

In the Matter of
Nova Scotia Power
Application for Approval of an Above-the-Line
Tariff Applicable to Port Hawkesbury Paper
Matter No: M12661

Pre-Filed Testimony of
InterGroup Consultants

Submitted to: Nova Scotia Regulatory and Appeals Board
On behalf of: The Consumer Advocate
Prepared by: InterGroup Consultants Ltd.

May 8, 2026



InterGroup
CONSULTANTS

TABLE OF CONTENTS

1.0	Introduction.....	1
1.1	Sources of Information	1
1.2	Outline of Evidence	1
2.0	Summary of Recommendations	2
3.0	Overview of Application	3
3.1	NSP Application	3
3.2	PHP Evidence	4
4.0	Merits of PHP's Proposed Tariff Changes	5
4.1	Inclusion of Interruptible Load in 3CP Calculation.....	5
4.2	Revenue to Cost Ratio	5
4.3	Value of Interruptible Credit and Updates to Energy Sales Forecasts.....	6
5.0	Proposed ELID Dispatchable Rider	9
6.0	Proposed ELID Interruptible Rider	11

APPENDICES

APPENDIX A Resumes

1.0 INTRODUCTION

This testimony has been prepared for the Consumer Advocate ("CA") by or under the direction of Hayitboy Mahmudov and Andrew McLaren of InterGroup Consultants Ltd. ("InterGroup").

This report reviews Nova Scotia Power Inc.'s ("NSP") Application for Approval of an Above-the-Line Tariff Applicable to Port Hawkesbury Paper ("Application") submitted to the Nova Scotia Energy Board ("NSEB" or "Board") as Proceeding M12661.

Mr. Mahmudov and Mr. McLaren note the following:

- Mr. Mahmudov and Mr. McLaren are independent witnesses and their CVs are provided in Appendix A.
- InterGroup's scope of work and instructions were to review the Application, taking into account normal regulatory principles for utility rate setting. The scope of review focuses particularly on matters of interest to residential customers consistent with the CA's mandate. Mr. Mahmudov and Mr. McLaren understand the scope to encompass all normal regulatory fairness considerations and to treat customers fairly over time.
- Mr. Mahmudov and Mr. McLaren acknowledge their role is to provide opinion evidence to the Board that is fair, objective and non-partisan.
- Mr. Mahmudov and Mr. McLaren have endeavoured to ensure all factual assumptions and specific information relied upon are expressly cited in his testimony.

1.1 SOURCES OF INFORMATION

This testimony relies primarily on exhibits on the record of Proceeding M12661. Other publicly available information is occasionally referenced, including other proceedings before the NSEB. References are provided in footnotes throughout the document.

1.2 OUTLINE OF EVIDENCE

This report is organized according to the following headings:

- Recommendations;
- Overview of the Application;
- Merits of Proposed PHP Tariff Revisions;
- Proposed ELID Dispatchable Rider; and
- Proposed ELID Interruptible Rider.

2.0 SUMMARY OF RECOMMENDATIONS

Based on the analysis summarized in this report, InterGroup makes the following recommendations to the Board:

- Recommendation 1: InterGroup recommends that the Board reject PHP's proposed modifications for the reasons described in more detail in the following sections.
- Recommendation 2: InterGroup recommends that the Board consider the reasonableness of the DR savings proposed to be credited to PHP.
- Recommendation 3: Considering that Operating Procedures directly affect the DR credit calculation, InterGroup recommends that this document must be subject to Board approval. This will ensure the document is transparent and not revised between NSP and PHP to the disadvantage of other ATL customers.
- Recommendation 4: InterGroup recommends that the Board approve the Interruptible Service component to the ELID Tariff only for the 2026 and 2027 test years with a review to be completed prior to 2028.
- Recommendation 5: Considering the complexity of the proposed ELID Tariff, InterGroup recommends that the Board undertake a review of the ELID Tariff approved in this Matter after the first year of implementation.

3.0 OVERVIEW OF APPLICATION

3.1 NSP APPLICATION

NSP is applying to the Board for approval of the Extra Large Industrial Dispatchable (ELID) Tariff, an above-the-line (ATL) tariff available to Port Hawkesbury Paper LP (PHP). NSP states it is intended that PHP will subscribe to this Tariff on, or before, January 1, 2027 when the current term of the Extra Large Industrial Active Demand Control (ELIADC) Tariff will expire. NSP states that should the Board not approve an ATL tariff applicable to PHP or should PHP determine it will not subscribe to the ATL tariff as approved by the Board, an alternative course of action will be required for service to PHP in 2027.¹

The proposed ELID tariff has a number of components including:

- Customer Charge
- Demand Charge
- Energy Charge
- Interruptible Service
- Dispatchable Rider
- Other Applicable Riders
- Billing Provisions
- Tariff Term
- Treatment of Energy Production from the Goose Harbour Lake Wind Farm (PHP Wind Ltd., PHPW)
- PHP Deferral²

NSP indicates the tariff costing used in the Application are applied as noted in the settlement agreement (SA) for NSP's 2026 and 2027 GRA³ to which PHP was a signatory. InterGroup notes key provisions of the SA in this respect included:

- PHP load characteristics: a) PHP's firm load at 8MW at the three coincident peaks; b) PHP's firm, plus interruptible load, at a forecast of 65 MW based on prior actual PHP metered load at the time of NSP's 3CP; and c) PHP energy will be based on PHP's forecast usage for the test years, net of the amount forecast to be provided by the Goose Harbour Lake Wind Farm. The same load characteristics are applicable to the base cost of fuel model as well.
- The dollar value of the Interruptible credit to be applicable to PHP's interruptible load shall be the same as the credit for Large Industrial Interruptible customers, plus the

¹ NSP Application. PDF page 3 of 50.

² NSP Application. PDF page 3 of 50.

³ NSP Application. PDF page 3 of 50.

value of priority interruption service provided, if any. The priority interruptibility service that may be provided by PHP is modelled at an additional 10% credit.

- In the PHP ADC and tariff processes that will be brought forward for approval by the Board later this year, it remains open for all Parties to take any position they so choose, including whether each of the PHP ADC and tariff filing(s) is inconsistent with the load characteristics and basic tariff structure as set out above.⁴

3.2 PHP EVIDENCE

PHP states in their evidence that they do not agree with certain aspects of NSP's proposed tariff, and specifically:

1. the use of a 57,000 kW winter month system coincident demand for PHP interruptible load;
2. the value of the proposed Interruptible credit, if the Board finds that PHP interruptible load should be greater than 0 kW;
3. the use of a Revenue-to-Cost ("R/C") ratio of greater than 1.0 for a new Above-the-Line Tariff; and
4. the forecast energy requirements for PHP in 2026 and 2027 used in calculating the new Above-the-Line Tariff do not reflect the most updated assumptions.⁵

⁴ Summarized from Attachment 4 of the Application. PDF pages 40 to 41.

⁵ PDF page 9 of 14. PHP evidence dated February 20, 2026. Exhibit N-3.

4.0 MERITS OF PHP'S PROPOSED TARIFF CHANGES

This section summarises InterGroup's views on the merits of PHP's proposed tariff changes.

4.1 INCLUSION OF INTERRUPTIBLE LOAD IN 3CP CALCULATION

NSP's application includes a provision for PHP interruptible load in the 3CP calculation. PHP's consultants state their view that "PHP's interruptible demands are served on an as-available basis, do not impact the NS Power cost of system resource capacity costs, and, therefore, should not be included in the 3-CP resource capacity allocator."⁶ They further state that a "similar cost-causative relationship exists regarding the transmission system. Transmission planning, specifically Steady-State Power Flow Analysis, is designed to ensure the grid satisfies N-1 contingency requirements, maintaining safe thermal and voltage limits even if a major component trips during the year's highest demand. It is our understanding that these reliability studies assume that PHP's demand is minimal during system peaks. Because PHP's load is not a driver for additional transmission investment or capacity expansion, principles of cost-based rate-making support a minimal demand allocation that reflects this lack of cost causation."⁷

In response to a Consumer Advocate Information Request, NSP stated the proposal to exclude interruptible load from the 3CP calculation would result in the avoidance of transmission cost responsibility, when transmission systems are designed to meet an area's total load, not its firm load only and that PHP is clearly not viable running at 8 MW for a sustained period.⁸

InterGroup agrees with the concerns raised by NSP that including only the firm 8 MW of load would under-represent the degree to which PHP makes use of and benefits from the transmission system. In InterGroup's experience this is a common problem with "interruptible" loads that reflect a considerable portion of a customer's ordinary electricity needs. While there are alternative cost allocation methods that could help address this, in the context of the SA, the load parameters modelled by NSP in the application are reasonable and should be approved.

