

1 **Notice of Application**

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3
4 NOVA SCOTIA UTILITY AND REVIEW BOARD

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6
7 IN THE MATTER OF: *The Public Utilities Act*, R.S.N.S. 1989, c.380 as
8 amended

9
10 - and -

11
12 IN THE MATTER OF: An Application by Nova Scotia Power
13 Incorporated for Approval of Certain Revisions
14 to its Rates, Charges and Regulations

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17 **NOTICE OF APPLICATION**

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20 TO: The Nova Scotia Utility and Review Board

- 21
- 22 1. Nova Scotia Power Incorporated is a public utility subject to regulation by the
23 Nova Scotia Utility and Review Board (UARB or the Board) and conducts its
24 business in Nova Scotia where it is engaged in the generation, transmission and
25 distribution of electrical power.
26
 - 27 2. General electricity rates were last adjusted by Order of the Board effective
28 January 1, 2009. Since that date there have been material changes in
29 circumstances for the test year beginning in January 2012 such that, unless
30 customer rates are re-adjusted, the Company will be unable to continue to provide
31 the service expected by customers and will be unable to earn a just and reasonable
32 return.
33
 - 34 3. The Company therefore makes this Application for certain revisions to its rates,
35 charges and regulations, effective January 1, 2012.
36
 - 37 4. In support of this Application is filed the Direct Evidence of Nova Scotia Power,
38 which consists of the following:
39
 - 40 1.0 Introduction
 - 41 2.0 Fuel and Purchased Power
 - 42 3.0 Fuel Adjustment Mechanism
 - 43 4.0 Depreciation and Regulatory Amortization

1	5.0	Operating, Maintenance & General
2	6.0	Capital Structure and Financing
3	7.0	Rate Base
4	8.0	Load Forecast
5	9.0	Cost of Service
6	10.0	Revenue Forecast and Proposed Rates
7	11.0	Miscellaneous Charges
8	12.0	A Final Word
9		

- 10 5. The Direct Evidence includes Appendices containing additional material
11 supporting the Application. In addition, the Company has filed supporting
12 information in the prescribed Standard Filing Requirement format.
13
- 14 6. There are regulatory proceedings ongoing or anticipated at the time of this
15 Application that could affect the test year revenue requirement. The load forecast
16 assumes demand and energy savings from demand side management consistent
17 with Efficiency Nova Scotia Corporation's application for approval of its 2012
18 Demand Side Management Plan filed with the UARB on February 28, 2011. This
19 Application does not account for any additional spending (revenue requirement)
20 that may result from external cost pressures, decisions by the UARB, or from
21 additional directives that may be ordered by the UARB as a result of this
22 Application. Any such changes will be incorporated in the Compliance Filing,
23 subject to UARB Approval.
24
- 25 8. On the evidence filed in support of this Application, Nova Scotia Power asserts
26 that the Order sought by the Application is in the public interest and in the interest
27 of Nova Scotia Power.
28
- 29 9. Nova Scotia Power therefore seeks an Order, effective January 1, 2012,
30 approving:
31
- 32 a) The 2012 revenue requirement set out in this Application to enable
33 Nova Scotia Power to recover the reasonable costs of providing
34 service to customers and to meet its financial obligations, including
35 provision for a just and reasonable return; and, as a consequence,
36 the rates, charges and regulations requested in this Application.
37
- 38 b) A change in the Extra-Large Industrial Two-Part Real-Time
39 Pricing tariff described in this Application.
40
- 41 c) Adjustments to the rates, charges, or regulations as needed to
42 reflect decisions and directives in Nova Scotia Power-related
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- 1 proceedings, or as the UARB may determine in response to this
2 Application.
3
- 4 d) An increase on the return on common equity from the current 9.35
5 percent to 9.6 percent, with a corresponding adjustment to the
6 range of return.
7
- 8 e) Nova Scotia Power's portion of the Point Tupper Wind Farm
9 OM&G, financing, and depreciation costs, currently recovered
10 through the Fuel Adjustment Mechanism, be recovered through the
11 fixed rate component Nova Scotia Power's rates, in the traditional
12 manner.
13
- 14 10. Certain of the evidence filed in support of the Application is being filed with the
15 request that the Board hold it in confidence and such evidence has been redacted
16 from the copies of this Application that are being made publicly available.
17 Specific portions of the Direct Evidence, Appendices and Standard Filing have
18 been redacted and filed in confidence with the Board, as identified in Attachment
19 1 to this notice.
20
- 21 11. Pursuant to Rule 12 of the Board Regulatory Rules, with the approval of the
22 Board, the Company will immediately make available copies of the complete and
23 un-redacted Application to any party who has a good faith interest in accessing
24 the confidential information, who would not be otherwise conflicted, and who
25 signs an agreement to maintain the confidentiality of the information. Nova
26 Scotia Power's proposed form of confidentiality undertaking is provided with this
27 notice.
28
- 29 12. Nova Scotia Power also seeks Directions from the Board providing for:
30
- 31 (a) Pre-hearing procedures, including:
32
- 33 (i) Public Notice of this Application;
34
- 35 (ii) Approval of the request to file certain of the evidence in
36 confidence as referred to in paragraphs 10 and 11, and Attachment
37 1;
38
- 39 (iii) Directions regarding the terms on which interested parties may
40 have access to confidential information that may be sought by
41 parties during the course of this proceeding and approval the
42 proposed form of confidentiality undertaking, provided with this
43 notice, pursuant to Board Regulatory Rule 12;
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2 (iv) Interventions and evidence from Intervenors;
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4 (v) A process for the establishment of an Issues List for the Hearing;
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6 (vi) A process for the expedient resolution of any pre-hearing
7 procedural issues.
8
9 (b) Setting a date for the hearing of this Application in the fall of 2011
10 allowing sufficient time so that any Order arising out of this proceeding
11 may be implemented effective January 1, 2012; and
12
13 (c) Such other matters as the Board deems fit.
14

