

December 8, 2010

Nancy McNeil
Regulatory Affairs Officer/Clerk
Nova Scotia Utility and Review Board
1601 Lower Water Street, 3rd Floor
P.O. Box 1692, Unit "M"
Halifax, NS B3J 3S3

Re: 2011 Annually Adjusted Rates (AARs) – P-141 / Matter No. M03683
Load Following (LF) portion of the GRLF Tariff
One Part Real Time Price (1P-RTP) Fixed Cost Adders
Wholesale Market Back-up/Top-up (BUTU) Tariff
Wholesale Market Non-dispatchable Supplier Spill (Spill) Tariff

Dear Ms. McNeil:

Attached for UARB consideration and approval are NSPI's proposed above-referenced rates for the period January 1, 2011 to December 31, 2011. The fuel costs used to calculate AARs are based on the amount approved in the Board's 2011 Base Cost of Fuel Decision, dated November 18, 2010. As in previous AAR submissions and consistent with the Board's August 1, 2003 Decision regarding Generic Rate Design, these fuel costs exclude any effects from export or gas trading activity.

The detailed cost information attached as backup to this submission was treated as confidential in its entirety in past submissions. Upon closer review, however, NSPI determined that the non-fuel related portion of the 1P-RTP Adder backup information is not confidential. As is the case under the FAM, only the Strategist reports and breakdown of unit fuel costs, as derived from Strategist reports, are considered to contain commercially sensitive information the disclosure of which could result in higher overall cost to customers. Consequently, the fuel-cost related portion of the backup information remains confidential. Attached to this submission is a confidential undertaking in this regard for the Board's approval. This is the first confidential undertaking that has been prepared for AAR filings. The information designated as confidential is consistent with other confidential undertakings.

There are currently no customers taking service under the 1P-RTP, BUTU or Spill tariffs.

Each tariff is discussed below. Attached are draft Orders authorizing the tariffs, proposed tariffs reflecting rate and date changes, and backup materials and supporting calculations.

NSPI respectfully requests that these tariffs be approved for use in 2011.

Load Following portion of GRLF Tariff

There are currently two customers taking energy under the LF portion of the Generation Replacement and Load Following (GRLF) tariff in 2010, representing approximately \$0.8 million in revenue. In addition, Bowater Mersey Paper Company Limited is eligible to purchase the Additional Energy portion of its load priced under this tariff.

The Generation Replacement (GR) portion of the GRLF tariff is priced at NSPI's marginal costs at the time the energy is actually required by the customer throughout the rate year and does not require Board approval.

The LF rate is proposed to decrease by 5.44% from 6.584 cents per kWh in 2010 to 6.226 cents per kWh in 2011. This decrease is an outcome of the combined effect of changes in marginal generation mix and its associated variable costs.

One Part RTP Tariffs

While there are currently no customers taking service under 1P-RTP tariffs and NSPI does not forecast any uptake under these tariffs for 2011, the tariffs remain available for use by eligible customer classes.

There are three 1P-RTP tariffs; one for each of the three voltage levels at which RTP customers may be served. The tariffs contain only energy charges which comprise two components: hourly marginal costs, forecast 20 minutes ahead, and fixed costs adders updated annually. The adders are designed to recover the non-fuel related costs that would be incurred by NSPI in serving the eligible customer classes and also to provide an adjustment for projected imbalance in the recovery of the avoided fuel costs associated with serving these classes. The fuel cost imbalance arises from employing hourly marginal costs, as opposed to hourly average avoided fuel costs, in energy charges on customer bills. Because the differential between hourly marginal and hourly unit avoided fuel costs can be quite volatile the projected annual fuel cost imbalance can vary and is a major source of fluctuations in the adders from one year to the next.

The fixed cost adders that are proposed for use in 2011, compared to the 2010 adders, are shown in the following table.

	On-peak Adder (¢/kWh)		Off-peak Adder (¢/kWh)	
	2010	2011	2010	2011
Extra High Voltage (EHV)	5.806	5.968	0.281	0.289
High Voltage (HV)	5.579	5.778	0.497	0.514
Distribution	8.075	8.183	2.118	2.146

Wholesale Market Backup/Top-up and Spill Rates

The BUTU and Spill rates are administered jointly and therefore, as approved, each is assigned 50% of the associated administration cost.

BUTU Rate

The BUTU rate has three rate components: a customer charge, a demand charge and an energy charge.

The customer charge is set in advance of the rate year, based on the anticipated administration costs and forecast number of customers taking service under this tariff. While no formal application for service under the tariff has been received to date, NSPI is aware that market activity could result in a customer request during 2011. NSPI's review of the forecast annual administration costs for 2011 indicates that the costs assumed for the filing purposes of the BUTU rate in 2008 remain appropriate. Consequently, the customer charge is proposed to remain in 2011 at its current level of \$3,656.25 per customer per month under the assumption that the service may be provided to one customer.

The demand charge is determined by and to be kept current with the cost of avoided capacity used for the purpose of interruptible credit calculations. As there has not been change in the interruptible credit since this charge was approved for use starting on February 1, 2009 the demand charge is proposed to remain at its current level of \$5.286 per month, per kilowatt.

The energy charge of this tariff is approved to be the LF rate as discussed in the Load Following section above.

Spill Rate

The spill rate has two components: an administration charge and an energy credit. The administration charge is set in advance based on 50% of the anticipated administration cost associated with the BUTU and Spill tariffs, and the projected number of generators

serving energy under the tariff. While no formal application for the tariff has been received to date, market activity in 2011 could result in a supplier request for service. The administration charge for 2011 is proposed to be reset at its current level of \$3,656.25 per generator, per month.

The energy credit is approved to be the LF rate as discussed in the Load Following section above.

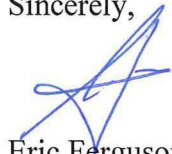
The revised tariffs and the respective calculations are attached.

The GRLF rate is the only AAR rate under which customers are currently taking service. Eligible GRLF customers are copied on the non-confidential version of this filing. In order to view the confidential information, an executed version of the Board approved confidential undertaking should be provided to Lana Myatt at lane.myatt@nspower.ca.

As advised by the Board in its letter dated November 23, 2010, customers will be provided with two weeks from the date of this filing to make any reply submissions to the Board on this matter.

NSPI would be pleased to answer any questions the Board may have concerning the proposed 2011 AARs.

Sincerely,

A handwritten signature in blue ink, appearing to be 'Eric Ferguson', written over a horizontal line.

Eric Ferguson, CMA
Director, Regulatory Affairs

Encl.

c: Rob Bennett, NSPI
J. René Gallant, NSPI
Alan Richardson, NSPI
Bruce Nunn, Bowater
Scott Travers, Minas Basin
Mark Frith, NewPage
Bruce Chapman, Northern Pulp

NOVA SCOTIA UTILITY AND REVIEW BOARD

IN THE MATTER OF: *The Public Utilities Act*, R.S.N.S. 1989, c.380 as amended

- and -

IN THE MATTER OF: The Application by NSPI for Approval of Annually Adjusted Rates

UNDERTAKING

I, _____, of _____
_____, representing _____
_____,
_____.

hereby undertake and agree to abide by all the terms attached in Schedule "A" hereto.

DATED at Halifax, Nova Scotia, this _____ day of _____, 20____.

Signed:_____

Print Name:_____

Schedule "A"

1. NSPI will provide Designated Confidential Information, as defined herein, to the Designated Recipients as defined below.
2. Designated Confidential Information shall consist of the following material, whether printed or electronic: the redacted portion of NSPI's application entitled "GLRF Back-Up Information Confidential Section" and the redacted Fuel-cost Adjustment section of the portion of NSPI's application entitled "Real Time Pricing Back Up Information" and other documents which may be filed and labeled as "Confidential" in this matter and updated from time to time.

Designated Confidential Information shall also include any explanation or other information provided by NSPI to a Designated Recipient concerning the foregoing and which has been identified by NSPI as confidential at the time it is initially provided, whether printed or electronic. Designated Confidential Information shall also include any password or other information necessary to access electronic copies of Designated Confidential Information.

3. Access to Designated Confidential Information shall be restricted to the party who has signed the undertaking to which this schedule is attached, that party's counsel and or consultant who shall each be considered a Designated Recipient.
4. As a condition precedent to receiving Designated Confidential Information, the Designated Recipients shall sign the undertaking to which this schedule is attached.
5. No Designated Confidential Information furnished by NSPI shall be given or communicated to persons other than the Designated Recipients. For greater certainty, no Designated Confidential Information shall be provided to the clients of Designated Recipients, to other Intervenor or to employees, officers or members of Designated Recipients or Intervenor.
6. NSPI may make the Designated Confidential Information (including copies if necessary) available to the Designated Recipients for review at its head office. No documentation shall be removed from NSPI's premises without the consent of NSPI. Designated Recipients may take such notes as may be necessary solely for the purposes of this proceeding. Such notes shall be treated as Designated Confidential Information.

7. Where a reference to Designated Confidential Information is required in pre-filed testimony, briefs, other legal documents or arguments, such reference shall be by citation of title or exhibit number only or by some other non-confidential description which protects the confidentiality of the information. In such circumstances, counsel and other designated persons shall make every reasonable effort to preserve the confidentiality of the information provided by NSPI. It is expected the Board may draw upon all Designated Confidential Information in the record in the deliberation of any decision or order it may issue, but the Board will avoid the reproduction in its decision of any Designated Confidential Information, unless it has otherwise ruled that the Designated Confidential Information is not to remain confidential.
8. Where an Intervenor files testimony which contains Designated Confidential Information, the testimony must be filed on a confidential basis and the Designated Confidential Information must be specifically identified as such. In addition, Designated Parties will not object to the Board sitting *in Camera* to hear such evidence if requested by NSPI.
9. Should any appeal or challenge to any Board's decisions in this proceeding be taken, any portions of the record which have been designated or agreed to be confidential shall be forwarded to the court in accordance with applicable laws and procedures but under seal and designated confidential.
10.
 - a) On an annual basis, each person who has signed a Confidential Undertaking in this matter, shall renew their undertaking by signing a new Confidential Undertaking with NSPI. If a new Confidential Undertaking is not signed upon the expiry of one year from the date of signing this Confidential Undertaking, each person to whom Designated Confidential Information has been provided shall return to NSPI such Designated Confidential Information and shall destroy all documents, notes and other materials containing or reflecting, directly or indirectly, Designated Confidential Information, whether printed or electronic, and shall provide an affidavit of compliance to NSPI respecting same.
 - b) Notwithstanding paragraph 10. a), all members in good standing of the Nova Scotia Barrister's Society ("Counsel") who sign this Undertaking will be relieved from the requirement to destroy Designated Confidential Information. Counsel may maintain possession of all personal documents, notes or other material containing or reflecting Designated Confidential Information that belong to clients of Counsel or to advisors or consultants to

Counsel. Counsel may return all such information and documentation to the client, advisor or consultant once a new Undertaking has been signed by the client, advisor or consultant in any new NSPI regulatory proceeding.

- c) The use of Designated Confidential Information in this proceeding, any rate case, or other proceeding will be solely in relation to regulatory proceedings involving NSPI, before the Nova Scotia Utility and Review Board.

GRLF
DRAFT ORDER AND PROPOSED TARIFF

UTILITY AND REVIEW BOARD

- and -

CLERK

SCHEDULE "A"

NOVA SCOTIA POWER INCORPORATED

ELECTRIC TARIFFS

PROPOSED TARIFFS***NOVA SCOTIA POWER INCORPORATED******GENERATION REPLACEMENT AND LOAD FOLLOWING TARIFF*****RATE:**Backup Service:

The actual or estimated average time coincident incremental cost of generation including transmission losses for the period service is provided plus 0.500 cents per kW.h for additional Operating and Maintenance costs, service charges and Administration & General compensation.

Optional Generation Load Following:

Average incremental cost of generation expressed in cents per kW.h as determined by the generation forecast for the rate year plus add on charges as defined for back-up service. This price will be 6.226 cents per kW.h for the period January 1, 2011 to December 31, 2011.

AVAILABILITY:

This tariff is available to:

- (a) customers who have their own generation equipment, normally used to support their own load, of not less than 2 000 kW of net continuous capability and which is connected to the low voltage side of the bulk power transformer;
- (b) energy supplied under the Mersey System tariff over and above the Basic Block; and
- (c) energy supplied to Non-Utility Owned Generation sites for purposes of startup and replacement of energy normally supplied from their own generation,

where the customer has signed an operating agreement under this tariff schedule. The following general terms and conditions will apply to the applications.

- (1) Energy under the back-up service provision will be supplied upon request by the customer. In cases where advance written notification can be given by the customer, such as planned maintenance, the Company will advise the customer in writing of the quoted price which will be based on estimated costs during the period. In an emergency situation where time does not permit advance notification the price will be based upon actual costs until the customer provides written notification of the duration of the taking following which the Company will advise the customer in writing of the quoted price for the remainder of the period.
Energy under the load following section will be supplied either through on-going communication provision such as telemetering (when load fluctuations are involved) or written requests (where application is to a specific level of load).

PROPOSED TARIFFS

NOVA SCOTIA POWER INCORPORATED

GENERATION REPLACEMENT AND LOAD FOLLOWING TARIFF

- (2) The backup supply of power will be on a best efforts basis where the customer's generation equipment is removed from service due to scheduled maintenance, forced outage, or loss of fuel supply.
- (3) Supply of power under the tariff may be withdrawn under the criteria as provided for under the Interruptible Rider to the Large Industrial Tariff.
- (4) The load following provision will be applied where the customer's process limitations affect the ongoing loading of their own generator.
- (5) Customers must install metering equipment to monitor the output of the customer's generation. The equipment and installation must be approved by the Company and the costs will be the responsibility of the customer.

SPECIAL CONDITIONS:

- (1) The Company reserves the right to have a separate service agreement, if in the opinion of the Company issues not specifically set out herein, must be addressed for the ongoing benefit of the Company and its customers.
- (2) The customer will make all necessary arrangements to ensure that its load does not unduly deteriorate the integrity of the power supply system, either by its design and/or operation.

Specific requirements shall be stipulated by way of a written operating agreement.

- (3) In assessing issues which might unduly affect the integrity of the power supply system the following would be considered: reliability, harmonic voltage and current levels, voltage flicker, unbalance, rate of change in load levels, stability, fault levels and other related conditions.
- (4) Any service requirements beyond those provided by a single step-down transformation from transmission voltage must be borne by the customer.
- (5) The Company reserves the right to determine the metering location.

