

May 17 2012

IN THE MATTER OF  
THE SECURITIES LEGISLATION OF  
NOVA SCOTIA AND ONTARIO  
(the Jurisdictions)

AND

IN THE MATTER OF  
THE PROCESS FOR EXEMPTIVE RELIEF  
APPLICATIONS IN MULTIPLE JURISDICTIONS

AND

IN THE MATTER OF  
EMERA INCORPORATED  
(the Filer)

DECISION

**Background**

The securities regulatory authority or regulator in each of the Jurisdictions (the **Decision Maker**) has received an application from the Filer for a decision under the securities legislation of the Jurisdictions (the **Legislation**) exempting the Filer from the requirements under section 3.2 of National Instrument 52-107 – *Acceptable Accounting Principles and Auditing Standards (NI 52-107)* that financial statements be prepared in accordance with Canadian GAAP applicable to publicly accountable enterprises (the **Exemption Sought**) to permit the Filer to prepare its financial statements in accordance with U.S. GAAP for its financial years that begin on or after January 1, 2012 but before January 1, 2015.

Under the Process for Exemptive Relief Applications in Multiple Jurisdictions (for a dual application):

- (a) the Nova Scotia Securities Commission is the principal regulator for this application;
- (a) the Filer has provided notice that section 4.7(1) of Multilateral Instrument 11-102 - *Passport System (MI 11-102)* is intended to be relied upon in British Columbia, Alberta, Saskatchewan, Manitoba, Quebec, New Brunswick, Prince Edward Island and Newfoundland and Labrador (the **Passport Jurisdictions**); and
- (b) the decision is the decision of the principal regulator and evidences the decision of the securities regulatory authority or regulator in Ontario.

## **Interpretation**

Terms defined in National Instrument 14-101 - *Definitions*, MI 11-102 and NI 52-107 have the same meaning if used in this decision, unless otherwise defined herein.

## **Representations**

This decision is based on the following facts represented by the Filer.

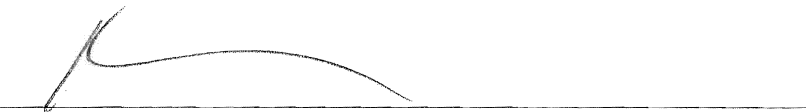
1. The Filer is incorporated under the *Companies Act* (Nova Scotia). The head office of the Filer is located at 1223 Lower Water Street, Halifax, Nova Scotia, B3J 3S8.
2. The Filer is a reporting issuer or equivalent in the Jurisdictions and each Passport Jurisdiction and is not in default of securities legislation in any such jurisdiction.
3. The Filer is currently an SEC issuer. Upon granting of the Exemption Sought, the Filer intends to cease to be an SEC issuer by June 30, 2012.
4. The Filer has "activities subject to rate regulation", as defined in the Handbook.
5. As a "qualifying entity" for the purposes of section 5.4 of NI 52-107, the Filer is permitted to prepare its financial statements for its financial year commencing January 1, 2011 and ending December 31, 2011 in accordance with Canadian GAAP – Part V of the Handbook.
6. As an SEC issuer, the Filer is permitted by section 3.7 of NI 52-107 to file financial statements prepared in accordance with U.S. GAAP, which accords treatment of "activities subject to rate regulation" similar to that under Canadian GAAP – Part V of the Handbook.

## **Decision**

Each of the Decision Makers is satisfied that the decision meets the test set out in the Legislation for the Decision Maker to make the decision.

1. The decision of the Decision Makers under the Legislation is that the Exemption Sought is granted, provided that:
  - (a) The Filer ceases to be an SEC issuer by June 30, 2012;
  - (b) for its financial years commencing on or after January 1, 2012 but before January 1, 2015 and interim periods therein, the Filer files its financial statements in accordance with U.S. GAAP; and
  - (c) information for comparative periods presented in the financial statements referred to in paragraph (b) is prepared in accordance with U.S. GAAP.

2. The Exemption Sought will terminate in respect of the Filer's financial statements for annual and interim periods commencing on or after the earlier of:
  - (a) January 1, 2015; and
  - (b) the date on which the Filer ceases to have "activities subject to rate regulation" as defined in the Handbook as at the date of this decision.



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"Kevin G. Redden"  
Director, Corporate Finance  
Nova Scotia Securities Commission