

Nova Scotia Wholesale and Renewable to Retail Electricity Market Rules

Chapter 1: Introduction

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1 Introduction

1.0, Description

This chapter sets out the rules relating to the nature and scope of the Nova Scotia wholesale electricity market and Renewable to Retail electricity market, the nature, scope and applicability of the Market Rules, the relationship with other documents, and certain general provisions.

1.1, Nature and scope of the Nova Scotia wholesale electricity market and Renewable to Retail electricity market.

1.1.1, Bilateral markets

1.1.1.1, The Nova Scotia wholesale and Renewable to Retail electricity markets are markets in which eligible buyers and sellers may enter into bilateral transactions for the purchase and sale of electricity and related services. Eligible buyers and sellers (including eligible generators) may schedule their transactions over the Nova Scotia Transmission System in accordance with the Transmission Tariff and these Market Rules. Eligible generators may participate in the wholesale or Renewable to Retail markets and may sell certain Ancillary Services to the Nova Scotia Power System Operator (NSPSO) in accordance with these Market Rules.

1.1.2, Object of the wholesale electricity market and Renewable to Retail electricity market

1.1.2.1, The design object of each of the wholesale and Renewable to Retail electricity markets is the promotion of economical supply through competitive opportunity amongst eligible participants within the context of a safe reliable Nova Scotia electricity system.

1.1.3, Objects and responsibilities of the NSPSO

1.1.3.1, The objects of the NSPSO are:

- a) the safe and reliable operation of the Bulk Electricity Supply System; and
- b) to support the object of the markets described in paragraph 1.1.2.1; to that end, the NSPSO will strive to perform its functions under the Market Rules in a manner that is:
 - i) non-discriminatory;
 - ii) transparent;
 - iii) robust; and
 - iv) efficient,

and in all cases subject to and in accordance with all Legislation and Regulations, the Transmission Tariff, the Standards of Conduct, and the Market Rules.

1.1.3.2, The responsibilities of the NSPSO are:

- a) the specific responsibilities of the NSPSO stated in the Market Rules;
- b) the responsibilities of NSPI to
 - i) file amendments to the Transmission Tariff,
 - ii) provide transmission service under the Transmission Tariff,
 - iii) provide Ancillary Services under the Transmission Tariff,
 - iv) operate the Transmission System in accordance with the Transmission Tariff, and
 - v) schedule transactions on the interconnections between Nova Scotia and New Brunswick;
- c) other responsibilities consistent with Legislation and Regulations, with the Transmission Tariff, with the Standards of Conduct and with the Market Rules, that may be assigned by NSPI.

1.1.4, Scope of eligibility for participation in the wholesale electricity market and Renewable to Retail electricity market

1.1.4.1, Eligibility for participation in the wholesale and Renewable to Retail electricity markets is defined in the Legislation and Regulations and in the Transmission Tariff.

a) The present definition of eligible persons for the wholesale electricity market is:

i) In accordance with the *Electricity Act*, S.N.S. 2004 c.25:

a Wholesale Customer

ii) In accordance with the Transmission Tariff:

“(1) Any electric utility (including the Transmission Provider and any power marketer), power marketing agency, or any person generating electricity for sale or resale is an Eligible Customer under the Tariff. Electric energy sold or produced by such entity may be electric energy produced in the United States, Canada or Mexico; and

(2) Any retail customer taking unbundled transmission service pursuant to a provincial or regulatory requirement that the Transmission Provider offer the transmission service is an Eligible Customer of the Tariff.”

b) The present definition of eligible persons for the Renewable to Retail electricity market is:

i) In accordance with the *Electricity Act*, S.N.S. 2004, c. 25:

(1) a Licenced Retail Supplier

1.1.4.2, Notwithstanding the provisions of the Transmission Tariff quoted in subparagraph 1.1.4.1.a) (ii), there is presently no provincial or regulatory requirement that the Transmission Provider offer the transmission service to any retail customer. In recognition thereof, the Board in its order NSUARB-

NSPI-P-880 adopted the consensus proposal whereby “the OATT will be reviewed in the event the market is opened more broadly, and in such a review, the decisions made in this (May, 2005) proceeding will not be binding and shall not be treated as a precedent in any such subsequent review.” In recognition of this provision, and of section 1.4, the Department of Energy retains certain rights with respect to amendment of the Market Rules associated with any change in the eligibility for participation, as also noted in paragraph 2.4.1.2.

1.1.4.3, Eligibility for receipt of Bundled Service by a Municipal Utility from NSPI is not impacted by participation in the wholesale market. These Market Rules therefore make provision for a Municipal Utility that is also eligible for receipt of Bundled Service from NSPI to secure a portion of its supply through the wholesale market and a portion as Bundled Service.

1.1.5, Nova Scotia Power Inc.

1.1.5.1, Nova Scotia Power Inc. (NSPI) has certain unique obligations and characteristics as particularly set out in the following sub-paragraphs.

- a) Nova Scotia Power Inc. has obligations under Legislation and Regulations, and in particular under the *Public Utilities Act*, RSNS 1989, c.380 for the provision of Bundled Service to consumers in Nova Scotia who request such supply, all subject to regulation by the Nova Scotia Utility and Review Board (the “Board”).
- b) Nova Scotia Power Inc. has obligations under the Transmission Tariff approved by the Board for the provision of transmission services to eligible persons, generally the same as those eligible for market participation.
- c) The Nova Scotia Power System Operator (NSPSO) is a part of Nova Scotia Power Inc, Customer Operations division. The NSPSO’s interaction with generation and commercial functions of Nova Scotia Power Inc is governed by Standards of Conduct attached to the Transmission Tariff. The requirements for Participation Agreements, cash settlements, etc. are not relevant to divisions of NSPI. All divisions of

NSPI are however bound to these rules by virtue of NSPSO's execution of Participation Agreements with other Market Participants.