4.2 REVENUE TO COST RATIO

PHP's consultant states that NS Power's cost of service study calculates a revenue to cost ratio of 1.04373 or 4.373% greater than NS Power's cost to serve PHP and that when a regulator sets an R/C ratio above 1.0, they are intentionally over-collecting from that customer to subsidize other classes.⁹

In response to an information request from the Consumer Advocate, NSP stated "the alignment of PHP's revenue-to-cost (R/C) ratio with other classes (initially at 1.05; subsequently revised to 1.0438 for 2026 and 1.0471 for 2027) as a foundation for the ELID Tariff costing was understood

⁶ Evidence of Colin T. Fitzhenry and Michael P. Gorman. PDF page 19 of 34. Exhibit N-2.

⁷ Evidence of Colin T. Fitzhenry and Michael P. Gorman. PDF page 19 of 34. Exhibit N-2.

⁸ NSP Response to Information Request CA-9.

⁹ Evidence of Colin T. Fitzhenry and Michael P. Gorman. PDF pages 27 and 28 of 34. Exhibit N-2.

by Parties to the SA and reflected in the subsequent Cost of Service information circulated among Parties and included in the General Rate Application.”¹⁰

InterGroup agrees that the revenue-to-cost ratios for 2026 and 2027 were an integral consideration understood by parties to the SA. In InterGroup’s experience settlement agreements typically reflect trade-offs among parties on a number of issues and altering one item of a settlement package risks undermining the basis for the entirety of the agreement. It could also impact the ability and willingness for parties to participate in future settlements.

4.3 VALUE OF INTERRUPTIBLE CREDIT AND UPDATES TO ENERGY SALES FORECASTS

PHP’s consultant also recommends changes to the interruptible credit to be priced at NSP’s marginal cost of capacity and updating the 2026 and 2027 PHP sales forecasts.¹¹ In response to a Consumer Advocate information request, NSP notes these terms were specified as part of the settlement agreement.¹² InterGroup agrees that these terms were specified as part of the settlement agreement and in InterGroup’s view should not be adjusted.

Consistent with the SA for NSP’s 2026 and 2027 GRA, the proposed interruptible credit rate to PHP under the ELID Tariff is the same as proposed for the Large Industrial Interruptible Rider (LIIR) customers, plus the value of priority interruption service provided, if any. However, NSP states that the LIIR rate of \$7.638 per kVA and \$7.667 per kVA of interruptible service for 2026 and 2027, respectively, is a significantly lower figure than would be applicable to PHP had the credit been developed in accordance with NSP’s established practice for pricing of the interruptible credit. NSP calculated this credit value at \$13.107 per kVA.¹³

In response to a Consumer Advocate Information Request explaining the reason for this difference, NSP stated the LIIR credit is determined based on forecast LIIR customer kW peak coincident with the system peak divided by subscribing customers’ forecast non-coincident interruptible billing demand. In the case of PHP, however, NSP states that the kW demand figure for calculating the value of the assumed interruptible load at time of system peak and PHP’s billing demand, other than the relatively small 8 MW firm portion, before conversion to kVA, are proposed to be the same.¹⁴

On this basis, PHP argues that the interruptible credit to PHP should be set at \$13.107/kVA.¹⁵

InterGroup notes the following important observations with respect to NSP’s derivation of an interruptible credit rate of \$13.107/kVA to PHP and its applicability to the proposed ELID Tariff:

1. As confirmed by NSP in various responses to Information Requests from interveners, the billing demand, used in arriving at \$13.107/kVA, equals the fixed 65 MW determinant, minus the 8 MW firm, which is the same as PHP’s assumed interruptible load at the time of system peak.¹⁶ However, the 65 MW determinant is not a metered and confirmed non-

¹⁰ NSP response to CA-9. Exhibit N-5.

¹¹ Evidence of Colin T. Fitzhenry and Michael P. Gorman. PDF page 5 of 34. Exhibit N-2.

¹² NSP response to CA-9. Exhibit N-5.

¹³ NSP Application. PDF page 8 of 50.

¹⁴ NSP Response to Information Request CA-1.

¹⁵ Evidence of Colin T. Fitzhenry and Michael P. Gorman. PDF page 14 of 34. Exhibit N-2.

¹⁶ See NSP Response to Information Request CA-1; IG-23; SBA-1; Synapse-20.

coincident peak for PHP, which would be the practice applied to LIIR customers. As provided by NSP, PHP's average load alone is approximately 124 MW and PHP's peak load is expected to be approximately 155 MW.¹⁷ It is not clear why derivation of an interruptible credit rate to PHP would use the same kW demand figure for both coincident and non-coincident PHP peaks, which is not supported by PHP's historical peak load.

2. The proposed cost-based demand charge is \$12.872/kVA for 2026 and \$14.310/kVA for 2027. At the rate of \$13.107/kVA plus 10% PI premium, the interruptible credit would be \$14.42/kVA, thus exceeding the cost-based demand charge in both 2026 and 2027. It is clearly unreasonable to determine that value of an interruptible credit is higher than a full cost-based demand cost for the firm service.

In a Consumer Advocate information request, PHP was asked whether or not PHP considers any aspect of PHP's proposed position as set out in PHP's evidence to be inconsistent with any terms of the 2026-2027 GRA SA.¹⁸ In response, PHP stated that its position was consistent with the 2026-2027 GRA SA on the basis of several considerations. In particular, PHP highlighted the following:¹⁹

- The Agreement specifically provided at section PHP Treatment item (f) of the Schedule "A" where "...it remains open for all Parties to take any position they so choose, including whether each of the PHP ADC and tariff filing(s) is inconsistent with the load characteristics and basic tariff structure as set out above."
- Item (g) of the SA Schedule "A" that provides for a deferral account approval request account for any NS Power revenue variances that may arise in 2026 or 2027 from the various scenarios, which costs would be collected/refunded from/to above the line customers.
- The Board's decision on M12451 that "...the creation of the proposed deferral account, and the assumptions underlying it, do provide some certainty for the utility and the customer classes."

However, InterGroup notes and agrees with NSP's position that the SA expressly confirmed that "NS Power and PHP shall reflect the foregoing in a written tariff;" and it is open to Parties to take a position that the tariff filing is "inconsistent with the load characteristics and basic tariff structure as set out above" recognizes that the Parties intended that the SA terms would be employed in the Application to be made to the Board.²⁰

Having said that, in InterGroup's view, the proposed ELID tariff includes layers of complexity in the interactions of different components of the proposed tariff as compared to the ELIADC Tariff, including fixed charges (customer and demand), Dispatchable Rider credit calculations, PHP Deferral charges and reconciliation. Considering the complexity of the proposed ELID Tariff, InterGroup recommends that the Board undertake a review of the ELID Tariff approved in this Matter after the first year of implementation.

¹⁷ NSP Response to Information Request CA-9.

¹⁸ PHP Response to Information Request CA-6.

¹⁹ Ibid

²⁰ NSP Response to Information Request CA-9.

Recommendation: For the reasons described above, InterGroup recommends that the Board reject PHP's proposed tariff modifications.

Recommendation: Considering the complexity of the proposed ELID Tariff, InterGroup recommends that the Board undertake a review of the ELID Tariff approved in this Matter after the first year of implementation.

5.0 PROPOSED ELID DISPATCHABLE RIDER

NSP states that the Dispatchable Rider (DR) will allow PHP to operate in a manner which reduces PHP's individual cost of service, enables NS Power to manage PHP's load in response to system conditions, reducing overall system costs, and compensates PHP for the value its load flexibility provides to the NSP system.²¹ NSP states that the structure of the Rider shields ATL customers from the significant incremental cost impacts that the system's largest customer can have on the system if not incented to operate in a manner which reduces overall system costs.²²

NSP explains that the DR is premised on the understanding that, absent the DR, and as an ATL customer with demand and energy charges, PHP would generally be incented to operate at a high load factor (i.e. levelized load) across the year, as this mode of operation will reduce the per unit cost of electricity for PHP.²³

NSP proposes that the value created by the dispatch of PHP load be credited fully to PHP and that because the cost of the service is based on the benefit the service provides to the system, ATL customers will be held harmless under the DR construct.²⁴ The quantum of the value credited to PHP is the main difference between the proposed ELID DR and ELIADC Active Demand Control. In response to a Synapse information request, NSP states:

Operationally, and computationally, Active Demand Control and the Dispatchable Rider are essentially the same. Differences between the Active Demand Control under the ELIADC Tariff and the Dispatchable Rider under the ELID Tariff are limited to changes to incorporate the provisions of dispatchable service and nomenclature.²⁵

When questioned about the value that other ATL customers receive from the DR component of the proposed tariff if the value created by dispatch of PHP load is fully credited to PHP, NSP provided the following response:

While on the ELIADC Tariff, 75 percent of the Active Demand Control (ADC) value was assigned to FAM. However, under the ELIADC Tariff, non-fuel cost recovery was not embedded cost-based. On the ELID Tariff, which is an above-the-line embedded cost of service based tariff, PHP will contribute a full allocation of fixed costs, which is a benefit to all customers.

Like the operational and capital costs incurred by PHP to accommodate NS Power's dispatch of its load, the benefit created by this service compared to running flat will accrue solely to PHP. This is considered appropriate as a Rider applied to an ATL tariff because the energy and demand charges applicable to PHP are embedded cost based and as such provide for the recovery of the fixed

²¹ NSP Application. PDF page 9 of 50.

