Blackburn Law Inc.

September 10, 2025

VIA EMAIL

Ms. Crystal Henwood
Clerk of the Board
Nova Scotia Energy Board
1601 Lower Water Street, 3rd Floor
Halifax NS B3J 3S3

Dear Ms. Henwood:

Re: M12349 – Nova Scotia Power Incorporated's 2025 Load Forecast Report

The Small Business Advocate (SBA) has reviewed Nova Scotia Power Incorporated's (NSPI) 2025 Load Forecast Report[1] (the "Report"), along with the responses to information requests (RIRs) filed by NSPI. The SBA appreciates the opportunity to provide the following submissions.

Forecast Electricity Prices

In response to Synapse's IR-10[2], which referred to a statement in the Report about electricity prices being forecast to increase by 5% between 2026 and 2029, and then 2% thereafter, NSPI stated:

> The five percent annual increase in electricity pricing is based upon NS Power's internal forecasting completed in Q2 2025. As NS Power has not forecast revenue requirement for future periods and there is less certainty due to the length of time to these periods, the Company used a two percent electricity price increase from 2030 onward to approximate the expected rate of inflation[3].

The SBA respectfully submits that the proposed 2% electricity price increase from 2030 onwards appears to be arbitrary, based on the explanation provided by NSPI. The SBA respectfully submits that, for future filings, NSPI should use additional factors, such as demand trend/load growth, generator mix shifts, transmission upgrades, etc., as part of its forecast model and not just an inflation estimate.

---

[1] M12349, Exhibit N-1, Nova Scotia Power Incorporated's (NSPI) 2025 Load Forecast Report, (the "Report") (June 27, 2025).
[2] M12349, Exhibit N-7, NSPI (Synapse) RIR 10, page 1 of 1.
[3] M12349, Exhibit N-7, NSPI (Synapse) RIR 10, page 1 of 1, at lines 11-15.

T: 902-835-8544 F: 902-835-4310 E: info@blackburnlaw.ca www.blackburnlaw.ca
SUITE 231 BEDFORD HOUSE, SUNNYSIDE MALL, 1595 BEDFORD HIGHWAY, BEDFORD, NOVA SCOTIA B4A 3Y4

Manufacturing Employment Forecast

In the Report, NSPI states that the manufacturing employment forecast is based on the 2024 Conference Board of Canada (CBoC) forecast rather than the updated 2025 version. The 2025 CBoC forecast showed a decline of about 2,800 manufacturing jobs over 2024–2025, which NSPI attributed to a Statistics Canada reporting anomaly that carried through into CBoC's modeling, rather than a real drop in employment[4].

NSPI's statement suggests that Statistics Canada provides the official employment data, and CBoC uses that data as a baseline to generate forward-looking forecasts. Therefore, if Statistic Canada's inputs are skewed due to reporting or classification issues, those errors would then appear in CBoC's projections. As such, the SBA understands that NSPI reviewed the 2025 forecast, found the decline implausible, and chose to continue using the 2024 CBoC series.

The Nova Scotia Energy Board (NSEB) raised this issue in its IR-5, asking why NSPI used older data that does not align with the most current forecast, and whether the forecast could "be modified to use the data reported from Statistics Canada for 2024"[5]. NSPI stated, in its response, that it did not believe that the statistics regarding the loss of manufacturing jobs were accurate as it assumed that the amount of job losses reported would have required closures of large facilities, which it presumably was not aware of taking place. With respect to the inquiry about whether NSPI could modify the forecast to use the 2024 data, NSPI explained that it could not do that because it could not adjust its input data[6].

The SBA respectfully submits that the risk with the approach taken by NSPI is that it could be perceived as handpicking assumptions by relying on outdated data. In addition, if the reported job decline is accurate, it could result in an overstated industrial load forecast. The SBA believes that the selection of inputs to the forecast model must be done carefully and transparently.

Commercial and Industrial Electrification Forecasts

In response to the NSEB's IR 13, which asked about the changes between Figure 32: Commercial and Industrial Electrification Forecasts (cumulative) in the 2024 Load Forecast Report[7] and Figure 37: *Commercial and Industrial Electrification Forecasts* (cumulative) in the Report[8], NSPI stated:

> Most of the change between 2024 and 2025 is related to the removal of 2024 forecast numbers from the cumulative series.[9]

This response helps to explain part of the reasons for the change; however, the SBA respectfully submits that it would be useful to understand what is driving all of the changes and not just those related to the removal of the 2024 forecast.

[4] M12349, Exhibit N-1, The Report, page 27 of 94, at lines 12-15.
[5] M12349, Exhibit N-4, NSPI (NSEB) RIR 5, page 1 of 2, at lines 17-18.
[6] M12349, Exhibit N-4, NSPI (NSEB) RIR 5, page 2 of 2, at lines 11-12.
[7] M11689, Exhibit N-1, 2024 Load Forecast Report, (the "2024 Report")
[8] M12349, Exhibit N-1, The Report, Figure 37: Commercial and Industrial Electrification Forecasts, page 50 of 94, at lines 4 – 14.
[9] M12349, Exhibit N-4, NSPI (NSEB) RIR 13, page 1 of 1, at lines 8-9.

ALL OF WHICH IS RESPECTFULLY SUBMITTED this 10th day of September 2025.

Yours truly,

Melissa P. MacAdam
Small Business Advocate