- d) In view of the obligation of the NSPI Power Production division to serve the vast majority of provincial load and to provide Ancillary Services for supply to Transmission Customers under the Transmission Tariff, its generation scheduling and balancing arrangements are unique.

These Market Rules recognise such unique provisions as they arise in each chapter or section.

1.1.5.2, Nova Scotia Power Inc. is bound by these Market Rules:

- a) as the Nova Scotia Power System Operator (NSPSO) in respect of all NSPSO rights and obligations under these Market Rules, including direction of operation of the Transmission System and in certain circumstances direction of the operation of Generating Facilities;
- b) as the NSPSO acting on behalf of Customer Operations and Power Production divisions in respect of the actual control of the Transmission System and Distribution Systems, and of certain Generating Facilities;
- c) as NSPI Customer Operations division in respect of responsibilities for the Transmission System;
- d) as NSPI Customer Service division in respect of responsibilities for metering, metering data management, and settlement functions on behalf of the NSPSO;
- e) as a Market Participant in respect of its Customer Operations division responsibilities for operation of Distribution Systems Connected to the Transmission System;
- f) as a Market Participant in respect of its Power Production division responsibilities for operation of Generating Facilities and for energy supply under Bundled Service; and

- g) as a Market Participant in respect of its Power Production division activities relating to the import and export of electricity.

1.1.6, Existing Generating Facilities operating under NSPI Power Purchase Agreements

1.1.6.1, Unless otherwise determined by a NSPI Power Purchase Agreement or otherwise by agreement between the parties to such NSPI Power Purchase Agreement, paragraph 2.2.5.1 provides that NSPI PP or NSPI Customer Operations division will be the Market Participant for any Generating Facility in existence prior to the coming into effect of the Market Rules.

1.1.6.2, It is therefore NSPI PP or NSPI Customer Operations division which is responsible as Market Participant for compliance with these Market Rules in respect of such a Generating Facility.

1.1.6.3, These Market Rules are not intended to affect the rights and obligations of the parties to a NSPI Power Purchase Agreement or the associated Generator Interconnection Agreement that is in effect prior to the coming into effect of the Market Rules.

1.2, Nature and scope of Market Rules

1.2.1, Purpose of Market Rules

1.2.1.1, The purpose of the Market Rules is to define the rights and obligations of the NSPSO towards Market Participants, and of Market Participants towards the NSPSO, in respect of each of the wholesale and Renewable to Retail electricity markets described in section 1.1 and in the administration of the Transmission Tariff and the operation of the Bulk Electricity Supply System.

1.2.2, Subject matter of Market Rules

1.2.2.1, The Market Rules define rights and obligations between the NSPSO and Market Participants in respect of:

- a) the markets themselves, their scope, objectives, and the Market Rules;

- b) administration of the markets, including market participation, Facilities, Market Rule amendment, compliance & monitoring, dispute resolution, data collection and analysis, and the confidentiality or publication of information;
- c) planning and reliability functions in relation to the Bulk Electricity Supply System;
- d) operational functions in relation to the Bulk Electricity Supply System, including scheduling of energy transactions and Ancillary Services; and
- e) settlement functions.

1.3, Authority of Market Rules

1.3.1, Legislated and contractual authority

1.3.1.1, Legislation and Regulations prohibit a person from using the Transmission System directly as a Market Participant, or by interconnection of a Generating Facility with a Distribution System, except in accordance with these Market Rules.

1.3.1.2, Those persons wishing to use the Transmission System as Market Participants or to interconnect a Generating Facility to a Distribution System are thus required to execute a market Participation Agreement with the NSPSO. The Participation Agreement gives contractual force to the Market Rules with respect to the relationship between the NSPSO and the Market Participant.

1.3.2, Responsibilities to protect safety, assets and the environment

1.3.2.1, The Market Rules do not override any obligation or duty of the NSPSO or of any Market Participant for safety, for protection of assets from immediate harm, or for protection of the environment from immediate harm.

1.3.2.2, Any Market Participant becoming aware of any conflict between the Market Rules and any such obligation or duty shall notify the NSPSO of the conflict and

of the circumstances, and shall collaborate with the NSPSO to mitigate impact and prevent recurrence.

1.4, Relationship with the Transmission Tariff and other regulated tariffs, rates and Board orders

1.4.1.1, It is the purpose of the Market Rules to define rights and obligations that are not the subject matter of the Transmission Tariff, of the Generator Interconnection Procedures, of the Standards of Conduct, of other tariffs or rates approved by the Board, or of any order of the Board, and to supplement the definition of Transmission Tariff rights and obligations where appropriate.

1.4.1.2, In the event of any conflict between a tariff (including schedules and attachments), the Generator Interconnection Procedures, the Standards of Conduct, a rate approved by the Board or an order of the Board, and these Market Rules, then the Board approved tariff, Generator Interconnection Procedures, Standards of Conduct, rate or Board order shall govern.

1.4.1.3, In the event that any Market Participant identifies any actual or potential conflict between a tariff (including schedules & attachments), the Generator Interconnection Procedures, the Standards of Conduct, a rate approved by the Board or an order of the Board and these Market Rules, it shall notify the NSPSO and seek clarification or appropriate correction.

1.4.1.4, These Market Rules are subject to and may be superseded by orders of the Board.

1.5, Subordinate and other documentation

1.5.1, General

1.5.1.1, The NSPSO may Publish subordinate documentation under these Market Rules, comprising standards, codes, and Market Procedures.

1.5.1.2, The NSPSO and Market Participants shall comply with, and as applicable shall ensure that their Facilities comply with, all such standards and codes.

1.5.1.3, The NSPSO and Market Participants shall comply with Market Procedures in fulfilling their obligations under these Market Rules and if applicable under the Transmission Tariff.

1.5.2, Standards

1.5.2.1, Standards typically establish technical requirements for equipment, Facilities, systems, etc.

1.5.3, Codes

1.5.3.1, Codes may be used to define processes involving multiple Market Participants.

