



Nova Scotia Utility and Review Board

Mailing address

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

Office

3rd Floor, 1601 Lower Water Street
Halifax, Nova Scotia B3J 3P6
1 855 442-4448 (toll-free)
902 424-4448 t
902 424-3919 f

May 31, 2012

By email: kerry.jennex@nspower.ca

Mr. Kerry Jennex
Acting Director, Retail Operations
Nova Scotia Power Inc.
1223 Lower Water Street
PO Box 910
Halifax, NS B3J 2W5

Dear Mr. Jennex:

**Nova Scotia Power Inc. –
CI# 40103 – Load Control Demonstration Project – Project Update –
P-510 / Matter No. M03589**

In a letter dated and received by the Board on October 4, 2010, Nova Scotia Power Inc. ("NSPI") requested approval of a U&U capital expenditure (CI# 40103) Load Control Demonstration Project.

The Board's November 23, 2010 approval letter requested NSPI to provide updates as follows:

As NSPI has described this as an innovative project, and to ensure that the benefit of the project continues, the Board requests NSPI to advise it of the progress of the project. In particular, NSPI is to advise if any of the decision points described in the response to IR-16, which would impact the scope or continuation of NSPI's participation, have resulted in a change of NSPI's involvement.

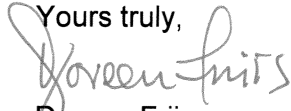
NSPI provided an update on the project by letter dated March 23, 2012, in which it states that on November 14, 2011, NSPI advised the project partners that it was unable to secure the \$2.4 million in funding from other partners, and that it would therefore adjust the scope of the Nova Scotia project accordingly. The Board understands that the potential to adjust to a smaller scope was incorporated into the participation agreement.

The Board further understands that subsequent to NSPI's notice to the other partners, New Brunswick Power, Maritime Electric, and Saint John Energy have increased their scope so that matching funding from NRCAN will continue.

The Board accepts the update filing of March 23, 2012, and agrees with NSPI's decision to reduce the Nova Scotia project scope.

The Board requests NSPI to continue to comply with the provisions of the November 23, 2010, approval letter set out above.

Yours truly,

A handwritten signature in cursive script, appearing to read "Doreen Friis".

Doreen Friis

Regulatory Affairs Officer/Clerk

c Eric Ferguson, Director, Regulatory Affairs
Mark Peachey, Manager, Capital Filings

By Email

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