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Senior Solicitor

April 7, 2014

Nicole Godbout, Regulatory Counsel
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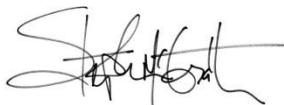
Dear Ms. Godbout:

Re: M05522-2014 IRP Assumptions (DSM and Additional Details)

After reviewing the “DSM and DR Assumptions – Levels and Costs” document, released by Nova Scotia Power Inc., the Department of Energy would like to submit the following comments for your consideration:

- The Department notes that the DSM scenarios selected for modelling do not include the “base” case defined in the DSM potential study. As the “base” case represents the most cost effective option presented in the study it would be in the interest of rate-payers for it to be included in the modelling. Please take note of the table on page 11 in Exhibit N-1 “DSM potential study”.
- Anticipating that the use of one particular cost test over another may be a point of debate in future proceedings, it would be beneficial to have model runs completed to review the impact of the two main tests, the Total Resource Cost (TRC) and the Program Administrator Cost (PAC), through the IRP.

Respectfully,



Stephen T. McGrath
STM/vm