PROPOSED TARIFFS

NOVA SCOTIA POWER INCORPORATED

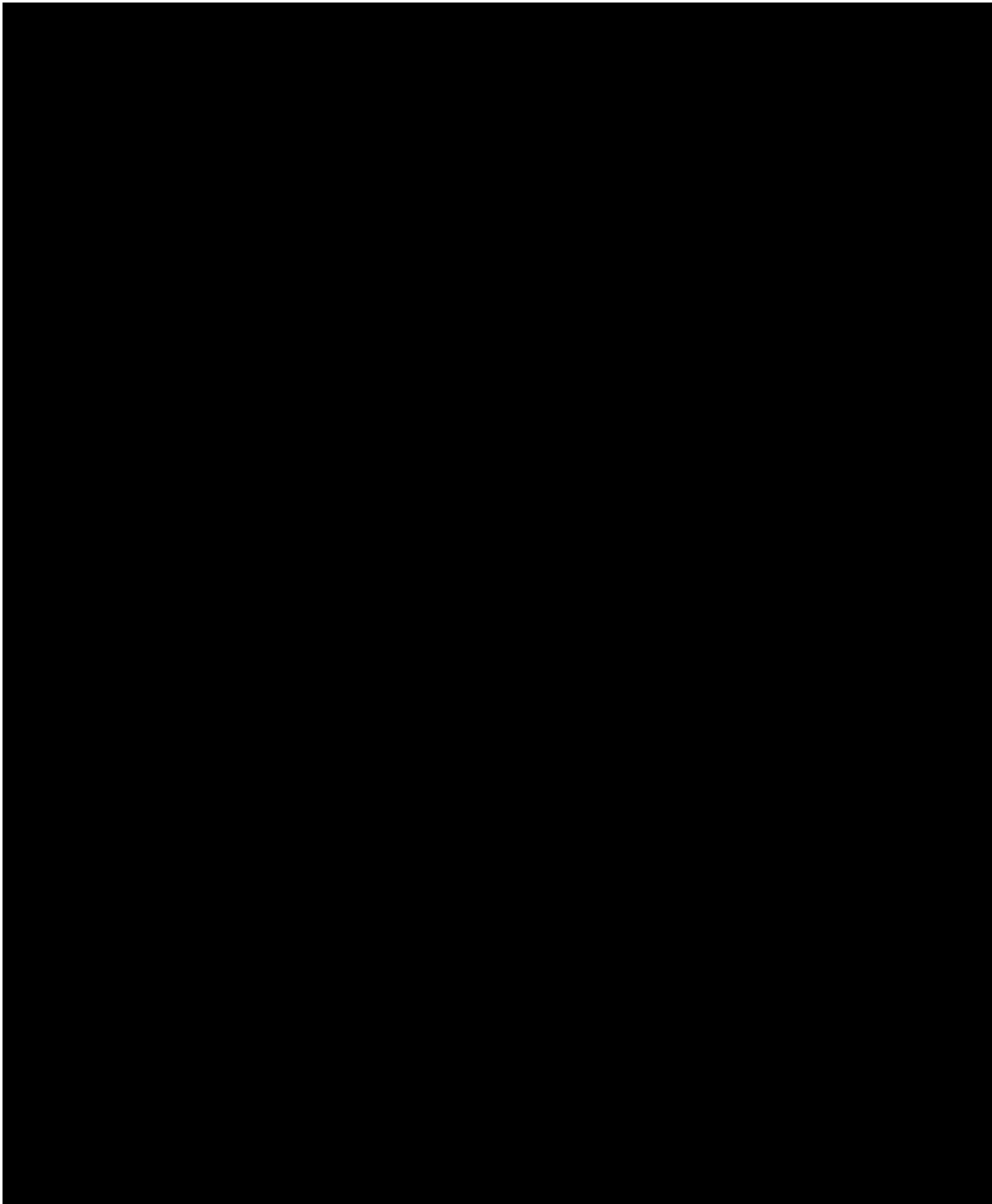
GENERATION REPLACEMENT AND LOAD FOLLOWING TARIFF

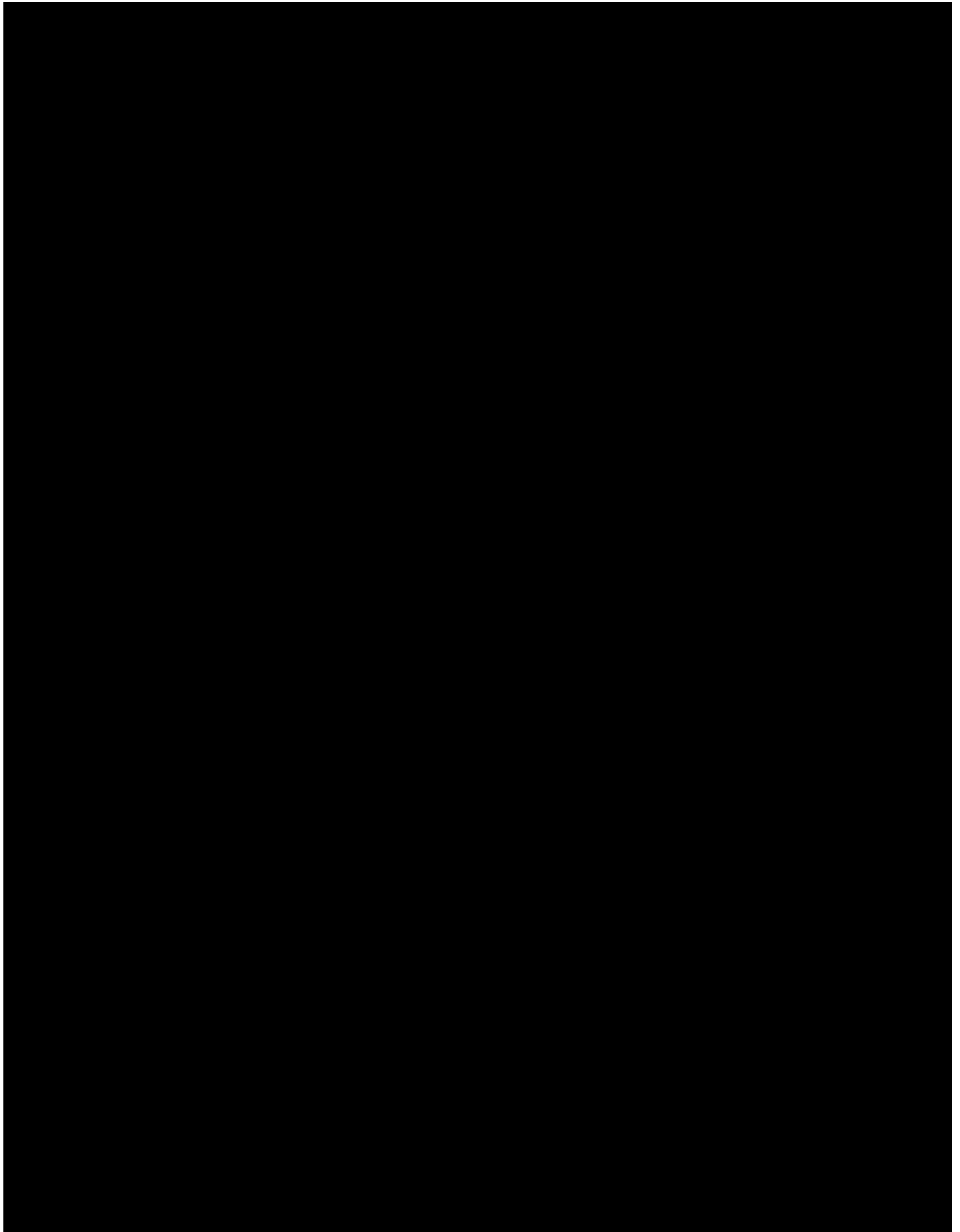
GENERATION LOAD FOLLOWING CRITERIA:

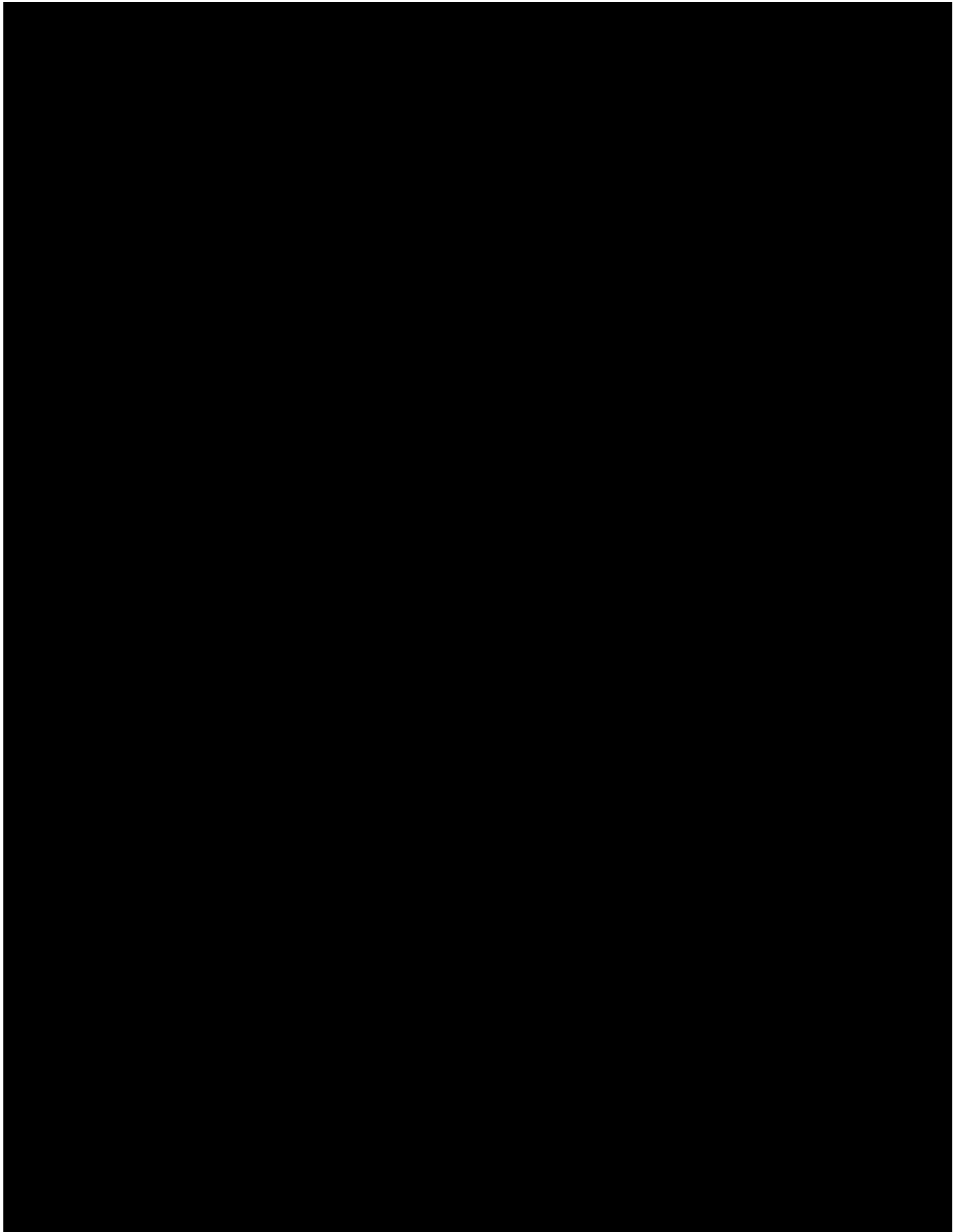
- (1) Two months preceding each tariff year the customer, in conjunction with the Company, shall establish the net continuous capability of its generation equipment based upon tests or operating records. For each billing month of the tariff year the Company will load follow to the equivalent of one hundred (100) percent load factor of the net continuous capability in each hour that the customer generation does not exceed its net continuous capability.
- (2) On or before November 7th preceding each tariff year the Company shall apply to the Nova Scotia Utility and Review Board for approval of its forecasted incremental cost of generation for the following tariff year. Such average forecasted incremental cost shall be included in determining the load following rate for the next tariff year and each affected customer shall be notified.
- (3) In addition, if after having exercised the Company's rights under the operational criteria of the non firm applications, the Company finds that it requires the output of the customer's generation to satisfy these criteria, the customer shall upon reasonable notice (typically one hour):
 - (a) operate his power generation equipment at it's net continuous capability or at a lower level as determined by process and steam availability and agreed to by the Company.
 - (b) provide excess output to the Company after satisfying its own needs of generation under paragraph (a) above.
 - (c) provide all such output to the Company at a cost equivalent to the Company's average time coincident incremental cost of generation price under this rate.

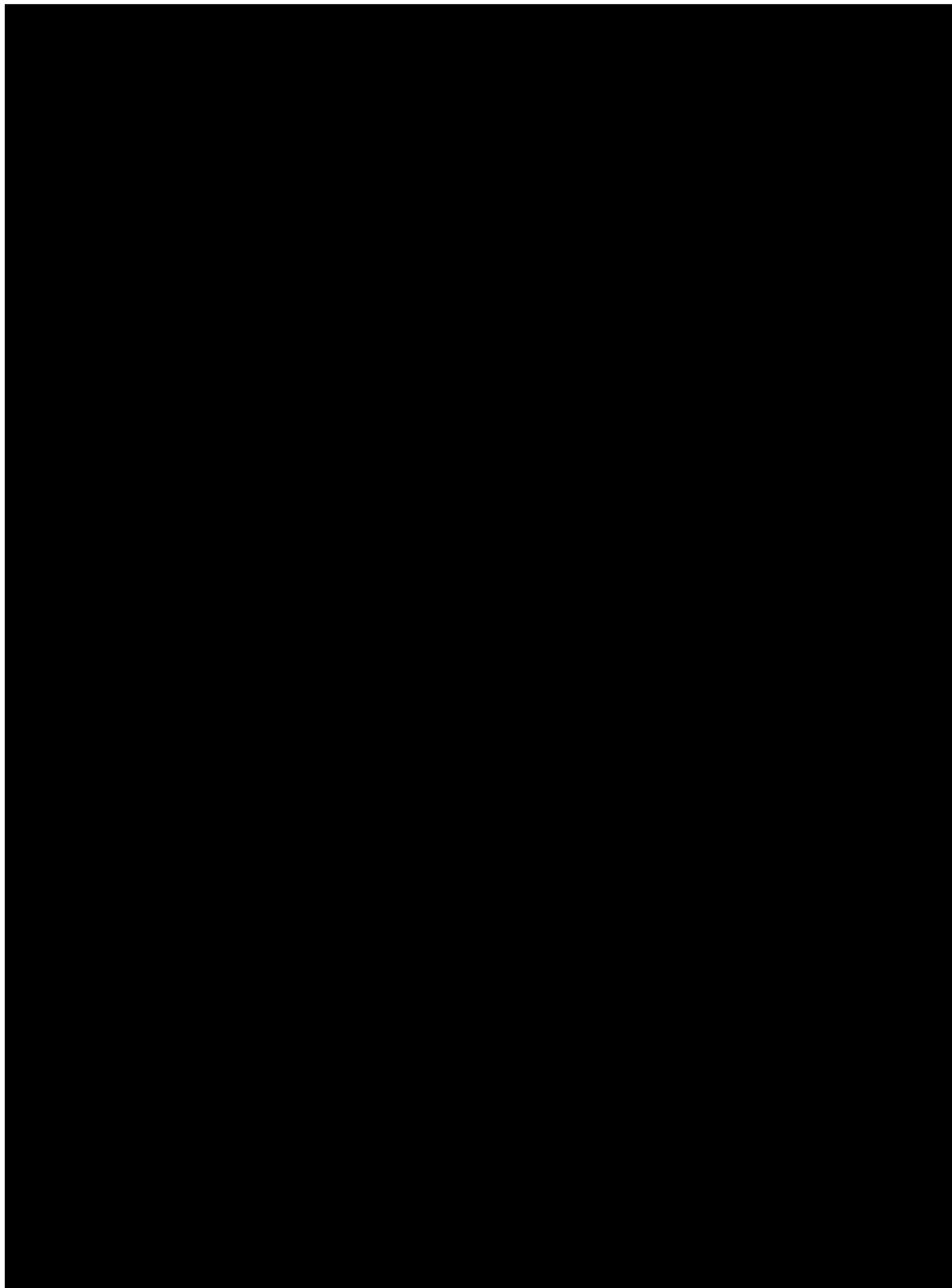
Failure to comply with the provisions set out in criteria 3(a), 3(b) and 3(c) three times in any one tariff year shall result in termination of service under the Optional Generation Load Following section of the Tariff for two (2) years.

