

1 **Requirement:**

2

3 **Regulated statement of earnings.**

4

5 **Submission:**

6

7 Please refer to Partially Confidential Attachment 1.

Nova Scotia Power Inc.
Regulated Statements of Earnings
 Years Ended December 31st
 Millions of Dollars

2013-2014 Financial Outlook

	(1)	(2)	(3)	(4)	(5)	(6)	(7)
	Compliance	Actual	Forecast	Present	Present	Proposed	Proposed
	Restated	2011	2012	Rates	Rates	Rates	Rates
	2012			2013	2014	2013	2014
3 Revenue							
4 Electric	\$1,345.5	\$1,209.7		\$1,199.9	\$1,297.3	\$1,329.6	\$1,364.4
5 Other	22.1	23.3		22.0	23.1	22.6	23.5
6 Total	1,367.6	1,233.0		1,221.8	1,320.4	\$1,352.2	1,387.9
8 Cost of Operations							
9 Fuel and purchased power	569.1	547.6		475.0	513.7	475.0	513.7
10 FAM Fuel adjustment	50.2	(12.6)		29.2	-	29.2	-
11 Fixed Cost Recovery adjustment	-	-		16.5	16.5	16.5	16.5
12 Cost of goods sold	1.5	1.1		1.0	1.0	1.0	1.0
13 Operating maintenance and general	245.6	261.4		279.0	283.1	279.0	283.1
14 Grants in lieu of property taxes	36.4	35.7		37.5	38.4	37.5	38.4
15 Provincial capital tax	1.0	3.0		-	-	-	-
16 Depreciation and accretion	175.2	167.8		192.7	202.2	192.7	202.2
17 Total Cost of Operations	1,079.1	1,004.1		1,031.0	1,054.8	1,031.0	1,054.8
19 Earnings From Operations	288.5	228.9		190.8	265.6	321.2	333.1
21 Regulatory amortization	(21.6)	(19.1)		(22.9)	(22.1)	(22.9)	(22.1)
22 Allowance for funds used during construction, FAM and FCR interest	24.4	22.9		12.2	7.9	12.2	7.9
24 Earnings Before Interest and Tax	291.3	232.7		180.2	251.4	310.5	318.9
26 Interest and Other expenses	147.9	135.8		146.4	152.0	146.1	150.5
28 Earnings Before Income Tax	143.4	96.8		33.7	99.5	164.4	168.4
30 Corporate income tax	14.4	(42.5)		(7.9)	14.2	32.6	35.6
32 Net Earnings Before Dividends	129.0	139.3		41.8	85.3	131.8	132.9
34 Preferred dividends	8.0	8.0		8.0	8.0	8.0	8.0
36 Net Earnings Applicable to Common Shares	\$121.1	\$131.3		\$33.7	\$77.2	\$123.8	\$124.8

38 Notes:

- 39 1) Figures presented reflect whole numbers which may cause \$0.1M in rounding differences on some line items.
- 40 2) Part VI.1 tax reclassified from preferred dividends to corporate income tax.

1 **Requirement:**

2

3 **Regulated balance sheet.**

4

5 **Submission:**

6

7 Please refer to Partially Confidential Attachment 1.

Nova Scotia Power Inc.
Regulated Balance Sheet
Years Ended December 31st
Millions of Dollars

