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Request IR-1:

Page 10 of N-1, the Load Forecast Report states, “*The forecast is a foundational input to the overall planning, budgeting and operating activities of the Company.*” Please confirm that cost allocation is based upon actual, not forecasted energy and peak demand. If not confirmed, please explain.

Response IR-1:

Not confirmed.

Most of NS Power’s electric service revenues are collected through application of prospectively set rates developed through cost allocations based upon forecasted energy and peak demand.

Only true-up calculations for the purposes of the FAM AA/BA and DSM riders are based upon actual usage.

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Request IR-2:

Reference: N-1 – 2023 Load Forecast Report, p.70 and Fig. 51

- (a) Please elaborate on the “several new facilities or expansions” in the “mining, manufacturing, and processing sectors in the coming years.”
- (b) Does this Figure reflect the commercial-scale green hydrogen production plants proposed in Cape Breton? If not, at what stage of development will these plants be reflected in NSPI’s load forecast?
- (c) What is the order of magnitude for NSPI-sourced energy/demand of the two provincially approved projects by EverWind and Bear Head?
- (d) Does NSPI contemplate that if/when these entities become customers of NSPI, they would be considered large industrial customers? If not, under what rate class or tariff?

Response IR-2:

- (a) Proposed projects in the forecast include expansion (which may or may not include new facilities) at three manufacturing facilities, three mineral extraction/processing facilities, one processing facility, and several proposed electrification projects.
- (b) No, commercial scale hydrogen production facilities are not included in Figure 51. The proposed facilities are still uncertain as to their potential load and energy supply, and will be added to the forecast once these details are finalized (please refer to NSUARB IR-25).
- (c) Please refer to NSUARB IR-25.
- (d) In light of the potential magnitude of these projects, their anticipated load flexibility and requirements for high levels of renewable supply, it is unlikely these customers will be

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1 served under the Large Industrial Tariff; unique tariff structures to meet the requirements
2 of these customers will need to be developed.