1.5.4, Market Procedures

1.5.4.1, Market Procedures typically define detailed processes to be used by the NSPSO and / or Market Participants in fulfilling obligations or exercising rights defined in the Market Rules.

1.5.4.2, Market Procedures exclude the internal procedures of the NSPSO and the internal procedures of Market Participants.

1.5.5, Conflicts

1.5.5.1, In the event that any Market Participant identifies any actual or potential conflict between any standard, code, or Market Procedure and a tariff (including schedules and attachments) or rate approved by the Board, or the NSPI Standards of Conduct, or these Market Rules, it shall notify the NSPSO and seek clarification or appropriate correction.

1.6, General provisions

1.6.1, Computation of Time

1.6.1.1, In the computation of time under the Market Rules, unless a contrary intention appears, if there is a reference to a number of days between two events, they are counted by excluding the day on which the first event happens and including the day on which the second event happens.

1.6.1.2, In the computation of time under the Market Rules other than Chapter 4, unless a contrary intention appears, if the time for doing any act or thing expires on a day which is not a Business Day, the act or thing may be done on the next day that is a Business Day. In the computation of time under Chapter 4, unless a contrary intention appears, any act or thing required to be done on a day shall be done on such day whether or not a Business Day. The computation of time under a Market Procedure adopted in respect of the subject-matter of a chapter of the Market Rules shall be governed by the same rule as for the computation of time for that chapter.

1.6.1.3, In the Market Rules, unless the context otherwise requires:

- a) a reference to time is a reference to Atlantic time, which is the prevailing Atlantic standard or Atlantic daylight time in the Province of Nova Scotia;
- b) a reference to time without the qualification "am", "a.m.", "pm" or "p.m." is a reference to time based on a 24-hour clock;
- c) a reference to an hour ("hour 'x'") is a reference to the hour ending at x:00; and
- d) a reference to hour "1" is a reference to the hour ending at 1:00 and all references to subsequent hours in a day are numbered accordingly.

1.6.2, Currency

1.6.2.1, All references in the Market Rules, a settlement statement or an invoice to a monetary amount are expressed in Canadian dollars.

1.6.2.2, Any payment required to be made by or to the NSPSO or a Market Participant under any of the documents referred to in paragraph 1.6.2.1 shall be made in Canadian dollars.

1.6.3, Notice, Notification, Service and Filing

1.6.3.1, Subject to paragraph 1.6.3.3, and unless a contrary intention appears, notice is properly given, notification is properly made and service, filing, issuance and submission is properly effected under the Market Rules:

- a) by courier or other form of personal delivery;
- b) by registered mail addressed to the person at the address for service (if any) supplied by the person to the sender or, where the person is a Market Participant, to the address shown for that person in the list of Market Participants maintained by the NSPSO under paragraph 2.9.5.2 or, where the person is the NSPSO, to the registered office of the NSPSO;
- c) by facsimile or electronic mail to a number or reference which corresponds with the address referred to in sub-paragraph 1.6.3.1(b); or
- d) by web-based messaging to a number or reference which corresponds with the address assigned to the receiving person by the NSPSO under the applicable Market Procedure.

1.6.3.2, Subject to paragraph 1.6.3.3, and unless a contrary intention appears, notice, notification, service, filing, issuance or submission shall be treated as having been duly given, made or effected to a person by the sender:

- a) where given, made or effected by facsimile in accordance with sub-paragraph 1.6.3.1(c) and a complete transmission report is issued from the sender's facsimile transmission equipment:
 - i) where notice, notification, service, filing or submission is of the type in relation to which the addressee is obliged to monitor the receipt by facsimile outside of, as well as during, business hours, on the day and at the time of transmission as indicated on the sender's facsimile transmission report; and
 - ii) in all other cases, on the day and at the time of transmission as indicated on the sender's facsimile transmission report, if a Business Day or, if the transmission is on a day which is not a Business Day or is after 5:00 pm (addressee's time), at 9:00 am on the following Business Day;

- b) where given, made or effected by electronic mail in accordance with sub-paragraph 1.6.3.1(c):
 - i) where notice, notification, service, filing or submission is of a type in relation to which the addressee is obliged to monitor receipt by electronic mail outside of, as well as during, business hours, on the day and at the time when the notice or notification is recorded by the sender's electronic communication system as having been first received at the electronic mail destination; and
 - ii) in all other cases, on the day and at the time when the notice, notification or document or other material served, filed or submitted is recorded by the sender's electronic communications system as having been first received at the electronic mail destination, if a Business Day, or if that time is after 5:00 pm (addressee's time) or the day is not a Business Day, at 9:00 am on the following Business Day;
- c) where given, made or effected by web-based messaging in accordance with sub-paragraph 1.6.3.1(d), on the day and at the time when the web-based message is sent; or
- d) in any other case, when the person actually receives the notice, notification or document or other material served, filed or submitted.

1.6.3.3, Unless a contrary intention appears, instructions, directions and orders of the NSPSO may be given or issued to Market Participants:

- a) in accordance with paragraphs 1.6.3.1 and 1.6.3.2; or
- b) by voice communication, in which case the instruction, direction or order shall be deemed validly given or issued at the time of communication.

1.6.4, Publication

1.6.4.1, In the Market Rules, unless a contrary intention appears, where any document or information is required by the Market Rules or by Legislation and Regulations

to be Published by the NSPSO, Publication shall be effected by placing the document or information on that part of the NSPSO's web site that is accessible to the public. The document or information shall be deemed to be Published when the document or information has been so placed.

1.6.4.2, Where the Market Rules or Legislation and Regulations prescribe a mode of publication other than that described in paragraph 1.6.4.1 in respect of a specified document or information, the NSPSO shall, in addition to complying with paragraph 1.6.4.1 comply with the publication requirement applicable to such document or information as is so prescribed. In such a case, the document or information shall be deemed to be published on the date on which the prescribed publication requirement has been satisfied.

