2025 M12451

NOVA SCOTIA ENERGY BOARD

IN THE MATTER OF: ***The Public Utilities Act***

IN THE MATTER OF: **A General Rate Application by Nova Scotia Power Incorporated for approval of certain revisions to its Rates, Charges and Regulations**

INFORMATION REQUESTS

To: Nova Scotia Power Incorporated

From: Renewall Energy Inc. ("**REI**")

Responses Due: November 10, 2025

Contact Person

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Issued at Halifax, Nova Scotia, this 27th day of October 2025.

Request IR-1:

Reference: Exhibit N-3, GRA Direct Evidence, Page 13

(a) At page 13, NS Power states that securitization could save customers as much as $90 million over 2026-2027. Please provide the calculation of the $90 million including all inputs and clarify if this is $90 million in each of 2026 and 2027.

(b) What assumptions has NS Power made with respect to the cost of servicing the securitized debt? Is this accounted for in the $90 million?

Request IR-2:

(a) Please provide an update on each step which needs to be completed so securitization can be in place by January 1, 2026.

(b) When does NS Power expect to file for approval and what regulatory timeline does NS Power contemplate to enable this to take place?

(c) Does NS Power have any information suggesting that securitization will not be possible?

Request IR-3:

(a) Where NS Power has not included forecasted recovery of securitization costs in its revenue requirement and base rates, is it correct that NS Power plans to recover these costs through a rider? If not, please explain.

(b) What are the pros and cons of recovery in a rider rather than in base rates?

(c) What is the *approximate* rate impact, if approved as a rider, (i) overall and (ii) by customer class? Please state all assumptions but do not refuse to answer on the basis that the options regarding the term, rate and recovery mechanism have not been settled and securitization has not been applied for and approved.

(d) Please explain the treatment of any such securitization rider in relation to retail customers of the LRS and how securitization costs will be recovered.

Request IR-4:

Reference: At page 16 of the Direct Evidence, NS Power states that the rates that are being applied for <u>in this Application</u> will therefore result in an overall average increase for customers of approximately 1.8% in 2026 and 2.4% in 2027, but with rate decreases for certain customer classes and provides a breakdown of fuel and non-fuel changes in Figure 2-1.

(a) In limiting to "in this Application", please confirm NS Power is not representing that the rates shown in Figure 2-1 will be the actual and only rate impacts experienced by customers in 2026.

(b) On October 21st, NS Power filed its September 2025 FAM Monthly Report showing a FAM balance of $66.9 million as of the end of Q3. Is this the amount NS Power will be applying to recover in the FAM AA/BA? If not, please explain.

(c) When will NS Power file its FAM AA/BA Application?

(d) If the BCF is approved as filed, and the 2026 FAM AA/BA rider is approved as filed, and if the forecast bears out, should the FAM balance be nil at the end of 2027 for all customer classes? If not, please explain, and provide details of the anticipated variances.

(e) Although this is a two-year rate application, please confirm that the riders will continue to operate (FAM AA/BA, storm, DSM) so there will be additional impacts in 2027.

Request IR-5:

Reference: **Exhibit N-3, Proposed Rates Figure 2-2, and Figure 2-3 pages 18-19.**

(a) Why do the charges for the DSM in 2026 and 2027 not show an increase, when it is known that there is a legislated increase in the DSM budget in 2026?

(b) Recognizing that the 2027-2031 DSM Plan and Budget is still in development, what is NS Power's best information presently regarding E1's plan and budget for 2027? Please provide an order of magnitude to compare 2026 to the range of budgets under development for 2027.

(c) Please restate Figures 2-2 and 2-3, including the 2026 DSM Plan and budget, as applied for, and NS Power's assumptions for 2027.

(d) Please explain why the distribution cost adder for the Large Industrial Tariff is proposed to increase 42.9% in 2026.

(e) Please provide a version of Figure 2-2 and 2-3 which includes all the riders (known or forecasted), breaking down into their components.

Request IR-6:

Reference: **Exhibit N-3, page 25, lines 22-24**

(a) NS Power states that migration to RTR reduces sales but has no impact on forecast peak demand. Why?

(b) Is this premised on NS Power's view that it must maintain its generation capacity in the event that departed retail customers return to NS Power's bundled service? If not, please explain.

(c) In NS Power's view, is this an indefinite obligation for it to plan to maintain sufficient capacity to serve all retail customers?

(d) Is this obligation modified if retail customers in the RTR market (or a certain percentage of retail customers) choose to take service under a long-term contract with the LRS?

