



Nova Scotia Utility and Review Board

Mailing address

PO Box 1692, Unit "M"
Halifax, Nova Scotia
B3J 3S3
uarb.board@gov.ns.ca
Web www.nsuarb.ca

Office

3rd Floor
1601 Lower Water Street
Halifax, Nova Scotia B3J 3P6
902 424-4448 t
902 424-3919 f

November 26, 2010

By E-mail and Courier

Ms. Lee Thomson-Lutz
Manager, Capital
Nova Scotia Power Inc.
14th Floor, Barrington Tower
P.O. Box 910, Scotia Square
Halifax, NS B3J 2W5

Dear Ms. Thomson-Lutz:

**NSPI Request for Approval of 2010 ACE Plan Work Order Greater Than \$1 Million:
CI # 38856 - L7011 Deteriorated Replacements - P-128.10 / Matter No. 03511**

The Board has reviewed Nova Scotia Power Inc.'s ("NSPI") letter dated and received on September 2, 2010, requesting Board approval for the following **confidential** 2010 ACE Plan Work Order greater than \$1 million:

CI # 38856 L7011 Deteriorated Replacements \$2,055,736

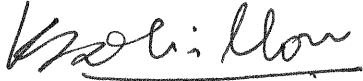
As a part of the 2010 ACE Plan review, Board staff issued Information Requests ("IRs") related to the above project on February 5, 2010. On March 5, 2010, NSPI responded and advised that details requested by the Board would be provided later as part of the application approval. NSPI's response to IRs was received as part of the application on September 2, 2010. Board staff issued further IRs on November 2, 2010, to which responses were received by the Board on November 16, 2010.

The Board has considered NSPI's request in this matter and additional information filed by NSPI in response to Board staff IRs. The Board understands that this work order covers the cost to replace deteriorated equipment on a 230kV circuit between Lingan and Port Hastings.

The application indicates that the project cost is \$451,333 higher than the amount stated in the approved 2010 ACE Plan. NSPI has provided adequate justification for the increase in the cost of the project. The Board also accepts, as filed, the portions of the work order that are marked confidential.

The Board accepts that this project is necessary and the corresponding cost is justified. Accordingly, this will confirm that the Board has approved NSPI's request for the amount of \$2,055,736 with respect to this Work Order.

Yours very truly,

A handwritten signature in black ink, appearing to read "Kulvinder S. Dhillon", written over a horizontal line.

Kulvinder S. Dhillon, P.Eng.
Member

cc Eric Ferguson, Director Regulatory Affairs

By e-mail