²² Ibid

²³ Ibid

²⁴ NSP Application. PDF page 10 of 50.

²⁵ NSP Response to Information Request Synapse-7. Exhibit N-10.

transmission and generation costs allocated to PHP in accordance with the Cost of Service (as is the case with other ATL customers).²⁶

Note however that the ELIADC Tariff, includes a Variable Capital Charge (VCC) that PHP pays “for NS Power’s incremental generation and delivery of electricity to PHP in the amount of \$3.34/MWh”, and as such does appear to contribute to the recovery of the fixed transmission and generation costs under the ELIADC Tariff.²⁷

The VCC component is not included in the proposed ELID Tariff structure and does not appear to be considered in the DR credit transfer ratio of 100% to PHP. Note that even at a reduced PHP net energy consumption of 304,000 MWh forecast in 2027, the VCC payment by PHP would exceed \$1.0 million annually, or approximately 20%-30% of the actual benefit that NSP estimates can be realized by PHP via DR credit.²⁸

In InterGroup’s view, the proposed ELID Tariff includes many moving parts, including changes as compared to the ELIADC Tariff, with complex interactions between different components. Given this, the proposed change in the DR credit ratio to PHP is very big and its reasonableness should be further tested.

Recommendation: The Board should consider reasonableness of the DR savings to be fully credited to PHP.

Further, NSP states that consistent with the ELIADC Tariff, PHP operations under the DR will be governed by Operating Procedures developed between NS Power, the System Operator, and PHP. However, NSP proposes that Operating Procedures not be subject to NSEB approval, considering that the benefits/costs of compliance/non-compliance with the Operating Procedures will flow fully to PHP dependent primarily on PHP operational priorities.²⁹

In response to an Industrial Group information request, NSP “recognizes the innovative nature of the tool and anticipates the Tariff’s administration and effect on the FAM will be examined as part of FAM audits.”³⁰

Recommendation: Considering that Operating Procedures directly affect DR credit calculation, this document must be subject to the Board approval. This will ensure the document is transparent and not revised between NSP and PHP to the disadvantage of other ATL customers.

²⁶ NSP Response to Information Request NSEB-3. Exhibit N-7.

²⁷ ELIADC Tariff, effective January 1, 2026. Page 3.

²⁸ NSP estimates PHP can realise approximately half of \$7 to \$11 million of savings in a year via DR credit. NSP Application. PDF page 11 of 50.

²⁹ NSP Application. PDF page 11 of 50.

³⁰ NSP Response to Information Request IG-19. Exhibit N-6.

6.0 PROPOSED ELID INTERRUPTIBLE RIDER

NSP proposes an Interruptible Service component to the ELID Tariff. NSP states that the ELID Tariff interruptible service provisions, for the most part, adopt the LIIR terms with minor text updates drawn from the ELIADC Tariff interruptible service provisions.³¹

The main features of the proposed Interruptible Credit Rider as described in the proposed ELID Tariff are as follows:³²

- Interruptible Rider will apply to the interruptible demand (per kVA) defined as the difference between any contracted firm demand requirements and the total billing demand of PHP.
- The billed interruptible demand will be equal to the interruptible demand used for costing the tariff.
- Failure to comply in whole or in part with a requirement to interrupt load will result in penalty charges, comprised of two parts: a Threshold Penalty and a Performance Penalty.
- Interruption is limited to 16 hours per day and 5 days per week to a maximum of 30% of the hours per month and 15% of the hours in a year.
- As compensation for providing this service, the Customer will receive a per month per kVA Priority Interruptible reduction in demand charge for billed interruptible demand (proposed at 10% of the Interruptible Rider credit).

NSP further notes that consistent with the provisions of the ELIADC Tariff and as available to LIIR subscribers, the ELID Tariff includes provision for PHP load to be held as Operating Reserve as required by system conditions, along with the same interruptible notification processes and penalties for non-compliance.³³

NSP explains the value and difference of the PHP Interruptible Credit Rider compared to the Dispatchable Rider as follows:

- Interruptible rider reduces the Company's firm peak and compensates participating customers for the value this provides as a system planning tool.³⁴ NSP also refers to this value as planning relief (i.e. the avoided cost of building new generation). Note that NSP does not appear to mention that interruptible service offers avoided transmission costs.
- The reliability-based PHP load interruptions provide an additional tool for use by system operators in ensuring continued reliable operation of the bulk power system during periods of capacity shortfall, allowing the PHP interruption capability to reduce overall system load, helping to ensure continued service to firm load customers.³⁵
- Under interruptible service, compliance with the NS Power dispatch schedule is mandatory and there is "penalty" for non-compliance. This is distinct from the

³¹ NSP Application. PDF page 8 of 50.

³² NSP Application. Attachment 1, proposed ELID Tariff, pages 5-7 of 8.

³³ NSP Application. PDF page 8 of 50.

³⁴ NSP Response to Information Request Synapse-14.

³⁵ NSP Response to Information Request SBA-2. Exhibit N-9.

dispatchable rider, where there is no “penalty” for non-compliance other than the foregone opportunity that would have been realized by PHP had PHP followed NS Power’s dispatch plan.³⁶

In practical terms, however, no PHP load reductions were implemented using the interruptibility tariff provisions under the ELIADC or other tariffs applicable to PHP. In particular, in response to an Industrial Group information request NSP confirmed that zero interruption calls were initiated under the interruptible provisions of the ELIADC Tariff since the ELIADC Tariff came into effect on January 1, 2020 and PHP has not been called for load reductions under the Interruptible provisions of the ELIADC.^{37,38}

However, there were instances where PHP’s load was above its minimum house load, but interruptible customers were called on.³⁹

NSP also confirmed that during periods of capacity scarcity, generally PHP load has already been dispatched down and thus no PHP load is available to participate in the interruption process.^{40,41}

NSP acknowledges that there is likely to be a high level of coincidence during periods of tight system conditions that PHP load will be dispatched down and situations where PHP load may be interrupted (or held as operating reserve), stating, however, that the two services are distinct and PHP is being compensated for two separate value streams (IR for planning relief (i.e. the avoided cost of building new generation) and DR for operational cost relief (i.e. the avoidance of high real-time marginal costs).⁴² Accordingly, based on NSP’s assertion that the two services are distinct, in InterGroup’s view NSP should be able to identify cases where the compensation paid to PHP was related to the PHP load dispatch provisions versus PHP load interruption.

However, NSP was unable to provide such an example despite requests from interveners.⁴³ On the contrary, NSP confirmed that PHP can simultaneously receive (i) a DR credit for being dispatched down through the Dispatchable Rider and (ii) an interruptible credit for having its load interrupted under the Interruptible Rider.⁴⁴ Note that this credit relates to the same portion of the load – i.e., the credits are not stacked where NSP identifies a portion of the load receiving a DR credit and a separate incremental load receiving an Interruptible Rider credit.

NSP further confirmed that given that NS Power may hold as operating reserve any PHP non-firm load remaining after implementation of the Dispatchable Rider provisions for load shifting under the proposed ELID Tariff, the value of this operating reserve would be equivalent to that provided by other interruptible customers equipped with Telemetry & Control (T&C).⁴⁵

With respect to NSP’s reasoning that the Interruptible Rider is distinguishable from the Dispatchable Rider in that compliance with the NSP dispatch schedule is not mandatory and there is no “penalty” for non-compliance for PHP, InterGroup notes that the ELIADC already includes

³⁶ NSP Response to Information Request Synapse-14.

³⁷ NSP Response to Information Request IG-13.

³⁸ NSP Response to Information Request Synapse-15.

³⁹ NSP Response to Information Request IG-13.

⁴⁰ NSP Response to Information Request Synapse-23.

⁴¹ NSP Response to Information Request IG-13.

⁴² NSP Response to Information Request Synapse-14.

⁴³ See NSP Response to Information Request Synapse-14, Synapse-15, SBA-6.

⁴⁴ NSP Response to Information Request IG-23.

⁴⁵ NSP Response to Information Request IG-25.

exactly the same penalty to PHP under interruptibility, however with no additional Interruptible Rider credit.⁴⁶ It is also important to note that the proposed Dispatchable Rider mechanism already increases the share of savings transferred to PHP from 25% to 100%. In InterGroup's view there is a risk that pairing the proposed Dispatchable Rider with the proposed Interruptible Credit credits PHP twice for effectively the same provision. This could reflect a benefit to PHP beyond 100% of the system benefits, at the expense of other ATL customers.

With respect to the Priority Interruptible (PI) credit, proposed at 10% of the Interruptible Credit, NSP states that the Company's initial analysis of the priority interruptible service has determined the primary direct value of priority interruptibility is to reduce risk of interruption to other interruptible customers, although NSP has not undertaken an analysis to quantify the value of PI service.⁴⁷ In InterGroup's view if the priority interruptibility provision for PHP reduces the potential of other customers to be interrupted, then the value of the interruptible credit to other interruptible customers should be revisited in a future proceeding.