2013-2014 Financial Outlook

	(1)	(2)	(3)	(4)	(5)	(6)	(7)
	Compliance Restated 2012	Actual 2011	Forecast 2012	Present Rates 2013	Present Rates 2014	Proposed Rates 2013	Proposed Rates 2014
Assets							
Fixed assets (net)	\$3,003.3	\$2,823.8		\$3,285.6	\$3,330.4	\$3,285.6	\$3,330.4
Construction work in progress	378.3	283.4		66.2	114.1	66.2	114.1
	3,381.6	3,107.1		3,351.8	3,444.5	3,351.8	3,444.5
Current assets							
Cash and short-term Investments	-	-		-	-	-	-
Accounts receivable	231.2	208.5		239.0	202.8	239.0	202.8
Materials inventory	28.4	29.6		28.9	29.5	28.9	29.5
Fuel inventory	88.1	126.3		86.3	89.0	86.3	89.0
Prepaid expenses	6.4	6.4		6.7	6.8	6.7	6.8
Derivative instruments	31.0	15.9		15.9	15.9	15.9	15.9
Due from (to) related parties	1.1	(1.3)		1.1	1.1	1.1	1.1
Total Current Assets	386.3	385.4		377.9	345.2	377.9	345.2
Derivative instruments	28.9	28.6		28.6	28.6	28.6	28.6
Pension asset	49.4	48.4		73.8	90.4	73.8	90.4
Deferred charges (Financial Instruments)	1.3	48.4		48.4	48.4	48.4	48.4
Deferred charges	283.0	262.2		149.6	105.3	149.6	105.3
Total Assets	\$4,130.4	\$3,880.2		\$4,030.2	\$4,062.4	\$4,030.2	\$4,062.4
Equity and Liabilities							
Shareholder's Equity							
Common shares	\$984.7	\$1,034.7		\$1,034.7	\$1,034.7	\$1,034.7	\$1,034.7
Preferred shares	135.0	132.2		132.2	132.2	132.2	132.2
Accumulated Other Comprehensive Income	10.8	-		-	-	-	-
Retained earnings	347.7	369.7		307.5	332.8	308.6	335.4
Long-term debt	1,594.1	1,707.6		1,910.4	1,890.5	1,860.2	1,840.2
Derivative instruments	11.2	13.0		13.0	13.0	13.0	13.0
Asset Retirement Obligations	154.0	91.1		103.4	108.9	103.4	108.9
Deferred income taxes	144.2	34.4		15.8	11.3	15.8	11.3
Deferred credits (Financial Instruments)	14.3	45.7		45.7	45.7	45.7	45.7
Deferred credits	16.4	11.2		13.4	13.4	13.4	13.4
Current Liabilities							
Current portion of long-term debt	300.1	-		-	70.0	-	70.0
Bank indebtedness	191.1	225.7		197.6	190.5	246.8	238.1
Accounts payable and accruals	174.5	221.6		213.0	163.1	181.5	176.1
Income taxes payable (receivable)	29.4	(40.0)		10.1	23.3	41.6	10.2
Derivative instruments	23.0	33.3		33.3	33.3	33.3	33.3
Total Current Liabilities	718.1	440.6		454.0	480.1	503.2	527.7
Total Liabilities and Equity	\$4,130.4	\$3,880.2		\$4,030.2	\$4,062.4	\$4,030.2	\$4,062.4

Notes:

1) Figures presented reflect whole numbers which may cause \$0.1M in rounding differences on some line items.

1 **Requirement:**

2

3 **Regulated statement of retained earnings.**

4

5 **Submission:**

6

7 Please refer to Partially Confidential Attachment 1.

Nova Scotia Power Inc.
Regulated Statements of Retained Earnings
Years Ended December 31st
Millions of Dollars

2013-2014 Financial Outlook

	(1)	(2)	(3)	(4)	(5)	(6)	(7)
	Compliance	Actual	Forecast	Present	Present	Proposed	Proposed
	2012	2011	2012	Rates	Rates	Rates	Rates
				2013	2014	2013	2014
3 Regulated Retained Earnings at Beginning of Year	\$316.1	\$263.4		\$312.8	\$307.5	\$312.8	\$308.6
4 Net earnings applicable to common shares	121.1	131.3		33.7	77.2	123.8	124.8
5	437.2	394.7		346.5	384.7	436.6	433.4
6							
7 Common dividends	(89.5)	(25.0)		(39.0)	(52.0)	(128.0)	(98.0)
8							
9 Regulated Retained Earnings at End of Year	\$347.7	\$369.7		\$307.5	\$332.7	\$308.6	\$335.4

11 **Notes:**

- 12 1) Figures presented reflect whole numbers which may cause \$0.1M in rounding differences on some line items.
 13 2) All dividends are paid to the extent required to maintain the capital structure as approved for rate making purposes.

1 **Requirement:**

2

3 **Regulated statement of cash flows.**

4

5 **Submission:**

6

7 Please refer to Partially Confidential Attachment 1.

Nova Scotia Power Inc.
Regulated Statement of Cash Flows
Years Ended December 31st
Millions of Dollars

