

REDACTED

1 **Request IR-1:**

3 **References: NS Power 2026-2027 General Rate Application Page 79 of 99;**

5 **Confidential references: 2026-2027 GRA SR-01 Att 02 Exhibit 6; 2026-2027 GRA SR-01 Att**
6 **03 Exhibit 6 PHP Annual Credit Amount Calculation Cell D356, Cell E356 and Cell M356;**
7 **2026-2027 GRA SR-01 Att 02 and 2026-2027 GRA SR-01 Att 03 “Input Data Two” tab rows**
8 **75 and 86.**

10 **NS Power states:**

12 **PHP’s ATL treatment also includes an interruptible credit, the dollar value of**
13 **which is to be the same as the credit provided to Large Industrial Interruptible**
14 **Rider (LIIR) customers. In addition, PHP’s ATL treatment includes the value**
15 **of priority interruption service provided, if any. For the purpose of modelling,**
16 **the value of priority interruption service has been applied as a 10 percent**
17 **premium to the LIIR credit. (NS Power 2026-2027 General Rate Application**
18 **Page 79 of 99)**

20 **2026-2027 GRA SR-01 Att 02 and 2026-2027 GRA SR-01 Att 03 “Input Data**
21 **Two” tab rows 75 and 86 shows PHP system coincident demand at [REDACTED] kW**
22 **and PHP Interruptible system coincident demand at [REDACTED] kW.**

24 **2026-2027 GRA SR-01 Att 02 and 2026-2027 GRA SR-01 Att 03 Exhibit 6**
25 **shows NS Power calculated PHP interruptible credit based on the PHP system**
26 **coincident demand of [REDACTED] kW.**

28 **Questions:**

30 **(a) Please fully explain how the PHP interruptible credit was calculated and why it is**
31 **based on the PHP system coincident demand of 65,000 kW rather than the PHP**
32 **Interruptible system coincident demand of 57,000 kW, which appears to be different**
33 **from the method applied to LIIR calculation.**

REDACTED

- 1 **(b) Please provide revised cost-of-service models (2026-2027 GRA SR-01 Att 02 and**
2 **2026-2027 GRA SR-01 Att 03) and other related attachments using the PHP**
3 **Interruptible system coincident demand of 57,000 kW to calculate the PHP**
4 **interruptible credit.**
5
- 6 **(c) Please provide updated proposed rates for 2026 and 2027 for all customer classes**
7 **based on the revised cost-of-service models requested in question (b).**
8
- 9 **(d) Please fully explain and provide supporting calculations for the updated proposed**
10 **rates for 2026 and 2027 for all customer classes requested in part (c).**
11
- 12 **(e) Please fully explain how Power Factor Adjustments of 1.06 in 2026 and 1.02 in 2027**
13 **shown in Cell E356 of Exhibit 6 of 2026-2027 GRA SR-01 Att 02 and 2026-2027 GRA**
14 **SR-01 Att 03 were calculated and why they differ between 2026 and 2027.**
15

16 Response IR-1:
17

- 18 **(a) For calculations of PHP interruptible credit amounts, please refer to the bottom section of**
19 **Exh 6 of the 2026 and 2027 COSS spreadsheets (rows 351 through 362).**
20

21 The PHP interruptible credit was calculated by applying the following steps:
22

- 23 1. Winter month Coincident Demand of PHP at the meter of 65,000 kW was converted
24 to kVA values by applying a power factor of 1.06 in 2026 and 1.02 in 2027 and
25 then multiplied by 12 to provide an annual total kVA demand estimate.
26
- 27 2. The annual kVA demands were multiplied by the proposed Large Industrial Credits
28 of \$7.638 per kVA in 2026 and \$7.667 per kVA in 2027.
29

2026-2027 General Rate Application (M12451)
NSPI Responses to CA Information Requests

REDACTED

1 3. A 10 percent premium on the LIIR credit was applied to the annual amounts
2 estimated in step 2 above.

3
4 The 65,000 kW demand was used in error. The Company intended to use the PHP
5 Interruptible system coincident demand of 57,000 kW instead, determined as the difference
6 between the total demand of 65,000 kW demand and the Firm demand of 8,000 kW.

7
8 The method of PHP interruptible credit determination is consistent with the stipulation of
9 the Settlement Agreement under item b) of the GRA Element of PHP Treatment which
10 provides as follows.