15 DATED at Halifax Regional Municipality, in the Province of Nova Scotia this 13th day of
16 May, 2011.
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19 **NOVA SCOTIA POWER INCORPORATED**

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22 Per: _____
23 **ROB BENNETT**
24 **President and Chief Executive Officer**
25
26
27

28 Name and Address for Service:
29

30 **J. René Gallant**
31 **Vice President, Regulatory Affairs**
32 **Nova Scotia Power Inc.**
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12

Notice of Application – Attachment 1

Listing of Confidential Sections of NSPI 2011 Rate Application

(DE) Evidence (Sections containing Confidential Information)

- 2.0 Fuel and Purchased Power
- 5.0 Operating, Maintenance & General

Appendices with Confidential Information

- Appendix C – OM&G Detailed Variance Analysis
- Appendix E – 5 Year OM&G Summary

(SR) Studies and Reports

- SR-03 – Fuel Price Forecasts

(OP) Organization Profile

- OP-01, Attachment 5
- OP-05, Attachment 1
- OP-06, Attachment 1
- OP-08, Attachment 1
- OP-12, Attachments 1, 2, 3 and 4

(FOR) Financial Outlook

- FOR-01 to 08 – Attachment 1 for each
- FOR-11 to 14 – Attachment 1 for each

(RB) Rate Base

- RB-01, Attachment 1
- RB-02 – RB-16, Attachments 1 and 2

(DA) Depreciation & Amortization Expense & Accumulated Reserves

- DA-04, Attachment 1

(OR) Operating Revenues

OR-08, Attachments 1 and 2

(OE) Operating Expenses

OE-01A, Attachments 1, 2 and 3

OE-01B, Attachment 1

OE-01C, Attachments 1 and 2

OE-01D, Attachments 1 and 2

OE-01E, H, I, J, K, L, M, O, P, Q – Attachment 1 for each

OE-01F

OE-01N, Attachments 1, 2 and 3

OE-02 – OE-09, Attachment 1

OE-10 – OE-11, Attachment 1

OE-12, Attachment 1

(CS) Capital Structure

CS-01 – CS-03, Attachment 1

(PR) Proposed Rates and Regulations

PR-02, Attachments 1 and 2