2013-2014 Financial Outlook

	(1) Compliance Restated 2012	(2) Actual 2011	(3) Forecast 2012	(4) Present Rates 2013	(5) Present Rates 2014	(6) Proposed Rates 2013	(7) Proposed Rates 2014
Operating Activities							
Net income of Nova Scotia Power Inc. before dividends	\$129.0	\$139.3		\$41.8	\$85.3	\$131.8	\$132.9
Adjustments to reconcile net income to net cash provided by operating activities:							
Depreciation	175.2	167.8		192.7	202.2	192.7	202.2
FAM deferral	50.2	(12.6)		29.2	-	29.2	-
Fixed cost recovery deferral	-	-		16.5	16.5	16.5	16.5
Regulatory amortization	21.6	19.1		22.9	22.1	22.9	22.1
Less AFUDC, FAM and FCR interest	(24.4)	(22.9)		(12.2)	(7.9)	(12.2)	(7.9)
Deferred charges, net / Other	(3.9)	14.8		(11.5)	(10.3)	(11.9)	(10.3)
Cash flow from operations	347.8	305.6		279.4	307.8	369.0	355.4
Changes in non-cash working capital	32.0	(35.8)		42.2	(4.1)	42.2	(4.1)
Net Cash provided by Operating Activities	379.8	269.8		321.6	303.7	411.2	351.2
Financing Activities							
Dividends paid on common shares	(89.5)	(25.0)		(39.0)	(52.0)	(128.0)	(98.0)
Dividends paid on preferred shares	(8.0)	(8.0)		(8.0)	(8.0)	(8.0)	(8.0)
Proceeds from (repayment of) long term-debt, net	200.0	-		-	50.0	(50.0)	50.0
Issuance of Common Shares	-	50.0		-	-	-	-
Increase in (repayment of) short-term debt, net	(146.8)	11.7		(7.1)	(7.1)	42.1	(8.7)
Other	(2.2)	(0.9)		(1.5)	(0.3)	(1.3)	(0.3)
Net Cash provided by (used in) Financing Activities	(46.5)	27.8		(55.5)	(17.4)	(145.1)	(64.9)
Investing Activities							
Additions to Property plant and equipment, net	(333.3)	(297.8)		(266.1)	(286.3)	(266.1)	(286.3)
Net Cash Used in Investing Activities	(333.3)	(297.8)		(266.1)	(286.3)	(266.1)	(286.3)
Decrease in cash	-	(0.3)		-	-	-	-
Cash, beginning of year	-	0.3		-	-	-	-
Cash, end of year	-	-		-	-	-	-

Notes:

- 42 1) Figures presented reflect whole numbers which may cause \$0.1M in rounding differences on some line items.
 43 2) All dividends are paid to the extent required to maintain the capital structure approved by the UARB.

1 **Requirement:**

2

3 **Electric revenue details.**

4

5 **Submission:**

6

7 Please refer to Partially Confidential Attachment 1.

Nova Scotia Power Inc.
 Electric Revenue Details
 Years Ended December 31st
 Millions of Dollars