Furthermore, NSP explained that with respect to tariffs including PI, under which PHP, or its predecessor, took service, only one – Extra Large Industrial One-Part Real Time Pricing Tariff from 2006 – applied an additional credit for PI service.⁴⁸ NSP further confirmed that LIIR customers who are not held as Operating Reserve could be physically interrupted ahead of PHP despite PHP's priority status.⁴⁹

In this regard, NSP states that it remains to be determined whether Priority Interruptible service provides value to the system and if so, to which customers and how the associated costs should be recovered. As such, NSP proposes to examine the value of PHP's PI service in the next General Rate Application (GRA).⁵⁰

InterGroup agrees with NSP that PI service value to the system and applicability to the ELID Tariff should be further examined. However, this review should be undertaken in time for implementation in 2028 and should not be necessarily linked to the next GRA.

Recommendation: Based on these considerations, the Board should approve the Interruptible Service component to the ELID Tariff only for the 2026 and 2027 test years with a review to be completed prior to 2028.

⁴⁶ ELIADC Tariff, effective January 1, 2026; Interruptibility section.

⁴⁷ NSP Application. PDF page 8 of 50; NSP Response to Information Request IG-23.

⁴⁸ NSP Response to Information Request IG-13.

⁴⁹ NSP Response to Information Request IG-24.

⁵⁰ NSP Response to Information Request IG-25.

APPENDIX A: Resumes

HAYITBOY MAHMUDOV

ASSOCIATE



AREAS OF EXPERIENCE:

- Utility Regulation, including Revenue Requirement, Depreciation, Cost of Service and Rate Design
- Economic/Financial Analysis, including Cost-Benefit Analysis and Business Valuation
- Strategic Planning and Assessment
- Public Policy Advisory

EDUCATION:

- Certified Depreciation Professional, 2023
- Master of Arts (Economics), University of Manitoba, 2003
- Bachelor of Science (Economics), Andijan Institute of Engineering and Economics, 2000

PROFESSIONAL EXPERIENCE:

INTERGROUP CONSULTANTS LTD., WINNIPEG, MANITOBA

2009 – Present – Research Consultant/Consultant/Principal/Associate

Utility Regulation

For the Office of the Utilities Consumer Advocate of Alberta (UCA) (2019-Present): Expert support in the review and analysis, including drafting information requests and issues summary, submission of testimony in the FortisAlberta RCN-D Valuation Application for the Electric Distribution System Assets purchase from the Town of Fort Macleod (Proceeding 23972). Expert support in the review and mediation process, including negotiated settlement analysis, in DERS 2020-2022 DRT and RRT Application (Proceeding 26207) and DERS 2023 DRT and RRT Application (Proceeding 27631). Expert support in the review and mediation process; analysis and submission of testimony in Altalink Management Ltd. 2022-2023 GTA (Proceeding 26509); submission of evidence and expert testimony before Alberta Utilities Commission at the Altalink Management Ltd. 2024-2025 GTA hearing (Proceeding 28174). Expert support in the review and negotiation process; analysis and submission of testimony on revenue requirement matters in EPC 2023-2025 GTA (Proceeding 27581); Expert support in the review and negotiation process of EPC's 2026-2028 GTA (Proceeding 29255); Expert support in the review and negotiation process of Altalink Management Ltd. 2026-2027 GTA (Proceeding 29879).

For Northwest Territories Power Corporation (NTPC) (2009-Present): Assisted with the preparation of numerous regulatory filings and applications, including technical analysis related to operations and maintenance expenses, return on utility equity, cost of service, and rate/tariff design. Prepared responses to Information Requests from intervenors (related to sales and generation forecasting, rate design, rate impacts, capital planning, revenue requirement, etc.). Managed projects

on development and submission of 2012/14, 2016/19, 2022/23 and 2025/26 Phase I and Phase II General Rate Applications. Provided hearing support at the public hearings before the Northwest Territories Public Utilities Board for NTPC's General Rate Application. Expert testimony before the Public Utilities Board of NWT on electricity costing and rates related to NTPC's 2016/19 GRA. Major capital projects implementation support related to performing economic analysis, preparation and submission of project permit applications for regulatory approvals.

For Qulliq Energy Corporation (QEC) (2009-Present): Managed the development and submission of 2010/11, 2014/15, 2018/19, 2022/23 and 2025/26 Phase I and Phase II General Rate Applications. Provided support in the GRA review process by the regulatory council. Provide support and perform analysis related to QEC's operating budget forecast, load forecast, capital structure, return on equity, amortization expense, cost of service and rate design. Provide public awareness support for the rate applications. Prepare QEC's medium and long-term load forecast and calculate firm capacity requirements to assist QEC in plant capacity planning to meet energy demands by community. Prepare semi-annual Fuel Stabilization Fund rider applications and review support.

For Jamaica Public Service Company Ltd. (JPS) (2018-2021): Coordinated activities related to submission of the 2018 Annual Adjustment Filing under the Performance Based Regulation (PBR) framework with the regulator; led the overall planning and preparation of the submission and coordination with JPS staff as required to complete, review and document the required technical analysis for the submission. Coordinated and provided lead support in the development of JPS's 2019-2024 Rate Case Submission which included drafting of major chapters, technical analysis and support on 5-year business plan and revenue requirement, capital plan, load forecast, tariff design, and stakeholder engagement. Assisted JPS in the 2019-2024 Rate Case review process by the regulator and financial planning under PBR framework, including Annual Adjustment Filing support.

For Nelson Hydro (2021-2024): Determine electric utility cost allocation and appropriate rates for utility customers; Assist in preparing rate applications; support the utility in regulatory review of applications before the British Columbia Utilities Commission.

For Yukon Energy Corporation (YEC) (2009-2011): Provided analytical support during the 2008/2009 Phase I and Phase II General Rate Applications, including responses to Information Requests from intervenors. Performed cost-of-service study analysis, rate design and rate impact analyses. Prepared regulatory year-end financial statement reporting and GRA update filings for submission to the Yukon Energy Board. Performed forecast cash flow analysis to determine financing needs for the capital projects.

Depreciation Analysis

For the Office of the Utilities Consumer Advocate of Alberta (UCA) (2019-Present): Provided support in review and analysis related to depreciation matters, including preparation of arguments and expert evidences in the AltaGas 2018 Depreciation Application (Proceeding 24161), ATCO Gas 2018 Depreciation Application (Proceeding 24188), and ATCO Electric 2018 Depreciation Application (Proceeding 24195). Expert support in depreciation matters review of the ATCO Pipelines 2019-2020 GRA Compliance Filing (Proceeding 24817). Provided written testimony on the Depreciation Study and proposed depreciation parameters in the ATCO Electric Transmission 2020-2022 GTA (Proceeding 24964) before Alberta Utilities Commission (AUC). Depreciation Study and proposed depreciation parameters review and support in the mediation process; analysis and submission of testimony in Altalink Management Ltd. 2022-2023 GTA (Proceeding 26509). Expert support in the review and negotiation process; analysis and submission of testimony on depreciation matters in EPC 2023-2025 GTA (Proceeding 27581); Expert support in the review and negotiation process; analysis and submission of testimony on depreciation matters in EDTI's 2023-2025 TFO (Proceeding 27675); Expert support in the review and negotiation process; analysis and submission of testimony on depreciation matters and oral testimony before the AUC in Altalink Management Ltd. 2026-2027 GTA (Proceeding 29879).

For the Ontario Energy Board (OEB) (2023): Depreciation expert to the OEB staff for the Enbridge Gas Inc.'s 2024 Rebasing application review proceeding. Expert support included review and analysis of the Enbridge Gas's depreciation study, drafting information requests, submission of evidence, information responses and expert testimony before the OEB at the hearing.

For Quilliq Energy Corporation (QEC) (2024): Conducted depreciation study and analysis filed as part of QEC's 2025/26 General Rate Application. Provided regulatory support on depreciation matters during the regulatory review of QEC's 2025/26 General Rate Application.

For Yukon Energy Corporation (YEC) (2025): Conducted net salvage study filed as part of YEC's 2025-2027 General Rate Application. Expert testimony on behalf of YEC on depreciation and net salvage matters before the Yukon Utilities Board.

For Northwest Territories Power Corporation (NTPC) (2012-2022): Provided technical support to NTPC's depreciation consultants (Gannett Fleming and Concentric Advisors) in their preparation of depreciation study for NTPC for 2012/14, 2016/19 and 2022/23 General Rate Applications.

For the Nova Scotia Consumer Advocate (2025): Depreciation expert to the Consumer Advocate for NSPI's 2026-2027 General Rate Application proceeding. Expert support included review and analysis of NSPI's depreciation study, drafting information requests, developing depreciation parameter positions for the negotiations with NSPI; participating in the negotiations with NSPI.

Municipal Utility Rates Review

For Town of Drumheller (AB) (2022): Developed a water and sewer utility rate model that allows systematic calculation of appropriate water and sewer utility rates to charge to ratepayers. Developed rate design reflecting fair cost recovery by customer category and ensuring financial sustainability of the utilities.