1.6.5, Liability and Indemnification

1.6.5.1, Except as otherwise provided in the Market Rules or in the Transmission Tariff, neither the NSPSO nor NSPI shall be liable for any claims, losses, costs, liabilities, obligations, actions, judgments, suits, expenses, disbursements or damages of a Market Participant or its directors, officers or employees whatsoever, howsoever arising and whether as claims in contract or in tort (including but not limited to negligence) or otherwise, arising out of any act or omission of the NSPSO in the exercise of any power or obligation under the Market Rules unless such claim, loss or damages result from wilful misconduct by or any negligent act or omission of the NSPSO.

1.6.5.2, For the purposes of paragraph 1.6.5.1, an act or omission of the NSPSO effected in compliance with the Market Rules shall be deemed not to constitute wilful misconduct or a negligent act or omission.

1.6.5.3, Each Market Participant shall give prompt notice to the NSPSO of any claim with respect to which indemnification is being sought under paragraph 1.6.5.1.

1.6.5.4, Except as otherwise provided in the Market Rules other than in this sub-section 1.6.5, in no event shall the NSPSO be liable to indemnify and hold harmless a Market Participant or its directors, officers or employees from or in respect of:

- a) any indirect or consequential loss or incidental or special damages, including punitive damages; or
- b) any loss of profit, loss of contract, loss of opportunity or loss of goodwill;

and no Market Participant shall assert or attempt to assert any claim against the NSPSO or NSPI or its directors, officers, employees or affiliates in respect of any of the losses or damages referred to in sub-paragraphs 1.6.5.4 a) or 1.6.5.4 b).

1.6.5.5, Each Market Participant shall have a duty to mitigate damages, losses, liabilities, expenses or costs relating to any claim for indemnification from the NSPSO that may be made under paragraph 1.6.5.1. Nothing in this paragraph 1.6.5.5 shall require the Market Participant to mitigate or alleviate the effects of any strike, lockout, restrictive work practice or other labour dispute.

1.6.5.6, Except as otherwise provided in the Market Rules, in Legislation and Regulations, or in the Transmission Tariff, a Market Participant shall not be liable for any claims, losses, costs, liabilities, obligations, actions, judgments, suits, expenses, disbursements or damages of the NSPSO or its directors, officers or employees whatsoever, howsoever arising and whether as claims in contract or in tort (including but not limited to negligence) or otherwise, arising out of any act or omission of the Market Participant in the exercise of any power or obligation under the Market Rules, unless such claim, loss or damages results from wilful misconduct by or any negligent act or omission of the Market Participant.

1.6.5.7, For the purposes of paragraph 1.6.5.6, an act or omission of a Market Participant effected in compliance with the Market Rules shall be deemed not to constitute wilful misconduct or a negligent act or omission.

1.6.5.8, The NSPSO shall give prompt notice to the applicable Market Participant of any claim with respect to which indemnification is being sought under paragraph 1.6.5.6.

1.6.5.9, Except as otherwise provided in the Market Rules other than in this sub-section 1.6.5, in no event shall a Market Participant be liable to indemnify and hold

harmless the NSPSO or its directors, officers or employees from or in respect of:

- a) any indirect or consequential loss or incidental or special damages, including punitive damages; or
- b) any loss or profit, loss of contract, loss of opportunity or loss of goodwill.

1.6.5.10 The NSPSO shall have a duty to mitigate damages, losses, liabilities, expenses or costs relating to any claim for indemnification from a Market Participant that may be made under paragraph 1.6.5.6. Nothing in this paragraph 1.6.5.10 shall require the NSPSO to mitigate or alleviate the effects of any strike, lockout, restrictive work practice or other labour dispute.

1.6.5.11 Nothing in this sub-section 1.6.5 shall be read as limiting the right of the NSPSO to impose a financial penalty or other sanction, including the imposition of conditions on Market Participant, Suspension or Termination of that Market Participant, or Disconnection of its Facilities in accordance with the provisions of the Market Rules.

1.6.6, Force Majeure

1.6.6.1, The Force Majeure provisions of the Transmission Tariff, including in particular section 10.1 thereof, are applicable to the Market Rules.

1.6.7, Contractual Liability

1.6.7.1 The liability and indemnification provisions of sub-section 1.6.5 and, where applicable, of any other section of the Market Rules other than this paragraph 1.6.7.1, and the Force Majeure provisions of sub-section 1.6.6 shall apply to any agreement or contract referred to in the Market Rules to which the NSPSO and a Market Participant are parties or to the terms of which the NSPSO and a Market Participant are bound and to all acts or omissions of the NSPSO or the Market Participant in the exercise or performance or the intended exercise or performance of any power or obligation under such agreement or contract. In the event of an inconsistency between such liability, indemnification and Force Majeure provisions and the liability, indemnification and Force Majeure

provisions of such agreement or contract, the liability and indemnification provisions of sub-section 1.6.5 and, where applicable, of any other section of the Market Rules, and the Force Majeure provisions of sub-section 1.6.6 shall prevail to the extent of the inconsistency.

1.7, Definitions and interpretation

1.7.1, Defined terms and acronyms

1.7.1.1, Defined terms used in these Market Rules are capitalized.

1.7.1.2, Terms defined for the purposes of these Market Rules are set out in Appendix 1A.

1.7.1.3, Unless otherwise defined in these Market Rules, or unless the context otherwise requires, terms defined in the Transmission Tariff have the meaning in these Market Rules that is ascribed to them in the Transmission Tariff.

1.7.1.4, Unless otherwise defined in these Market Rules or the Transmission Tariff, or unless the context otherwise requires, terms defined in the Legislation and Regulations have the meaning in these Market Rules that is ascribed to them in the Legislation and Regulations.

1.7.1.5, Acronyms used in these Market Rules are defined in Appendix 1A.

1.7.2, General rules of interpretation

1.7.2.1, General rules of interpretation are set out in Appendix 1B.