2013-2014 Financial Outlook

	(1)	(2)	(3)	(4) Present Rates 2013			(7) Present Rates 2014		(9) Proposed Rates 2013			(12) Proposed Rates 2014	
	Compliance 2012	Actual 2011	Forecast 2012	Embedded Cost Rates	Proposed BA Component ²	Total	Embedded Cost Rates	Total	Embedded Cost Rates	Proposed BA Component ²	Total	Embedded Cost Rates	Total
3 Residential	\$619.3	\$564.9		\$588.7	\$11.5	\$600.3	\$654.4	\$654.4	\$656.6	\$11.5	\$668.1	\$689.8	\$689.8
4 General													
6 Small general	31.1	32.3		31.5	0.7	32.1	34.8	34.8	35.1	0.7	35.7	36.7	36.7
7 General	292.1	271.3		276.0	7.6	283.6	305.5	305.5	307.8	7.6	315.4	322.0	322.0
8 Large general	40.1	38.2		37.8	1.3	39.1	41.4	41.4	42.2	1.3	43.5	43.7	43.7
9 Total General	363.3	341.8		345.2	9.7	354.9	381.7	381.7	385.0	9.7	394.7	402.3	402.3
10 Industrial													
12 Small industrial	29.1	26.8		28.5	0.8	29.3	31.8	31.8	31.7	0.8	32.6	33.5	33.5
13 Medium industrial	50.0	46.4		48.0	1.6	49.5	54.4	54.4	53.5	1.6	55.1	57.3	57.3
14 Large industrial	78.8	70.6		73.8	3.1	76.9	82.4	82.4	82.3	3.1	85.4	86.8	86.8
15 Load Retention Tariff	-	-		21.2	1.3	22.5	21.9	21.9	21.2	1.3	22.5	21.9	21.9
16 GRLF	6.7	1.0		1.1	-	1.1	1.1	1.1	1.1	-	1.1	1.1	1.1
17 Mersey Basic Block	9.3	11.0		9.9	-	9.9	9.8	9.8	9.9	-	9.9	9.8	9.8
18 Mersey Additional Energy	11.7	11.1		10.3	0.3	10.6	10.2	10.2	10.3	0.3	10.6	10.2	10.2
19 Extra large industrial 2P-RTP	130.3	93.1		-	-	-	-	-	-	-	-	-	-
20 Total Industrial	315.9	260.0		192.7	7.1	199.8	211.5	211.5	210.0	7.1	217.1	220.6	220.6
21 Other													
23 Municipal	19.6	17.7		18.3	0.5	18.8	20.4	20.4	20.4	0.5	20.9	21.5	21.5
24 Unmetered before LED Capital-related Cost	25.3	24.8		22.3	0.4	22.7	23.1	23.1	24.6	0.4	25.0	24.0	24.0
25 LED Capital-related Costs	1.1	-		1.6	-	1.6	4.3	4.3	2.0	-	2.0	4.3	4.3
26 Unmetered Total	26.4	24.8		23.9	0.4	24.3	27.3	27.3	26.6	0.4	27.0	28.3	28.3
27 Total Other	46.0	42.5		42.2	0.9	43.1	47.7	47.7	47.0	0.9	47.9	49.8	49.8
29 Total In Province Electric Revenue	1,344.5	1,209.2		1,168.9	29.2	1,198.1	1,295.3	1,295.3	1,298.6	29.2	1,327.8	1,362.5	1,362.5
31 Exports	1.0	0.5		1.8	-	1.8	1.9	1.9	1.8	-	1.8	1.9	1.9
33 Total Electric Revenue	\$1,345.5	\$1,209.7		\$1,170.7	\$29.2	\$1,199.9	\$1,297.3	\$1,297.3	\$1,300.4	\$29.2	\$1,329.6	\$1,364.4	\$1,364.4

36 Notes:
 37 1) Figures presented reflect whole numbers which may cause \$0.1M in rounding differences on some line items.
 38 2) Please note that this is the proposed BA Component of the FAM rider. This will be decided in a separate venue later this fall.

1 **Requirement:**

2

3 **GWh production and sales.**

4

5 **Submission:**

6

7 Please refer to Partially Confidential Attachment 1.

Nova Scotia Power Inc.
Gwh Production and Sales
Years Ended December 31st

2013-2014 Financial Outlook

	(1)	(2)	(3)	(4)	(5)	(6)	(7)
	Compliance	Actual 2011	Forecast	Present	Present	Proposed	Proposed
	2012	2011	2012	Rates	Rates	Rates	Rates
				2013	2014	2013	2014
Residential	4,372.5	4,274.6		4,273.2	4,257.2	4,273.2	4,257.2
General							
Small general	219.5	238.8		231.3	229.4	231.3	229.4
General	2,534.0	2,448.0		2,435.3	2,433.0	2,435.3	2,433.0
Large general	394.4	414.9		396.3	387.0	396.3	387.0
Total General	3,147.8	3,101.7		3,062.9	3,049.4	3,062.9	3,049.4
Industrial							
Small industrial	261.9	253.8		258.2	260.3	258.2	260.3
Medium industrial	512.9	491.9		498.8	512.8	498.8	512.8
Large industrial	932.6	915.2		921.4	921.8	921.4	921.8
Load Retention Tariff	-	-		322.1	322.1	322.1	322.1
GRLF	108.4	17.1		18.8	18.8	18.8	18.8
Mersey Basic Block	189.0	189.0		189.0	189.0	189.0	189.0
Mersey Additional Energy	179.9	174.3		178.9	178.9	178.9	178.9
Extra large industrial 2P-RTP	1,814.3	1,474.7		-	-	-	-
Total Industrial	3,999.1	3,516.0		2,387.2	2,403.7	2,387.2	2,403.7
Other							
Municipal	197.4	191.3		192.6	191.7	192.6	191.7
Unmetered	115.7	112.9		104.4	97.8	104.4	97.8
Total Other	313.1	304.3		297.0	289.5	297.0	289.5
Total In Province Electric Sales	11,832.6	11,196.6		10,020.3	9,999.8	10,020.3	9,999.8
Export	33.9	9.0		28.9	29.5	28.9	29.5
Total Electric Sales	11,866.4	11,205.6		10,049.2	10,029.3	10,049.2	10,029.3
Losses							
In-province sales	814.5	711.3		700.8	709.7	700.8	709.7
Exports	1.0	0.2		0.9	0.9	0.9	0.9
Total Losses	815.6	711.5		701.7	710.6	701.7	710.6
Total System Requirements	12,682.0	11,917.1		10,750.9	10,739.9	10,750.9	10,739.9
Net System Requirements	12,647.1	11,907.9		10,721.1	10,709.5	10,721.1	10,709.5

Notes:

1) Figures presented reflect whole numbers which may cause rounding differences on some line items.

