

Transmission Information related to Bio-Mass Project

The Nova Scotia Utility and Review Board (Board) has convened a hearing to consider the application by Nova Scotia Power Inc., NewPage Port Hawkesbury Corp. and Strait Bio-Gen Ltd. for approval of a power purchase agreement for a proposed 60 MW biomass facility to be established at Port Hawkesbury. In response to an information request issued as part of this Proceeding, concerning the associated interconnection requirements, NSPI intends to provide the following information:

The direct interconnection involves all required additions, modifications, and upgrades to connect the project to the Point of Interconnection on the 138kV bus at NSPI's NewPage substation. Other Network Upgrades will include all other transmission additions, modifications, and upgrades beyond the Point of Interconnection.

The interconnection upgrades required to interconnect the project will not be known until a System Impact Study (SIS) is completed by the Nova Scotia Power System Operator as part of the Generator Interconnection Procedures.

The \$25 million figure included in the Term Sheet is intended to provide sufficient funding to cover the following system upgrades should these be determined to be necessary through the SIS process:

- o An additional line crossing of the Strait of Canso
- o Bus reconfiguration at NSPI's Onslow Extra High Voltage Substation
- o Upgrade of a line terminal at NSPI's Trenton Substation
- o The addition of switched capacitors at NSPI's Brushy Hill Substation.