

**NOVA SCOTIA UTILITY AND REVIEW BOARD****IN THE MATTER OF:**        *The Public Utilities Act, RSNS 1989, c.380, as amended***- and -****IN THE MATTER OF:**        An application by Nova Scotia Power Incorporated for approval of an Authorization to Overspend (ATO) in the amount of \$8,201,086 on capital application project CI 50518 – HYD Ruth Falls Main Dam Refurbishment, increasing the Company's request for Board approval of a total project capital cost of \$15,445,508**INFORMATION REQUESTS****To:**                          Nova Scotia Power Incorporated ("NSPI")**From:**                      The Industrial Group**Responses Due:**        December 3, 2024**Contact Person:**        Nancy G. Rubin, K.C. / Brianne Rudderham  
Stewart McKelvey  
Suite 600-1741 Lower Water Street  
P.O. Box 997  
Halifax NS B3J 2X2  
Telephone: (902) 420-3200 / Fax (902) 420-1417Issued at Halifax, Nova Scotia, this 12<sup>th</sup> day of November, 2024.**Request IR-1:****Reference:**    Page 2.

*Option 4 was selected as the preferred alternative as it is the most cost effective. Option 4 is approximately \$500,000 less costly than the next closest option. Option 4 also meets the operational requirements to manage system and the design flows.*

Given that this project is more than double the original budget, please confirm whether NSPI has re-evaluated the Options and confirmed that Option 4 remains \$500,000 less costly than the next

1 closest option and if so, please provide an updated amount or cost analysis. If not, why has NSPI  
2 not re-evaluated the Options?

3 **Request IR-2:**

4 **Reference: Page 2.**

5 *Additional project costs of approximately \$4.4 million are directly*  
6 *attributable to the additional work required to obtain the necessary*  
7 *environmental permits from Fisheries and Oceans Canada (DFO), Nova*  
8 *Scotia Department of Environment and Climate Change (NSECC), as well as*  
9 *an authorization in accordance with Transport Canada's Navigation*  
10 *Protection Program to temporarily lower the Ruth Falls Reservoir by*  
11 *approximately 18 feet while constructing the new dam.*

12 (a) Please provide a copy of the TC - NPP permit application and approval,  
13 DFO application and copies of all correspondence with DFO.

14 (b) Please explain why this "necessary" permitting was not contemplated at  
15 the time of the original application? If it was contemplated, please confirm  
16 the variance, and explain why the costs are so much higher for this  
17 permitting requirement?

18 (c) Please explain why the temporary lowering of the reservoir was not  
19 contemplated? If it was contemplated, please confirm the variance, and  
20 explain why the costs are higher?

21 **Request IR-3:**

22 **Reference: Page 2.**

23 *Subsequent to the approval of the original filing, NS Power was required to*  
24 *obtain a Fisheries Act Authorization (FAA) for the work from DFO, which was*  
25 *not required at the time of original filing. This FAA contained new conditions*  
26 *around fish passage requirements as well as requirements for NS Power to*  
27 *implement an Environmental Offsetting Program.*

28 (a) Please clarify what is meant by "which was not required at the time of the  
29 original filing", i.e. was it a change in legislative requirements, or driven by  
30 a change in the scope of the Project? Please explain.

31 (b) When did NSPI become aware that the FAA was required? Given the  
32 significant additional expenses tied to the FAA, why did NSPI not reapply  
33 to the Board at that time?

1 **Request IR-4:**

2 **Reference: Page 3.**

3 *Although the costs of the Project have increased since receiving Board*  
 4 *approval, the primary justification of the Project remains the same:*  
 5 *refurbishment of the Ruth Falls Main Dam water-retaining structures*  
 6 *(embankments, spillway and sluiceway) is required to address the structural*  
 7 *and freeboard deficiencies and meet current CDA Guidelines.*

8 **And Reference: Matter M08984, 2019 ACE Plan, Exhibit N-07 – NSPI (NSUARB) RIR – 16 (e).**

9 (a) Please confirm that all five options listed on page 2 of the Application at the  
 10 time of original approval would have addressed the deficiencies and CDA  
 11 Guidelines noted and confirm whether or not all five options would continue  
 12 to do so.

13 (b) In light of the significantly increased costs associated with refurbishment,  
 14 has NSPI considered the option of selling this asset or decommissioning?  
 15 If so please explain.