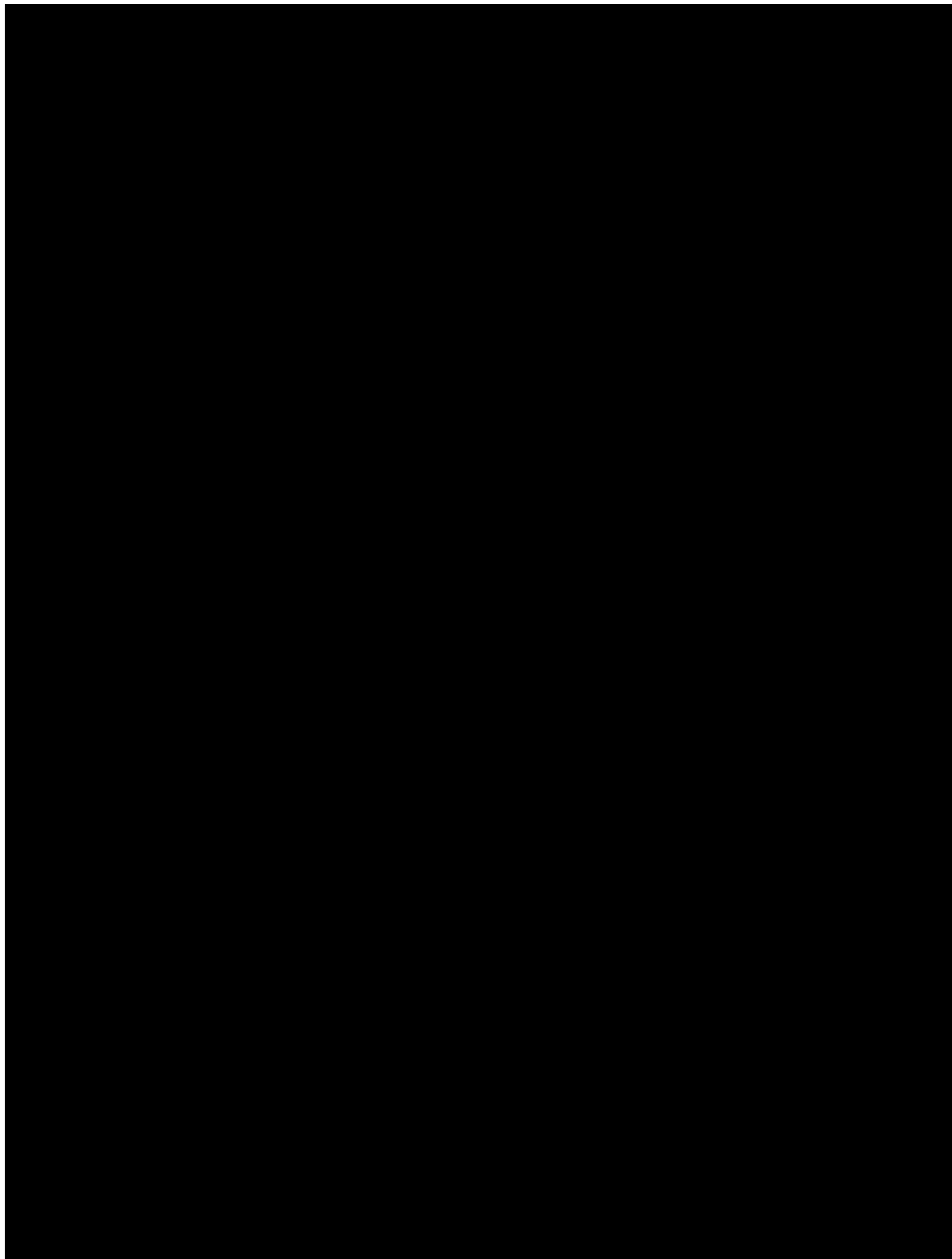
GRLF
BACK-UP INFORMATION

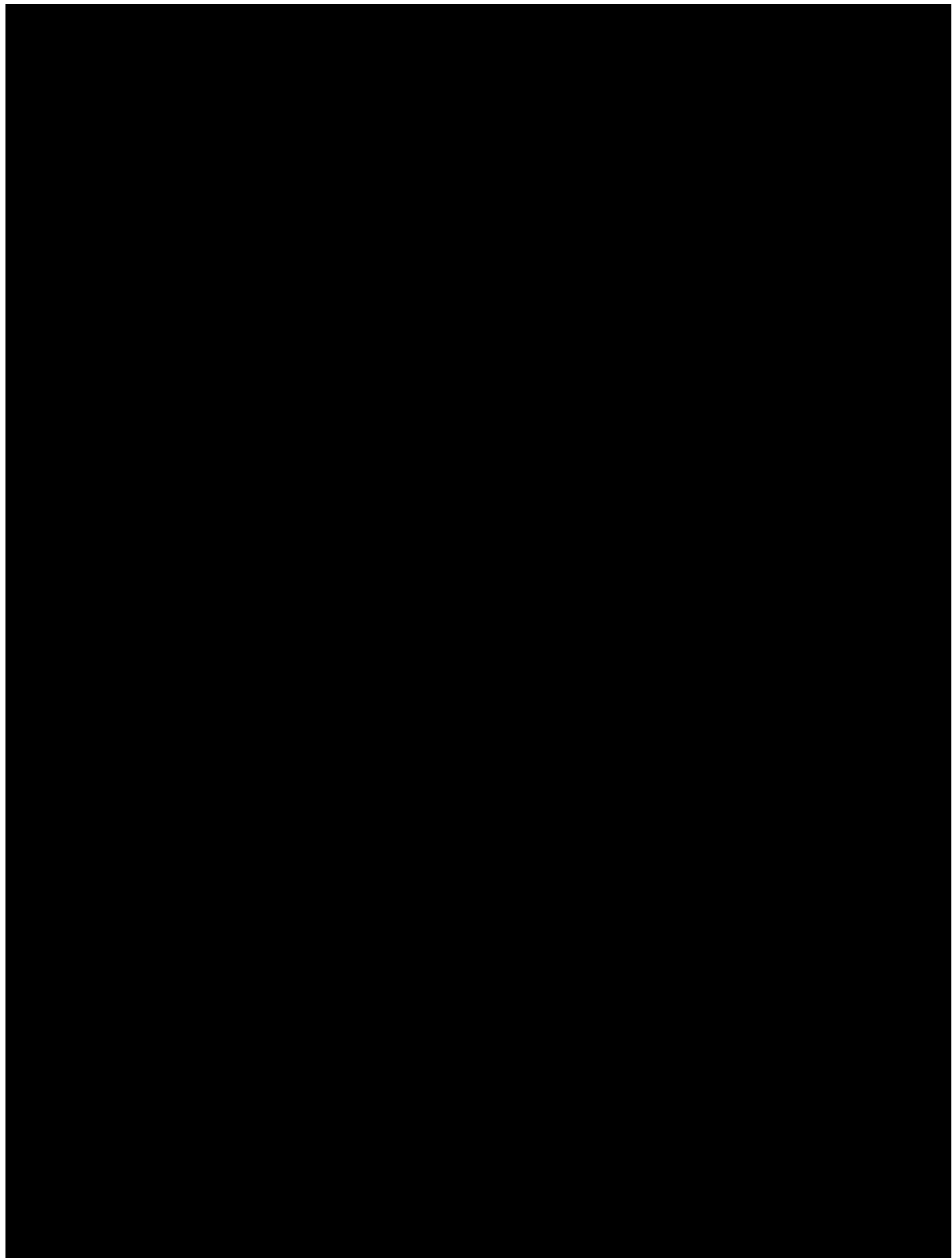


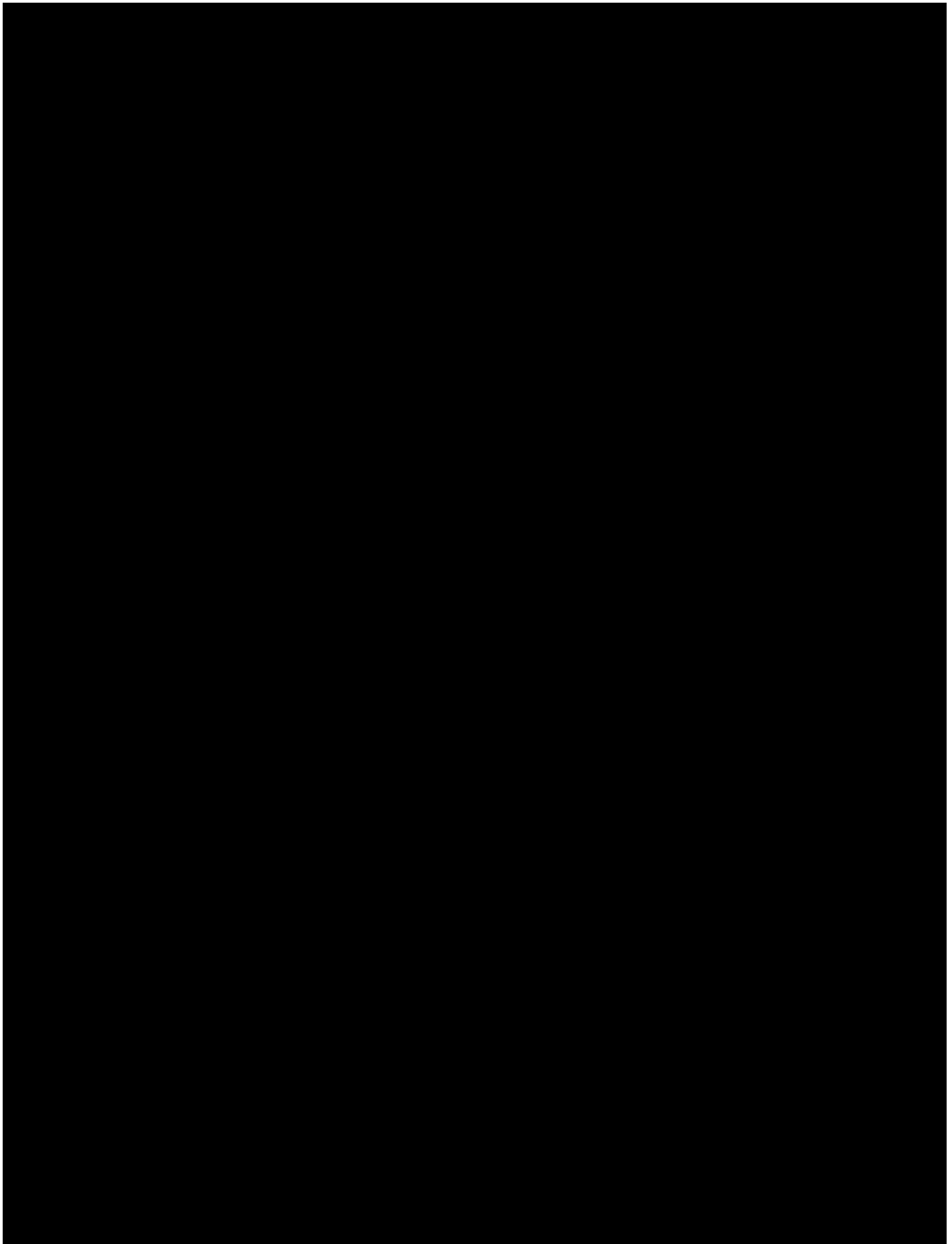
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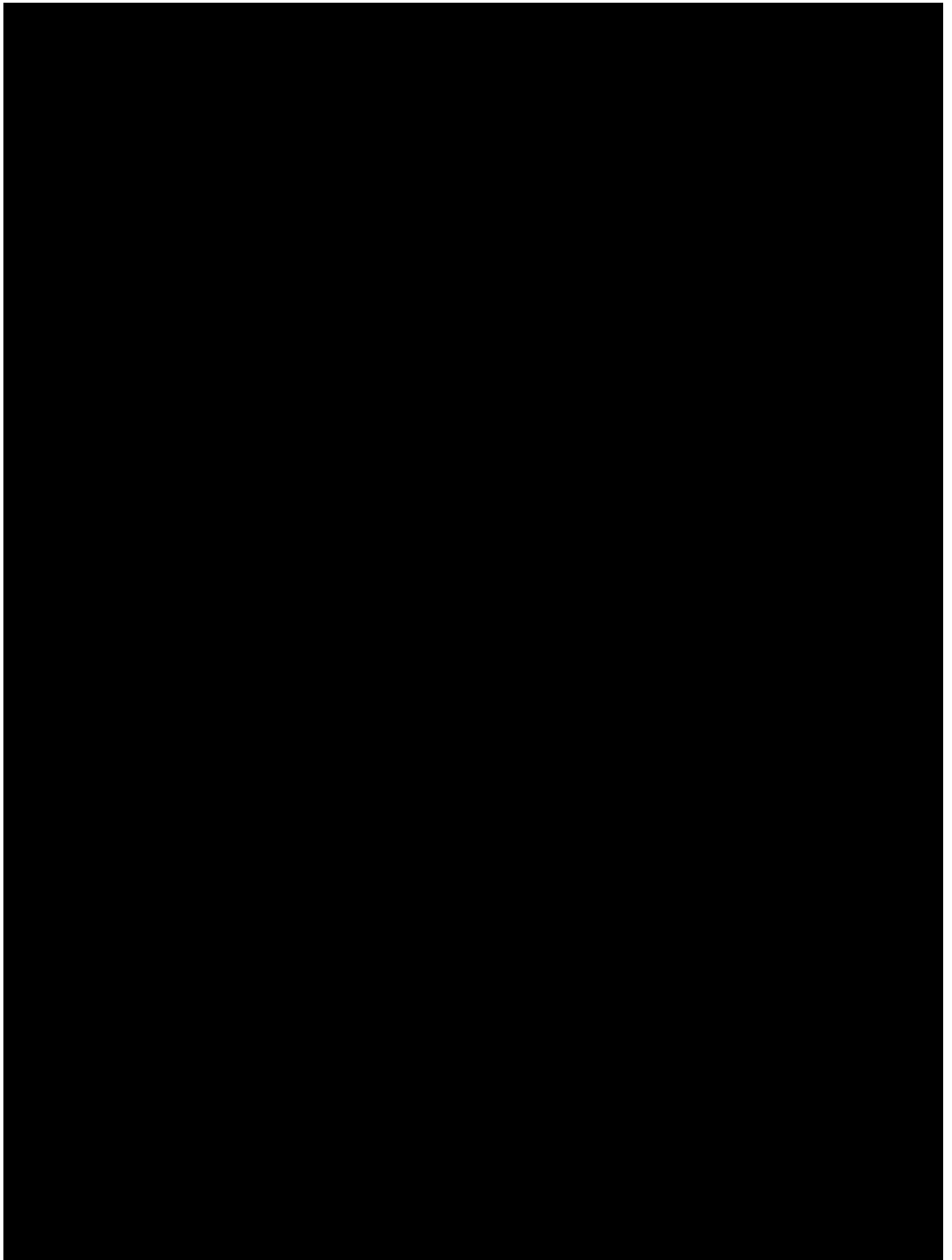


