

January 20, 2026

Ms. Crystal Henwood
Regulatory Affairs Officer/Clerk of the Board
Nova Scotia Energy Board
3rd Floor, 1601 Lower Water Street
Halifax, NS B3J 3P6

Dear Ms. Henwood:

Re: Matter M12551 – Nova Scotia Power Inc. (“NS Power”) 2026 Annually Adjusted Rates (“AARs”) – Submissions of the Berwick Electric Commission, the Riverport Electric Light Commission, and the Towns of Antigonish and Mahone Bay (the “MEUs”)

On November 7, 2025, NS Power filed for approval of its 2026 AARs (“2026 Application”), including the Wholesale Market Back-up/Top-up (“BUTU”) Tariff and the Wholesale Market Spill Tariff. Please accept the following submissions to the Nova Scotia Energy Board (the “Board”) on behalf of the MEUs.

2026 BUTU Tariff and Spill Tariff Charges

In its 2026 Application, NS Power requested approval of 2026 BUTU Tariff Charges as shown in Figure 7 on page 27 as follows:

Figure 7: BUTU Tariff Charges

	2025	2026	Variance
Customer Charge (\$/customer/month)	401.58	414.63	13.05
Energy Charge (cents per kWh)	10.577	9.150	(1.428)
Demand Charge (\$/kW)	7.160	11.704	4.544

NS Power also requested approval of 2026 Spill Tariff Charges as shown in Figure 8 on page 28 as follows:

Figure 8: Spill Tariff Charges

	2025	2026	Variance
Administration Charge (\$/supplier/month)	2,409.46	2,487.77	78.31
Energy Credit (cents per kWh)	8.919	6.736	(2.183)

The MEUs support approval of the proposed 2026 charges as filed. As noted below, following discussions and receipt of further information from NS Power, the MEUs and the Alternative Resource Energy Authority (“AREA”) intend to have the full output of the Ellershouse Wind Farm applied against MEU consumption in a non-reciprocal billing arrangement.

Choice of Non-Reciprocal Billing Arrangement

At page 3 of its decision approving the 2025 BUTU Tariff and Spill Tariff charges (Matter M11989), the Board highlighted the change to the service arrangement under the BUTU Tariff in 2025, with the More Access to Energy Act eliminating the need for reciprocal top-up and spill energy. The Board’s decision also noted the fact that: “AREA and the MEUs will apply their full output against MEU consumption in 2025.” The MEUs reiterated this intention to NS Power on April 30, 2025 following receipt of the decision approving the 2025 BUTU Tariff and Spill Tariff charges. While AREA and the MEUs continue to discuss issues associated with the implementation of the non-reciprocal billing arrangement for 2025, no invoices with respect to the 2025 charges that became effective April 1, 2025 have been provided to date.

In footnote 27 at page 23 of the 2026 Application, NS Power states:

“As of the time of this application, the portion of MEUs’ demand and energy to be served under the Municipal Tariff in 2026 has not been finalized, yet. MEUs are awaiting Board’s decisions on the 2026-27 GRA and 2026 AARs, which will set the Municipal and BUTU rates for 2026, before they decide on whether they will choose BUTU service under a reciprocal billing arrangement contingent on application of a contract demand (CD) of 7.5 MWs or under a non-reciprocal billing arrangement contingent on application of a CD of 22.4 MWs. Please refer to IG IR-1 (NSUARB M11989) for explanation of how CDs are determined based on MEUs’ choice of billing arrangements under the BUTU Tariff.”

As part of this process, the MEUs asked NS Power to provide forecast billing demand (MW) and forecast energy requirements (MWh) under each of the BUTU Tariff and the Municipal Tariff under the reciprocal and non-reciprocal billing approaches, as well as the forecast Spill Tariff energy in each scenario.

NS Power provided its response in NSPI (MEU) IR-1, which shows how the use of a non-reciprocal arrangement significantly reduces the amount of Spill Tariff energy that is sold to NS Power by the MEUs, from a forecast of 27,030 MWh to 5,217 MWh. This is because the use of a fixed reciprocal billing arrangement forces the MEUs to spill significant quantities of energy from the Ellershouse Wind Farm to NS Power even at times when the MEUs require that same energy to serve their load.

This situation was not an issue when the charges were equivalent, as they were until the Board’s October 13, 2021 decision in Matter M09940. Now, in circumstances where the BUTU energy is significantly more expensive than the compensation provided for Spill energy, it makes sense for the MEUs to receive the full benefit of the Ellershouse Wind Energy and only spill their excess wind energy to NS Power at times when it is not needed and cannot be consumed by the MEUs. This is why AREA and the MEUs requested that the Province make a legislative change to eliminate the need for reciprocal top-up and spill energy, which was done in section 92(2) of the *More Access to Energy Act*.

In its submissions in Matter M11989, the MEUs requested confirmation from NS Power that they retain the option to request that either the full output of their wind facility be applied against MEU consumption or the reciprocal top-up and spill arrangement be applied. In its decision, the Board found there was an insufficient record to provide context for a determination of this issue, including any statutory interpretation exercise that might be required, and directed NS Power to review the issue further in the 2026 AAR application.

As noted at page 29 of the Application, NS Power and the MEUs have had discussions around the MEUs' right to exercise choice of reciprocal and non-reciprocal billing arrangements on an annual basis and the billing method to be used by the MEUs in 2026. Although the MEUs continue to believe that Bill 404 affords the MEUs the flexibility to annually select reciprocal or non-reciprocal billing arrangements, AREA and the MEUs understand the practical concerns raised by NS Power and uncertainty involved in moving back and forth between the reciprocal and non-reciprocal top-up and spill arrangements on an annual basis. As noted above, the intention of the legislative amendment in Section 92(2) of the *More Access to Energy Act* was to ensure that AREA and the MEUs could switch to a non-reciprocal billing arrangement and avoid spilling excess Ellershouse Wind Farm energy to NS Power at times when the MEUs were in a position to consume this energy to serve its own the load. As a result, the MEUs are no longer requesting the flexibility to choose between reciprocal and non-reciprocal billing arrangements on an annual basis, and support the consistent use and implementation of a non-reciprocal billing arrangement in accordance with the legislation's removal of any reciprocal requirement for BUTU and Spill energy.

Thank you for the opportunity to make these submissions.

Yours truly,

A handwritten signature in black ink, appearing to read 'James MacDuff', with a stylized flourish at the end.

James MacDuff

cc: M12551 Participants