

NOVA SCOTIA ENERGY BOARD

IN THE MATTER OF: The *Public Utilities Act*, R.S.N.S. 1989, c.380, as amended

- and -

IN THE MATTER OF: An Application by NOVA SCOTIA POWER INCORPORATED for
approval of an Extra Large Industrial Dispatchable Above-the-
Line Tariff applicable to Port Hawkesbury Paper

PHP INFORMATION REQUEST RESPONSES

To: Synapse

From: Port Hawkesbury Paper LP ("PHP")

Copies: 1 electronic copy (PDF searchable)

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1 **Request IR-1:**

2
3 **Refer to NS Power's Application, Appendix 4, Terms of Settlement, pages 10-12. For the**
4 **Cost of Service and PHP Treatment GRA elements, please provide references to where**
5 **each of the settlement terms are addressed in testimony.**

6
7 **Response IR-1:**

8
9 The Cost of Service GRA element in the Settlement Agreement is as follows:

10 a) The COS as set out in the Draft GRA will be included in the 2026-2027 GRA
11 and put forward for approval, subject to the following: (a) use of the Minimum
12 System methodology after the 2026-2027 test period will be subject to a future
13 proceeding and determination by the Board, for which an application will be made
14 in 2026 and in which parties are free to take any position they so choose; (b) NS
15 Power will collect and disclose the data outlining the extent to which PHP uses,
16 relies upon and/or benefits from the High Voltage transmission system and in any
17 proceeding to determine rates for PHP after the 2026-2027 test period, Parties
18 may make submissions regarding the extent to which PHP is to be responsible for
19 any costs of the High Voltage transmission system; and (c) the appropriate
20 apportionment of assessment costs from the Maritime Link as between generation
21 and transmission will remain open to be addressed as Parties see fit in any
22 proceeding to determine rates after the 2026-2027 test period.

23 This section is not specifically addressed in PHP and BAI's testimony, as the Tariff Application is
24 for the 2026-2027 test period and items (a)-(c) refer to determinations to be made that may be
25 relevant after the 2026-2027 test period.

26
27 The PHP Treatment GRA elements in the Settlement Agreement Terms of Settlement are as
28 follows:

29 a) NS Power's 2026/2027 cost of service study includes PHP as an above-the-line
30 customer based on the forecast of receiving Board approvals for a new PHP tariff
31 in time to implement for January 1, 2026.

32 This section is not specifically referenced in the testimony of PHP and BAI. The statement reflects
33 the fact that the 2026/27 COSS as modeled included the assumption that PHP would be an
34 above-the-line customer in time to implement for January 1, 2026. Given that the Hearing Order
35 does not contemplate final NS Power Reply submissions until August 17, 2026, and the decision
36 on NS Power's GRA itself was only released on March 25, 2026, it is clear the new PHP tariff was
37 not approved in time to implement for January 1, 2026, so there will necessarily be variances from
38 the costs initially modeled for PHP. This is one of the reasons why the concept of a deferral
39 account referenced in part (g) below was included in the Settlement Agreement.

1 b) The COS has been prepared on the basis of the following PHP load
2 characteristics: a) PHP's firm load at 8MW at the three coincident peaks; b) PHP's
3 firm, plus interruptible load, at a forecast of 65 MW based on prior actual PHP
4 metered load at the time of NSP's 3CP; and c) PHP energy will be based on PHP's
5 forecast usage for the test years, net of the amount forecast to be provided by the
6 Goose Harbour Lake Wind Farm. The same load characteristics are applicable to
7 the base cost of fuel model as well.

8
9 BAI's testimony (Exhibit N-2) specifically discusses PHP's load characteristics at the three
10 coincident peaks in Section III at page 13, line 14 to page 20, line 2. PHP's testimony (Exhibit N-
11 3) provides further details regarding PHP's operations during the three coincident peaks at page
12 9, lines 2-24.

13
14 BAI's testimony discusses PHP's energy forecast for the test years in Section V at page 27, line
15 2 to page 28, line 9. PHP's testimony discusses its updated forecast energy requirements at page
16 9, line 26 to page 10, line 7.

17
18 c) The dollar value of the Interruptible credit to be applicable to PHP's interruptible
19 load shall be the same as the credit for Large Industrial Interruptible customers,
20 plus the value of priority interruption service provided, if any. The priority
21 interruptibility service that may be provided by PHP is modelled at an additional
22 10% credit.

23
24 BAI's testimony specifically discusses the Interruptible Credit to be applicable to PHP's
25 interruptible load in Section IV at page 20, line 4 to page 25, line 8.

26
27 d) PHP and NS Power will complete discussions and analysis of the value of Active
28 Demand Control ("ADC"), which shall be proposed to be a rider to the cost-based
29 rate. The value of ADC, and the proposal for cost recovery, if any, shall be brought
30 forward for approval by the Board later this year to be effective January 1, 2026.
31 For clarity, any payment approved by the Board for Active Demand Control
32 services will be collected from above the line customers.