(e) Does NS Power consider it has any ability to mitigate costs and potentially reduce capacity by virtue of competitive retail sales? Please explain.

Request IR-7:

Reference: Exhibit N-3, Section 13.10 Distribution Tariff, pages 88-89 and Exhibit N-4, PR-01, Attachment 2U Distribution Tariff Rates Redline.

(a) Please describe the "recent engagement undertaken" referenced at line 24 and whether this included engagement with REI, currently the only licensed retail supplier?

(b) If not, why was this issue not raised in advance with REI?

(c) The evidence states that "*NS Power has reviewed and updated charges for the distribution and retail services offered under the Distribution Tariff (DT) and Distribution Tariff Rates (DTR). The methodology for the DT remains unchanged from the 2023-2024 GRA with the exception of the Large Industrial Rate (LIR) which is proposed to include separate charges for distribution- and transmission-connected customers*."

(i) Please provide a copy of the current Distribution Tariff ("**DT**")

(ii) Is NS Power proposing any amendments to the DT itself? If so, please provide a redline.

(d) Where the DT explicitly states under SCOPE, that "This Distribution Tariff is not applicable to RtR Customers directly connected to the Transmission System", how does NS Power reconcile its proposal to impose rates under the DTR on transmission-connected RTR customers?

(e) The stated premise for the addition of new charges for transmission-connected LIR RtR customers is their reliance on retail services "such as" metering, meter data services, call centre, etc. Please specify where in the COSS spreadsheet, (include the tab, row and column) can we find the breakdown of costs assigned to Large Industrial customers (transmission-connected) of the LRS associated with these retail services.

(f) Please list and compare the components of the "updated charges" for distribution and retail services offered under the DT and DTR for the past five years. Is the update in charges solely due to changes in Cost-of-Service methodology? If not, please identify and explain other updates.

(g) In the DTR at PR-01, Att. 2U, what is the significance of the red font and blue font?

(h) Please provide a table showing the proposed rate impacts (percentage change) for each component of the DTR for each class. Where the change is greater than 10% for a particular component, please provide an explanation.

Request IR-8:

What is NS Power's transmission loss factor in each of 2026 and 2027. If that differs from prior years, please explain why.

Request IR-9:

When will NS Power be filing its application for approval of the 2026 Annually Adjusted Rates?

Request IR-10:

Reference: Exhibit N-3, s. 13.11 FAM Tariff, page 89, and POA Updates.

(a) Regarding LRS-related load migrations, NS Power says it is working "to determine a viable solution." Please outline the options considered addressing FAM balances for RtR market-related migrations.

(b) NS Power listed certain criteria in its consideration of options, i.e., leveraging established regulatory processes, minimizing FAM class impacts, and minimizing administrative burden to NS Power. Please list any other considerations beyond those three factors. In addition, does NS Power agree that other factors could include minimizing impacts to the LRS? Minimizing impacts to retail customers? Promoting competition?

(c) Please provide a table outlining the options for LRS-related load migrations and evaluate the options, by scoring against each of the above criteria (along with any additional considerations or factors).

(d) At page 90, NS Power states that "*future changes to the FAM Tariff, and to the POA, may be required to accommodate treatment of small volume customer load migrations resulting from the RtR Market*". Given the planned launch of the RtR Market and load migration in 2026, when does NS Power expect to apply for approval of such changes?

Request IR-11:

Reference: Exhibit N-4, PR-01 Attachment 2S, FAM Tariff.

While "BA" is defined, there is no definition of BA 1 and BA 2 as shown in the table. Please explain and provide a definition of each.

Request IR-12:

Please explain, with specific examples, how NS Power's application supports the development of a competitive energy market.

Request IR-13:

Reference: Cost of Service by Functional Area in Cents per KWh

While we were able to locate published pdfs of rate breakdown by class by functional area for 2023 and 2024 by searching Google (2023: https://www.nspower.ca/docs/default-source/pdf-to-upload/rate-breakdown-by-cost-of-service9d170487-74a3-4285-beb1-a41fcdb02a18.pdf?sfvrsn=1c9a1f6_1 and 2024: https://nspower.ca/docs/default-source/regulatory/rate-breakdown-by-cost-of-service-2024.pdf), we could not find anything more current.

(a) Please provide a copy of the 2025 rate breakdown by class by functional area and the path to locate this document on NS Power’s website. If the 2025 rate breakdown was not published, why not?

(b) Please provide the rate breakdown by class, by functional area for each of 2026 and 2027, as applied for, stating the assumptions and stating what is included and what is excluded (e.g. which riders are not reflected).