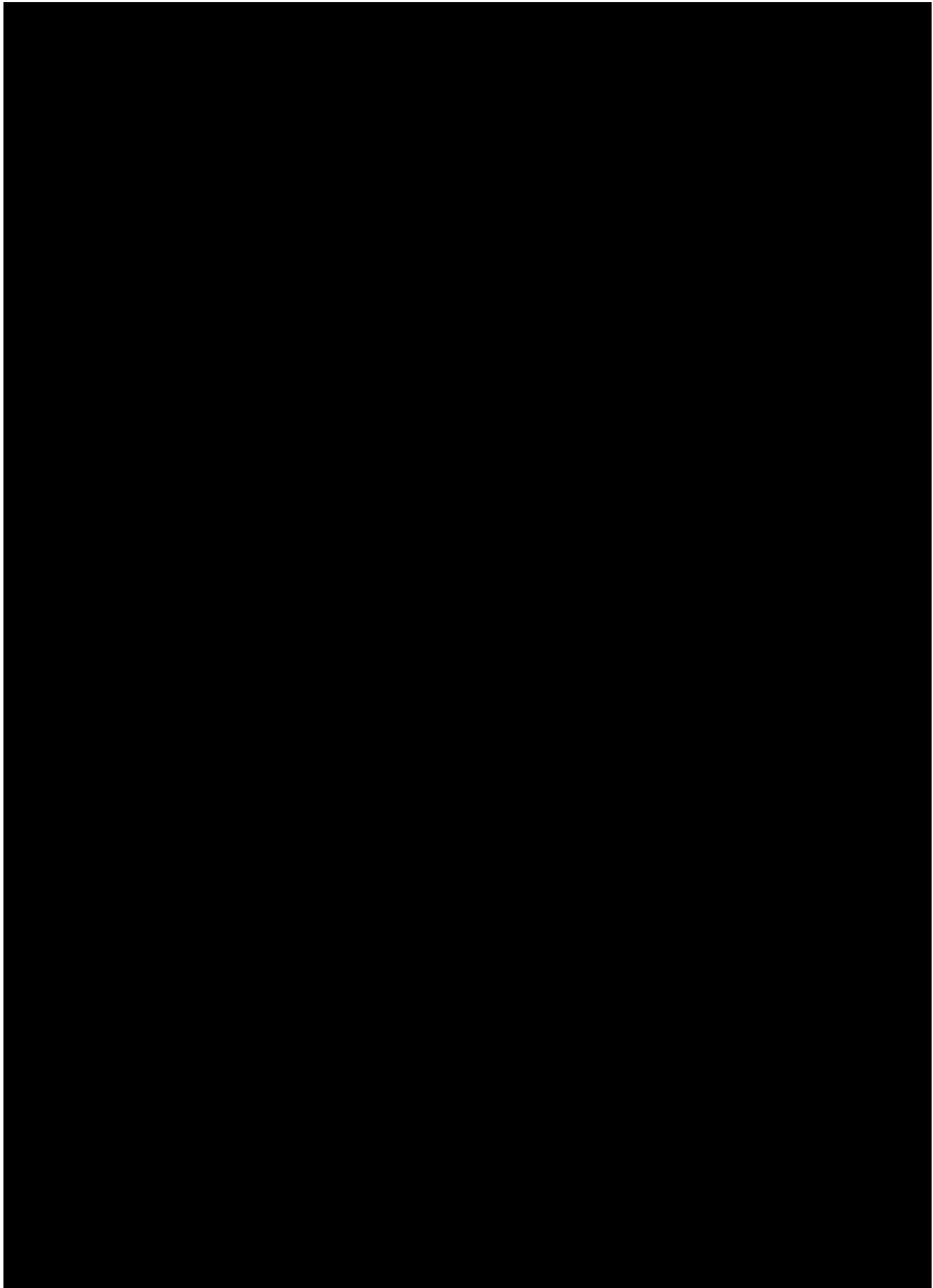


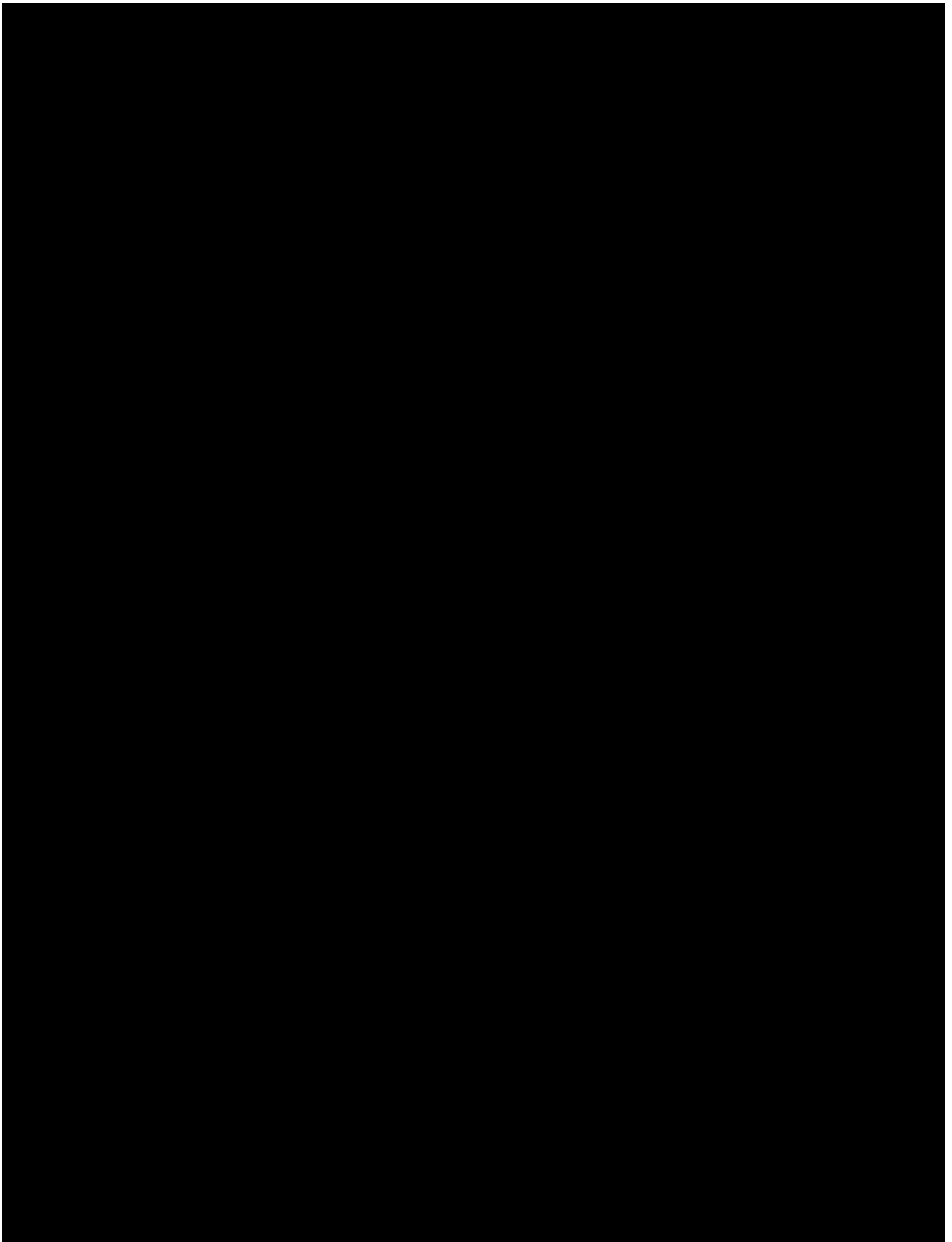


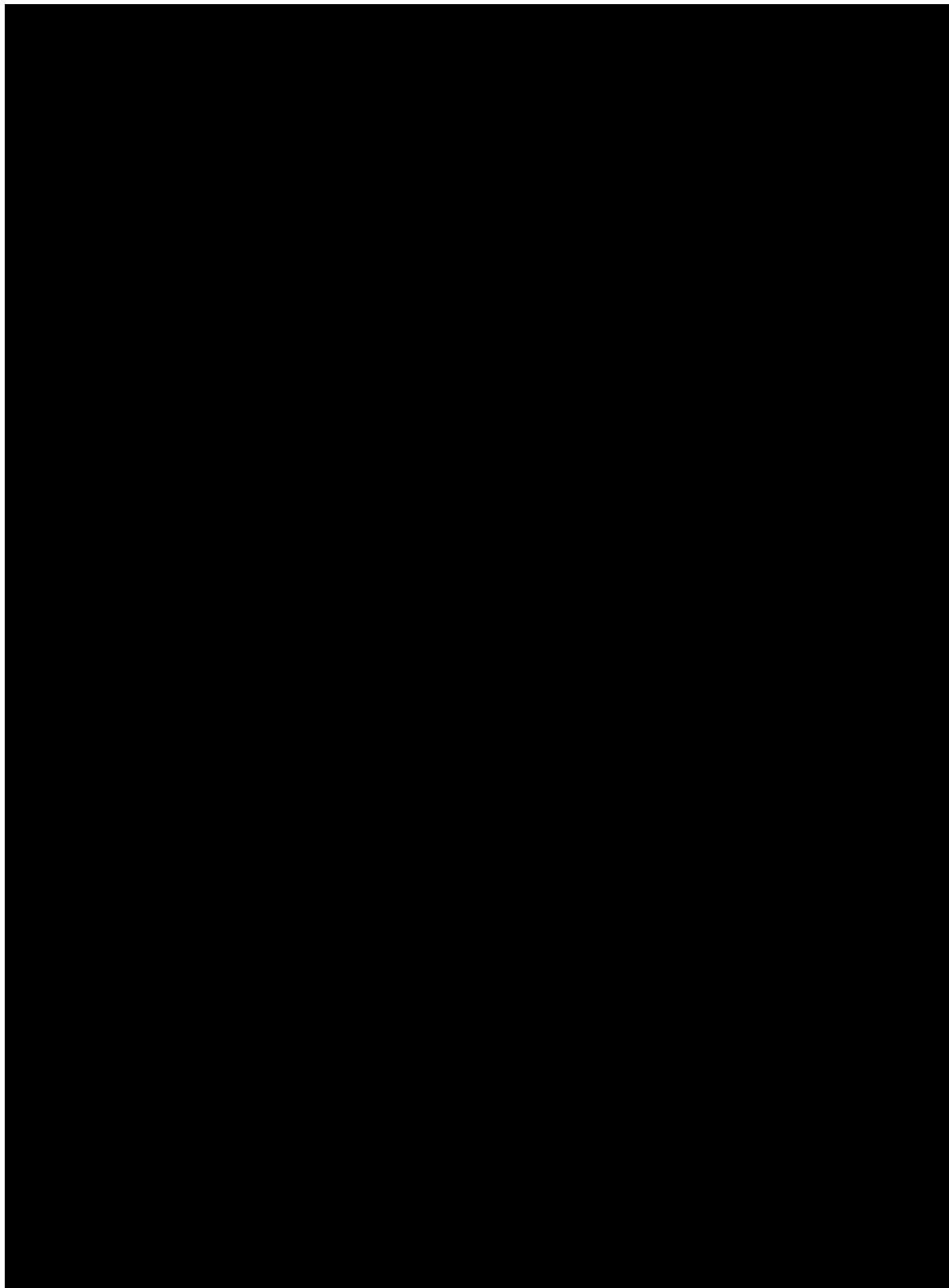
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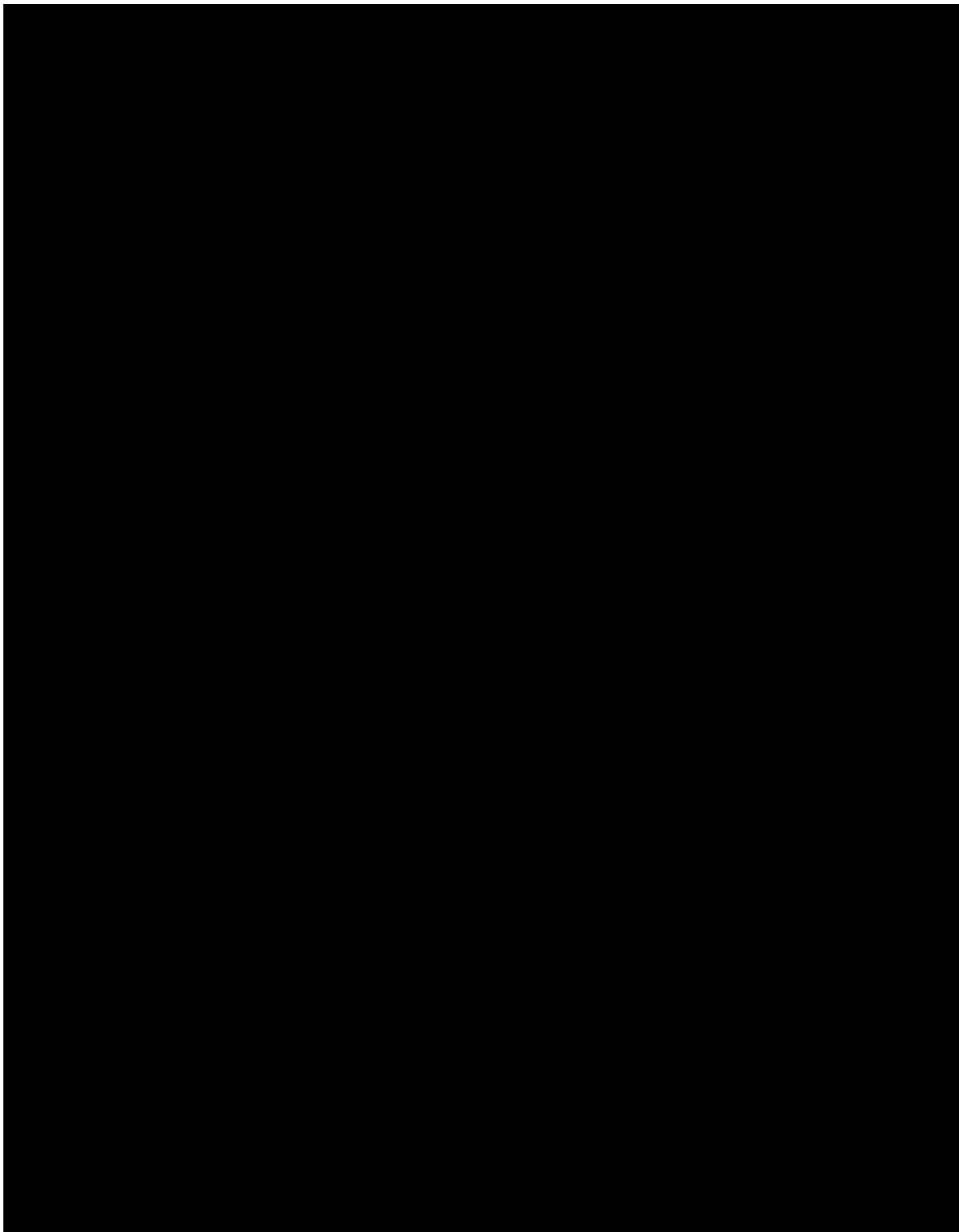


