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Request IR-1:

Does Nova Scotia Power Inc. ("NSPI") consider that interruptible rates are a form of DSM in that they can be used to reduce peak demand and energy use at peak times? If no, why not?

Response IR-1:

Yes.

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Request IR-2:

Does NSPI believe that rate design has an effect on consumption patterns and total consumption? Please explain the basis for the answer?

Response IR-2:

Yes.

Rate design establishes the utility's billing components and the per unit charges applicable to the billing components (i.e. customer, energy and demand charges). Rate design combined with consumption volume determines the amounts to be paid by the utility's customers. Where utility tariffs contain variable components, as do all NS Power tariffs, customers will seek to reduce their total energy consumption. For those classes subject to time-of-day differentiated pricing or demand charges, customers will further modify their pattern of hourly consumption, in order to reduce their total cost of power.

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Request IR-3:

What is the position of NSPI on how E1's DSM-related charges should be allocated and reflected in rates? Please explain the basis for the position.

Response IR-3:

NS Power's Evidence at page 48 outlines how DSM charges from E1 should be allocated and reflected in rates.

> NS Power has considered the issue of cost allocation and does not believe that there are compelling reasons to deviate from the current methodology.
>
> The Company is mindful of the Board's finding in its 2009 Decision on DSM cost allocation:
>
> > The Board has considered the SA and evidence filed in the hearing. The Board accepts the proposed method of DSM cost allocation, 25% system cost and 75% participant cost, to be a fair and reasonable method to recover DSM costs. The benefits received by customers varies based on the level of participation by each customer class. It is reasonable and fair that the DSM costs be partially based and shared on the benefit received by the customers.[1]
>
> While NS Power does not propose any changes in its filing, it acknowledges, there may be other approaches that stakeholders wish to review in this proceeding and is open to engagement on this matter.

NS Power is of the view that a decision on timing and amounts of cost recovery should be deferred until a subsequent proceeding.

[1] NS Power 2010 DSM Application, UARB Decision, NSUARB-NSPI-P-884(2), August 4, 2009, paragraph 66.

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Request IR-4:

Reference: NSPI Evidence (p. 43, line 6)

(a) Please provide further explanation of NSPI's position on E1's proposed changes to cost-effectiveness testing.

(b) What is the impact of testing at the sector level, the program level and the measure level?

(c) Explain why the PAC test is "less stringent". Does this impact reliability of the testing?

(d) NSPI suggests that E1 should report several economic tests. Please explain how the Board should compare and/or weigh the outcome of TRC, PAC and RIM tests for the same DSM programs?

Response IR-4:

Please refer to Peach IR-24.