

NOVA SCOTIA ENERGY BOARD

IN THE MATTER OF: THE PUBLIC UTILITIES ACT

- and -

IN THE MATTER OF: AN APPLICATION by the **LUNENBURG ELECTRIC UTILITY** for approval of the Capital Expenditure associated with the Replacement of Overhead Transformers on the Distribution System at a total estimated cost of \$600,000

INFORMATION REQUESTS

To: **Lisa Dagley, CPA, CGA**
Finance Director
Town of Lunenburg
By email: ldagley@townoflunenburg.ca

From: **Board Staff**
Nova Scotia Energy Board

Responses Due: **Tuesday, June 30, 2026**

Copies: 1 electronic copy (PDF searchable)

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Issued at Halifax, Nova Scotia, this Tuesday of June 9, 2026.

Crystal Henwood, Clerk of the Board

Request IR-1:

Regarding the cost summary table on page 1, please expand the table to clearly describe the components included under each cost item and provide a more detailed cost estimate. For each item in the table, please include the following information:

- a) Unit;
- b) Quantity;
- c) Unit Estimate; and
- d) Total Estimate.

LEU Response to IR-1

Item	Qty	Unit estimate	Total estimate
Labor- LEU, Consultant and/or NSP	1	\$20,000	\$20,000
Material			
Poles and pole grounds	40	\$2,000	\$80,000
Transformers, cutouts and associated hardware	60	\$4,000	\$240,000
Contracts (K-Line) installation of poles, transformers and associated work	1	\$260,000	\$260,000
Total			\$600,000

Request IR-2:

With respect to the cost estimate:

- a) Please explain if any contingency cost is included in the estimation of \$600,000 and provide an explanation for the contingency cost.
- b) If no contingency cost is prepared, please explain why not.
- c) Does the estimate include or exclude HST?

LEU Response to IR-2

a) there is a 10% contingency included

b) see a)

c) No HST included

Request IR-3:

Please compare the specifications between existing transformers and the replacement transformers.

LEU Response to IR-3

The existing transformers are either rated 2.4 kV primary or 3.33 kV primary. The new units are dual voltage on the primary side to enable utilization once the system is upgraded to 15Kv, 7.2/2.4 kV primary distribution transformers with secondary voltage either 120/240 or 347 volts, 7.2 /3.33 kV primary distribution transformers with secondary voltage either 120/240 or 347 volts.

Request IR-4:

Please provide a list of equipment to be replaced and their replacement equipment, including the following:

- a) Category of equipment, such as pole-top transformer, current transformer, potential transformer, bushings, etc.;
- b) Quantities of each type of equipment;
- c) The specifications of each type of equipment.

LEU Response to IR-4

a) Pole-top transformers, insulators, cutouts (switches), poles.

b) approx. 88 transformers, 40 poles, if required, due to transformers being installed non-standard and too low on poles, 88 cutouts.

c) transformers see IR-3, poles 45' class 3 or 2 poles, 15 kV insulators and cutouts (switches)

Request IR-5:

For the item Contracts:

a) Please provide any related Request for Proposals (RFPs) and the associated work description, accepted proposals, and bid results.

i. If there were no RFP process, please explain why and how the Utility engaged the contractor, and provide the detailed scope of work included in the contract.

ii. Please describe transformer procurement and installation process and indicate whether these activities were included in one contract or separate contracts.

LEU Response to IR-5

a) i) No RFP was issued as LEU has a contract with NSP for field work. NSP could not complete the work due to their existing workload, and as such the authorized contractors needed to be engaged. Of the two authorized contractors that have the safe work practice, CAUS was booked but K-Line had availability and were selected to perform the task.

ii) transformers will be procured through NSP as part of the LEU contract with NSP

Request IR-6:

Please provide a project schedule that includes milestones and timelines.

LEU Response to IR-6

LEU has engaged K-Line to perform this task, and the work is to be completed by December 2026.

Request IR-7:

Please indicate whether an oil test was conducted on the transformers being replaced to confirm their Polychlorinated Biphenyls (PCBs) contents:

- 1 a) If no test was conducted, please explain why, and describe how the Utility identified the
2 transformers for replacement in the absence of testing; and
3 b) If testing was conducted, please provide the test results to confirm the concentration of
4 PCBs in each piece of equipment that will be replaced.