1 **Requirement:**

2

3 **Details of Fuel and Purchased Power as per Appendix A, Table 8, P-886 filing.**

4

5 **Submission:**

6

7 Please refer to Partially Confidential Attachment 1.

Nova Scotia Power Inc.
Details of Fuel and Purchased Power
Years Ended December 31st
Millions of Dollars

2013-2014 Financial Outlook

	(1)	(2)	(3)	(4)	(5)	(6)	(7)
	Compliance	Actual 2011	Forecast	Present	Present	Proposed	Proposed
	2012	2011	2012	Rates	Rates	Rates	Rates
				2013	2014	2013	2014
3 Fuel By Type							
4 Solid Fuel	\$372.1	\$287.7		\$236.6	\$275.6	\$236.6	\$275.6
5 Natural gas	87.5	150.6		123.0	105.3	123.0	105.3
6 Bunker C	4.1	2.2		2.1	2.4	2.1	2.4
7 Furnace	2.8	2.9		2.7	3.2	2.7	3.2
8 Diesel	3.2	1.2		1.6	1.4	1.6	1.4
9 Additives - Mercury	0.3	5.6		0.3	2.7	0.3	2.7
10 Additives	3.5	3.6		3.6	3.7	3.6	3.7
12 Total Fuel For Generation	473.5	453.7		369.8	394.1	369.8	394.1
13							
14 Purchased Power							
15 Imports	28.6	31.8		27.1	26.6	27.1	26.6
16 Independent power producers	18.9	16.5		14.7	22.8	14.7	22.8
17 Wind purchases	46.2	46.5		60.8	67.6	60.8	67.6
18 Total Purchased Power	93.7	94.8		102.6	117.0	102.6	117.0
19							
20 Fuel and Purchased Power	567.2	548.5		472.4	511.1	472.4	511.1
21							
22 Fuel For Resale							
23 Costs	34.6	3.5		9.9	-	9.9	-
24 Recoveries	(33.8)	(4.0)		(9.7)	-	(9.7)	-
25 Net Cost (Benefit)	0.8	(0.5)		0.2	-	0.2	-
26							
27 Exports	0.7	0.4		1.5	1.6	1.5	1.6
28 Water Royalties	0.9	0.9		0.9	0.9	0.9	0.9
29 Market To Market on HFO and Natural Gas	(0.5)	(1.7)		-	-	-	-
30 Total Fuel and Purchased Power	\$569.1	\$547.6		\$475.0	\$513.7	\$475.0	\$513.7
31							
32 Total System Requirements (GWh)	12,682.0	11,917.1		10,750.9	10,739.9	10,750.9	10,739.9
33							
34 Total Fuel Cost / MWH	\$44.88	\$45.95		\$44.18	\$47.83	\$44.18	\$47.83

Notes:

37 1) Figures presented reflect whole numbers which may cause \$0.1M in rounding differences on some line items.

1 **Requirement:**

2

3 **Operating, maintenance, and general expenses breakdown (by major component) in**
4 **real and nominal dollars for the test year and five historic years.**

5

6 **Submission:**

7

8 Please refer to Partially Confidential Attachment 1.

1 **Requirement:**

2

3 **Revenue requirement and rate increase breakdown.**

4

5 **Submission:**

6

7 Please refer to DE-03 – DE-04, Section 11 Costing and Rates, Figure 11.3 and 11.4.

1 **Requirement:**

2

3 **Estimated average capital and cost of capital.**

4

5 **Submission:**

6

7 Please refer to Attachment 1.

Nova Scotia Power Inc.
Estimated Average Capital and Cost of Capital
Years Ended December 31st
Millions of Dollars