For North Salt Spring Waterworks District (BC) (2022): Reviewed and recommended the parcel tax structure more fairly reflecting the cost of providing service to different types of customers while maintaining a consistent revenue stream to the District to cover the current and future capital projects.

For City of Penticton (BC) (2023): Review and update utility rates for 2023 to 2027, including development of revenue requirement, cost of service study, and rate design for the City's electric, water, sewer, and stormwater utilities.

For City of Courtenay (BC) (2020-2024): Develop 10-year financial plan; prepare cost-of-service study and rate design for the City's water and sewer utilities.

For Town of Peace River (AB) (2023-2024): Develop water and sewer revenue requirement, cost of service allocation and revised water and sewer rate structures.

For Sunshine Coast Regional District (2023): Examine, analyze, and recommend changes to the Regional District's water rate structure.

For City of Kamloops (BC) (2024-2025): Develop water and sewer revenue requirement, cost allocation and revised water and sewer rate structure proposals.

For City of Yellowknife (NWT) (2021-2025): Develop water and sewer revenue requirement, cost allocation and revised water and sewer rate structure proposals.

For Lac La Biche County (Alberta) (2024): Performed a utility rate model analysis for the County's water, wastewater, sewer, natural gas and solid waste utilities for the 2024-2029 period, including revenue requirement development, cost allocation and rate design.

Economic/Financial Analysis

For Northwest Territories Power Corporation (NTPC) (2009-Present): Develop business cases for NTPC's capital projects as part of regulatory requirements. The business cases include substantiation of a public need for the project; technical and financial analysis of options, including lifecycle costs and

scenarios for reasonable sensitivities; analysis of rate impacts to customers; and complete discussion of risks and mitigation strategies related to the project and recommended option. Participated in NTPC's successful negotiations with a contractor on risk-sharing basis alliance model contract for the Bluefish Lake Dam Replacement project. Prepared distribution system assets estimate and revenue requirement estimate for valuation purposes of the electrical utility providing electricity service to the Town of Hay River under the franchise agreement. The assignment was performed in order to assist NTPC and the Town in negotiations with the utility to determine purchase price of the utility.

For Qulliq Energy Corporation (QEC) (2009-Present): Major capital projects implementation support related to performing economic analysis, preparation and submission of applications for regulatory approvals.

For City of Swift Current (2013-2014): Assisted the City of Swift Current with an assessment of valuations related to possible rationalization of the electrical franchise/service areas within the city boundaries of Swift Current between the City and the Saskatchewan Power Corporation. Work included preparing a long-term economic forecast for the utility for the purposes of a valuation of the asset base. The economic forecast and valuation approach focused on a staged analysis, including a baseline financial forecast focusing on utility cash-flow and dividends, with reasonable estimates of future capital spending and rate levels.

For Government of Northwest Territories (2013-2020): Performed economic analysis of potential renewable energy projects in the remote diesel communities of the Northwest Territories, including solar, wind, and LNG power generation in order to determine subsidy support required for their implementation. Provided technical support in cost-benefit analysis for potential Transmission line extension from Northwest Territories to Saskatchewan, including sensitivities analysis and rate impacts under different project funding scenarios (2013).

Performed project evaluation (financial and regulatory impacts) of the proposed Fort Providence Transmission Line (2019) and What Ti Transmission Line (2020) constructions.

Strategic Planning and Project Management – Resource Planning and Development

For Qulliq Energy Corporation (QEC) (2014-2021): Project Principal and lead consultant in developing specialized pricing strategy for renewable energy suppliers to sell renewable electricity to QEC as non-utility generators, taking into consideration the findings and recommendations of the Utility Rates Review Council (URRC) in its October 6, 2020 report; Assisted QEC in developing Independent Power Produce (IPP) program policy and the pricing structure. Assisted QEC in the review of the proposed IPP program by the regulator (Utility Rates Review Council); Analyzed plant capacity requirements for Rankin Inlet to serve a major industrial customer planning operations in the community neighbourhood. Analyzed plant capacity requirements for Cambridge Bay and options to serve a new major customer (Canadian High Arctic Research Station). Worked on capital project planning manual development for QEC and organized a training session to QEC's staff.

For Northwest Territories Power Corporation (NTPC) (2012-Present): In response to the 2014 extreme low water situation arising on North Slave system, assisted in development of Low Water Response Plan, which sets out action items to address the extreme low water conditions. The document addressed required actions and responsibilities for hydrology status, load forecasts, system dispatch, capital planning, financial planning, regulatory reporting and stakeholder communications. For purposes of the 2014 application for exception to minimum water levels to the NWT Water Board, calculated water turnover rates for the long-term period using a liner regression approach, which were used in determining environmental effects of a drawdown in the lake reservoir. Prepared a business case and major project permit application, including required firm capacity analysis, for the Inuvik LNG Facility project, which allows to displace approximately 40% of diesel usage in the Town with natural gas for power generation. Analysed capacity requirements in the North Slave system to meet energy demands of NICO mining development by adding LNG-based power generation facility to the system. The analysis

also reviewed safe and cost-effective LNG supply options and financing options. Analyzed the need for and feasibility of interconnecting North and South Slave transmission systems to utilize surplus power generation capacity in the South Slave to serve major industrial customers in the North Slave system.

For Government of Northwest Territories (2015-2016): For the North Slave Resiliency Study developed, in collaboration with the Manitoba Hydro International, studied and evaluated a range of infrastructure options that can be developed to improve the resiliency of the North Slave system to periodic droughts. Analyzed the electricity rate structure options in order to avoid rate shocks when future droughts occur. The report was presented to the GNWT in April of 2016. The GNWT accepted the recommendations in the report and proposed resources to address hydrology monitoring in the 2016-17 Territorial budget.

Public Policy Advisory

For Qulliq Energy Corporation (QEC) (2009-Present): Organize regulatory sessions for QEC's senior management to familiarize them with the regulatory process and policy requirements. Assisted QEC with developing a Net Metering Program policy and guidelines to promote alternative renewable energy generation in Nunavut.

For Government of Northwest Territories (2010-2014): Assisted in the review of electricity regulation, rates and subsidy programs in the NWT, resulting in a report Creating A Brighter Future in 2010. Findings of the report allowed the GNWT to redesign the existing rate structure in the NWT to move from community-specific to a levelized zone-based rates structure. Supported the GNWT in preparation of the materials for the 2012 Energy Charrette, which resulted in the release of a 3-year Energy Action Plan for the NWT in 2013. Supported the GNWT in preparation of the materials for the 2014 Energy Charrette, which proposed alternative energy solutions to reduce the cost and environmental impact of energy generation in the NWT.

For Northwest Territories Power Corporation (2013-2014): Assisted in designing the Net Metering program for the NWT, which promotes customer-owned renewable energy generation (wind and solar) in the NWT and achieve the GNWT Solar Energy Initiative objectives. The program was approved by the NWT Public Utilities Board in 2014.

For Gwich'in Council International (2016-2018): Lead consultant for the study estimating utility and social costs of diesel fuel use in power generation related to GHG emissions and other criteria pollutants. The study focuses on developing a plan for indigenous people of the Canadian North to take action to secure alternative energy sources and reduce current reliance on fossil fuel. Lead consultant on study by Gwich'in Tribal Council funded by INAC, with participation of GNWT and others, on fossil fuel use and costs (and options to reduce this use) for power generation, heating and transportation in Inuvik region communities.

MINISTRY OF FINANCE, TASHKENT, UZBEKISTAN

2005 – 2008 Lead Economist

Member of the Unit for reforming Public Finance Management system of Uzbekistan and introduction of treasury execution of State budget. [Successful implementation of the reform led to official establishment of Ministry of Finance Treasury by the President's decree in February 2007]. Liaised with the World Bank, Asian Development Bank, IMF, and EU Commission and worked on financial, organizational and advisory issues in relation to reforming PFM system of Uzbekistan. Represented Ministry of Finance in the negotiations with the World Bank, ADB and EU. Drafted, as a member of the task force, regulations on transition mechanism to treasury execution of State budget in Uzbekistan and organized training for budget organizations on the new treasury system. Developed, as a member of the task force, the new Budget Classification System, consistent with the international standards, for Uzbekistan [Approved in 2008]. Developed, as a member of the taskforce, functional modules for Treasury Software (Financial Management Information System) to be developed and fully implemented

nationwide in 2011 in Uzbekistan. Analyzed results of pilot implementation of treasury execution of State budget in selected regions of Uzbekistan, and prepared proposals on further steps of reforming Public Finance Management system of Uzbekistan. Worked with the World Bank, IMF, ADB and EU experts in order to establish the internal control and audit framework in the Ministry of Finance Treasury [Approved in 2008].

WESTMINSTER INTERNATIONAL UNIVERSITY, TASHKENT, UZBEKISTAN

2006 – 2008 Lecturer/Module Reader

Taught courses in Advanced Microeconomics and International Trade.

