Blackburn Law Inc.

January 20, 2026

VIA EMAIL

Ms. Crystal Henwood
Clerk of the Board
Nova Scotia Energy Board
1601 Lower Water Street, 3rd Floor
Halifax NS B3J 3S3

Dear Ms. Henwood:

Re: M12551 – Nova Scotia Power Incorporated (NSPI) – Application for Approval of 2026 Annually Adjusted Rates (AARs) – PHP Request for Interim Approval

On November 7, 2025, NSPI filed its Application for Approval of its proposed tariffs for 2026 Annually Adjusted Rates (AARs), which included the Extra Large Industrial Active Demand Control ("ELIADC") Tariff, for Port Hawkesbury Paper (PHP) as the sole customer under the rate.

The Board set out a schedule for the application on November 10, 2025, which allowed for Information Requests ("IRs") to NSPI in December and Submissions and Evidence by Intervenors in January. PHP filed its notice of Intervention on November 17, 2025 and did not file any IRs to NSPI.

On December 12, 2025, PHP requested that the Board grant interim approval of the ELIADC Tariff, pending its final decision on the AAR application, noting the Board's approval of the form of the ELIADC Tariff in another matter (M12184) and relying on Section 69(1) of the *Public Utilities Act*, which permits the Board to grant interim approval of rates in the following circumstances:

> When a public utility has submitted for the approval of the Board a schedule of rates, tolls and charges, or a proposed change in any existing schedule of rates, tolls and charges, which, in the opinion of the Board, either constitutes a reduction in the existing schedule of rates, tolls and charges at the time being paid by the majority of the customers of such public utility affected by such change in the class of service to which such proposed change applies or which applies only in respect of a service for which no rates, tolls or charges have been previously approved, the Board may at any time before finally approving or disapproving of such schedule or change, grant an interim approval thereof,

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> with or without modification, and thereafter the existing schedule of rates, tolls and charges of such public utility as amended by such schedule of charges, interim approval of which with or without modification, as the case may be, has been so granted by the tolls and charges of such public utility until the Board shall express its final approval or disapproval thereof, with or without modification or amendment.

Under this section, there are two options for the Board's approval of an interim rate application. The first is that there would be a reduction in rates for a majority of customers in the class of service to which the rate applies, and the second is when it is the first time a rate has been applied to that particular service. While the second part does not apply, as this is the 3rd version of the ELIADC Tariff, it would appear that the first option is applicable, as PHP is the only customer within the ELIADC rate class and the change does appear to represent a reduction is costs for PHP.

However, as noted, the section offers permission for the Board to grant interim approval – it is not mandatory, nor does it set out whether the approval should be retro-active or forward looking only. This issue was addressed by the Board last year, in M11989, where PHP applied for interim approval on January 22, 2025 and the Board approved the request on January 31, 2025, making the rates effective as of February 1, 2025.

While the Board noted in its Order in M11989 that the request from PHP was made after January 1, 2025, suggesting that the timing of PHP's request dictated that the approval would only be effective as of February 1, 2025, it should be noted that the approval of the request was made prior to the effective date. By doing so, it meant that there was no requirement to true up the rates charged to PHP in January 2025.

It is submitted that a retro-active application of the interim rate would require an initial true-up for January 2026, regardless of the final decision on the ELIADC Tariff, as well as possibly a second true-up if the Board's final decision on the ELIADC Tariff is different than what was applied for and what was approved as an interim rate. By approving an interim rate effective as of February 1, 2026, the Board would avoid the potential for multiple readjustments.

ALL OF WHICH IS RESPECTFULLY SUBMITTED this 20th day of January, 2026.

Yours truly,

Melissa P. MacAdam
Small Business Advocate