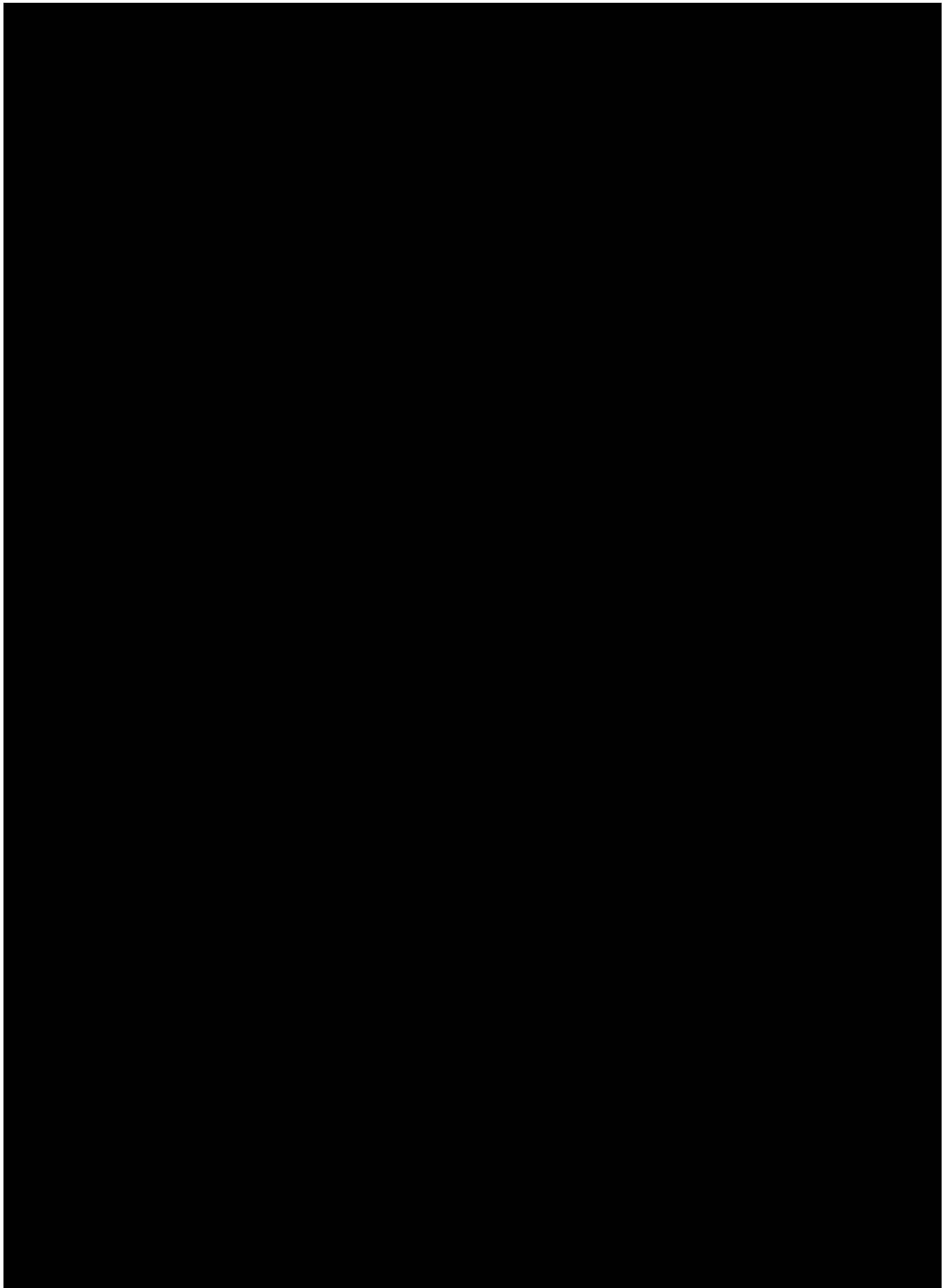


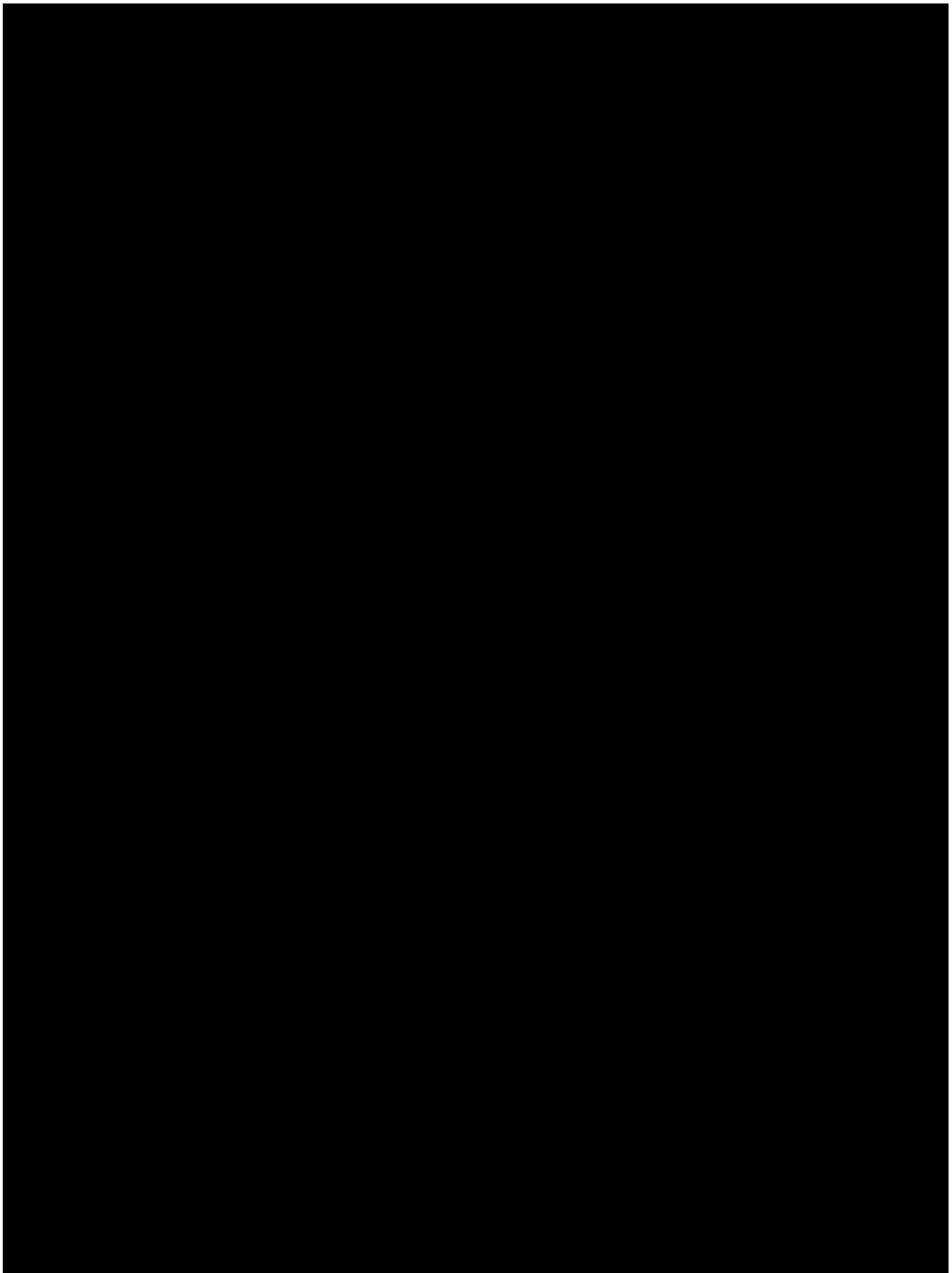


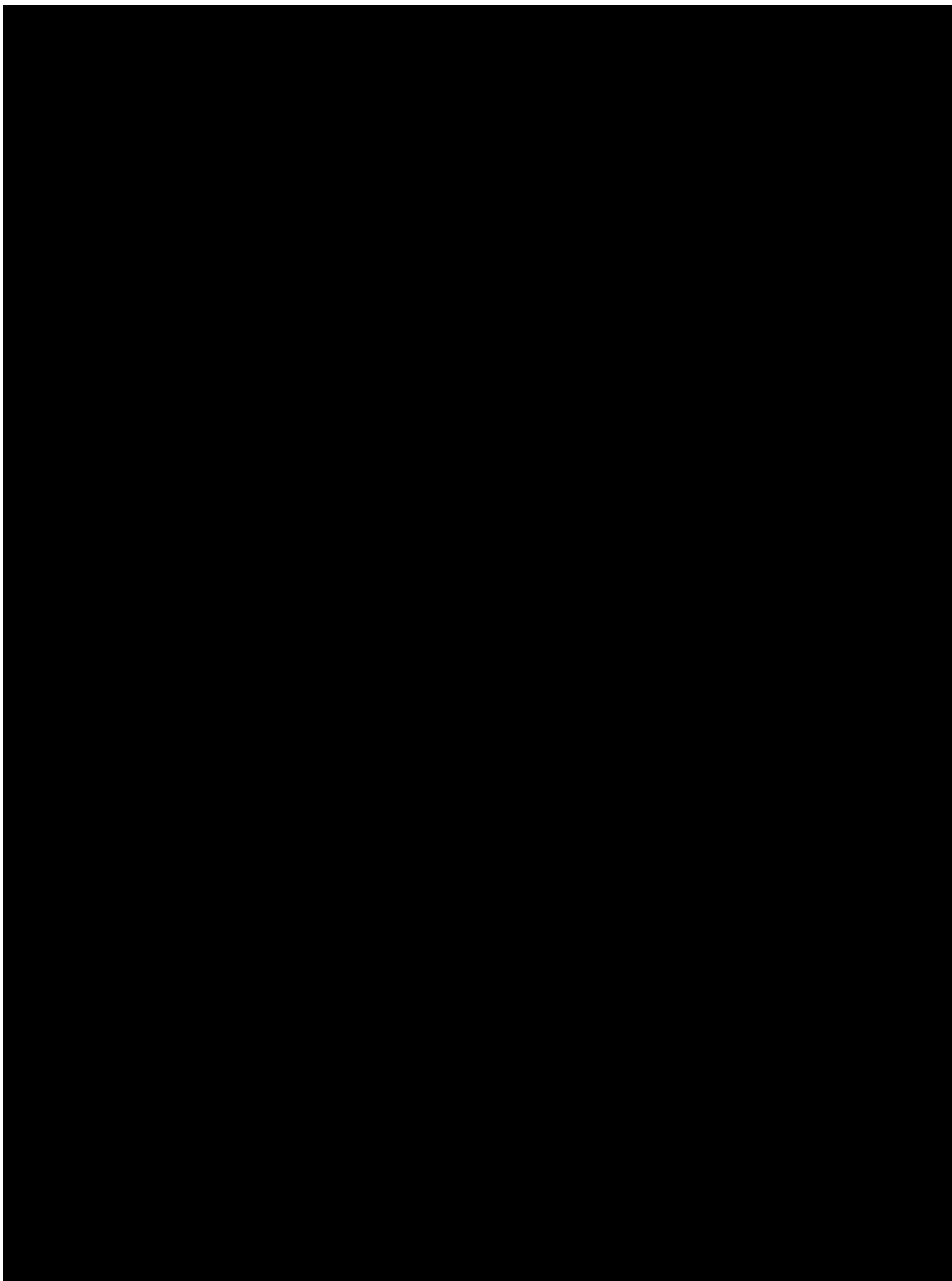
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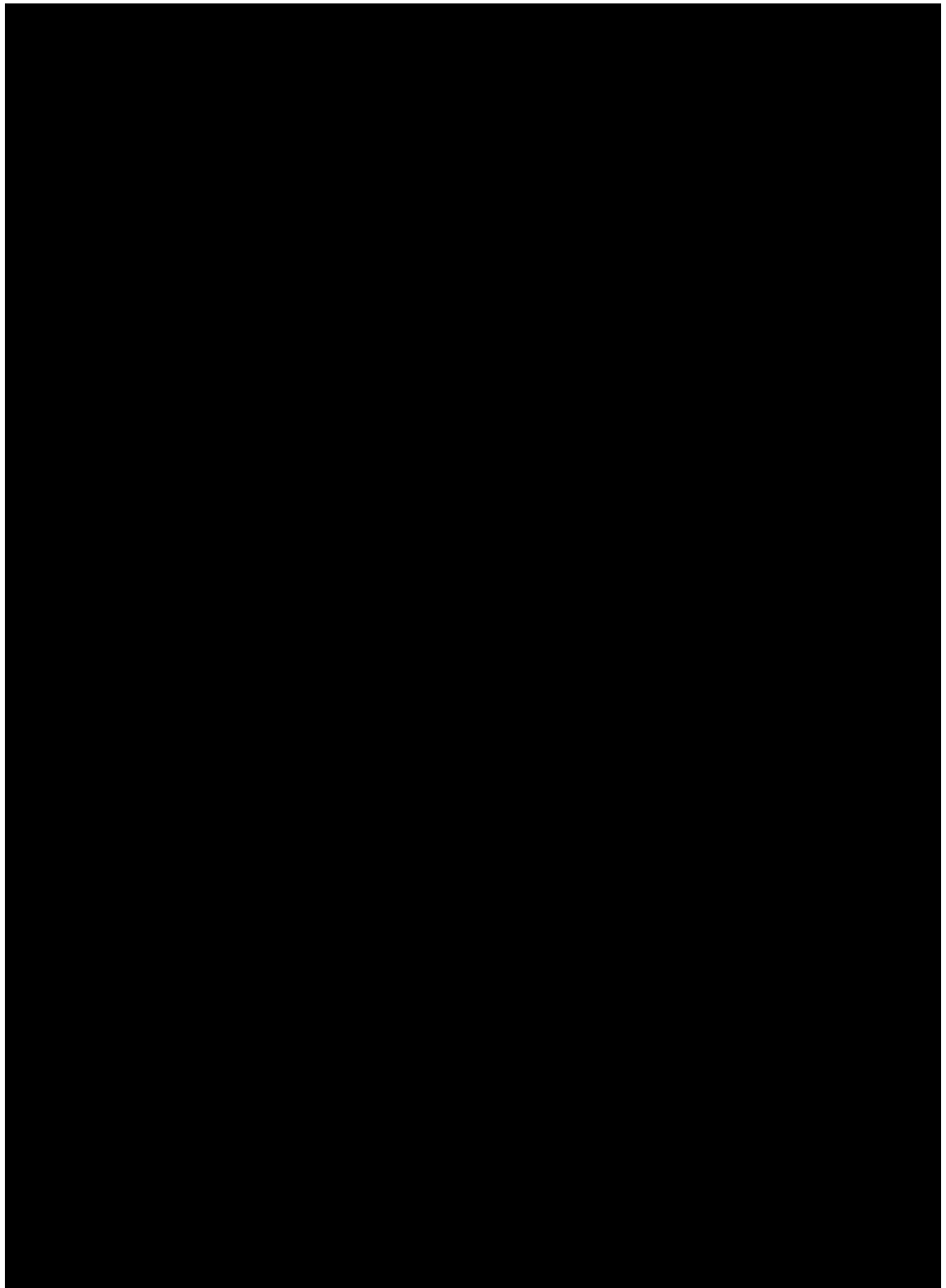
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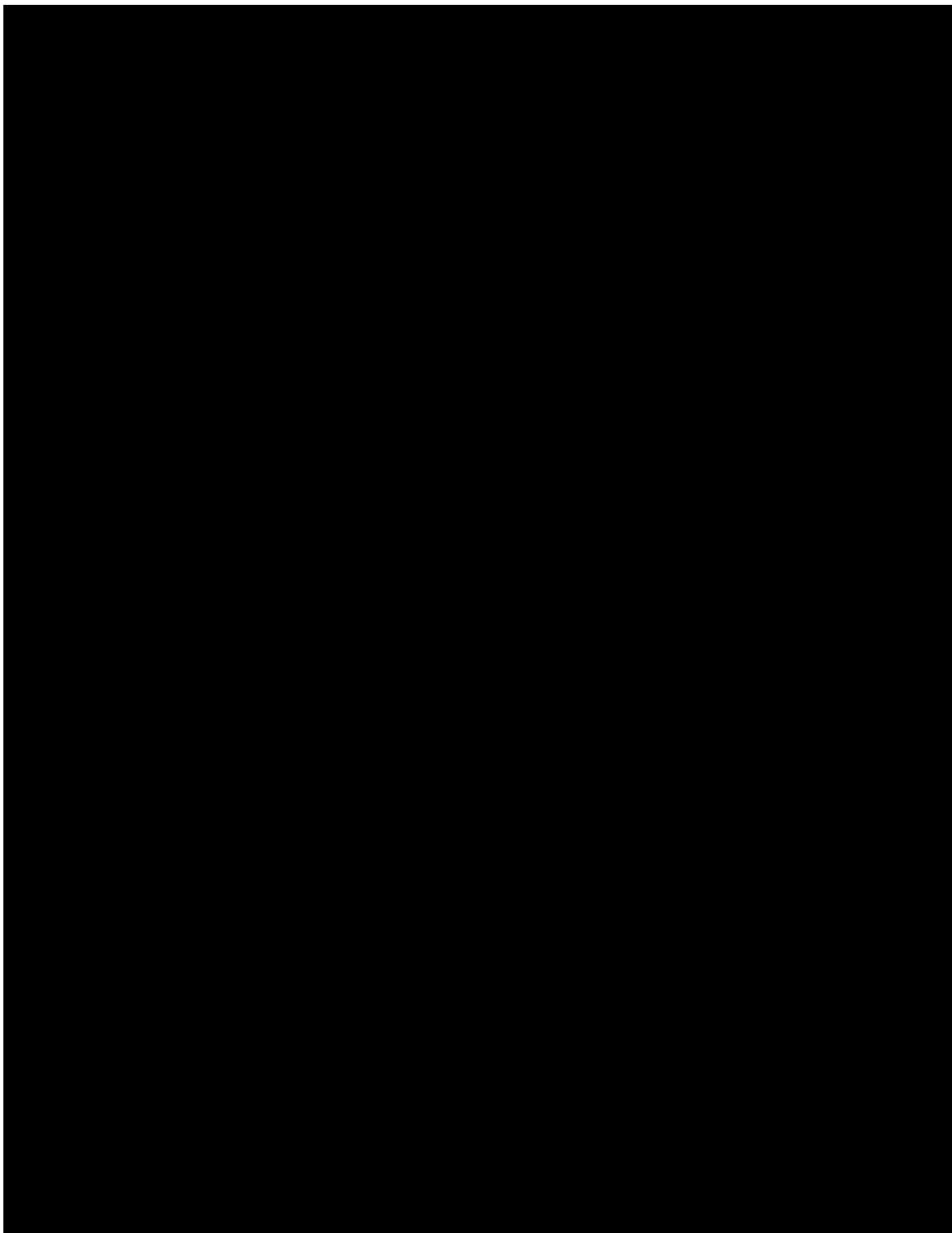