16 (c) Please provide an updated cost comparison chart, as provided in the  
 17 original application in response to Board IR 16 (e), including the option of  
 18 decommissioning the asset (if applicable).

19 **Request IR-5:**

20 **Reference: Page 6.**

21 *The original contingency amount remains unchanged, however additional*  
 22 *contingency has been added to cover uncertainty around the amount of*  
 23 *offsetting costs required by DFO, which has yet to be confirmed and has the*  
 24 *potential to vary significantly.*

25 (a) Please explain how NSPI calculated or determined the additional  
 26 \$0.5million to be added to the contingency?

27 (b) What does NSPI mean by this “has the potential to vary significantly”? Does  
 28 NSPI anticipate that the project costs could increase even more, especially  
 29 considering refurbishment activities have not started yet and are forecasted  
 30 to commence in July 2025?

31

1 **Request IR-6:**

2 **Reference:** Attachment 1, page 1, row 3.

3 *July 8, 2021 - DFO indicated that due to a change in scope of the project,*  
 4 *they will not be providing comments on NS Power's May 8, 2021 submission*  
 5 *until an updated construction execution plan is provided to DFO.*

6 *On July 12, 2021 NS Power submitted an application for watercourse*  
 7 *alteration to NSECC to complete a portion of the Ruth Falls project*  
 8 *separately from the larger refurbishment project...*

9 It appears that NSPI altered the project some time in 2021, which resulted in these additional  
 10 delays. Please explain why the project was altered, and how did that impact the overarching  
 11 capital application that had previously been approved?

12 **Request IR-7:**

13 **Reference:** Matter M08984, 2019 ACE Plan – Exhibit N-20, NSPI Undertaking Responses,  
 14 U-6, pdf page 20-21.

15 **Preamble:** This capital project, CI 50518 was approved by the Board as part of the 2019  
 16 ACE Plan. Some concerns regarding this project were raised at the hearing, and as part of  
 17 the undertaking responses, and, as quoted in the 2019 ACE Plan decision, 2019 NSUARB  
 18 60, at para 23:

19 *NS Power confirmed that the project does not include embankment riprap*  
 20 *work but does include replacement of the existing concrete deck with a steel*  
 21 *walkway, as well as refacing of the crest and downstream spillway sections.*  
 22 *The company also confirmed that the dam will have an increased discharge*  
 23 *capacity, thereby negating the need to raise the embankment and spillway*  
 24 *corewalls and wingwalls to meet Canadian Dam Association freeboard*  
 25 *requirements.*

26 (a) Please confirm whether the responses given by NSPI still apply? If not,  
 27 what has changed?

28 (b) If there are any corrections needed to the statements made in that  
 29 undertaking, please provide an explanation as to why these changes were  
 30 not contemplated at the time the project was approved.

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**Request IR-8:**

- (a) What is the remaining useful life of the Ruth Falls generating station?
- (b) What is the generation capacity of the Ruth Falls generating station?
- (c) Can the Malay Falls hydro generating station still produce energy, if Ruth Falls were decommissioned?

**Request IR-9:**

With respect to the additional costs associated with archaeology and Mi'kmaq engagement referenced on page 3 of 10,

- (a) Please confirm that NSPI was aware prior to the original application that the area surrounding the Ruth Falls Dam and Spill, including the reservoir exhibited high potential for impacting archaeological resources. If not confirmed, please explain.
- (b) Please provide a variance from the original approved amounts and elaborate on the "further engagement".
- (c) If costs for archaeology and Mi'kmaq engagement were not included in the original application, please explain why not.

**Request IR-10:**

**Reference: Ex. N-2, letter from Kevin Mullen, GreenQuest Power.**

- (a) Has NSPI received an offer (formal or informal overture) from GreenQuest Power to acquire the Ruth Falls hydro system or any other small hydro asset as referenced in the letter? Please explain and provide a summary of the timing and nature of those discussions.
- (b) Is there any legislative or regulatory impediment to a sale of these assets? Please explain, with specific reference to the statute and section.
- (c) Has NSPI evaluated the cost/benefit of a sale and subsequent PPA in relation to the output of the Ruth Falls generating station (or any other hydrogeneration). If so, please provide. If not, why not?