



Nova Scotia Utility and Review Board

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November 6, 2015

By email: brian.curry@nspower.ca

Mr. Brian Curry
Regulatory Counsel
Nova Scotia Power Inc.
1223 Lower Water Street
Halifax, NS B3J 3S3

Dear Mr. Curry:

Nova Scotia Power Inc. – Cost Allocation Proposal (M07151/E-R-15)

On October 30, 2015, NSPI filed its proposal for Cost Allocation regarding the 2016-2018 DSM Plan. This matter has been referred to Board Chair Peter Gurnham, Q.C., and Board Members Kulvinder Dhillon, P.Eng., and Roberta Clarke, Q.C.

In its filing, NSPI stated that its position on cost allocation reflects input received from the DSM Advisory Group but consensus was not reached.

NSPI also stated that the DSM cost recovery is a separate matter which is not within the scope of its cost allocation proposal. NSPI will be filing its proposed accounting treatment and cost recovery for the 2015 DSM programs and the 2016-2018 DSM programs by November 30, 2015. However, NSPI acknowledged that there are certain cost allocation items that will be impacted by the proposed accounting treatment and cost recovery, which it will address in its November 30th filing.

Given the lack of consensus regarding cost allocation, and the inter-relationship between cost allocation and cost recovery, the Board will defer setting a timetable for stakeholder participation on both of those matters pending receipt of NSPI's November 30th filing.

Yours truly,

A handwritten signature in black ink, appearing to read "Doreen Friis".

Doreen Friis
Regulatory Affairs Officer/ Clerk

- c. M06733 Participants
S. Bruce Outhouse, Q.C., Board Counsel
James R. Gogan, Counsel, EfficiencyOne