



Nova Scotia Utility and Review Board

Mailing address

PO Box 1692, Unit "M"
Halifax, Nova Scotia
B3J 3S3
uarb.board@gov.ns.ca
Web www.nsuarb.ca

Office

3rd Floor
1601 Lower Water Street
Halifax, Nova Scotia B3J 3P6
902 424-4448 t
902 424-3919 f

April 21, 2009

By email: rene.gallant@emera.com

Mr. Rene Gallant
General Manager Regulatory Affairs
Nova Scotia Power Inc.
14th Floor, Barrington Tower
1894 Barrington Street
Halifax, NS B3J 2W5

Dear Mr. Gallant:

Nova Scotia Power Inc. - Integrated Resource Plan - Standards of Conduct Exemption - P-884

In a letter dated March 27, 2009, from Nicole Godbout, NSPI Regulatory Counsel, the Company requested Board approval of a temporary exemption from Part B, 3 a) and b) of the Open Access Transmission Tariff ("OATT") Standards of Conduct for the purposes of permitting NSPI Transmission Function Employees to provide non-public transmission system information to NSPI employees who will be engaged in the IRP update process.

Part B of the Standards of Conduct describes in detail the independent functioning of the Transmission Function Employees in relation to the rest of NSPI and its Affiliates. Within Part B, Section 3 provides the non-discrimination requirements:

3. Non-discrimination requirements
 - a) Information Access
 - i) Employees of Nova Scotia Power engaged in Marketing and Sales or any employee of an Affiliate may have access only to information which is available to Nova Scotia Power's transmission customers (i.e., the information posted on the OASIS), and must not have access to any information about Nova Scotia Power's transmission system that is not available to all users of the OASIS.
 - ii) Nova Scotia Power must ensure that any employee who is engaged in Marketing and Sales or any employee of an Affiliate is prohibited from

obtaining information about Nova Scotia Power's transmission system (including but not limited to, information about available transmission capability, price, curtailments, ancillary services, balancing, maintenance activity, capacity expansion plans or similar information) through access to information not posted on the OASIS or that is not otherwise also available to the general public without restriction.

b) Prohibited Disclosure

- i) Transmission Function Employees may not disclose to Nova Scotia Power's Marketing and Sales employees, or to employees of Affiliates any information concerning the transmission system of Nova Scotia Power or the transmission system of another (including, but not limited to, information received from non-affiliates or information about available transmission capability, price, curtailments, storage, ancillary service, balancing, maintenance activity, capacity expansion plans or similar information) through non-public disclosure communications conducted off the OASIS that are not contemporaneously available to the public, or through information on the OASIS that is not at the same time publicly available.

The exemption period requested by NSPI is from the date of the application approval to the date of completion and filing of the IRP Update Report with the Board.

In its application, NSPI stated that the temporary exemption was discussed at a March 5, 2009, Generation Interconnection Procedures ("GIP") stakeholders meeting where two specific suggestions were received. Those suggestions were:

- a) that the exemption only apply for a limited time;
b) that NSPI consider maintaining a record of the information sought and received and by whom.

NSPI requested further comments from those stakeholders by March 11, 2009, but none were received.

NSPI also reviewed its Application with stakeholders at the first IRP stakeholder session held on April 2, 2009.

In its letter dated March 30, 2009, the Board requested comments on NSPI's Application from Stakeholders by April 6, 2009. Only one submission was received, on April 5, 2009, which was in support of the Application.

On April 15, 2009, Board Staff submitted Information Requests ("IRs") to NSPI and a response was received on April 17, 2009.

The Board has reviewed this material and understands that:

- a) NSPI has appropriate safeguards and limits in place to ensure compliance with the Standards of Conduct and continued protection against discrimination in the provision of transmission services in day-to-day operations;

- b) The safeguards and limits include the "no conduit" rule which prohibits Transmission Function Employees from using anyone as a conduit for sharing non-public transmission information with Marketing and Sales staff;
- c) NSPI will implement an IRP-specific compliance and monitoring program that will include a Standards of Conduct training review session for all IRP staff, periodic auditing of IRP Core Team and stakeholder meetings, and review of documents that reference transmission information and their distribution;
- d) No NSPI Affiliates will be included in the temporary exemption;
- e) The temporary exemption will apply only to NSPI employees identified in response to IR-2, and only for the purposes of completing the IRP update.

The Board further understands the necessity for NSPI employees to communicate in an open and timely manner about planning information that integrates generation and transmission infrastructure so that the IRP update can be completed in a timely, meaningful, and efficient manner.

Accordingly, the Board approves NSPI's request for a temporary exemption from Part B, 3 a) and b) of the OATT Standards of Conduct with the following conditions:

- a) The exemption will not apply to NSPI Affiliates;
- b) The exemption will only apply to those designated employees identified in NSPI's response to IR-2 dated April 17, 2009;
- c) The exemption will terminate when the final IRP Update Report is filed with the Board;
- d) NSPI will maintain a record of the information sought and received and by whom, and will file a monthly log with the Board during the IRP update process.

Yours very truly,



Nancy McNeil
Regulatory Affairs Officer/Clerk

c.c.	S. Bruce Outhouse, Q.C., Board Counsel	By email
	Nicole Godbout, Regulatory Counsel, NSPI	By email
	GIP Participants	By email
	IRP Update Participants	By email