1.7.3, Questions of interpretation

1.7.3.1, Any person having a question of interpretation of the Market Rules should address such question to the NSPSO.

Appendix 1A:Definitions and acronyms

Ref	Acronym or term	Chapter	Definition or reference
1A.000	Act	General	The Electricity Act, S.N.S. 2004, c. 25, as amended from time to time.
1A.001	Adequacy	3 & 4	The ability of a Zone, a Transmission System or the Bulk Electricity Supply System to supply aggregate electrical demand and energy requirements to some recognized degree of certainty at all times, taking into account scheduled and reasonably unscheduled Outages of facilities, equipment or components.
1A.002	Ancillary Service	General	In accordance with the Transmission Tariff section 1.0 “Those services that are necessary to support the transmission of capacity and energy from resources to loads while maintaining reliable operation of the Transmission Provider's Transmission System in accordance with Good Utility Practice.”
1A.003	Board	General	The Nova Scotia Utility and Review Board (as also defined in Transmission Tariff section 1.0).
1A.004	Bulk Electricity Supply System	General	The Transmission System and all Generating Facilities required in accordance with these market Rules to be registered with the NSPSO, including all related communication, protection and control systems, etc.

1A.005	Bundled Service	General	<p>In accordance with the Transmission Tariff section 1.0. “Electrical service taken from NSPI under Rates and Regulations approved by the Board. This takes the form of having generation, transmission, distribution, ancillary services and all other items associated with the provision of such service blended or bundled within the rate.”</p> <p>For certainty, Bundled Service does not include services taken from NSPI under the Distribution Tariff, the Energy Balancing Service Tariff, the Standby Service Tariff or the Renewable to Retail Market Transition Tariff.</p> <p>As used in the Market Rules, the term refers to the service provided at a Transmission System Point of Delivery, exclusive of use of a Distribution System.</p> <p><i>Related definition: Partially Unbundled Service</i></p>
1A.006	Business Day	General	<p>In accordance with the Transmission Tariff section 1.0 “A Business Day is Monday to Friday, inclusive, excluding holidays. The regular business hours on a Business Day are from 08:30 to 16:30 Atlantic Time.”</p>

1A.007	Confidential Information	General	Information that is (a) expressly required by the Market Rules or a Market Procedure to be kept confidential; (b) identified in writing as confidential by the disclosing person at the time of disclosure; or (c) derived from information referred to in (a) and (b), but does not include information that is required by the Market Rules to be Published by the NSPSO in its original or a modified form or otherwise made available to others Further, the following will not constitute Confidential Information for purposes of these Market Rules: (i) information which is or becomes generally available to the public other than as a result of a disclosure by the NSPSO or its authorized representatives; (ii) information which was already known to NSPSO on a non-confidential basis prior to being furnished to NSPSO by a Market Participant; (iii) information which becomes available to NSPSO on a non-confidential basis from a source other than a Market Participant or a representative of a Market Participant if such source was not subject to any prohibition against transmitting the information to NSPSO and was not bound by a confidentiality agreement with the Market Participant; or (iv) information which was independently developed by the NSPSO or its representatives without reference to, or consideration of, the Confidential Information.
1A.008	Connect	General	Complete and commission the physical works needed to allow synchronization of a Generating Facility, Load Facility or Distribution System to the Transmission System. <i>Related definitions: Disconnect, Synchronize</i>
1A.009	Connected	General	Having the physical works needed to allow synchronization of a Generating Facility, Load Facility or Distribution System to the Transmission System.
1A.010	Connection Applicant	3	A person who has executed a System Impact Study agreement with NSPI in accordance with the Generation Interconnection Procedure.
1A.011	Control Action	4	An action taken by the NSPSO for the preservation of Reliability, which is beyond the normal operating regime of the wholesale and Renewable to Retail electricity markets.

1A.012	Day Ahead	4	In respect of a Dispatch Day, the last Business Day preceding the Dispatch Day.
1A.013	De-synchronize	4	Temporarily break the connection, typically by opening a breaker, between a Facility and the Transmission System. <i>Related definitions; Synchronize; Disconnect.</i>
1A.014	Disconnect	General	Remove, on a permanent or enduring basis, the ability of a Facility to be synchronized to the Transmission System. <i>Related definitions: Connect; De-synchronize.</i>
1A.015	Dispatch Day	4	Any day on which the NSPSO schedules and dispatches Facilities including a Saturday, Sunday or holiday.
1A.016	Dispatchable Generating Facility	2, 4	As defined in paragraph 2.2.4.1.
1A.016.1	Distribution Generator Interconnection Procedures	2	The NSPI standard generator interconnection procedures applicable to Generating Facilities \geq 101kW, connected to Distribution Systems.
1A.018	Distribution System	1, 2	A system for the conveyance of electricity at voltages less than 69 kV, including any transformer station for the transformation of electricity from voltages of 69 kV and above to voltages below 69 kV, and including all communications, protection and control equipment that interacts with the Transmission System. Note that this is broader than the definition in the Generator Interconnection Agreement as it includes Distribution Systems owned by persons other than NSPI.
1A.019	DSM or Demand Side Management	3	DSM refers to activities or programs undertaken by a utility or its customers to influence the amount and timing of electricity usage. Included in DSM are the planning, implementation, and monitoring of activities that are designed to influence electricity use in ways that produce desired changes in load shape, such as direct load control, interruptible load, energy efficiency and conservation.