2013-2014 Financial Outlook

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
			Average	Capital	Cost	Cost	Weighted	Weighted
	Opening	Closing	Capital	Ratio	Pre-tax	After-tax	Pre-tax	After-tax
					Factor	Factor	Cost	Cost
2013								
Estimated Cost of Capital								
Short-term debt	\$204.7	\$246.8	\$225.8	6.3%	4.07%	2.81%	0.26%	0.18%
Long-term debt	1,908.7	1,860.2	1,884.4	52.5%	7.30%	5.02%	3.83%	2.64%
Total debt	\$2,113.4	\$2,107.0	\$2,110.2	58.8%	11.38%	7.83%	4.09%	2.81%
Preferred shares	132.2	132.2	132.2	3.7%	6.02%	5.82%	0.22%	0.21%
Common equity	1,347.5	1,343.3	1,345.4	37.5%	9.20%	9.20%	3.45%	3.45%
Total	\$3,593.1	\$3,582.5	\$3,587.8	100.0%			7.76%	6.48%
2014								
Estimated Cost of Capital								
Short-term debt	\$246.8	\$238.1	\$242.4	6.7%	6.07%	4.19%	0.41%	0.28%
Long-term debt	1,860.2	1,910.2	1,885.2	52.1%	7.20%	5.01%	3.76%	2.61%
Total debt	\$2,107.0	\$2,148.3	\$2,127.6	58.8%	13.28%	9.20%	4.16%	2.89%
Preferred shares	132.2	132.2	132.2	3.7%	6.02%	5.82%	0.22%	0.21%
Common equity	1,343.3	1,370.1	1,356.7	37.5%	9.20%	9.20%	3.45%	3.45%
Total	\$3,582.5	\$3,650.6	\$3,616.5	100.0%			7.83%	6.56%

Notes:

- 1) Figures presented reflect whole numbers which may cause \$0.1M in rounding differences on some line items.
2) Pre-tax equity cost excludes the income tax gross-up factor.
3) Calculations based on 2013 and 2014 test year forecasted proposed rates.
4) Average capital reflects average of year-end balances.

1 **Requirement:**

2

3 **Details of Interest Charges.**

4

5 **Submission:**

6

7 Please refer to Partially Confidential Attachment 1.

Nova Scotia Power Inc.
Details of Interest and Other Expenses
Years Ended December 31st
Millions of Dollars

2013-2014 Financial Outlook

	(1)	(2)	(3)	(4)	(5)	(6)	(7)
	Compliance	Actual 2011	Forecast	Present	Present	Proposed	Proposed
	2012	2011	2012	Rates	Rates	Rates	Rates
				2013	2014	2013	2014
3 Interest on long-term debt	\$125.3	\$114.9		\$125.2	\$129.5	\$124.5	\$126.4
4 Interest on short-term borrowings	5.2	3.3		8.7	13.1	9.2	14.7
5 Other financing charges & adjustments	3.5	(1.2)		1.4	0.7	1.4	0.8
6 Amortization of deferred financing charges	13.8	13.6		11.7	8.6	11.7	8.6
7 Foreign Exchange	-	5.1		(0.6)	-	(0.6)	-
8 Total Regulated Financing Cost	\$147.9	\$135.8	\$138.4	\$146.4	\$152.0	\$146.1	\$150.5

10 **Notes:**

11 1) Figures presented reflect whole numbers which may cause \$0.1M in rounding differences on some line items.

1 **Requirement:**

2

3 **Average rate base, supporting schedule – capital assets.**

4

5 **Submission:**

6

7 Please refer to Partially Confidential Attachment 1.

Nova Scotia Power Inc.
Average Rate Base
Supporting Schedule - Capital Assets
Years Ended December 31st
Millions of dollars
2013-2014 Financial Outlook

	(1)	(2)	(3)	(4)	(5)	(6)
		Proposed Rates Test Year Forecast	Proposed Rates Test Year Forecast	Average 2012/2013	Average 2013/2014	Reference
	Forecast 2012	Forecast 2013	Forecast 2014			
3 Net Regulated Plant in Service						
4 Net Regulated Plant in Service, beginning balance		\$3,008.4	\$3,285.6			FOR-02, line 4
5 Add: Asset additions		463.5	240.0			FOR-12, line 16
6 Less: Depreciation & Accretion		(192.7)	(202.2)			FOR-01, line 16
7 Add: Asset retirement obligation		5.2	5.5			
8 Less: Salvage and Cost of Removal		6.4	4.5			FOR-12, line 17
9 Less: Non-LED Streetlights		(5.2)	(3.1)			
11 Net Regulated Plant in Service, ending balance		\$3,285.6	\$3,330.4	\$3,147.0	\$3,308.0	FOR-02, line 4
13 Construction work in progress						
14 Construction work in progress, beginning balance		\$261.8	\$66.2			FOR-02, line 5
15 Add: Capital spending including AFUDC		274.4	292.5			FOR-04, line 33 & AFUDC on capital
16 Less: Asset additions		(463.5)	(240.0)			FOR-12, line 5
17 Less: Salvage and Cost of Removal		(6.4)	(4.5)			FOR-12, line 7
19 Construction work in progress, ending balance		\$66.2	\$114.1	\$164.0	\$90.2	FOR-02, line 5