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**REAL TIME PRICING
DRAFT ORDERS AND PROPOSED TARIFFS**

**PROVINCE OF NOVA SCOTIA
UTILITY REVIEW BOARD**

IN THE MATTER OF: THE PUBLIC UTILITIES ACT, R.S.N.S., 1989, c.380

- and -

IN THE MATTER OF: AN APPLICATION BY NOVA SCOTIA POWER
INCORPORATED for approval of the fixed cost adders and
additional text for the One Part Extra High Voltage Real Time
Pricing Tariff.

WHEREAS: by Order dated December 15, 2009, the Utility and
Review Board granted approved of the EHV Time-of-Use, Real
Time Price Rate with the following fixed cost adders:
On-peak (7:00am-11:00pm, non-holiday weekdays) 5.806¢/kW.h
Off-peak (11:00pm-7:00am, non-holiday weekdays) 0.281¢/kW.h

AND WHEREAS: the fixed cost adders shall be developed annually based on
budgeted costs and submitted to the NS Utility and Review Board
for approval

AND UPON IT APPEARING that:

1. The fixed cost adders for the One Part EHV Real Time Pricing Tariff will be as follows:
On-peak (7:00am-11:00pm, non-holiday weekdays) 5.968¢/kW.h
Off-peak (11:00pm - 7:00am, non-holiday weekdays) 0.289¢/kW.h

These changes to the level of the fixed cost adders have been calculated in accordance
with prior approvals and are based on projected expenses for 2011.

2. These fixed cost adders will be in effect from January 1, 2011 until December 31, 2011.

NOW UPON MOTION, the Board Orders that:

1. The fixed cost adders and additional text, as set forth in Schedule "A", be approved by
the Board as the fixed cost adders to be charged for the period January 1, 2011 to
December 31, 2011.

DATED at Halifax, Nova Scotia this day of , 2010.

BY ORDER OF THE BOARD

CLERK

SCHEDULE "A"
NOVA SCOTIA POWER INCORPORATED
ELECTRIC TARIFFS

PROPOSED TARIFFS

NOVA SCOTIA POWER INCORPORATED

ONE PART EXTRA HIGH VOLTAGE REAL TIME PRICING TARIFF

DEMAND CHARGE

NIL

ENERGY CHARGE

NSPI's actual hourly marginal energy costs, plus the following fixed cost adders for on-peak and off-peak usage:

On-peak (7:00am - 11:00pm, non-holiday weekdays): 5.968¢/kWh

Off-peak (11:00pm - 7:00am, non-holiday weekdays): 0.289¢/kWh

Weekend and holiday fixed cost adders are set at the off-peak price during all hours of the day.

These adders shall be developed annually based on budgeted costs and submitted to the Nova Scotia Utility and Review Board for approval.

A credit equal to 32 cents per peak kilovolt-ampere of monthly peak demand will be applied where the transformer is owned by the customer.

AVAILABILITY:

1. Customers must make a written request to take service under this tariff.
2. This tariff is available to customers who are served at transmission voltage of 138 kV or higher and have loads of 2000 KVA or 1800 KW, and over.

SPECIAL CONDITIONS:

- (1) Projections of the anticipated hourly energy price (week ahead and day ahead) will be provided to the customer according to the following schedule:
 - By midnight each day, hourly price forecasts for each hour of the next seven days shall be provided to the customer.
 - Major changes to the hourly price forecasts will be provided to the customer as soon as they occur.

PROPOSED TARIFFS***NOVA SCOTIA POWER INCORPORATED******ONE PART EXTRA HIGH VOLTAGE REAL TIME PRICING TARIFF***

The actual price charged for each hour will be final twenty minutes prior to the commencement of that hour.

- (2) Metering will normally be at the low voltage side of the transformer. Should the customer's requirements make it necessary for the Company to provide primary metering, then the customer will be required to make a capital contribution equal to the additional capital cost of primary metering as opposed to the cost of secondary metering.
- (3) The cost of any special metering or communication systems required by the customer to take service under this tariff shall be paid for by the customer as a capital contribution.
- (4) Energy is supplied at the low side of the transformer. Meter readings shall be decreased by 1.75% to adjust for transformer losses if primary metering is used.
- (5) Customers shall take service under this tariff for a minimum of twelve months from the commencement date of taking service under this tariff. The customer may terminate service under this tariff by giving 30 days notice before the end of the contract term. Service shall automatically renew for successive terms if no notice is given.
- (6) This is a firm service tariff. However, existing customers served under the Interruptible Rider of the Large Industrial Tariff will be eligible to take service under this tariff provided that the customer applies for firm service in their written request as required by Availability Clause (1), but agrees to remain interruptible for up to five years as provided for under Availability Clause (5) of the Large Industrial Tariff Interruptible Rider. Within the five year window, a customer who has applied for firm service will be permitted to return to the Interruptible Rider without penalty, only if NSPI has not made irrevocable commitments to adding new capacity to meet the customer's request for firm service. Where such commitment has been made, the customer must reimburse NSPI or accept firm service for a period of at least two years.
- (7) Under normal operating conditions, an average power factor over the entire billing period, calculated for kWh consumed and lagging kVAR.h, as recorded, of not less than 90% lagging at each metering point shall be maintained, or the following adjustment factors (constant) will be applied to the billed consumption.

PROPOSED TARIFFS***NOVA SCOTIA POWER INCORPORATED******ONE PART EXTRA HIGH VOLTAGE REAL TIME PRICING TARIFF***

POWER FACTOR	CONSTANT	POWER FACTOR	CONSTANT
90-100%	1.0000	65-70%	1.1255
80-90%	1.0230	60-65%	1.1785
75-80%	1.0500	55-60%	1.2455
70-75%	1.0835	50-55%	1.3335

- (8) The Company reserves the right to have a separate service agreement, if in the opinion of the Company issues not specifically set out herein, must be addressed for the ongoing benefit of the Company and its customers.
- (9) The customer will make all necessary arrangements and bear all costs of ensuring that its load does not unduly deteriorate the integrity of the power supply system, by reason of its design and/or operation. These specific requirements shall be stipulated by way of a written operating agreement.
- (10) In assessing issues which might unduly affect the integrity of the power supply system the following would be considered: reliability, harmonic voltage and current levels, voltage flicker, unbalance, rate of change in load levels, stability, fault levels and other related conditions.

**PROVINCE OF NOVA SCOTIA
UTILITY REVIEW BOARD**

IN THE MATTER OF: THE PUBLIC UTILITIES ACT, R.S.N.S., 1989, c.380

- and -

IN THE MATTER OF: AN APPLICATION BY NOVA SCOTIA POWER
INCORPORATED for approval of the fixed cost adders for the
One Part High Voltage Real Time Pricing Tariff.

WHEREAS: by Order dated December 15, 2009, the Utility and Review Board
granted approved of the HV Time-of-Use, Real Time Price Rate
with the following fixed cost adders:
On-peak (7:00am-11:00pm, non-holiday weekdays) 5.579¢/kW.h
Off-peak (11:00pm-7:00am, non-holiday weekdays) 0 .497¢/kW.h

AND WHEREAS: the fixed cost adders shall be developed annually based on
budgeted costs and submitted to the NS Utility and Review Board
for approval

AND UPON IT APPEARING that:

1. The fixed cost adders for the One Part HV Real Time Pricing Tariff will be as follows:

On-peak (7:00am-11:00pm, non-holiday weekdays) 5.778¢/kW.h
Off-peak (11:00pm - 7:00am, non-holiday weekdays) 0.514¢/kW.h

These changes to the level of the fixed cost adders have been calculated in accordance
with prior approvals and are based on projected expenses for 2011.

2. These fixed cost adders will be in effect from January 1, 2011 until December 31, 2011.

NOW UPON MOTION, the Board Orders that:

1. The fixed cost adders, as set forth in Schedule "A", be approved by the Board as the fixed
cost adders to be charged for the period January 1, 2011 to December 31, 2011.

DATED at Halifax, Nova Scotia this day of , 2010.

BY ORDER OF THE BOARD

CLERK

SCHEDULE "A"
NOVA SCOTIA POWER INCORPORATED
ELECTRIC TARIFFS

PROPOSED TARIFFS

NOVA SCOTIA POWER INCORPORATED

ONE PART HIGH VOLTAGE REAL TIME PRICING TARIFF

DEMAND CHARGE

NIL

ENERGY CHARGE

NSPI's actual hourly marginal energy costs, plus the following fixed cost adders for on-peak and off-peak usage:

On-peak (7:00am - 11:00pm, non-holiday weekdays): 5.778¢/kWh

Off-peak (11:00pm - 7:00am, non-holiday weekdays): 0.514¢/kWh

Weekend and holiday fixed cost adders are set at the off-peak price during all hours of the day.

These adders shall be developed annually based on budgeted costs and submitted to the Nova Scotia Utility and Review Board for approval.

A credit equal to 32 cents per peak kilovolt-ampere of monthly peak demand will be applied where the transformer is owned by the customer.

AVAILABILITY:

1. Customers must make a written request to take service under this tariff.
2. This tariff is available to customers who are served at transmission voltage of 69 kV and have loads of 2000 KVA or 1800 KW, and over.

SPECIAL CONDITIONS:

- (1) Projections of the anticipated hourly energy price (week ahead and day ahead) will be provided to the customer according to the following schedule:
 - By midnight each day, hourly price forecasts for each hour of the next seven days shall be provided to the customer.
 - Major changes to the hourly price forecasts will be provided to the customer as soon as they occur.

PROPOSED TARIFFS***NOVA SCOTIA POWER INCORPORATED******ONE PART HIGH VOLTAGE REAL TIME PRICING TARIFF***

The actual price charged for each hour will be final twenty minutes prior to the commencement of that hour.

- (2) Metering will normally be at the low voltage side of the transformer. Should the customer's requirements make it necessary for the Company to provide primary metering, then the customer will be required to make a capital contribution equal to the additional capital cost of primary metering as opposed to the cost of secondary metering.
- (3) The cost of any special metering or communication systems required by the customer to take service under this tariff shall be paid for by the customer as a capital contribution.
- (4) Energy is supplied at the low side of the transformer. Meter readings shall be decreased by 1.75% to adjust for transformer losses if primary metering is used.
- (5) Customers shall take service under this tariff for a minimum of twelve months from the commencement date of taking service under this tariff. The customer may terminate service under this tariff by giving 30 days notice before the end of the contract term. Service shall automatically renew for successive terms if no notice is given.
- (6) This is a firm service tariff. However, existing customers served under the Interruptible Rider of the Large Industrial Tariff will be eligible to take service under this tariff provided that the customer applies for firm service in their written request as required by Availability Clause (1), but agrees to remain interruptible for up to five years as provided for under Availability Clause (5) of the Large Industrial Tariff Interruptible Rider. Within the five year window, a customer who has applied for firm service will be permitted to return to the Interruptible Rider without penalty, only if NSPI has not made irrevocable commitments to adding new capacity to meet the customer's request for firm service. Where such commitment has been made, the customer must reimburse NSPI or accept firm service for a period of at least two years.
- (7) Under normal operating conditions, an average power factor over the entire billing period, calculated for kWh consumed and lagging kVAR.h, as recorded, of not less than 90% lagging at each metering point shall be maintained, or the following adjustment factors (constant) will be applied to the billed consumption.

PROPOSED TARIFFS***NOVA SCOTIA POWER INCORPORATED******ONE PART HIGH VOLTAGE REAL TIME PRICING TARIFF***

POWER FACTOR	CONSTANT	POWER FACTOR	CONSTANT
90-100%	1.0000	65-70%	1.1255
80-90%	1.0230	60-65%	1.1785
75-80%	1.0500	55-60%	1.2455
70-75%	1.0835	50-55%	1.3335

- (8) The Company reserves the right to have a separate service agreement, if in the opinion of the Company issues not specifically set out herein, must be addressed for the ongoing benefit of the Company and its customers.
- (9) The customer will make all necessary arrangements and bear all costs of ensuring that its load does not unduly deteriorate the integrity of the power supply system, by reason of its design and/or operation. These specific requirements shall be stipulated by way of a written operating agreement.
- (10) In assessing issues which might unduly affect the integrity of the power supply system the following would be considered: reliability, harmonic voltage and current levels, voltage flicker, unbalance, rate of change in load levels, stability, fault levels and other related conditions.

**PROVINCE OF NOVA SCOTIA
UTILITY REVIEW BOARD**

IN THE MATTER OF: THE PUBLIC UTILITIES ACT, R.S.N.S., 1989, c.380

- and -

IN THE MATTER OF: AN APPLICATION BY NOVA SCOTIA POWER
INCORPORATED for approval of the fixed cost adders for the
One Part Distribution Voltage Real Time Pricing Tariff.