11
12 c) The dollar value of the Interruptible credit to be applicable to PHP's
13 interruptible load shall be the same as the credit for Large Industrial
14 Interruptible customers, plus the value of priority interruption
15 service provided, if any. The priority interruptibility service that
16 may be provided by PHP is modelled at an additional 10% credit.¹

17
18
19 The method used for determining the PHP interruptible credit is different from the method
20 applied to the LIIR calculation which consists of multiplying the peak of the LIIR class
21 (demand usage at the generator's gate) coincident with the system peak by the avoided
22 costs of generation capacity of \$160.44 per kW in both 2026 and 2027.

23
24 (b) Please refer to Attachments 1 and 2 for the revised 2026 and 2027 COSS for the cost
25 redistribution effect of correcting PHP's interruptible system coincident demand down
26 from 65,000 kW to 57,000 kW, and also for correcting the Power Factor Adjustment (PFA)
27 from 1.02 to 1.06 in 2027 as discussed in part (e) below. Attachment 3 includes summary
28 comparing the class cost allocation results between these calculations and those filed in NS
29 Power's Application on September 17, 2025.

¹ Please refer to NSPI (NSEB) IR -1 Attachment 1.

2026-2027 General Rate Application (M12451)
NSPI Responses to CA Information Requests

REDACTED

1 (c) Please refer to Attachment 4, which contains the revised rates, which originally was filed
2 in the 2026-2027 GRA SR-01 Attachment 8.

3
4 (d) Please refer to the revised proof of revenue in the updated 2026-2027 GRA OR-01
5 Attachment 1 included in Attachment 5. For discussion of how class revenues are
6 determined please refer to 2026-2027 GRA SR-01 Attachment 1b.

7
8 This change to the interruptible credit, reflective of a reduction by 8,000 kW in the
9 interruptible coincident peak of PHP, represents a reduction in the annual credit provided
10 to PHP of approximately \$0.9 million in 2026 and \$0.8 in 2027. Further, the correction of
11 the power factor from 1.02 to 10.6 in 2027, discussed in part (e) below, has a partially
12 offsetting effect of \$0.2 million, bringing the net reduction to \$0.6 million in 2027. The
13 above changes will have a small downward effect on costs of service of other rate classes
14 once re-distributed in the COSS. The company proposes to incorporate this update as part
15 of the Compliance filing following the issuance of a Board Decision.

16
17 The revised proof of revenue calculations also includes a correction to the Distribution
18 Cost Adder to the Large Industrial Rate (LIR), as provided in response to IG IR-1.

19
20 The revenue redistribution effect of the change to the distribution adder is contained within
21 the LIR class. To the extent the distribution cost adder went down, the base cost energy
22 and demand charges of the LIR went up. As a result, the overall decrease to the
23 distribution-connected LIR customers is about \$0.1 million per year and is matched by a
24 parallel increase to the transmission-connected LIR customers. The company proposes to
25 incorporate this update as part of the Compliance filing following the issuance of a Board
26 Decision.

2026-2027 General Rate Application (M12451)
NSPI Responses to CA Information Requests

REDACTED

- 1 (e) In providing this response NS Power found that the 2027 Power Factor Adjustment (PFA)
2 was applied in error. The PFA for 2027 is 1.06. The value of 1.06 was based on analysis
3 of hourly PHP actuals for the period February to August 2025.

**2026-2027 GRA CA IR-01 Confidential Attachment 1
has been removed due to confidentiality.**

**2026-2027 GRA CA IR-01 Confidential Attachment 2
has been removed due to confidentiality.**

2026-2027 GRA CA IR-01 Attachment 3 has been filed electronically.

2026-2027 GRA CA IR-01 Attachment 4 has been filed electronically.

2026-2027 GRA CA IR-01 Attachment 5 has been filed electronically.

2026-2027 General Rate Application (M12451)
NSPI Responses to CA Information Requests

NON-CONFIDENTIAL

1 **Request IR-2:**

2
3 **Please confirm or otherwise explain that calculating the PHP credit on PHP's higher total**
4 **forecasted system coincident demand results in a higher credit to PHP and more costs**
5 **being allocated to other customer classes.**

6
7 **Response IR-2:**

8
9 **Confirmed.**

2026-2027 General Rate Application (M12451)
NSPI Responses to CA Information Requests

NON-CONFIDENTIAL

1 **Request IR-3:**

2
3 **What is the annual cost impact of applying the PHP credit to the lower interruptible**
4 **system coincident demand?**

5
6 Response IR-3:

7
8 The cost impact of applying the PHP credit to the lower interruptible system coincident demand
9 is an \$858,069 reduction in that credit in 2026 and an \$825,825 reduction in that credit in 2027.