2025 M12521

NOVA SCOTIA ENERGY BOARD

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

IN THE MATTER OF: **An Application by Nova Scotia Power Incorporated for approval of its 2026 Demand Side Management Cost Recovery Riders (DCRR)**

INFORMATION REQUESTS

To: Nova Scotia Power Incorporated (“NSPI”)

From: The Industrial Group

Responses Due: November 28, 2025

Contact Person Nancy G. Rubin, K.C.
Brianne Rudderham
Stewart McKelvey
Suite 600-1741 Lower Water Street
P.O. Box 997
Halifax NS B3J 2X2
Telephone: (902) 420-3200 / Fax (902) 420-1417

Issued at Halifax, Nova Scotia, this 14th day of November 2025.

Request IR-1:

Reference: Ex. N-1 DCRR Application, Page 5

> ***“… NS Power is proposing to remove the allocation to system benefit, so that 100 percent of DSM Costs will be allocated to classes in accordance with program spending.”***

(a) Is the above statement intending to reflect that if E1 plans to spend $3 million on programs and measures for the Large Industrial class, for example, then $3 million plus its share of E1’s Enabling Strategies will be allocated to the Large Industrial class? If not, please explain the methodology for NSPI’s “100 percent allocation”.

(b) Does NSPI solely rely on E1's planned program spending as filed in the 2026 DSM Extension application (M12249) to allocate cost responsibility for program costs? If not, please explain.

(c) How is NSPI allocating cost responsibility for E1's 2026 Enabling Strategies of $7 million (M12249 - E1 2026 DSM Extension, Ex. E-1, page 21, Table 5).

Request IR-2:

Reference: Ex. N-1, DCRR Application Page 6, lines 12-16, and Page 7, line 1.

Recovery of the DSM costs applicable to the Renewable to Retail (RtR) customer classes, as recently evidenced in the Board's ruling on rate treatment of Renewall's customers, will be provided through application of the DCRR charges or credits to kWh sales of individual RtR customers. The applicable DCRR will be the same as those available under otherwise applicable bundled service rate classes.

(a) Please explain how (if at all) customer migration to the RtR will impact the PCR and the BA components of this rider from the perspective of a non-migrating customer in the class.

(b) Please explain how NSPI intends to process and record these charges or credits and specifically confirm whether NSPI intends to calculate the BA separately for RtR customers.

Request IR-3:

Reference: Page 7, lines 7-8.

NSPI referred to the "following process" to allocate to OATT MEUs but there appears to be missing language. Please provide the missing explanation.

Request IR-4:

Reference: Page 9, lines 7-13.

The Company is mindful of the Board's Decision in the 2025 DCRR Matter and has excluded financing costs in the 2026 proposed BA charge. Financing costs are real costs incurred by the Company in the administration of the DCRR Tariff to fund E1's DSM activities. In the event the NSEB provides "more guidance, including the possibility of establishing a formal rule for the assessment of interest," which remains an issue that is

being held in abeyance, NS Power has provided tab "Table 1 (BA with Int)(2026) and Table 2 (BA with Int)(2026)" to Schedule B-2, which incorporates the financing costs into the BA component of the proposed 2026 DCRR.

(a) Does NSPI maintain its position that the Board should be approving an interest rate to be applied to the BA at WACC?

(b) Please confirm that NSPI is not currently asking the Board to decide on the issue of interest to be applied to the DCRR components within this Application, and the Appendix-2, tabs including "BA with Int", is provided for information only?

(c) If correct, what efforts has NSPI made to work with the Board to initiate a proceeding to determine the issue of interest to be applied? If not correct, please confirm exactly what NSPI is seeking approval for with respect to interest to be applied for the DCRR proceeding.

Request IR-5:

(a) Given the requests made in the 2025 DCRR proceeding and prior submissions of the Industrial Group, does NSPI now have any evidence or information with respect to E1's interest rate for any surplus or underspend related to DSM?

(b) If not, have any efforts been made to determine the carrying costs for E1 as compared to NSPI?

(c) Can NSPI confirm the yearly underspend or surplus, by class for 2025 (to date and forecasted to year-end)? If not, why not?

Request IR-6:

Reference: N-1, DCRR Application, Appendix A-1, Tab: Data Input – Usage.

(a) What is the date of the forecast(s) on which the 2026 system load and class usage of energy and demand is based? If they differ, please explain.

(b) If the answer to (a) is anything other than the most current 2026 load forecast, please explain why the most current load forecast is not used to allocate the PCR?

(c) Please provide a table for the medium industrial class, large industrial firm and large industrial interruptible subclasses with the following columns: 2023 Forecasted Load; 2023 Actual Load; 2023 under/over-collection of DSM revenues in rates; 2024 Forecasted Load; 2024 Actual Load; 2024 under/over-collection of DSM revenue in rates; 2025 Forecasted Load; 2025 Actual Load; 2025 under/over-collection of DSM revenue in rates; 2026 Forecasted Load. (For 2025 include actuals to the most current date available and forecast for the remaining months.)

Request IR-7:

Reference: M12249, E-1, E1 2026 DSM Extension Application, Appendix A, Section 3.6 Rate Class Allocations.

Reference: N-1, DCRR Application Appendix A-1, Tab: PCR Allocation, Column E 2026 Spending.

Please reconcile the absence of any allocation to the municipal class where E1 plans for $0.5 million in spending on this class.

Request IR-8:

Reference: Ex. N-1, DCRR Application, Appendix C, Tab: Percentage Increase in Details.

Assumption: The municipal class reflects only load of Lunenburg.

(a) Please confirm the IG's understanding that the remaining municipal electric utilities (in addition to Lunenburg) will be taking a percentage of their load from NSPI under the Municipal Tariff in 2026. If not confirmed, please explain.

(b) If confirmed, what is the updated anticipated load under the Municipal Tariff; the percentage of the total municipal load served under NSPI's Municipal Tariff; and the updated charges?

(c) If these charges are updated, how does this affect other customer classes?

(d) If program costs are allocated 100% to the programs planned for each customer class, how are the program costs allocated to the Municipal class as there are no specific "Municipal" programs, but rather residential and BNI programs?

(e) Is NSPI (and in turn, E1) privy to data regarding the customer classes within each municipal electric utility? Is this data reflected in the allocation of program costs to the municipal class?

Request IR-9:

Reference: Ex. N-1, DCRR Application, Appendix A-2, Table 1 (BA with Int) (2026) and Table 2 (BA with Int) (2026).

(a) NSPI has applied interest to all amounts included for the BA. Please clarify why interest is applied to amounts lower than $1M given the limitation provided under s 64AB(2) of the *Public Utilities Act*?

(b) Please explain whether the amounts contained in the BA deferral for DSM would be considered long term or short-term debt?

(c) Please confirm NSPI's actual 2025 short term debt rate and the anticipated rate for 2026.

Request IR-10:

Please provide an updated version of Appendix A-2, Table 1(BA with Int) (2026) and Table 2 (BA with Int) (2026) using the default interest rate for deferrals from s 64AB(3) of the *Public Utilities Act*; namely, "simple interest at the Bank of Canada policy interest rate plus one and three-quarters per cent", applied annually.

Request IR-11:

(a) To the extent the credit ratings agencies have released any further reports regarding NSPI's credit ratings or its financial position since NSPI responded to IRs in the GRA (M12451), please produce.

(b) Does NSPI assert that the amount in the DSM BA for 2025 will have an impact on NSPI's credit ratings and/or financial position? If so, please explain.