

CI 34843

Oracle NLA License

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Nova Scotia
Utility and Review Board

REDACTED

November 24, 2010

NOVA SCOTIA
POWER
An Emera Company

UARB APPROVAL SHEET

Project Title:

Oracle NLA License

CI Number: 34843

☒ Capital Project Authorization

Head Office Use:

☐ ATO

Project Number:

☐ Final Cost

Date: November 24, 2010

Location:			Division:	
Expenditure Profile			Schedule	
YEAR	Budget Estimate	Project Estimate		
2010	1,010,430	1,016,000	Estimated Start Date	2010-11
			Estimated In-Service Date	2010-11
			Estimated Close Date	2010-12
Total	\$1,010,430	\$1,016,000		

COMMENTS

Submitted on behalf of NOVA SCOTIA POWER INCORPORATED

Approved on behalf of NOVA SCOTIA UTILITY AND REVIEW BOARD

M/S

Nov 22/2010

Authorized Signatory

DATE

DATE

Mark Savory

VP Technical and Construction

CI Number : 34843

- Oracle NLA License

Project Number

Parent CI Number :

-

Cost Centre : 027

- 027-Administration

Budget Version - 2010 10/02 Forecast

Forecast

Start :	11/01/2010
Operational :	11/30/2010
Final Cost :	12/30/2010
2010	\$1,016,000.00
Total :	\$1,016,000.00
Original Cost :	\$0.00

This project provides for the purchase of Oracle processor based licensing for Nova Scotia Power Inc's (NSPI) Outage Management System (OMS) database. The current Oracle Database Network License Agreement (NLA) is limited to 200 concurrent users. NSPI's OMS database has been increasingly interfaced with a number of systems and devices.

Summary of Related CI's +/- 2 years

No other projects in 2008,2009,2010,2011 and 2012

CI Number : 34843 - Oracle NLA License
Parent CI Number : -
Cost Centre : 027 - 027-Administration

Project Number
Approved Date
Budget Version 2010 10/02 Forecast

Capital Item Accounts

Acct	Actv	Account	Activity	Forecast Amount	Amount	Variance
028	078	028 - Consulting	078 - GP - Comp. Appl. Software	40,000	0	40,000
034	078	034 - Appl. Software	078 - GP - Comp. Appl. Software	976,000	0	976,000
Total Cost:				1,016,000	0	1,016,000
Original Cost:						

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Capital Item Justification

Justification Criteria : WORK SUPPORT FACILITIES

Sub-Criteria : COMPUTERS

Name of Report :

Document Location :

Person Responsible :

Why do this project?

The NSPI OMS database must be relicensed to a processor-based model to mitigate the risk of non-compliance to the Oracle Database Network License Agreement. Oracle reserves the right to audit NSPI Oracle databases for license compliance. A finding of non-compliance by Oracle would result in financial implications to NSPI, in the form of penalties, or re-licensing charges.

Why do this project now?

The OMS database is considered mission-critical to NSPI and should leverage the optional database management packs that are not currently available under the existing NLA. These packs help ensure optimal application performance by providing proactive warning of database concerns and allowing for quicker resolution to database issues. The appropriate licensing model for the OMS database is the processor-based license agreement model.

Why do this project this way?

The OMS databases have numerous, complicated interfaces with many applications and data sources. These interfaces and connections allow the status of large numbers of devices and customers to be maintained in the OMS database. This unmanaged pool of potential connections is not suited to a shared license agreement with a constrained number (200) of allowable concurrent connections.

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Reason for Variance / Over Expenditure / Final Costing

14397891

The variance of \$5,570 between ACE 2010 and the current submission is due to a revised estimated being done since ACE 2010 submission. The \$40,000 variance in consulting is due to consulting charges being included in the Application Software account in the original estimate.

34843 Oracle NLA License

Account	ACE 2010	Current Submission	Variance
028 - Consulting	-	40,000	40,000
034 - Appl. Software	1,010,430	976,000	(34,430)
	1,010,430	1,016,000	5,570

Oracle NLA Licence				
License				
Application	Server	# Processors	License Cost per processor	Capital Costs (US Dollars)
OMS	OMSNODE2		①	
	OMSNODE3			
			Sub-Total	\$760,000

Annual Support				
Application	Server	# Processors	License Cost per processor	Capital Costs (US Dollars)
OMS	OMSNODE2		②	
	OMSNODE3			
			Sub-Total	\$167,200
			Total	\$927,200

USD Exchange @ .95 (Sept 2010)	\$976,000
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Pages 8-19 have been removed due to confidentiality.

NSPI - 2010 Annual Capital Expenditure Plan (2010-2014) - P-128.09
NSPI Responses to UARB Information Requests

NON-CONFIDENTIAL

General Plant Responses

Request IR-GP5:

With respect to page 239, CI# 34843, Oracle NLA License,

a) Please provide the report, study, and related correspondence that justify this project.

b) Please provide a breakdown of the \$1,010,430 project cost estimate.

c) Please explain why a licensing fee would not be considered an operating expenditure.

Response IR-GP5:

a) The report by an independent consultant which provides justification for this project is not complete. This report will be included with the capital item filing when the item is submitted for separate approval.

b) The total amount of \$1,010,430 is for the purchase of the Oracle NLA license.

c) The licensing fee would not be considered an operating expenditure because it will increase the capacity of an existing asset and provides a benefit that will be realized by NSPI beyond the current year. This is in compliance with NSPI's Accounting Policy, Section 6000.