) issues of the transition of any electricity demand-side management program that has not concluded;
- b) the transfer of funding for any electricity demand-side management programs to be transferred; and
- c) the provision of information by Nova Scotia Power to the Corporation to permit the Corporation to execute the electricity demand-side management programs and transfer and assumption of any outstanding contractual arrangements related to the electricity demand-side management programs to be transferred.

[s. 41 of the *Efficiency Nova Scotia Corporation Act*]

Those requirements are further expanded as noted in Section 1.2 of the Plan:

In preparing the DSM Transition Plan for the transfer of DSM Administrator responsibilities, ENSC and NSPI focused on providing continuity of business planning, management and delivery of DSM Administrator responsibilities necessary to:

- achieve the 2010 DSM Plan energy and demand savings targets
- prepare for the implementation of the 2011 DSM Plan by ENSC
- put program implementation components such as Request for Proposals, tenders, and supplier agreements in place so that program service may continue without interruption into 2011
- deliver service to DSM participants with no disruptions and maintain a high standard of customer service
- prepare the 2012 DSM Plan for filing, in accordance with the UARB's requirements
- provide continuity of long term planning and forecasting.

The Board has carefully reviewed the DSM Transition Plan and grants approval to proceed with implementation, subject to the following directives:

- a) The DSM Transition Committee is to continue providing oversight in the transition process through to submission of the 2012 DSM Plan;
- b) As directed in the Board's letter dated June 1, 2010 ENSC is to file its quarterly financial reports, the first of which is to be submitted by October 22, 2010;
- c) ENSC and its new consultant are to meet with Board consultants and NSPI within two weeks of the consultant being engaged, with the purpose of ensuring that previously deferred DSM initiatives are appropriately addressed before new initiatives are pursued;
- d) Executed copies of Transition Agreements are to be filed with the Board by October 15, 2010;

- e) The ENSC workplan for development of the 2012 DSM Plan is to be filed with the Board by November 1, 2010. This workplan should outline the schedule of activities, milestones, and the specific role to be undertaken by NSPI and any consultants in this process.

Yours very truly,

A handwritten signature in cursive script, appearing to read "Nancy McNeil".

Nancy McNeil
Regulatory Affairs Officer/Clerk

c.c. S. Bruce Outhouse, Q.C., Board Counsel
P-884(3) Participants

By email
By email