ORDER **NSUARB-NSPI-P-141-30**

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 MONTHLY CUSTOMER CHARGE FOR THE WHOLESALE MARKET NON-DISPATCHABLE SUPPLIER SPILL 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 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 Board for approval;

AND WHEREAS by letter dated November 5, 2010, Nova Scotia Power Inc. ("NSPI") applied for approval of the monthly charge for the Wholesale Market Non-Dispatchable Supplier Spill 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 Wholesale Market Non-Dispatchable Supplier Spill Tariff;

AND WHEREAS NSPI, in its December 8, 2010 filing, applied for approval of the monthly customer charge for the Wholesale Market Non-Dispatchable Supplier Spill Tariff as follows:

Monthly Customer Charge for the Wholesale Market Non-Dispatchable Supplier Spill Tariff	$3,656.25

AND WHEREAS the monthly customer charge of $3,656.25 has been calculated in accordance with prior approvals and is based on projected expenses for 2011;

AND WHEREAS this monthly customer charge will be in effect from January 1, 2011 to December 31, 2011;

IT IS THEREFORE ORDERED that the monthly charge, as set forth in Schedule "A", be approved by the Board as the monthly charge 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

dnm

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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.

SPECIAL CONDITIONS:

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(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.