MINISTRY OF FINANCE, TASHKENT, UZBEKISTAN

2003 – 2005 Research Associate

Conducted quantitative analysis and econometric modelling of different fiscal policy scenarios for Uzbekistan. Designed and implemented econometric models for forecasting annual and long-term State budget revenues. Conducted analysis of the impacts of demographic, economic and other factors on government spending (such as health care and pension funding) in order to identify expenditure risks and their mitigation measures. Drafted, as a member of the task force, the Law on Funded Pension System of Uzbekistan [Approved by the Parliament in December 2004 and became effective from January 2005]. Conducted analysis of tax policy (direct taxation) and tax compliance, and prepared policy proposals to the Ministry of Finance on changes to tax policy and fiscal planning.

Hayitboy Mahmudov - Utility Regulation Experience

Utility	Proceeding	Work Performed	Before	Client	Year	Oral Testimony
Northwest Territories Power Corporation (NTPC)	2010 Rate Rebalancing Application	Analysis and assistance with preparation of application, Revised cost-of-service study runs, Rate design scenarios development.	Northwest Territories Public Utilities Board (NWTPUB)	NTPC	2010	No
	Bluefish Dam Replacement Project	Technical support; hearing support to a panel of experts at the public hearing.	Mackenzie Valley Land and Water Board	NTPC	2011	No
Qulliq Energy Corporation (QEC)	2010/11 Phase I General Rate Application	Analysis and Coordination; Lead consultant for preparation of application, including load forecast, depreciation forecast, rate base and revenue requirement; Analysis and assistance in the Council Information Requirement responses preparation.	Utility Rates Review Council (URRC)	QEC	2011	No
Qulliq Energy Corporation (QEC)	2010/11 Phase II General Rate Application	Analysis and Coordination; Lead consultant for preparation of application, including COS study and rate design; Analysis and assistance in the Council Information Requirement responses preparation.	URRC	QEC	2011	No
NTPC	2012/13 and 2013/14 Phase I General Rate Application	Analysis; Assistance in preparation of application and company evidence on revenue requirement, including depreciation expense forecast; Analysis and assistance in the Board/interveners Information Requirement responses preparation; Review/critique of intervener evidences.	NWTPUB	NTPC	2012	No
NTPC	2012/13 and 2013/14 Phase I GRA Compliance Filing	Lead consultant in preparation of the compliance filing, and information requirement responses to the interveners; Assist in the review/critique of interveners arguments; Assist in preparation of company's reply argument.	NWTPUB	NTPC	2013	No
Qulliq Energy Corporation (QEC)	2014/15 Phase I General Rate Application	Analysis; Lead consultant for preparation of application; Analysis and assistance in the Council Information Requirement responses preparation.	URRC	QEC	2014	No
NTPC	2012/13 and 2013/14 Phase II General Rate Application	Lead consultant on cost of service study and rate design; Assistance in preparation of company evidence on cost of service study and rate design; Analysis and assistance in the Board/interveners Information Requirement responses preparation; Review/critique of intervener evidences.	NWTPUB	NTPC	2015	No
NTPC	2016/19 Phase I General Rate Application and Technical Workshop	Lead consultant on revenue requirement, including load forecast, rate base and depreciation expense matters; Assistance in preparation of application and company evidence on revenue requirement; Analysis and assistance in the Board/interveners Information Requirement responses preparation; Review/critique of intervener evidences.	NWTPUB	NTPC	2016-2017	No
NTPC	2016/19 Phase II General Rate Application	Expert testimony; Lead consultant on cost of service study and rate design; Assistance in preparation of application and company evidence on COS study and rate design; Analysis and assistance in the Board/interveners Information Requirement responses preparation; Review/critique of intervener evidences.	NWTPUB	NTPC	2017	Yes
Qulliq Energy Corporation (QEC)	2018/19 Phase I and II General Rate Application	Analysis and Coordination; Lead consultant for preparation of application, including COS study and rate design; Analysis and assistance in the Council Information Requirement responses preparation.	URRC	QEC	2018	No
AltaGas	2018 Depreciation Application	Review and analysis of the depreciation application; identify and summarize the application issues; draft information requests; assist legal counsel in drafting arguments/reply arguments; support in expert evidence preparation/drafting.	Alberta Utilities Commission (AUC)	UCA	2019	No
ATCO Electric	2018 Depreciation Application	Review and analysis of the depreciation application; identify and summarize the application issues; draft information requests; assist legal counsel in drafting arguments/reply arguments; support in expert evidence preparation/drafting.	AUC	UCA	2019	No
ATCO Gas	2018 Depreciation Application	Review and analysis of the depreciation application; identify and summarize the application issues; draft information requests; assist legal counsel in drafting arguments/reply arguments; support in expert evidence preparation/drafting.	AUC	UCA	2019	No
FortisAlberta	Town of Fort Macleod RCN-D Valuation Application	Review and analysis of the RCN-D application; identify and summarize the application issues; submit expert testimony; assist legal counsel in drafting arguments/reply arguments.	AUC	UCA	2019-2020	No
ATCO Electric Transmission	2020-2022 General Tariff Application	Review and analysis of the depreciation study and proposed parameters; identify and summarize issues; draft information requests; submit expert testimony; assist legal counsel in drafting argument/reply argument.	AUC	UCA	2020	No
Direct Energy Regulated Services (DERS)	2020-2022 DRT and RRT Application	Expert support in the review and mediation process, including negotiated settlement analysis.	AUC	UCA	2021	No
Altalink Management Ltd. (AML)	2022-2023 General Tariff Application	Review and analysis of the proposed parameters; expert support in the review and mediation process; identify and summarize issues; draft information requests; submit expert testimony; assist legal counsel in drafting arguments/reply arguments.	AUC	UCA	2021	No
NTPC	2022-23 General Rate Application	Analysis, support preparation of utility filing, responses to IRs on matters of revenue requirement, rate design and depreciation	NWTPUB	NTPC	2022	No
QEC	2022-23 General Rate Application	Analysis and Coordination; lead preparation of application, including COS study and rate design; responses to IRs on matters of revenue requirement, COS study and rate design.	URRC	QEC	2022	No
EPCOR Distribution & Transmission Inc. (EDTI)	2023-2025 Transmission Tariff Application	Review and analysis of the proposed parameters; draft information requests; prepare and submit evidence; Negotiated settlement	AUC	UCA	2023	No
DERS	2023 DRT and RRT Application	Analysis, review of the application; prepare and submit expert evidence; assist legal counsel in drafting argument/reply argument	AUC	UCA	2023	No
ENMAX Power Corporation (EPC)	2023-2025 Transmission General Tariff Application	Review and analysis of the proposed parameters; draft information requests; prepare and submit evidence; Negotiated settlement	AUC	UCA	2023	No
Enbridge Gas Inc.	2024 Rebasing Application	Review and analysis of the depreciation study; identify and summarize the issues; draft information requests; submit expert evidence; testify at the OEB hearing.	OEB	OEB Staff	2023	Yes
Altalink Management Ltd. (AML)	2024-2025 General Tariff Application	Review and analysis of the proposed parameters; expert support in the negotiations; identify and summarize issues; draft information requests; submit expert testimony; testify at the AUC hearing.	AUC	UCA	2024	Yes
ENMAX Power Corporation (EPC)	2026-2028 Transmission General Tariff Application	Review and analysis of the proposed parameters; draft information requests; Negotiated settlement	AUC	UCA	2024	No
Yukon Energy Corporation	2025-2027 General Tariff Application	Conduct a Net Salvage Study; expert witness on net salvage and depreciation matters before the Yukon Utilities Board	YUB	YEC	2025	Yes
Altalink Management Ltd. (AML)	2026-2027 General Tariff Application	Review and analysis of the proposed parameters; expert support in the negotiations; identify and summarize issues; draft information requests; submit expert testimony; testify at the AUC hearing.	AUC	UCA	2025	Yes



ANDREW MCLAREN

SENIOR ASSOCIATE



AREAS OF EXPERIENCE:

- Utility Regulation
- Socio-economic and Environmental Assessment
- Economic Impact Assessments, Feasibility Studies and Program Evaluations
- Fee Setting and Policy Advice for Environmental Stewardship Programs in Canada

EDUCATION:

Degrees

- Master of Natural Resources Management (MNRM), Natural Resources Institute, University of Manitoba, 1999
- Bachelor of Science (Environmental Science), University of Manitoba, 1996

Courses and Certificates

- Management of Successful Arts and Cultural Organizations. Online course authorized by the DeVos Institute of Arts Management. University of Maryland, 2020.
- Introduction to Negotiation. Online non-credit course authorized by Yale School of Management. Yale University, 2024.

