NON-CONFIDENTIAL

Undertaking U-13:

To provide the source of the $4 million and the interest referenced in footnote 92 of Exhibit N-8.

Response U-13:

The source of the $4 million referenced is the Order of the Board dated March 14, 2024 in M10416, the Fuel Adjustment Mechanism (FAM) Audit for 2020/2021:

1. NS Power is directed to refund to FAM customers the costs related to the Tufts Cove oil spill totalling $3,861,371. This results from the cost to redispatch the generating fleet after the oil spill in the amount of $225,651 ($157,921 plus $67,729 interest), and an amount to be credited to FAM customers for earnings that would have been returned to customers but for the costs incurred as a result of the oil spill of $3.64 million ($2.61 million pre-tax plus $1.03 million interest).

Please refer to Attachment 1 for NS Power's compliance filing for the 2020-2021 FAM Audit (M10416). The exact amount is $3,861,371 and is rounded in the footnote referenced above.

Nova Scotia POWER
An Emera Company

PO Box 910 ● Halifax, Nova Scotia ● Canada ● B3J 2W5

March 5, 2024

Ms. Crystal Henwood
Regulatory Affairs Officer/Clerk
Nova Scotia Utility and Review Board
1601 Lower Water Street, 3rd Floor
P.O. Box 1692, Unit "M"
Halifax, NS B3J 3S3

Re: M10416 2020-2021 FAM Audit Compliance filing

Dear Ms. Henwood:

On February 21, 2024 the Nova Scotia Utility and Review Board (NSUARB, Board) issued Its decision on the Fuel Adjustment Mechanism (FAM) Audit for 2020 and 2021 (Decision). In the Decision the Board directed Nova Scotia Power Incorporated (NS Power, Company) to submit a compliance filing as follows:

> NS Power is directed to calculate the exact amounts of these disallowances, for overearnings and interest in a compliance filing. The compliance filing must be filed within two weeks of the date of this decision. Given the limited nature of the compliance filing in this case, the Board does not anticipate seeking intervenor comments before issuing a final order in this matter.

NS Power confirms that the amount to be credited to FAM customers for the costs related to the redispatch of the generating fleet after the Tufts Cove oil spill is $225,651 ($157,921 plus $67,729 interest). The amount to be credited to FAM customers for earnings that would have been returned to customers but for the costs incurred as a result of the oil spill is $3.64 million ($2.61 million pre-tax plus $1.03 million interest). Attached to this letter are detailed calculations.

Please direct any questions on this matter to my attention.

Yours truly,

Blake Williams
Senior Director, Regulatory Affairs

c. Dave Pickles, Chief Operating Officer

M10416 2020-2021 FAM Audit Compliance filing - Adjustments
Filing Date: March 5 2024

	6.89%	6.84%	6.62%	6.47%	6.33%	6.48%	6.48%	
	2018	**2019**	**2020**	**2021**	**2022**	**2023** (1)	**2024** (2)	**Total**
Earnings Adjustment	$ 2,500,000	$ 106,000	$ -	$ -	$ -	$ -	$ -	$ 2,606,000
Interest	$ 14,354	$ 176,705	$ 185,676	$ 193,503	$ 201,586	$ 219,049	$ 38,846	$ 1,029,720
Decrease in FAM Balance	$ 2,514,354	$ 282,705	$ 185,676	$ 193,503	$ 201,586	$ 219,049	$ 38,846	$ 3,635,720

	2018	**2019**	**2020**	**2021**	**2022**	**2023** (1)	**2024** (2)	**Total**
August 2018 Redispatch Costs	$ 157,921	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 157,921
Interest	$ 4,534	$ 11,144	$ 11,524	$ 12,010	$ 12,511	$ 13,595	$ 2,411	$ 67,729
Decrease in FAM Balance	$ 162,455	$ 11,144	$ 11,524	$ 12,010	$ 12,512	$ 13,596	$ 2,411	$ 225,651

	2018	**2019**	**2020**	**2021**	**2022**	**2023** (1)	**2024** (2)	**Total**
Decrease in FAM	$ 2,657,921	$ 106,000	$ 0	$ 0	$ 0	$ 0	$ 0	$ 2,763,923
Interest	$ 18,888	$ 187,848	$ 197,200	$ 205,513	$ 214,098	$ 232,645	$ 41,257	$ 1,097,449
Total Decrease in FAM Balance	$ 2,676,809	$ 293,849	$ 197,200	$ 205,513	$ 214,098	$ 232,645	$ 41,258	$ 3,861,371

(1) 2023 WACC was in effect as of February 2023

(2) 2024 Interest includes January and February