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July 17, 2017

VIA EMAIL

Ms. Doreen Friis
Regulatory Affairs Officer/Clerk
Nova Scotia Utility and Review Board
1601 Lower Water Street, 3rd Floor
Halifax, NS B3J 3S3

Dear Ms. Friis:

Re: M08059 – Generation Utilization and Optimization

The Consumer Advocate has reviewed the proposed Terms of Reference and offers the following comments.

Recognizing that the table on page 2 of the Proposed Terms of Reference is presented as illustrative, the illustrated parameter sets may not address all the relevant issues and decisions. Specifically, the analysis should consider:

- The effect on load of distributed generation.
- The uncertainty in energy and capacity supply and pricing over the Maritime Link.
- The potential for demand response and load shifting as a result of the installation of AMI province-wide.
- A worst case for coal generation: low load, high distributed generation, low wind and storage cost, high wind capacity contribution, low gas price, high coal price, high carbon constraint, high transmission, high sustaining capital for the coal plants.
- A worst case for Tufts Cove steam: low load, high distributed generation, low wind and storage cost, high wind capacity contribution, high gas price, low coal price, high carbon constraint, high transmission capacity, high sustaining capital for Tufts Cove steam.
- Best cases for coal and Tufts Cove steam.

The Consumer Advocate acknowledges that Synapse is widely respected for its modeling and analysis. As the work unfolds, Synapse may benefit from consultation with experts for other stakeholders. Some interaction (an exchange of memos, a conference call, or both) between Synapse and the stakeholders in September would allow for input to the final definition of scenarios.

Yours truly,

A handwritten signature in blue ink, reading "WL Mahody". The signature is fluid and cursive, with the first name "WL" being more distinct than the last name "Mahody".

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