PROFESSIONAL EXPERIENCE:

INTERGROUP CONSULTANTS LTD., WINNIPEG, MANITOBA

2000 – Present – Research Analyst / Research Consultant / Consultant / Principal/Senior Associate

Utility Regulation

For the Utilities Consumer Advocate of Alberta (2018-Present): Retained by the UCA as a technical expert on revenue requirement, cost of service and rate design matters for a number of proceedings including the 2025-2028 Rate of Last Resort Energy Price Setting Plan (EPSP) Application; ENMAX 2022-2024 Non-Energy Regulated Rate Option Tariff; ENMAX 2017-2020 Regulated Rate Option Non-Energy Tariff Application; DERS 2024-2026 DRT and RRT Application; EEA 2023-2025 RRT Application; ATCO Electric 2019 Phase II Distribution Tariff Application; ENMAX 2019 Phase II Distribution Tariff Application; the Distribution System Inquiry; ATCO Pipelines 2021-2023 General Rate Application; ENMAX 2021 Regulated Rate Option Non-Energy Tariff Application; FortisAlberta 2022 Phase II Distribution Tariff Application; EPCOR Energy Alberta GP INC. 2023-2025 Non-Energy Tariff

Application; and DERS 2024-2026 RRT Application. Responsibilities have included preparing issue summaries, drafting information requests, preparing expert evidence, participating in technical conferences and negotiations settlement and assisting with the preparation of argument and reply argument.

For Northwest Territories Power Corporation (2000-Present): Provided technical support and analysis during the Corporation's 2001/03 Phase I and Phase II General Rate Applications; 2006/08 Phase I and Phase II General Rate Application; 2010 rate rebalancing application; 2012/14 Phase II General Rate Application and 2016/19 Phase I and Phase II General Rate Applications. Other responsibilities have included assisting with preparing rate stabilization fund rider applications and applications for major project permits. Prepared evidence and provided expert testimony on revenue requirement, cost of service and rate design topics before the Northwest Territories Public Utilities Board in the NTPC 2016/19 Phase I and Phase II General Rate Applications. Andrew is currently involved in NTPC's 2024/26 General Rate Application providing analytical and advisory support.

For Quilq Energy Corporation (QEC) (2008-Present): Lead consultant responsible for assisting QEC with preparation of the 2010/11 Phase I General Rate Application. Provided advice on proposed return on equity, reasonableness of revenue requirement and rate design. Lead consultant responsible for assisting QEC with preparation of the 2010/11 Phase II General Rate Application. This was the first Phase II application undertaken by the Corporation since separating from the Northwest Territories Power Corporation. Provided advice on classification and allocation methods for the Corporation's cost of service study and rate design options. Lead consultant responsible for assisting QEC with preparation of the 2014/15 Phase I General Rate Application. Other responsibilities have included preparing fuel rider applications and capital project permit applications. Lead consultant responsible for assisting QEC with preparation of the 2018/19 Phase I and Phase II General Rate Application and the 2022/23 General Rate Application and. Andrew is currently involved in QEC's 2025/26 General Rate Application providing analytical and advisory support as the Senior consultant on the project.

For Saskatchewan Rate Review Panel (2013-Present): Technical advisor to the Panel with respect to SaskEnergy's 2013 and 2014 delivery service rate applications and senior advisor for applications since 2015. Prepared an independent report analyzing SaskEnergy's application and made recommendations to the Panel. Topics addressed included load forecasts, reasonableness of operations and maintenance expense forecasts and rate design. Technical advisor to the Panel with respect to SaskEnergy's 2014 commodity rate application. Topics addressed included reasonableness of commodity rate forecast and rate design. Technical advisor to the Panel with respect to SaskPower's 2016 and 2017 rate application. Technical advisor with respect to SaskPower's 2018 rate application. Prepared consultant reports reviewing the reasonableness of SaskPower's revenue requirement and rate design proposals. Andrew was also retained as a technical advisor for SaskPower's 2022 and 2023 rate application proceeding.

For City of Penticton (2015-Present): Technical consultant on utility financial planning, cost of service and rate proposals for the City's electric, water, sewer and stormwater utilities. Prepared financial forecasts and rate design options for review by City staff, ratepayers and City Council.

For the Nova Scotia Consumer Advocate (2024-Present): Provided technical advice during a number of proceedings related to electricity, natural gas and water rates.

For the Ontario Energy Board (2024)

Study director for a review of cost award processes, consultant and legal fee tariffs and options for improving regulatory efficiency. Reviewed practices in a number of Canadian and American jurisdictions and made recommendations to the OEB on options to improve hearing processes and efficiency.

For Government of the Northwest Territories (GNWT) (2012-2024): Consultant responsible for

numerous assignments assisting the GNWT with reviews of territorial policy around electricity regulation.

For Manitoba Industrial Gas Users (2019): Technical consultant with respect to Centra Gas's 2019/20 General Rate Application. Drafted information requests to Centra, prepared expert evidence on revenue requirement, cost of service and rate design topics; testified at the oral hearing before the Manitoba Public Utilities Board and drafted final argument.

For Town of Ponoka (2018-2019): Undertook a review of the cost of service, rates and financial performance of the Town's electric distribution system.

For Regional District of Okanagan-Similkameen (2016): Prepared a technical memo on rate options for the community of West Bench for moving from a fixed charge water rate structure to a rate structure that included a variable component. Participated in a public consultation session with local residents and made a presentation to the District Council.

For North Salt Spring Island Water District (2016): Prepared a technical report on revising the parcel tax for the district to recover a portion of the costs of operating the utility. Made a presentation to the water district board recommending new parcel tax categories.

For Towns of Chestermere and Cochrane, City of Airdrie and Strathmore County (2012-2014): Provided technical analysis support to municipalities who receive water and wastewater service from the City of Calgary with respect to the City of Calgary's financial forecast, cost of service study and proposed rate design. Responsibilities included reviewing material provided by the City of Calgary, drafting briefing notes and participating in negotiation meetings with municipal officials.

For BC First Nations Energy and Mining Council (2011-Present): Represented BCFNEMC on the Technical Advisory Committee (TAC) for BC Hydro's 2013 and 2021 Integrated Resource Plans. Responsibilities included preparing briefing notes for BCFNEMC executives and preparing submissions to BC Hydro on First Nations perspectives on the IRP process and recommendations.

For Manitoba Industrial Power Users Group (MIPUG) (2001-2012): Prepared analysis for regulatory proceedings before the Manitoba Public Utilities Board representing large industrial energy users during Manitoba Hydro's 2001 Status Update Filing and 2004 General Rate Application. Prepared evidence and provided expert testimony on cost of service and rate design methods before the Manitoba Public Utilities Board in the 2006 Cost of Service Study hearing. Prepared evidence and provided expert testimony on revenue requirement, cost of service and rate design topics (with Patrick Bowman) before the Manitoba Public Utilities Board in the Manitoba Hydro 2008 General Rate Application. Prepared evidence and provided expert testimony on revenue requirement and rate design topics (with Patrick Bowman) before the Manitoba Public Utilities Board in the Manitoba Hydro 2010 General Rate Application.

For Industrial Customers of Newfoundland and Labrador Hydro (2001-2019): Prepared analysis related to Newfoundland Hydro's 2001 and 2003 General Rate Applications on behalf of large industrial energy users. Topics addressed included revenue requirement issues and rate design. Submitted pre-filed testimony (with Patrick Bowman) on behalf of the Island Industrial Customers in regards to the Newfoundland and Labrador Hydro 2006 General Rate Review before the Board of Commissioners of Public Utilities. Topics addressed included revenue requirement development, cost-of-service and rate design studies. Lead consultant for the Industrial Customers in a working group with Newfoundland and Labrador Hydro in 2008 to develop and review a marginal cost-based rate proposal. Provided expert testimony on cost of service methods during the 2018 cost of service methodology review.

Socio-economic and Environmental Assessment

For a resource development company in Northern Saskatchewan (2020-2022): Lead consultant preparing the economic impact section of the socio-economic impact assessment for a proposed uranium

mine in Northern Saskatchewan. Prepared analysis of existing economic conditions, potential project effects and mitigation and enhancement options.

For Manitoba Hydro – Conawapa Project (2012-2014): Overall responsibility for day to day management of the socio-economic studies and public engagement programs for the proposed Conawapa generation project, a 1,300 MW hydro-electric generation project in Northern Manitoba. Planning for the Conawapa project is currently suspended.

For Manitoba Hydro – Keeyask Transmission Project and Keeyask Infrastructure Project (2011-2012): Lead consultant on the socio-economic effects assessment for the Keeyask Transmission Project and Keeyask Infrastructure Project including the north access road and associated infrastructure. Prepared socio-economic technical studies and drafted sections of the environmental assessment report.

For two Northern British Columbia First Nations (2003-2009): Provided strategic advice and analysis on settlement claims for damages related to the development of the Williston reservoir and the GM Shrum hydro-electric generation project. Included community consultations on agreements and planning for new electricity supply.

For Yukon Energy Corporation (2009): Provided senior advice on approach to environmental assessment for the proposed Mayo B Hydro Project. Responsibilities included advising on approach to selection of valued components and assessment methods.

For Manitoba Floodway Authority (2003-2005): Managed the field program for the socio-economic impact assessment of the Floodway Expansion, a \$600 million infrastructure project to improve flood protection for the City of Winnipeg. Responsibilities included planning, conducting and supervising field work, analysis of potential socio-economic pathways of environmental effects and drafting the socio-economic chapter of the environmental impact statement.