5 **LEU Response to IR-7**

6 **a) All transformers that are older than 1982 have/will be tested for PCB. The determining**
7 **factor is the unit nameplates are reviewed when removed from service and have been**
8 **previously identified by inspection crews as suspected units. NSP has previously**
9 **identified them by transformer design and the older installation style of underslung**
10 **transformers (transformers installed below secondary)**

11 **b) Units are not tested until they have been removed.**

12
13 **Request IR-8:**

14 Please describe the maintenance procedures of Lunenburg Electric Utility:

- 15 a) Please provide a copy of maintenance standards and procedures for related
16 equipment; and
17 b) Please indicate the date and type of the most recent maintenance.
18

19 **LEU Response to IR-8**

20 **a) See attachment LEU Transformer Operating Procedures.**

21 **b) The only maintenance completed on distribution transformers is once they are removed**
22 **from service, they are tested by Stark Oil for PCB if they are older than 1982, if the**
23 **transformers are not dual ratio on the primary side are then disposed of. Any units that are**
24 **fit for return are electrically tested and returned to LEU to be put back in service.**

25
26 **Request IR-9:**

27 Please provide the rationale for converting the system to 12kV and include any available technical
28 reports or studies.

- 29 a) Please describe the current system voltage level.

- 1 b) In addition to pole-top transformer replacements, please describe any other system
2 upgrades associated with the conversion, that are being completed as part of this
3 project, and provide detailed information for each.
- 4 c) Please clarify whether these upgrades have been included in the current project cost
5 estimate:
- 6 i. If not, indicate whether separate project applications will be submitted for
7 Board review and provide the anticipated timing.
- 8 ii. If yes, please provide the associated cost estimate and a detailed list of the
9 work scopes.

10

11 **LEU Response to IR-9**

12 **a) there are currently 5 feeders in the Lunenburg Electric Utility System, two are 5.88 kV**
13 **phase to phase and three are 4.61 kV phase to phase. Both voltages are no longer**
14 **standard distribution voltages for utilities.**

15 **b) This current project doesn't have other system upgrade associated with the**
16 **conversion besides those already noted. LEU does have plans to construct a new 15 kV**
17 **substation, subject to Board approval, submission request for approval is anticipated for**
18 **summer 2026.**

19 **c) These costs are not in the current project cost and have separate high level**
20 **engineering estimates associated with them.**

21

Request IR-10:

Explain whether all PCB-containing equipment removed as part of this project will be disposed of at an approved facility and that the Utility will be provided with documentation from the facility, e.g., manifests, confirming same.

LEU Response to IR-10

All transformers that are removed are to be sent to Stark Oil. Any transformer that is older than 1982 is tested for PCBs. If the amount is greater than 50ppm it is sent away for disposal to Aevitas in Ontario by Stark Oil and LEU receives a certificate of disposal. All others values less than 50ppm are disposed of according to Stark Oils internal procedures.

LEU also receives the records from Stark Oil and updates the internal LEU transformer database with all the PCB values and any other missing data to ensure the database reflect up to date information.



Lunenburg Electric Utility

Distribution Transformer Storage/ Removal and Disposal Procedure

This procedure outlines the steps required for the storage/removal and disposal of distribution transformers owned by the Town of Lunenburg (TOL).

Existing Distribution Transformers in service

Units that are removed from service are temporarily stored in the storage yard.

Transformers that are not damaged or not leaking are stored in Starr St. until there is a load (approx. 15 units) to be picked up by Stark Oil.

Transformers that are damaged or leaking are stored in a plastic bag, and Stark Oil is called immediately to come and pick up the unit(s).

Disposing of Distribution transformers

Once transformers are picked up by Stark Oil, they are categorized into two categories those older than 1982 and those 1982 or newer.

- For units that are 1982 and newer Stark Oil disposes of these units based on their operating procedure.
- Units that are older than 1982 are tested for PCB.
 - If units are < 50 ppm Stark Oil disposes of them according to their operating procedure and sends TOL a record of test results with serial number included.
 - Units that test > then 50 pm are sent away for disposal by Stark Oil to a qualified disposal company and a record of test results with serial number included sent to TOL.

Spare Units

These units are currently stored in the fenced in yard on Starr St.