1A.020	Emergency Planning Participant	3	A Market Participant identified by the NSPSO as an Emergency Planning Participant in accordance with sub-section 3.6.1.
1A.021	Export Generating Facility	2, 3 & 4	As defined in paragraphs 2.2.4.13 to 2.2.4.19.
1A.022	Facility	General	A Generating Facility, Load Facility or Distribution System.
1A.023	Facility Reactive Power Capability	4, 5	As defined in paragraph 5.5.1.2.
1A.024	Facility Reactive Power Capability Share	5	As defined in paragraph 5.5.1.4.
1A.025	Force Majeure	1	Force Majeure is defined for the purpose of these Market Rules by section 10.1 of the Transmission Tariff “An event of Force Majeure means any act of God, labor disturbance, act of the public enemy, war, insurrection, riot, fire, storm or flood, explosion, breakage or accident to machinery or equipment, any Curtailment, order, regulation or restriction imposed by governmental military or lawfully established civilian authorities, or any other cause beyond a Party’s control. A Force Majeure event does not include an act of negligence or intentional wrongdoing by any party.”
1A.026	Forced Outage	3, 4	The removal from service of equipment for emergency reasons or a condition in which the facility equipment is unavailable, in whole or in part, due to unanticipated failure, and includes a forced de-rating. For greater certainty, the urgent removal from service or de-rating of equipment in order to prevent an actual failure that could jeopardize safety, the environment, or the equipment itself may, if it could not reasonably have been anticipated, be considered a Forced Outage.
1A.027	General Reliability Standards	3	As defined in paragraph 3.2.1.1.

1A.028	Generating Facility	General	<p>One or more generators located at a single site together with all associated prime movers, station service equipment, communications protection and control equipment, and including any transformer station for the transformation of electricity to the voltage at which it is delivered to the transmission system or distribution system to which it is connected.</p> <p>Note that this is broader than the definition in the Generator Interconnection Agreement as it includes the Interconnection Customer's Interconnection Facilities, and it includes Generating facilities connected to a Distribution System.</p>
1A.029	Generation Market Participant	General	A Market Participant for one or more Generating Facilities.
1A.030	Generator Interconnection Agreement	2	The standard generator interconnection and operating agreement which forms Appendix 6 of the Generator Interconnection Procedures.
1A.031	Generator Interconnection Procedures	2, 3	The NSPI standard generator interconnection procedures approved by the Board. This is not part of the Transmission Tariff, but is referenced in attachment D to the Transmission Tariff.
1A.032	Intermittent Generating Facility	2, 4	As defined in paragraphs 2.2.4.2 to 2.2.4.4.
1A.033	Legislation and Regulations	General	<ul style="list-style-type: none"> i) The law of Nova Scotia including the <i>Electricity Act</i>, SNS 2004, c.25 and the <i>Public Utilities Act</i>, RSNS 1989, c.380. ii) Regulations under the above acts, and iii) The laws of Canada as applicable <p>all as amended from time to time.</p>

1A.033.1	Licensed Retail Supplier	General	<p>A Retail Supplier who:</p> <p>(a) holds a valid Retail Supplier Licence; and</p> <p>(b) has a valid LRS Participation Agreement executed with NSPI.</p> <p>For certainty, a Wholesale Customer is not a Licensed Retail Supplier.</p>
1A.033.2	LRS Participation Agreement	General	<p>The agreement (and any amendments or supplements thereto) between a LRS and NSPI with respect to the sale of renewable low-impact electricity by the LRS in the form approved by the Board.</p>
1A.033.3	Licensed Retail Supplier Market Participant		<p>A Licensed Retail Supplier who has executed a market Participation Agreement (as defined in the Nova Scotia Wholesale and Renewable to Retail Electricity Market Rules Appendix 1A) with the NSPSO in accordance with the requirements of the Nova Scotia Wholesale and Renewable to Retail Electricity Market Rules.</p>
1A.034	Load Displacement Generating Facility	2, 4	<p>As defined in paragraphs 2.2.4.9 to 2.2.4.12.</p>
1A.035	Load Facility	General	<p>A facility to which electricity is supplied from the Transmission System, including any transformer station for the transformation of electricity from 69 kV or higher voltage to below 69 kV, and including communications protection and control equipment that interacts with the Transmission System.</p>
1A.036	Load Market Participant	General	<p>A Market Participant for one or more Load Facilities or Distribution Systems.</p>
1A.037	Market Manual	2	<p>The Market Rules, codes, standards and Market Procedures that govern the wholesale and Renewable to Retail electricity market in Nova Scotia.</p>

1A.038	Market Participant	General	A person who has executed a Participation Agreement with the NSPSO, and NSPI itself as specified in sub-paragraphs 1.1.5.2 (e), (f), and (g). For certainty, a person may be a Market Participant with respect to the wholesale electricity market or the Renewable to Retail electricity market.
1A.039	Market Participant Reactive Power Capability Share	5	As defined in paragraph 5.5.1.11.
1A.040	Market Procedure	General	A Published document entitled as such and that contains procedures, processes and forms to be used by the NSPSO, Market Participants and others in fulfillment of their respective obligations under the Market Rules.
1A.041	Market Rules	General	The Wholesale and Renewable to Retail Market Rules made by the Nova Scotia Department of Energy as amended from time to time in accordance with section 2.4.
1A.042	Minor Generating Facility	2, 4	As defined in paragraphs 2.2.4.5 to 2.2.4.8.
1A.042.1	Municipal Utility	<u>1</u>	This term has the same meaning as under the Act.
1A.043	MVAR	5	Mega volt-amps reactive.
1A.044	NBSO	3, 4	New Brunswick System Operator.
1A.045	NERC	3	North American Electricity Reliability Council.
1A.046	Network Integration Transmission Service	4	In accordance with the Transmission Tariff, this is defined as the transmission service provided under part III of the Transmission Tariff.
1A.047	Network Operating Agreement	2	In accordance with the Transmission Tariff section 1.0 “An executed agreement that contains the terms and conditions under which the Network Customer shall operate its facilities and the technical and operational matters associated with the implementation of Network Integration Transmission Service under Part III of the Open Access Transmission Tariff.”
1A.048	NPCC	3	North East Power Coordinating Council.