WHEREAS: by Order dated December 15, 2009, the Utility and Review Board
granted approved of the Distribution Voltage Time-of-Use, Real
Time Price Rate with the following fixed cost adders:
On-peak (7:00am-11:00pm, non-holiday weekdays) 8.075¢/kW.h
Off-peak (11:00pm-7:00am, non-holiday weekdays) 2.118¢/kW.h

AND WHEREAS: the fixed cost adders shall be developed annually based on
budgeted costs and submitted to the NS Utility and Review Board
for approval

AND UPON IT APPEARING that:

1. The fixed cost adders for the One Part Distribution Voltage Real Time Price Tariff will
be as follows:
On-peak (7:00am-11:00pm, non-holiday weekdays) 8.183¢/kW.h
Off-peak (11:00pm-7:00am, non-holiday weekdays) 2.146¢/kW.h

These changes to the level of the fixed cost adders have been calculated in accordance
with prior approvals and are based on projected expenses for 2011.

2. These fixed cost adders will be in effect from January 1, 2011 until December 31, 2011.

NOW UPON MOTION, the Board Orders that:

1. The fixed cost adders, as set forth in Schedule "A", be approved by the Board as the fixed
cost adders to be charged for the period January 1, 2011 to December 31, 2011.

DATED at Halifax, Nova Scotia this day of , 2010.

BY ORDER OF THE BOARD

CLERK

SCHEDULE "A"
NOVA SCOTIA POWER INCORPORATED
ELECTRIC TARIFFS

PROPOSED TARIFFS

NOVA SCOTIA POWER INCORPORATED

ONE PART DISTRIBUTION VOLTAGE REAL TIME PRICING TARIFF

DEMAND CHARGE

NIL

ENERGY CHARGE

NSPI's actual hourly marginal energy costs, plus the following fixed cost adders for on-peak and off-peak usage:

On-peak (7:00am - 11:00pm, non-holiday weekdays): 8.183¢/kWh

Off-peak (11:00pm - 7:00am, non-holiday weekdays): 2.146¢/kWh

Weekend and holiday fixed cost adders are set at the off-peak price during all hours of the day.

These adders shall be developed annually based on budgeted costs and submitted to the Nova Scotia Utility and Review Board for approval.

A credit equal to 32 cents per peak kilovolt-ampere of monthly peak demand will be applied where the transformer is owned by the customer.

AVAILABILITY:

1. Customers must make a written request to take service under this tariff.
2. This tariff is available to customers who are served at voltage less than 69 KV and have loads of 2000 KVA or 1800 KW, and over.

SPECIAL CONDITIONS:

- (1) Projections of the anticipated hourly energy price (week ahead and day ahead) will be provided to the customer according to the following schedule:
 - By midnight each day, hourly price forecasts for each hour of the next seven days shall be provided to the customer.
 - Major changes to the hourly price forecasts will be provided to the customer as soon as they occur.

APPROVED: NOVA SCOTIA UTILITY
AND REVIEW BOARD

EFFECTIVE: JANUARY 1, 2011

PROPOSED TARIFFS***NOVA SCOTIA POWER INCORPORATED******ONE PART DISTRIBUTION VOLTAGE REAL TIME PRICING TARIFF***

The actual price charged for each hour will be final twenty minutes prior to the commencement of that hour.

- (2) Metering will normally be at the low voltage side of the transformer. Should the customer's requirements make it necessary for the Company to provide primary metering, then the customer will be required to make a capital contribution equal to the additional capital cost of primary metering as opposed to the cost of secondary metering.
- (3) The cost of any special metering or communication systems required by the customer to take service under this tariff shall be paid for by the customer as a capital contribution.
- (4) Energy is supplied at the low side of the transformer. Meter readings shall be decreased by 1.75% to adjust for transformer losses if primary metering is used.
- (5) Customers shall take service under this tariff for a minimum of twelve months from the commencement date of taking service under this tariff. The customer may terminate service under this tariff by giving 30 days notice before the end of the contract term. Service shall automatically renew for successive terms if no notice is given.
- (6) This is a firm service tariff. However, existing customers served under the Interruptible Rider of the Large Industrial Tariff will be eligible to take service under this tariff provided that the customer applies for firm service in their written request as required by Availability Clause (1), but agrees to remain interruptible for up to five years as provided for under Availability Clause (5) of the Large Industrial Tariff Interruptible Rider. Within the five year window, a customer who has applied for firm service will be permitted to return to the Interruptible Rider without penalty, only if NSPI has not made irrevocable commitments to adding new capacity to meet the customer's request for firm service. Where such commitment has been made, the customer must reimburse NSPI or accept firm service for a period of at least two years.
- (7) Under normal operating conditions, an average power factor over the entire billing period, calculated for kWh consumed and lagging kVAR.h, as recorded, of not less than 90% lagging at each metering point shall be maintained, or the following adjustment factors (constant) will be applied to the billed consumption.

PROPOSED TARIFFS***NOVA SCOTIA POWER INCORPORATED******ONE PART DISTRIBUTION VOLTAGE REAL TIME PRICING TARIFF***

POWER FACTOR	CONSTANT	POWER FACTOR	CONSTANT
90-100%	1.0000	65-70%	1.1255
80-90%	1.0230	60-65%	1.1785
75-80%	1.0500	55-60%	1.2455
70-75%	1.0835	50-55%	1.3335

- (8) The Company reserves the right to have a separate service agreement, if in the opinion of the Company issues not specifically set out herein, must be addressed for the ongoing benefit of the Company and its customers.
- (9) The customer will make all necessary arrangements and bear all costs of ensuring that its load does not unduly deteriorate the integrity of the power supply system, by reason of its design and/or operation. These specific requirements shall be stipulated by way of a written operating agreement.
- (10) In assessing issues which might unduly affect the integrity of the power supply system the following would be considered: reliability, harmonic voltage and current levels, voltage flicker, unbalance, rate of change in load levels, stability, fault levels and other related conditions.

**REAL TIME PRICING
BACK-UP INFORMATION**

1P-RTP ADDER CALCULATION FOR 2011

Approved Year 2010 Rates

All classes exclude the GRLF customers. The EHV class also excludes Mersey and EU 2P-RTP customers.

Proposed Year 2011 Rates

All classes exclude the GRLF customers. The EHV class also excludes Mersey and EU 2P-RTP customers.

% VARIANCE BETWEEN SUBMISSIONS

RTP ADDER COST COMPONENTS IN CENTS PER KWH																	
ADDER COMPONENTS BY THE COST FUNCTIONAL AREAS ADJUSTED FOR FUEL COST IMBALANCE IN CENTS PER KWH																	
		ON-PEAK		OFF-PEAK		TOTAL		% Share/ Factors		ON-PEAK		OFF-PEAK		TOTAL		Share/Fa ctors	

1P-RTP ADDER CALCULATION FOR 2011

Approved Year 2010 Rates

All classes exclude the GRLF customers. The EHV class also excludes Mersey and EU 2P-RTP customers.

Proposed Year 2011 Rates

All classes exclude the GRLF customers. The EHV class also excludes Mersey and EU 2P-RTP customers.

% VARIANCE BETWEEN SUBMISSIONS

		% Share/ Factors				Share/Fa ctors				
		ON-PEAK	OFF-PEAK	TOTAL	ON-PEAK	OFF-PEAK	TOTAL	ON-PEAK	OFF-PEAK	TOTAL
5	HIGH VOLTAGE									
52	O&M	\$0.01236			\$0.01236			0.0%		
53	Capital	\$0.03099			\$0.03099			0.0%		
54	ROE	\$0.00766			\$0.00766			0.0%		
55	Generation Costs	\$0.05101			\$0.05101			0.0%		
56	O&M	\$0.00143	\$0.00143		\$0.00143	\$0.00143		0.0%	0.0%	
57	Capital	\$0.00271	\$0.00271		\$0.00271	\$0.00271		0.0%	0.0%	
58	ROE	\$0.00066	\$0.00066		\$0.00066	\$0.00066		0.0%	0.0%	
59	Transmission Costs	\$0.00479	\$0.00479		\$0.00479	\$0.00479		0.0%	0.0%	
60	Fixed Costs	\$0.05580	\$0.00479		\$0.05580	\$0.00479		0.0%	0.0%	
61	Avoided Costs	\$0.12454	\$0.01066		\$0.11893	\$0.01018		-4.5%	-4.5%	
62	less: MC Revenue	\$0.12476	\$0.01068		\$0.11716	\$0.01003		-6.1%	-6.1%	
63	Fuel Cost Adj	-\$0.00022	-\$0.00002		\$0.00177	\$0.00015		-915.5%	-915.5%	
64	Customer Cost	\$0.00020	\$0.00020		\$0.00020	\$0.00020		0.0%	0.0%	
65	HV	\$0.05579	\$0.00497		\$0.05778	\$0.00514		3.6%	3.4%	
66										
67										
68										
69										
70										
71										
72	DISTRIBUTION VOLTAGE									
73	O&M	\$0.01422			\$0.01422			0.0%		
74	Capital	\$0.03565			\$0.03565			0.0%		
75	ROE	\$0.00881			\$0.00881			0.0%		
76	Generation Costs	\$0.05867			\$0.05867			0.0%		
77	O&M	\$0.00194	\$0.00194		\$0.00194	\$0.00194		0.0%	0.0%	
78	Capital	\$0.00370	\$0.00370		\$0.00370	\$0.00370		0.0%	0.0%	
79	ROE	\$0.00089	\$0.00089		\$0.00089	\$0.00089		0.0%	0.0%	
80	Transmission Costs	\$0.00653	\$0.00653		\$0.00653	\$0.00653		0.0%	0.0%	
81	O&M	\$0.00307	\$0.00307		\$0.00307	\$0.00307		0.0%	0.0%	
82	Capital	\$0.00919	\$0.00919		\$0.00919	\$0.00919		0.0%	0.0%	
83	ROE	\$0.00184	\$0.00184		\$0.00184	\$0.00184		0.0%	0.0%	
84	Distribution Costs	\$0.01411	\$0.01411		\$0.01411	\$0.01411		0.0%	0.0%	
85	Fixed Costs	\$0.07932	\$0.02064		\$0.07932	\$0.02064		0.0%	0.0%	
86	Avoided Costs	\$0.09622	\$0.02516		\$0.09103	\$0.02381		-5.4%	-5.4%	
87	less: MC Revenue	\$0.09500	\$0.02485		\$0.08873	\$0.02321		-6.6%	-6.6%	
88	Fuel Cost Adj	\$0.00121	\$0.00032		\$0.00230	\$0.00060		89.1%	89.1%	
89	Customer Costs	\$0.00022	\$0.00022		\$0.00022	\$0.00022		0.0%	0.0%	
90	Distribution	\$0.08075	\$0.02118		\$0.08183	\$0.02146		1.3%	1.3%	
91										
92										
93										
94										
95										
96										

1P-RTP ADDER CALCULATION FOR 2011

Approved Year 2010 Rates

All classes exclude the GRLF customers. The EHV class also excludes Mersey and EU 2P-RTP customers.

Proposed Year 2011 Rates

All classes exclude the GRLF customers. The EHV class also excludes Mersey and EU 2P-RTP customers.

% VARIANCE BETWEEN SUBMISSIONS

5		% Share/ Factors					Share/Fa ctors					ON-PEAK OFF-PEAK TOTAL				
97		ON-PEAK	OFF-PEAK	TOTAL	Allocation of Fixed Costs of GENCO & WIRECO		TOTAL	ON-PEAK	OFF-PEAK	TOTAL	ON-PEAK OFF-PEAK TOTAL					
Generation																
100	OM&G															
101	EHV Class	\$3,925,836		\$3,925,836			\$3,925,836			\$3,925,836	0.0%	0.0%				
102	HV Class	\$2,589,464		\$2,589,464			\$2,589,464			\$2,589,464	0.0%	0.0%				
103	Distr. Class	\$5,923,911		\$5,923,911			\$5,923,911			\$5,923,911	0.0%	0.0%				
104	Eligible Total	\$12,439,212		\$12,439,212			\$12,439,212			\$12,439,212	0.0%	0.0%				
105	None Eligible Total	\$73,448,788		\$73,448,788			\$73,448,788			\$73,448,788	0.0%	0.0%				
106	NSPI Total	<u>\$85,888,000</u>		<u>\$85,888,000</u>			<u>\$85,888,000</u>			<u>\$85,888,000</u>	0.0%	0.0%				
108	Capital															
109	EHV Class	\$9,843,661		\$9,843,661			\$9,843,661			\$9,843,661	0.0%	0.0%				
110	HV Class	\$6,492,836		\$6,492,836			\$6,492,836			\$6,492,836	0.0%	0.0%				
111	Distr. Class	\$14,853,645		\$14,853,645			\$14,853,645			\$14,853,645	0.0%	0.0%				
112	Eligible Total	\$31,190,142		\$31,190,142			\$31,190,142			\$31,190,142	0.0%	0.0%				
113	None Eligible Total	\$184,165,858		\$184,165,858			\$184,165,858			\$184,165,858	0.0%	0.0%				
114	NSPI Total	<u>\$215,356,000</u>		<u>\$215,356,000</u>			<u>\$215,356,000</u>			<u>\$215,356,000</u>	0.0%	0.0%				
116	ROE															
117	EHV Class	\$2,432,347		\$2,432,347			\$2,432,347			\$2,432,347	0.0%	0.0%				
118	HV Class	\$1,604,366		\$1,604,366			\$1,604,366			\$1,604,366	0.0%	0.0%				
119	Distr. Class	\$3,670,303		\$3,670,303			\$3,670,303			\$3,670,303	0.0%	0.0%				
120	Eligible Total	\$7,707,016		\$7,707,016			\$7,707,016			\$7,707,016	0.0%	0.0%				
121	None Eligible Total	\$45,506,984		\$45,506,984			\$45,506,984			\$45,506,984	0.0%	0.0%				
122	NSPI Total	<u>\$53,214,000</u>		<u>\$53,214,000</u>			<u>\$53,214,000</u>			<u>\$53,214,000</u>	0.0%	0.0%				
123																
124	Generation Total															
125	EHV Class	\$16,201,844		\$16,201,844			\$16,201,844			\$16,201,844	0.0%	0.0%				
126	HV Class	\$10,686,666		\$10,686,666			\$10,686,666			\$10,686,666	0.0%	0.0%				
127	Distr. Class	\$24,447,860		\$24,447,860			\$24,447,860			\$24,447,860	0.0%	0.0%				
128	Eligible Total	\$51,336,370		\$51,336,370			\$51,336,370			\$51,336,370	0.0%	0.0%				
129	None Eligible Total	\$303,121,630		\$303,121,630			\$303,121,630			\$303,121,630	0.0%	0.0%				
130	NSPI Total	<u>\$354,458,000</u>		<u>\$354,458,000</u>			<u>\$354,458,000</u>			<u>\$354,458,000</u>	0.0%	0.0%				
131																
132	Transmission															
133	OM&G															
134	EHV Class	\$243,372	\$538,851	\$782,224			\$243,372	\$538,851	\$782,224		0.0%	0.0%				
135	HV Class	\$298,540	\$377,067	\$675,607			\$298,540	\$377,067	\$675,607		0.0%	0.0%				
136	Distr. Class	\$810,034	\$717,877	\$1,527,911			\$810,034	\$717,877	\$1,527,911		0.0%	0.0%				
137	Eligible Total	\$1,351,947	\$1,633,795	\$2,985,742			\$1,351,947	\$1,633,795	\$2,985,742		0.0%	0.0%				
138	None Eligible Total	\$19,355,258		\$19,355,258					\$19,355,258		0.0%	0.0%				
139	NSPI Total	<u>\$22,341,000</u>		<u>\$22,341,000</u>			<u>\$22,341,000</u>		<u>\$22,341,000</u>		0.0%	0.0%				
140	Capital															
141	EHV Class	\$462,681	\$1,024,423	\$1,487,104			\$462,681	\$1,024,423	\$1,487,104		0.0%	0.0%				
142	HV Class	\$567,562	\$716,851	\$1,284,413			\$567,562	\$716,851	\$1,284,413		0.0%	0.0%				
143	Distr. Class	\$1,539,975	\$1,364,772	\$2,904,747			\$1,539,975	\$1,364,772	\$2,904,747		0.0%	0.0%				
144	Eligible Total	\$2,570,218	\$3,106,046	\$5,676,264			\$2,570,218	\$3,106,046	\$5,676,264		0.0%	0.0%				
145	None Eligible Total	\$36,796,736		\$36,796,736					\$36,796,736		0.0%	0.0%				
146	NSPI Total	<u>\$42,473,000</u>		<u>\$42,473,000</u>					<u>\$42,473,000</u>		0.0%	0.0%				
147																

% VARIANCE BETWEEN SUBMISSIONS

[illegible]

1P-RTP ADDER CALCULATION FOR 2011

% VARIANCE BETWEEN SUBMISSIONS

Proposed Year 2011 Rates
All classes exclude the GRLF customers. The EHV class also excludes Mersey and EU 2P-RTP customers.

