

May 13, 2026

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

Re: M12551 – 2026 Annually Adjusted Rates (AARs) – Reply to Board Letter on AAR Compliance Filing

Dear Ms. Henwood:

On March 9, 2026, the Nova Scotia Energy Board (NSEB, Board) issued its Decision approving the 2026 AARs as filed, directing Nova Scotia Power Inc. (NS Power, Company) to file a compliance filing with any required adjustments once the outcome of the Cost-of-Service Study (M12451) was determined. NS Power filed its 2026 AAR compliance filing on May 11, 2026.

By correspondence dated May 12, 2026, the Board requested that NS Power confirm that the Company will consistently apply the demand charge in the Standby Service (SS), Wholesale Market Back-Up/Top-Up (BUTU), and Renewable to Retail Market Transition (RTT) tariffs.

The Company appreciates the Board's identification of this oversight. The RTT which was approved in the Board's March 9, 2026 Decision and made effective April 1, 2026 did not state the correct demand charge. The RTT demand charge should have been consistent with the demand charge in the SS and BUTU tariffs. However, the RTT Tariff and supporting calculations which were provided in the AAR Compliance Filing,¹ included the correct demand charge of \$5.601 per kW.

NS Power confirms that it will apply the demand charge from the SS tariff consistently to the BUTU and RTT tariffs on a go-forward basis. While the incorrect demand charge was inadvertently included in the RTT approved in the Board's March

¹ In the AAR Compliance Filing, the RTT Tariff provided in Appendix A, page 25 of 25, and the supporting calculations, provided in Appendix G, tab "Figure 11 RTT Transition," correctly state the demand charge at \$5.601 per kW, consistent with the demand charge in the SS and BUTU tariffs.

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9 Decision, no customers have taken service under the RTT since the effective date of April 1, 2026. Accordingly, this did not result in any customer impacts. The Compliance Filing RTT Tariff, includes the correct demand charge, and, following the Board's determination on the AAR Compliance Filing, would be in effect April 1, 2026.

Yours truly,

A handwritten signature in blue ink, appearing to read 'KM', with a small horizontal line at the end.

Karynne Munroe
Manager, Regulatory Affairs