ORDER **NSUARB-NSPI-P-141-28**

NOVA SCOTIA UTILITY AND REVIEW BOARD

IN THE MATTER OF THE *PUBLIC UTILITIES ACT*

- and -

IN THE MATTER OF THE REQUEST BY NOVA SCOTIA POWER INCORPORATED FOR APPROVAL OF THE FIXED COST ADDERS FOR THE ONE PART HIGH VOLTAGE REAL TIME PRICING TARIFF

BEFORE: Margaret A. M. Shears, Q.C., Vice-chair

ORDER

WHEREAS by Order dated December 15, 2009, the Nova Scotia Utility and Review Board (the "Board") approved the High Voltage (HV) Time-of-Use, Real Time Price Rate with the following fixed cost adders:

On-peak (7:00 a.m. – 11:00 p.m. non-holiday weekdays) 5.579 cents per kWh;
Off-peak (11:00 p.m. – 7:00 a.m., non-holiday weekdays) 0.497 cents per kWh.

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

AND WHEREAS by letter dated November 5, 2010, Nova Scotia Power Inc. ("NSPI") applied for approval of the fixed cost adders for the One Part HV Real Time Pricing Tariff;

AND WHEREAS by letter dated November 23, 2010, the Board directed NSPI to refile its application for approval of the 2011 Annually Adjusted Rates (AARs) as a result of its decision [2010 NSUARB 219] on the Fuel Adjustment Mechanism Base Cost of Fuel ("BCF") Application to reflect the adjusted BCF and to confirm that customers who take service under this tariff have been notified of the proposed changes to the tariff and advised that they will have two weeks after NSPI's revised filing to make any reply submissions to the Board;

AND WHEREAS on December 8, 2010, NSPI filed its revised application for approval of the 2011 AARs and advised that no customers were currently taking energy under the One Part HV Real Time Price Rate;

AND WHEREAS NSPI, in its December 8, 2010 filing, applied for approval of the fixed cost adders for the One Part HV Real Time Price Tariff as follows:

On-peak (7:00 a.m. – 11:00 p.m., non-holiday weekdays) 5.778 cents per kWh;
Off-peak (11:00 p.m. – 7:00 a.m., non-holiday weekdays) 0.514 cents per kWh.

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;

AND WHEREAS these fixed cost adders will be in effect from January 1, 2011 to December 31, 2011.

IT IS THEREFORE ORDERED that the fixed cost adders, as set forth in Schedule "A" attached, 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 23rd day of December, 2010.

Nancy McNeil

Clerk of the Board

Jjhwm

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.

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.

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.