1A.049	NSPI	General	Nova Scotia Power Inc.
1A.050	NSPI Power Purchase Agreement	1	An agreement between NSPI and an independent power producer for the purchase by NSPI of all the capacity and energy of one or more Generating Facilities owned or to be developed by the independent power producer, such that title to the purchased capacity and energy is transferred to NSPI at the Generating Facility.
1A.051	NSPI PP	General	The Power Production division of NSPI.
1A.052	NSPI Rates and Regulations	5	Documents titled as such, published by NSPI in accordance with one or more orders of the Board.
1A.053	NSPSO	General	Nova Scotia Power System Operator, a part of the Customer Operations division of NSPI.
1A.054	OASIS	4	Open Access Same-time Information System, being a web-accessible system operated by or for NSPI.
1A.055	Outage	3, 4	The removal of equipment from service, unavailability for Synchronization of equipment or temporary de-rating, restriction of use or reduction in performance of equipment below its characteristics as reflected in the applicable registration data, for any reason, and includes a Planned Outage and a Forced Outage.
1A.056	Outage Plan	3	A plan by NSPI or another Market Participant for one or more Outages of transmission elements or Generating Facilities.
1A.057	Partially Unbundled Service	General	Service provided by NSPI to wholesale customers for the supply of a portion of the electricity supplied from the Transmission System, in accordance with rates and regulations approved by the Board. <i>Related definitions: Bundled Service; Unbundled Service</i>
1A.058	Participant Emergency Plan	3	The plan required to be prepared by an Emergency Planning Participant in accordance with sub-section 3.6.2.

1A.059	Participation Agreement	1,2	The agreement in the form set forth in Appendix 2A executed between the NSPSO and each Market Participant other than NSPI following accreditation in accordance with sub-section 2.1.3.
1A.060	Planned Outage	3	An Outage that is planned and intentional.
1A.061	Point of Delivery	5	<p>In accordance with the Transmission Tariff section 1.0 “Point on the Transmission Provider's Transmission System where capacity and energy transmitted by the Transmission Provider will be made available to the Receiving Party under Part II of the Tariff. The Point of Delivery shall be specified in the Service Agreement for Long-Term Firm Point-To-Point Transmission Service”.</p> <p>As used in the Market Rules the term also includes Network Integration Transmission Service under part III of the Transmission Tariff.</p>
1A.062	Point of Receipt	5	<p>In accordance with the Transmission Tariff section 1.0 “Point of interconnection on the Transmission Provider's Transmission System where capacity and energy will be made available to the Transmission Provider by the Delivering Party under Part II of the Tariff. The Point of Receipt shall be specified in the Service Agreement for Long-Term Firm Point-To-Point Transmission Service.”</p> <p>As used in the Market Rules the term also includes Network Integration Transmission Service under part III of the Transmission Tariff.</p>
1A.063	Point to Point Transmission Service	4	In accordance with the Transmission Tariff, this is defined as the reservation and transmission of capacity and energy on either a firm or non-firm basis from the Point(s) of Receipt to the Points(s) of Delivery under part II of the Transmission Tariff.

1A.064	Prudential Support	2	One or more of a guarantee, Letter of Credit (as defined below) or other credit support from a person, each of which is in an amount, in a form and/or issued by a party which is set forth in the relevant Market Procedure or is otherwise acceptable to the NSPSO, securing the obligations owed or to be owed to the NSPSO by a Market Participant. "Letter(s) of Credit" shall mean one or more irrevocable, transferable standby letters of credit issued by a Schedule I Canadian Chartered Bank or a Canadian branch of a U.S commercial bank, with such bank having a Credit Rating (defined below) of at least A- from Standard & Poor's Ratings Group (a division of McGraw-Hill, Inc.) or its successor ("S&P") or A3 from Moody's Investor Services, Inc., or its successor ("Moody's"), in a form and for an amount acceptable to the NSPSO in its reasonable discretion. Costs of a Letter of Credit shall be borne by the applicant for such Letter of Credit and not the NSPSO. "Credit Rating" means, with respect to an entity, the rating then assigned to such entity's unsecured, senior long-term debt obligations (not supported by third party credit enhancements) or, if such entity does not have a rating for its senior unsecured long-term debt, the rating then assigned to such entity as an issuer rating, in each case, by S&P, Moody's and/or any other ratings agency designated by the NSPSO from time to time.
1A.065	Publish	General	Make available to any person, as a minimum by posting on a readily accessible public access NSPI website.
1A.066	Re-dispatch	4, 5	An instruction by the NSPSO that a Dispatchable Generating Facility be operated at a level of output different than that scheduled by the Market Participant.
1A.067	Reliability	General	The degree of performance of a Zone, a Transmission System, the Bulk Electricity Supply System that results in electricity being delivered within accepted standards in an Adequate and secure manner and in the amount desired.
1A.068	Reliability Coordinator	3, 4	The NBSO in its role as electricity system reliability coordinator for the Maritime region.

1A.068.1	renewable low-impact electricity	General	This term has the same meaning as in the Renewable Electricity Regulations (Nova Scotia).
1A.068.2	Renewable to Retail	General	Describes the market in which renewable low-impact electricity generated in Nova Scotia may be sold by Licenced Retail Suppliers to Retail Customers in Nova Scotia in accordance with the Act.
1A.068.3	Retail Customer	General	This term has the same meaning as under the Act. For certainty, a customer of a Municipal Utility is not a Retail Customer.
1A.068.4	Retail Supplier	General	This term has the same meaning as under the Act.
1A.068.5	Retail Supplier Licence	General	A Retail Supplier licence issued by the Board in accordance with the Act and Regulations made thereunder which authorizes a person to sell renewable low-impact electricity generated within the Province.
1A.069	Special Locational Loss Factor	2, 5	A reasonable estimate by the NSPSO of the “excess” of (a) the marginal energy loss in transmission of the output from incremental new generation to the general load pool, over (b) the system average energy loss in transmission as reflected in the Transmission Tariff in respect of Network Integration Service, expressed as a percentage. In the even that such marginal losses from incremental generation are less than the system average, then the “excess” will be a negative percentage value.
1A.070	Standards of Conduct	General	The NSPI Standards of Conduct approved by the Board and forming Attachment E to the Transmission Tariff.
1A.070.1	Standard Small Generator Interconnection and Operating Agreement	2, 5	An agreement between NSPI and the owner of a Generating Facility defining the terms and technical requirements governing the connection of the Generating Facility to NSPI’s Distribution System.
1A.071	Suspend	1,2	Temporarily suspend all or some of a Market Participants rights under the Market Rules.

