

**RENEWABLE TO RETAIL MARKET TRANSITION TARIFF***Page 1 of 3*

Renewable to Retail

PURPOSE

Pursuant to Section 3G(2) of the Electricity Act (Nova Scotia), this Renewable to Retail Market Transition Tariff (RTT) is designed to recover from Licenced Retail Suppliers (LRS) NS Power's embedded fixed costs and deferred costs, recovered through Bundled Service, which are not otherwise recovered through other tariffs applicable to the LRS or its RtR Customers. For certainty, for the purposes of this RTT, NS Power's embedded fixed costs include, but are not limited to, generation related fixed costs (e.g. depreciation, cost of financing including return on common equity, income tax and OM&G). Deferred costs of NS Power are those costs approved by the Nova Scotia Utility and Review Board (Board) for recovery by NS Power from customers at a future date.

All capitalized terms herein shall, unless otherwise defined herein, have the meanings ascribed thereto in the LRS Terms and Conditions.

APPLICABILITY

- 1) The RTT is applicable to the LRS, and is in addition to (and not in substitution of) any charges owing by the LRS to NS Power under the Open Access Transmission Tariff (OATT), the Standby Service Tariff or the Energy Balancing Service Tariff. A charge under the RTT will only apply to the extent the cumulative amount calculated under the RTT for the calendar year is equal to greater than zero.
- 2) The RTT employs certain usage determinants and rate components applicable under both the Standby Service Tariff and the Energy Balancing Service Tariff.
- 3) Energy Charges and Demand Charges (both as set out below) under this RTT include provision for mitigation in respect of forecasted NS Power savings enabled by the LRS's supply of electricity to its RtR Customers. The savings credits will be determined annually on the basis of experience and will be applied on a prospective basis.
- 4) The Energy Charge under this RTT includes provision for annual adjustment on a prospective basis to account for the forecasted difference between NS Power's average avoided cost by the LRS's supply of electricity and its average system fuel cost. If the average avoided cost exceeds the average system fuel cost, this adjustment will be a reduction in the Energy Charge; if the average avoided cost is less than the average system fuel cost, this adjustment will be an addition to the Energy Charge.
- 5) An LRS taking service under this RTT shall also take service under the OATT, the Standby Service Tariff, and the Energy Balancing Service Tariff.

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ENERGY CHARGE

Energy charge is made up of the following components:

Energy Charge Components	Cents per kWh
Fixed Cost Adder from Energy Balancing Service Tariff	3.264
2014 Cost of Service Earnings Adjustment	NA
Prior Period Actual Earnings Adjustment	NA
Annually Adjusted Energy Savings Credit	0.000
Annual Energy Cost Adjustment	(8.788)
Total	(5.524)

The Energy Charge is applicable to the LRS's monthly displaced energy on NS Power's generation system, defined as the total monthly LRS load, including distribution losses, minus the total monthly LRS top-up quantity as determined under the Energy Balancing Service Tariff for that LRS.

DEMAND CHARGE

Demand Charge is made up of two components:

Demand Charge Components	Dollars per kW
Demand Charge from Standby Service Tariff	\$3.397
Annually Adjusted Demand Savings Credit	\$0.000
Total	\$3.397

The Demand Charge is applicable to the LRS's monthly displaced demand on NS Power's system determined as the difference between Winter Peak Firm Demand, in respect of the monthly bill of the LRS, and Monthly Standby Contract Demand, both as determined under the Standby Service Tariff for that LRS. For greater certainty, Winter Peak Firm Demand and Monthly Standby Contract Demand are as set out in the Standby Service Tariff.

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SPECIAL CONDITIONS

- (1) Nothing contained in this RTT or any service agreement shall be construed as affecting or in any way limiting the right of NS Power to make application to the Board for a change in any rates, terms and conditions, charges, classification of service, service agreement, rule or regulation, including, without limitation, the rates, charge or terms and conditions contained in this RTT, the Standby Service Tariff or the Energy Balancing Service Tariff.