For Province of Manitoba (2003): Conducted analysis related to recreation and tourism benefits of summer water level regulation in the City of Winnipeg. Responsibilities included quantitative and qualitative assessments of potential benefits of water level regulation.

For Province of Manitoba (2000-2002): Conducted quantitative and qualitative assessment of socio-economic impacts related to proposed flood control alternatives for the City of Winnipeg, including key-person interviews with stakeholders and presentation of results at public meetings.

Economic Impact Assessments, Feasibility Studies and Program Evaluations

For the Manitoba Motion Picture Industry Association (2004): Researched and wrote an economic impact study for the film industry in Manitoba. Analysis included interviews with creative and technical workers in the film industry, as well as producers and industry service providers. The assessment included employment estimates, an analysis of spending and Gross Domestic Product as well as revenues flowing to the provincial government.

For the Manitoba Industrial Power Users Group (MIPUG) (2006): Conducted an economic impact assessment of the operations of the members of MIPUG, comprising the largest industrial operations in Manitoba. Analysis included spending and GDP benefits, as well as tax and employment impacts for various levels of government.

Fee Setting and Policy Advice for Environmental Stewardship Programs in Canada

Electronics Recycling Fees and Tire Recycling Fee Studies (2009–2023): Project study director for numerous reviews since 2009 of Environmental Handling Fees and Tire Recycling Fees for electronics and tire stewardship programs in Nova Scotia, Quebec, Manitoba, Saskatchewan and British Columbia. Projects included broad consultation with industry and government stakeholders related to the calculation of fees.

Andrew McLaren Utility Regulation Experience

Utility	Proceeding	Work Performed	Before	Client	Year	Oral Testimony
NTPC	2001/03 Phase I General Rate Application	Analysis and Case Preparation	Northwest Territories Public Utilities Board (NWTPUB)	NTPC	2000-02	No - Negotiated Settlement
NTPC	2001/03 Phase II General Rate Application	Analysis, Assisted with preparation of Company Rate Design Evidence	NWTPUB	NTPC	2002	No
Newfoundland and Labrador Hydro	2004 General Rate Application	Analysis, assisted with preparation of Intervenor Evidence	Board of Commissioners of Public Utilities of Newfoundland and Labrador (NLPUB)	Newfoundland Industrial Customers	2003	No
Manitoba Hydro	2004 General Rate Application	Analysis, Assisted with Preparation of Intervenor Evidence	Manitoba Public Utilities Board (MPUB)	MIPUG	2004	No
Nunavut Power (Qulliq Energy)	2004 General Rate Application	Analysis, Preparation of Intervenor Submission	Nunavut Utility Rate Review Commission (URRC)	NorthWest Company (commercial customer intervenor)	2004	No
Manitoba Hydro	Cost of Service Methodology	Analysis, Preparation of Intervenor Evidence and Expert Testimony with Patrick Bowman	MPUB	MIPUG	2006	Yes
Newfoundland and Labrador Hydro	2006 General Rate Application	Analysis, Preparation of Intervenor Evidence with Patrick Bowman	NLPUB	Newfoundland Industrial Customers	2006	No - Negotiated Settlement
NTPC	2006/08 General Rate Application Phase I and Phase II	Analysis, Assisted with Preparation of Company Evidence	NWTPUB	NTPC	2006-08	No
Manitoba Hydro	2008 General Rate Application	Analysis, Preparation of Intervenor Evidence and Expert Testimony with Patrick Bowman	MPUB	MIPUG	2008	Yes
Manitoba Hydro	2008 Energy Intensive Industrial Rate Application	Analysis, Preparation of Intervenor Evidence and Expert Testimony with Patrick Bowman	MPUB	MIPUG	2008	Yes
NTPC	Rate Rebalancing Application	Analysis and assisted with preparation of application	NWTPUB	NTPC	2010	No
Qulliq Energy Corporation	2010/11 General Rate Application	Analysis, Lead Consultant for Preparation of Company Evidence	URRC	QEC	2010-11	No
Manitoba Hydro	2010/11 and 2011/12 General Rate Application	Analysis, Preparation of Intervenor Evidence and Expert Testimony with Patrick Bowman	MPUB	MIPUG	2010-11	Yes
SaskEnergy	2013/14 and 2014/15 Delivery Service Rates	Lead Technical Advisor to SK Rate Review Panel (SRRP)	SRRP	SRRP	2013	No
Qulliq Energy Corporation	2014/15 General Rate Application	Analysis, Lead Consultant for Preparation of Company Evidence	URRC	QEC	2014-15	No
SaskEnergy	2014 Commodity Rate Application	Lead Technical Advisor to SK Rate Review Panel (SRRP)	SRRP	SRRP	2014	No
SaskEnergy	2014/15 Delivery Service Rates Update	Lead Technical Advisor to SK Rate Review Panel (SRRP)	SRRP	SRRP	2014	No
NTPC	2012/14 Phase II General Rate Application	Analysis, Advisor on Company Evidence	NWTPUB	NTPC	2015	No
SaskEnergy	2015/16 Delivery and Commodity Rate Application	Lead Technical Advisor to SK Rate Review Panel (SRRP)	SRRP	SRRP	2015	No
SaskPower	2016 and 2017 Rate Application	Lead Technical Advisor to SK Rate Review Panel (SRRP)	SRRP	SRRP	2016	No
NTPC	Phase I and Phase II 2016/19 General Rate Application.	Lead witness on load forecasts, cost of service study and rate design.	NWTPUB	NTPC	2017	Yes
SaskPower	2018 Rate Application	Lead Technical Advisor to SK Rate Review Panel (SRRP)	SRRP	SRRP	2018	No
Qulliq Energy Corporation	2018/19 General Rate Application	Analysis, Lead Consultant for Preparation of Company Evidence	URRC	QEC	2017-18	No
Centra Gas Manitoba	2019/20 General Rate Application	Analysis, Preparation of Intervenor Evidence and Expert Testimony	MPUB	Industrial Gas Users	2018-19	Yes
Newfoundland and Labrador Hydro	2018 Cost of Service Study Methodology Review	Analysis, Preparation of Intervenor Evidence	NLPUB	Newfoundland Industrial Customers	2018-19	No - Negotiated Settlement
Enmax Energy Corporation	2017-2020 RRO Non-energy tariff	Lead consultant to Utilities Consumer Advocate (UCA), Submitted written expert evidence	Alberta Utilities Commission (AUC)	UCA	2018-2020	No
ATCO Electric	2019 Phase II Distribution tariff	Lead consultant to UCA, submitted expert written evidence	AUC	UCA	2019-2020	No
AUC Proceeding	Distribution System Inquiry	Lead consultant to UCA, submitted expert written evidence	AUC	UCA	2019-2020	No
Enmax Power Corporation	2019 Phase II Distribution tariff	Lead consultant to UCA, submitted expert written evidence	AUC	UCA	2019-2020	No
Fortis Alberta	2022 Phase II Distribution tariff	Lead consultant to UCA, submitted expert written evidence	AUC	UCA	2020-2021	No
ATCO Pipelines	2021-2023 General Rate Application	Lead consultant to UCA, submitted expert written evidence	AUC	UCA	2020-2021	No
Enmax Energy Corporation	2021 RRO Non-energy tariff	Lead consultant to UCA, submitted expert written evidence	AUC	UCA	2020-2021	No
Epcor Energy Alberta	2021-2022 RRO Application	Lead consultant to UCA, participated in mediation	AUC	UCA	2021-2022	No
SaskPower	2022 and 2023 Rate Application	Lead Technical Advisor to SK Rate Review Panel (SRRP)	SRRP	SRRP	2022	No
NTPC	2022/23 General Rate Application	Lead witness on load forecasts, cost of service study and rate design.	NWTPUB	NTPC	2022	Yes
ATCO Electric Transmission	2023 to 2025 General Tariff Application	Lead consultant to UCA, submitted expert written evidence	AUC	UCA	2022-2023	No - Negotiated Settlement
Enmax Energy Corporation	2022-2024 RRO Non-energy tariff	Lead consultant to UCA, submitted expert written evidence	AUC	UCA	2023	No - Negotiated Settlement
AltaLink	2024 and 2025 General Tariff Application	Consultant to UCA on operations and maintenance expenses. Submitted expert written evidence.	AUC	UCA	2023	No - Negotiated Settlement
Epcor Energy Alberta	2023-2025 Regulated Rate Application	Lead consultant to UCA, submitted expert written evidence	AUC	UCA	2023	No - Negotiated Settlement
Direct Energy Regulated Services (DERS)	2024-2026 DERS DRT RRT Application	Lead consultant to UCA, submitted expert written evidence, participated in mediation	AUC	UCA	2024	No - Negotiated Settlement
Enmax Energy Corporation, Direct Energy Regulated Services, EPCOR Energy Alberta	2025-2028 Rate of Last Resort Energy Price Setting Plan Application	Lead consultant to UCA, participated in negotiations settlement	AUC	UCA	2024	No - Negotiated Settlement



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