21 Notes:

22 1) Figures presented reflect whole numbers which may cause \$0.1M in rounding differences on some line items.

1 **Requirement:**

2

3 **Average rate base, supporting schedule – deferred charges & credits.**

4

5 **Submission:**

6

7 Please refer to Partially Confidential Attachment 1.

Nova Scotia Power Inc.

Average Rate Base

Supporting Schedule - Deferred Charges & Credits

Years Ended December 31st

Millions of dollars

2013-2014 Financial Outlook

	(1)	(2)	(3)	(4)	(5)	(6)
	Forecast	Proposed Rates Test Year Forecast 2013	Proposed Rates Test Year Forecast 2014	Average 2012/2013	Average 2013/2014	Reference
1						
2						
3 Deferred Charges - Financing						
4 Defeasance						
5 Beginning balance		\$70.3	\$60.1			
6 Less: Amortization		(10.2)	(7.9)			
7 Ending balance		60.1	52.2	65.2	56.1	
8 Financing Issue Costs						
9 Beginning balance		11.4	10.0			
10 Less: Amortization		(1.3)	(1.0)			
11 Ending balance		10.0	9.0	10.7	9.5	
12						
13 Total Deferred Charges - Financing Ending Balance		70.1	61.2	75.9	65.7	RB-02-16, line 8
14						
15 Total Amortization of Deferred Financing Charges		(11.5)	(8.9)			
16						
17 Deferred Charges - Tax						
18 Beginning balance		44.5	24.8			
19 Less: Amortizations		(19.7)	(21.1)			
20 Ending balance		24.8	3.7	34.6	14.3	RB-02-16, line 9
21						
22 Deferred Charges - Pension						
23 Beginning balance		59.0	73.8			
24 Add: Pension funding		73.4	73.4			
25 Less: Pension expense		(58.6)	(56.9)			
26 Ending balance		73.8	90.4	66.4	82.1	RB-02-16, line 10
27						
28 Deferred Charges - FAM Deferral						
29 Beginning balance		28.2	-			
30 Add: FAM Interest		1.0	-			
31 Less: Received from Customers		(29.2)	-			
32 Ending balance		-	-	14.1	-	RB-02-16, line 11
33						
34 Deferred Charges - FCR Deferral						
35 Beginning balance		44.2	30.6			
36 Add: Additions/FCR Interest		2.9	1.8			
37 Less: Received from Customers		(16.5)	(16.5)			
38 Ending balance		30.6	15.9	37.4	23.2	RB-02-16, line 12
39						
40 Deferred Charges - Non-LED Deferral						
41 Beginning balance		-	5.2			
42 Add: Additions		5.2	3.1			
43 Ending balance		5.2	8.3	2.6	6.7	RB-02-16, line 13
44						
45 Deferred Charges - Other General						
46 Beginning balance		8.7	3.9			
47 Add: Additions / Adjustments		(1.7)	(1.7)			
48 Less: Amortization		(3.2)	(1.1)			
49 Ending balance		3.9	1.1	6.3	2.5	RB-02-16, line 14
50						
51 Asset retirement Obligations						
52 Beginning balance		98.2	103.4			
53 Add: Asset retirement obligation expense		5.2	5.5			
54 Ending balance		103.4	108.9	100.8	106.2	RB-02-16, line 15
55						
56 Deferred Credits - Deferred Income Taxes on FAM & FCR						
57 Beginning balance		19.6	6.7			
58 Less: Adjustments		(12.9)	(4.6)			
59 Ending balance		6.7	2.1	13.2	4.4	RB-02-16, line 16
60						
61 Other Deferred Credits						
62 Beginning balance		6.6	6.6			
63 Less: Amortization		-	-			
64 Ending balance		\$6.6	\$6.6	\$6.6	\$6.6	RB-02-16, line 17
65						

66 1) Figures presented reflect whole numbers which may cause \$0.1M in rounding differences on some line items.