1A.072	Synchronize	2, 4	Make the connection, typically by closing the relevant breaker, between a Facility and the Transmission System to permit the flow of energy or other services. <i>Related definitions: Connect; De-synchronize.</i>
1A.073	System Impact Study	5 (para 5.5.1.2)	An assessment by the Transmission Provider of (i) the adequacy of the Transmission System to accommodate a request for either Firm Point-To-Point Transmission Service or Network Integration Transmission Service and (ii) whether any additional costs may be incurred in order to provide transmission service.
1A.074	System Reactive Power Capability	5	As defined in paragraph 5.5.1.3.
1A.075	Temporary Waiver	2	A temporary waiver of an obligation under the Market Rules granted by the NSPSO in accordance with section 2.5.
1A.076	Terminate	1, 2	Permanently terminate the rights of a Market Participant under a Participation Agreement.
1A.077	Transmission Customer	1, 2	A Market Participant who is a Transmission Customer as defined in section 1.0 of the Transmission Tariff.
1A.078	Transmission Loading Relief	4	A process described in NERC standard IRO-006-1.
1A.079	Transmission Provider		The NSPI Customer Operations division, including the NSPSO.
1A.080	Transmission Service Information Network	2	The Transmission Service Information Network operated by the North American Electricity Reliability Council.
1A.081	Transmission System	General	In accordance with the Transmission Tariff section 1.0 "The facilities owned, controlled or operated by the Transmission Provider that are used to provide transmission service under Part II and Part III of the Tariff".
1A.082	Transmission Tariff	General	The NSPI Open Access Transmission Tariff approved by the Board.

1A.083	Unbundled Service	General	Service to a Transmission Customer for Network Integration Service or Point to Point Service, separately from any provision of energy by NSPI PP. <i>Related definitions: Bundled Service; Partially Unbundled Service</i>
1A.084	VAR	4	Volt-amps reactive.
1A.085	Wholesale and Renewable to Retail Market Advisory Committee	2	The committee established in accordance with section 2.3.
1A.086	Zone	2, 3	A part of the Bulk Electricity Supply System to which the NSPSO gives separate consideration in view of the fact that the level of Reliability may differ from the general level of Reliability of the system including as a result of transmission constraints.
1A.087	Wholesale Customer	General	This term has the same meaning as under the Act.

Appendix 1B: General Rules of Interpretation

- 1B.1 In the Market Rules, unless the context otherwise requires:
- a) words importing the singular include the plural and vice versa;
 - b) words importing a gender include any gender;
 - c) when capitalized, other parts of speech and grammatical forms of a word or phrase defined in the Market Rules have a corresponding meaning;
 - d) a reference to a person includes (i) a natural person; (ii) any company, partnership, trust, joint venture, association, corporation or other private or public body corporate; (iii) any government, government agency or body, regulatory agency or body or other body politic or collegiate; and (iv) any other entity or body or class of entity or body designated in the Legislation and Regulations as coming within the definition of the word “person”;
 - e) a reference to a thing includes a part of that thing;
 - f) a reference to a Chapter, section, sub-section, paragraph, sub-paragraph, provision, condition, part or appendix is to a Chapter, section, sub-section, paragraph, sub-paragraph, provision, condition, part or appendix of the Market Rules;
 - g) a reference to any statute, regulation, proclamation, order in council, ordinance, by-law, resolution, rule, order or directive includes all statutes, regulations, proclamations, orders in council, ordinances, by-laws or resolutions, rules, orders or directives varying, consolidating, re-enacting, extending or replacing it and a reference to a statute includes all regulations, proclamations, orders in council, rules and by-laws of a legislative nature issued under that statute;
 - h) a reference to a document or provision of a document, including the Market Rules or a provision of the Market Rules, includes an Amendment

or supplement to, or replacement or novation of, that document or that provision of that document, as well as any exhibit, schedule, appendix or other annexure thereto;

- i) a reference to a person includes that person's executors, administrators, successors, substitutes (including persons taking by novation) and permitted assigns;
- j) a reference to a body (including an institute, association or authority), whether statutory or not, that ceases to exist or whose functions are transferred to another body is a reference to the body that replaces it or that substantially succeeds to its powers or functions;
- k) a reference to sections of the Market Rules separated by the word "to" (i.e., "sections 1.1 to 1.4") means a reference to the sections inclusively;
- l) the expression "including" means including without limitation, and the expressions "include", "includes" and "included" shall be interpreted accordingly;
- m) a list of elements preceded by the word "includes", "including", "such as" or similar language shall not be interpreted as excluding any other element, whether of the same or a different nature or scope;
- n) a reference to a month, calendar month, year or calendar year means the period that commences the first hour of the first day that starts in such month or year and terminates the last hour of the last day that commences in such month or year; and
- o) a reference to the Market Rules includes a reference to the Market Procedures.

1B.2 Headings in the Market Rules are inserted for convenience of reference only and shall not affect the interpretation of the Market Rules, nor shall they be construed as indicating that all of the provisions of the Market Rules relating to

any particular topic are to be found in any particular Chapter, section, subsection, clause, provision, part or appendix.

1B.3 Italicised introductions in each chapter and in some sections of the Market Rules are inserted for convenience of reference only and shall not affect the interpretation of the Market Rules.

1B.4 The words “shall”, “must” and “will” shall be construed as imperative and the word “may” shall be construed as permissive.