Approved Year 2010 Rates
All classes exclude the GRLF customers. The EHV class also excludes Mersey and EU 2P-RTP customers.

ON-PEAK	OFF-PEAK	TOTAL	% Share/ Factors	ON-PEAK	OFF-PEAK	TOTAL	Share/Fa ctors	ON-PEAK	OFF-PEAK	TOTAL
Fuel Cost Adjustment										

Line No 1 2 3 4 5 193

1P-RTP ADDER CALCULATION FOR 2011

Approved Year 2010 Rates

All classes exclude the GRLF customers. The EHV class also excludes Mersey and EU 2P-RTP customers.

Proposed Year 2011 Rates

All classes exclude the GRLF customers. The EHV class also excludes Mersey and EU 2P-RTP customers.

% VARIANCE BETWEEN SUBMISSIONS

Customer Admin Costs by Voltage Classes												
5	Factors			Costs			Factors			Costs		
	ON-PEAK	OFF-PEAK	TOTAL	ON-PEAK	OFF-PEAK	TOTAL	ON-PEAK	OFF-PEAK	TOTAL	ON-PEAK	OFF-PEAK	TOTAL
241												
242												
243	EHV Customers			4			4					
244	Average Cost per month			\$400			\$400					
245	Average Cost per month			\$19,200			\$19,200					
246	Total			\$13,226			\$13,226					
247				\$5,974			\$5,974			0.0%		
248				\$13,226			\$13,226			0.0%		
249				\$19,200			\$19,200			0.0%		
250				\$400			\$400			0.0%		
251				\$96,000			\$96,000			0.0%		
252				\$53,579			\$53,579			0.0%		
253				\$42,421			\$42,421			0.0%		
254				\$81,189			\$81,189			0.0%		
255				\$91,611			\$91,611			0.0%		
256				\$172,800			\$172,800			0.0%		
257				\$172,800			\$172,800			0.0%		
258				\$172,800			\$172,800			0.0%		
259				\$172,800			\$172,800			0.0%		
COST DETERMINANTS OF ELIGIBLE VOLTAGE CLASSES												

All classes exclude the GRLF customers. The EHV class also excludes Mersey and ELI 2P-RTP customers.

VARIANCE BETWEEN SUBMISSIONS

[illegible]

**WHOLESALE MARKET BACKUP/TOP-UP SERVICE
DRAFT ORDER AND PROPOSED TARIFF**

**PROVINCE OF NOVA SCOTIA
UTILITY REVIEW BOARD**

IN THE MATTER OF: THE PUBLIC UTILITIES ACT, R.S.N.S., 1989, c.380

- and -

IN THE MATTER OF: AN APPLICATION BY NOVA SCOTIA POWER
INCORPORATED for approval of the monthly customer charge
for the Wholesale Market Backup/Top-up Service tariff.

WHEREAS: by Order dated December 15, 2009, the Utility and Review Board
granted approval of the Wholesale Market Backup/Top-up Service
monthly customer charge at a rate of \$3,656.25 per month on and
after January 1, 2010

AND WHEREAS: the monthly customer charge shall be developed annually based on
budgeted costs and submitted to the NS Utility and Review Board
for approval

AND UPON IT APPEARING that:

1. The monthly customer charge for the Wholesale Market Backup/Top-up Service Tariff
will be as follows:

The monthly customer charge of be \$3,656.25 has been calculated in accordance with
prior approvals and is based on projected expenses for 2011.

2. This monthly customer charge will be in effect from January 1, 2011 until December 31,
2011.

NOW UPON MOTION, the Board Orders that:

1. The monthly customer charge, as set forth in Schedule "A", be approved by the Board as
the monthly customer charge to be charged for the period January 1, 2011 to December
31, 2011.

DATED at Halifax, Nova Scotia this day of , 2010.

BY ORDER OF THE BOARD

CLERK

SCHEDULE "A"

NOVA SCOTIA POWER INCORPORATED

ELECTRIC TARIFFS

PROPOSED TARIFFS***NOVA SCOTIA POWER INCORPORATED******WHOLESALE MARKET BACKUP/TOP-UP SERVICE TARIFF*****CUSTOMER CHARGE**

The monthly customer charge under this tariff is calculated according to the following formula:

$$\text{Monthly customer charge} = \frac{\text{forecast annual administration costs}}{\text{forecast number of customers subscribed} * 12}$$

This charge will be \$3,656.25 per month for the period January 1, 2011 to December 31, 2011.

DEMAND CHARGE

\$5.286 per month, per kilowatt (kW) of billing demand measured on an average hourly basis.

Contracted firm demand requirement is defined as the demand (kW) requested by the wholesale customer (or aggregate customer group) and agreed to be supplied by NSPI. This may constitute all, or a portion of the demand contracted to be served on a primary basis by a third party supplier. Billing demand is determined based upon the following formula:

$$\text{Billing demand} = (\text{PR} * \min(\text{CD}, \text{CF} * \text{GC})) + (\text{CD} - \min(\text{CD}, \text{CF} * \text{GC}))$$

Where:

- PR is Planning Reserve (based on NPCC planning criteria, i.e., 20% or as updated)
- GC is the third party supplier's generating capacity
 - a) For non-dispatchable generation, GC = MSC, the Maximum Spill Capacity as defined in Wholesale Market Non-Dispatchable Supplier Spill Tariff.
 - b) For dispatchable generation, GC = the supplier's maximum capacity contracted to provide its wholesale customers' demand
- CD is the customer's Contract Demand
- CF is the capacity factor associated with the third party supplier's generation

ENERGY CHARGE

The energy charge shall be the Company's forecast average annual marginal energy costs as approved for use with the GRLF rate.

MINIMUM MONTHLY CHARGE

The minimum monthly charge will be the customer charge plus the demand charge.

AVAILABILITY:

APPROVED: NOVA SCOTIA UTILITY
AND REVIEW BOARD

EFFECTIVE: JANUARY 1, 2011

PROPOSED TARIFFS***NOVA SCOTIA POWER INCORPORATED******WHOLESALE MARKET BACKUP/TOP-UP SERVICE TARIFF***

The tariff is available to wholesale customers as defined in section 2(b) of the Electricity Act, Chapter 25 of the Acts of 2004.

“ (b) “wholesale customer” means Nova Scotia Power Incorporated, the electric utilities of the towns of Antigonish, Berwick, Canso, Lunenburg and Mahone Bay and The Electric Light Commissioners for Riverport, in the County of Lunenburg.”,

The tariff is applicable to the *scheduled* backup\top-up load of participating customers under the following terms and conditions:

- (1) The wholesale customer has provided written notice of its intent to take service under this tariff, clearly identifying the following:
 - a. The Municipal utility or utilities for which service is being requested.
 - b. The year for which service is being requested.
 - c. The contract demand (kW) required for backup and top-up service.
 - d. The portion of the customer’s annual load contracted to be supplied by third party suppliers or through self-supply
 - e. The names, addresses, contact details and supply arrangements associated with contracted third party suppliers

Backup\top-up service will be subscribed on a minimum 12 month, annual-renewable basis. Applications for service must be provided annually to NSPI by January 31st of each year, for service applicable to the subsequent year.

- (2) Adequate metering equipment, as dictated by the Generation Interconnection Agreement, must be installed to monitor the generation of any third-party generators selected for use by the wholesale customer. The equipment and installation must be approved by the Company and the costs will be the responsibility of the generator.

SPECIAL CONDITIONS:

- (1) This tariff is designed for customers supplied and metered at the high side of the transformer at transmission voltage of 69 kV or higher. For customers metered at the low side of the transformer, or at a distribution voltage level, meter readings shall be increased by 1.75% for each transformation between the meter and the transmission voltage.

PROPOSED TARIFFS

NOVA SCOTIA POWER INCORPORATED

WHOLESALE MARKET BACKUP/TOP-UP SERVICE TARIFF

- (2) The charges under this rate do not reflect transmission service costs. Customers taking service under this tariff must also take service under OATT.
- (3) For system reasons, NSPI may, at its discretion, deny an application for service from a customer who has not taken service from NSPI in the year prior to the year requested.
- (4) The Company reserves the right to have a separate service agreement, if in the opinion of the Company issues not specifically set out herein, must be addressed for the ongoing benefit of the Company and its customers.
- (5) The customer will make all necessary arrangements to ensure that its load does not unduly deteriorate the integrity of the power supply system, either by its design and/or operation. These specific requirements shall be stipulated by way of a written operating agreement.
- (6) In assessing issues which might unduly affect the integrity of the power supply system the following would be considered: reliability, harmonic voltage and current levels, voltage flicker, unbalance, rate of change in load levels, stability, fault levels and other related conditions.

**WHOLESALE MARKET NON-DISPATCHABLE SUPPLIER
SPILL
DRAFT ORDER AND PROPOSED TARIFF**

**PROVINCE OF NOVA SCOTIA
UTILITY REVIEW BOARD**

IN THE MATTER OF: THE PUBLIC UTILITIES ACT, R.S.N.S., 1989, c.380

- and -

IN THE MATTER OF: AN APPLICATION BY NOVA SCOTIA POWER
INCORPORATED for approval of the monthly customer charge
for the Wholesale Market Non-Dispatchable Supplier Spill tariff.

WHEREAS: by Order dated December 15, 2009, the Utility and Review Board
granted approval of the Wholesale Market Non-Dispatchable
Supplier Spill tariff monthly customer charge at a rate of \$3,656.25
per month on and after January 1, 2010

AND WHEREAS: the monthly customer charge shall be developed annually based on
budgeted costs and submitted to the NS Utility and Review Board
for approval

AND UPON IT APPEARING that:

2. The monthly customer charge for the Wholesale Market Non-Dispatchable Supplier Spill
Tariff will be as follows:

The monthly customer charge of be \$3,656.25 has been calculated in accordance with
prior approvals and is based on projected expenses for 2011.

2. This monthly customer charge will be in effect from January 1, 2011 until December 31,
2011.

NOW UPON MOTION, the Board Orders that:

1. The monthly customer charge, as set forth in Schedule "A", be approved by the Board as
the monthly customer charge to be charged for the period January 1, 2011 to December
31, 2011.

DATED at Halifax, Nova Scotia this day of , 2010.

BY ORDER OF THE BOARD

CLERK

SCHEDULE "A"

NOVA SCOTIA POWER INCORPORATED

ELECTRIC TARIFFS

PROPOSED TARIFFS**NOVA SCOTIA POWER INCORPORATED****WHOLESALE MARKET NON-DISPATCHABLE SUPPLIER SPILL TARIFF****ADMINISTRATION CHARGE**

The monthly administration charge under this tariff is calculated according to the following formula:

$$\text{Monthly charge} = \frac{\text{forecast annual administration costs}}{\text{Forecast number of suppliers supplying wholesale customers} * 12}$$

This charge will be \$3,656.25 per month for the period January 1, 2011 to December 31, 2011.

ENERGY CREDIT

Compensation for spill energy delivered to NSPI will be at the Company's forecast average annual marginal energy costs as approved for use with the GRLF rate.

MINIMUM MONTHLY CHARGE

The minimum monthly charge shall be the administration charge.

AVAILABILITY:

This tariff is available for use by independent non-dispatchable electric generators serving customers taking service under the Wholesale Market Backup/top-up Service tariff. The tariff is applicable to *scheduled* "spill energy", under the following terms and conditions:

- (1) "Spill energy" is defined as the scheduled hourly energy forecast to be produced by the supplier above the scheduled hourly energy requirement of their wholesale customer(s). Unscheduled energy produced will be compensated according to OATT imbalance guidelines. Spill compensation under this tariff is limited to the supplier's Maximum Spill Capacity (kW). Maximum Spill Capacity must be approved by NSPI prior to commencement of service and will be limited to a level agreed as being required to provide the contracted annual amount of participating wholesale customer energy (MWh). Spill capacity will be reviewed periodically and adjusted as required to ensure that it matches the amount required to provide subscribed annual customer energy.
- (2) Suppliers must install metering equipment to monitor the output of their generation. Consistent with the Generation Interconnection Agreement, the equipment and installation must be approved by the Company and the costs will be the responsibility of the supplier.

PROPOSED TARIFFS

NOVA SCOTIA POWER INCORPORATED

WHOLESALE MARKET NON-DISPATCHABLE SUPPLIER SPILL TARIFF

SPECIAL CONDITIONS:

- (1) Suppliers must meet all conditions set forth in the Generation Interconnection Procedures and Generation Interconnection Agreement.

The Company reserves the right to have a separate service agreement, if in the opinion of the Company issues not specifically set out herein, must be addressed for the ongoing benefit of the Company and its customers.

- (3) The supplier will make all necessary arrangements to ensure that its generation output does not unduly deteriorate the integrity of the power supply system, either by its design and/or operation. These specific requirements shall be stipulated in the Generation Interconnection Agreement.

In assessing issues which might unduly affect the integrity of the power supply system the following would be considered: reliability, harmonic voltage and current levels, voltage flicker, unbalance, rate of change in load levels, stability, fault levels and other related conditions.

**WHOLESALE BACKUP/TOP-UP & NON-DISPATCHABLE
SUPPLIER SPILL
BACK-UP INFORMATION**

Spill Rate: Administration Charge Calculations

Full Time Equivalent (FTE) Cost

Salary		\$50,000
Fringe Benefits	17%	<u>\$8,500</u>
Salary (including fringe benefits)		\$58,500
Administrative Overhead	50%	<u>\$29,250</u>
Forecast Cost		<u>\$87,750</u>

Administrative Charge Under Spill Rate

Annual Cost (50% of total)	\$43,875
Number of generators	1
Monthly Customer Charge	\$3,656.25

Backup/Top-up Rate: Customer Charge Calculations

Full Time Equivalent (FTE) Cost

Salary		\$50,000
Fringe Benefits	17%	<u>\$8,500</u>
Salary (including fringe benefits)		\$58,500
Administrative Overhead	50%	<u>\$29,250</u>
Forecast Cost		<u>\$87,750</u>

Customer Charge Under Backup/Top-up Rate

Annual Cost (50% of total)	\$43,875
Number of customers	1
Monthly Customer Charge	\$3,656.25