1 **Requirement:**

2

3 **Average rate base, supporting schedule – allowance for materials & supplies.**

4

5 **Submission:**

6

7 Please refer to Partially Confidential Attachment 1.

Nova Scotia Power Inc.

Average Rate Base

Supporting Schedule - Allowance for Materials & Supplies

Years Ended December 31st

Millions of dollars

2013-2014 Financial Outlook

	(1)	(2)	(3)	(4)	(5)	(6)
		Proposed Rates Test Year Forecast	Proposed Rates Test Year Forecast	Average 2012/2013	Average 2013/2014	Reference
	Forecast 2012	Forecast 2013	Forecast 2014			
1						
2						
3						
4						
5						
6						
7						
8						
9						
10						
11						
12						
13						
14						
15						
16						FOR-02, line 11
17		82.7	86.2	88.7	84.4	
18						
19						
20						
21						
22						
23						
24						
25						
26						
27						
28						
29						
30						
31						FOR-02, line 10
32		28.4	28.9	28.1	28.7	
33						
34						
35						
36						
37						
38						
39						
		\$111.0	\$115.2	116.8	113.1	RB-02-16, line 18

Notes:

39 1) Figures presented reflect whole numbers which may cause \$0.1M in rounding differences on some line items.

1 **Requirement:**

2

3 **Average rate base, supporting schedule – allowance for working capital.**

4

5 **Submission:**

6

7 Please refer to Attachment 1.

Nova Scotia Power Inc.

Average Rate Base

Supporting Schedule - Allowance for Working Capital

Years Ended December 31st

Millions of dollars

2013-2014 Financial Outlook

(1) (2) (3) (4) (5)

2012 Compliance Rates - Cash Working Capital Requirement					
Category	Lag Days (a)	Net Lag Days (b) [51.9 days - (a)]	% of Year (c) [(b) / 365]	Annual Cost (d)	CWC [(c) x (d)]
Revenue Lag	51.9				
Labour	23.4	28.5	7.8	127.0	9.9
Non-Labour Operating	26.5	25.4	7.0	125.8	8.8
Fuel & Purchased Power	27.1	24.7	6.8	612.2	41.5
Grants In Lieu of Taxes	(136.7)	188.5	51.6	36.4	18.8
Income Taxes	210.0	(158.2)	(43.3)	33.7	(14.6)
HST and Energy Rebate					(1.7)
Other					4.1
TOTAL					66.8
Less Consumer Deposits					(12.0)
CWC Requirement - 2012 RB-2-16, Line 19					\$54.8

2013 Test Year Proposed Rates - Cash Working Capital Requirement					
Category	Lag Days (a)	Net Lag Days (b) [52.6 days - (a)]	% of Year (c) [(b) / 365]	Annual Cost (d)	CWC [(c) x (d)]
Revenue Lag	52.6				
Labour	23.4	29.2	8.0	126.3	10.1
Non-Labour Operating	25.7	26.9	7.4	148.0	10.9
Fuel & Purchased Power	29.3	23.3	6.4	489.4	31.2
Grants In Lieu of Taxes	(136.7)	189.2	51.8	37.5	19.5
Income Taxes	184.1	(131.5)	(36.0)	45.5	(16.4)
HST and Energy Rebate					(1.7)
Other					4.2
TOTAL					57.7
Less Consumer Deposits					(12.9)
CWC Requirement - 2013 RB-02-16, Line 19					44.8

2014 Test Year Proposed Rates - Cash Working Capital Requirement					
Category	Lag Days (a)	Net Lag Days (b) [52.8 days - (a)]	% of Year (c) [(b) / 365]	Annual Cost (d)	CWC [(c) x (d)]
Revenue Lag	52.8				
Labour	23.4	29.4	8.1	130.0	10.5
Non-Labour Operating	25.8	26.9	7.4	148.5	10.9
Fuel & Purchased Power	28.3	24.4	6.7	518.3	34.7
Grants In Lieu of Taxes	(136.7)	189.4	51.9	38.4	19.9
Income Taxes	32.9	19.9	5.4	40.2	2.2
HST and Energy Rebate					(1.9)
Other					4.2
TOTAL					80.5
Less Consumer Deposits					(13.5)
CWC Requirement - 2014 RB-02-16, Line 19					\$67.0

Notes:

50 1) Figures presented reflect whole numbers which may cause \$0.1M in rounding differences on some line items.