33
34 The Dispatchable Rider is discussed at Section 2.5 of NS Power's Application (Exhibit N-1). The
35 Rider is discussed generally in the BAI testimony in Section II, where BAI describes NS Power's
36 proposed Tariff and explains why modifications are required to other aspects of the Tariff to
37 ensure that PHP is credited all cost savings created by NS Power's ability to dispatch PHP's
38 flexible load. PHP's testimony describes how the dispatch of PHP's electricity load is managed at
39 page 6, line 9 to page 7, line 12, and page 10, lines 9-22. PHP's testimony also discusses other
40 aspects of PHP's load flexibility that are not properly being captured in the ELID tariff filing at page
41 12, line 5 to page 13, line 9.

1
2 e) NS Power and PHP shall reflect the foregoing in a written tariff which shall also
3 include a proposal for priority interruptibility to be brought forward for approval by
4 the Board later this year to be effective January 1, 2026 and PHP commits to taking
5 service under such a tariff on January 1, 2026, or such later date as the Board
6 approves the tariff as being effective, whether on a permanent or interim basis,
7 subject to satisfactory conclusion of the resolution of the PHP ADC and tariff
8 processes.

9
10 This section is not specifically referenced in the testimony of PHP and BAI, except to the extent
11 that PHP comments at page 12, lines 6-13 on how it will proceed if its areas of concern are not
12 addressed. Priority Interruption is discussed in NS Power's Application at page 9, line 19 to page
13 9, line 4.

14
15 f) In the PHP ADC and tariff processes that will be brought forward for approval by
16 the Board later this year, it remains open for all Parties to take any position they
17 so choose, including whether each of the PHP ADC and tariff filing(s) is
18 inconsistent with the load characteristics and basic tariff structure as set out above.

19
20 This section of the Settlement Agreement contemplates any Party taking any position on the
21 matters brought forward for approval in the PHP ADC and tariff processes. Consistent with this
22 section, PHP and BAI are proposing modifications to the Tariff filed in the Application.

23
24 g) NS Power may seek Board approval for a deferral account to account for any
25 NS Power revenue variances that may arise in 2026 or 2027 from the following
26 scenarios, which costs would be collected/refunded from/to above the line
27 customers: (a) where a Board decision on the PHP tariff, including the Active
28 Demand Control Rider, differs from the above the line PHP tariff assumptions
29 included in the 2026 2027 GRA; (b) where, for any reason, the PHP tariff is not
30 available for PHP to take service under it as of January 1, 2026; and/or (c) PHP
31 determines the PHP ADC and tariff processes outcome is not satisfactory.

32
33 The PHP Deferral Account is discussed at Section 2.10 of NS Power's Application. It is not
34 referenced in the testimony of PHP and BAI, as PHP believes that issues related to the scope of
35 the deferral account and the calculation of revenue variances that may arise following a Board
36 decision in this Application are matters best addressed by NS Power and other above-the-line
37 customers. PHP notes that the Board approved the PHP Deferral Account at paragraph 351 of its
38 March 25, 2026 decision in Matter M12451.

1 **Request IR-2:**

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3 **Refer to the Direct Evidence of Port Hawkesbury Paper, page 4 lines 2-4.**

4 **Please provide the Active Demand Control Energy Supply Protocol.**

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6 **Response IR-2:**

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8 See Attachment 1 to Synapse IR-2.

Request IR-3:

Refer to the Direct Testimony of Port Hawkesbury Paper, p. 5, lines 3-4.

Please confirm that “base load” is 8 MW. If not confirmed, please provide the value and an explanation of the value.

Response IR-3:

PHP's base load is confirmed at 8MW. The load attributed to the systems that are necessary to maintain the operation of the NS Power Biomass Cogeneration Facility are approximately 4MW, which is not included in PHP's base load of 8MW.

1 **Request IR-4:**

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3 **Refer to the Direct Testimony of Port Hawkesbury Paper, p. 12, lines 6-13.**

- 4 **a. Please explain why PHP would need to undertake development of a specifically**
5 **below-the-line tariff if it chooses to not accept service under the ELID.**
6
7 **b. Please explain if PHP would accept service on any other tariffs currently offered**
8 **by Nova Scotia Power if it chooses to not accept service under the ELID.**

9
10 **Response IR-4:**

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12 (a-b) Please refer to PHP's responses to Board Staff IR-2 and CA IR-7(b).
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1 **Request IR-5:**

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3 **Refer to the Direct Evidence of Fitzhenry and Gorman, p. 16. 18**

4 **Please provide a reference to the Direct Evidence of Bevan Lock and John Esaiw.**

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6 **Response IR-5:**

7 Please see page 9 of Exhibit N-3, specifically the response to the Question “Please provide further
8 details regarding PHP’s operations during the time of NS Power’s winter month system coincident
9 demand peaks over the past number of years.” Also, see pages 12 and 13, specifically the
10 response to the Question “Aside from ADC and being priority interruptible, are there other aspects
11 of PHP’s load flexibility that are not properly being captured in the ELID tariff filing?”