

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**

BATES WHITE INFORMATION REQUESTS RESPONSES

To: **James MacDuff**
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Responses Due: **Thursday, June 18, 2026**

Copies: 1 electronic copy (PDF searchable)

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Issued at Halifax, Nova Scotia, this 18th day of June 2026.

Request IR-1:

Reference: Testimony, Section III, Page 15, Lines 2–13. Bates White states that the net PHP load used in deriving the Extra Large Industrial Dispatchable (ELID) Energy Charge is too high because it fails to incorporate PHP's updated lower estimate for gross load (774 GWh) and the full 168 MW capacity output of the Goose Harbour Wind Farm (653 GWh). Bates White calculates that a more appropriate net load would be 121 GWh instead of the 304 GWh applied by NSPI.

- (a) Under the proposal would PHP's net load of 121 GWh be used for both COS and rate design purposes? Please explain.

Response IR-1:

- (a) The related discussion in the Bates White evidence addresses the effect of assumed PHP net load on determination of the ELID Energy Charge within NSPI's worksheets, and specifically that applying the more realistic net load value of 121 GWh would result in a higher Energy Charge rate. More broadly, we believe that PHP "net load" defined based on aggregated PHP consumption net of aggregated and non-contemporaneous production at Goose Harbour is not appropriate for determining the actual cost to serve PHP load. This definition of net load is not appropriate either to COS or rate design.

1 **Request IR-2:**

2 Reference: Testimony, Section IV, Page 28, Lines 18-21. “It may be that, with additional
3 elaboration, revisions, reporting requirements, and verifiability guardrails, the mechanism may
4 achieve these objectives, but as proposed, it is our view that the DR credit is too vague, uncertain,
5 unverifiable, and at risk of failing to match rider payments to load-shifting service to be
6 recommended for approval.”

7 (a) Please provide Bates White’s suggested additional elaboration, revisions, reporting
8 requirements and verifiability guardrails that would satisfy Bates White’s concerns.

9 **Response IR-2:**

10 (a) Please see response to BW-IG IR-7(b).

Request IR-3:

Reference: Testimony, Section V, Page 33, Lines 11–18. Bates White outlines an extreme but plausible scenario where PHP's annual net load subject to the tariff rate drops to zero, meaning the mill would pay no Energy Charge and fail to cover any embedded fixed costs reflected in that charge.

(a) Does Bates White agree that if a customer class uses no energy from NSP's system as a result of a sleeving arrangement, the customer class should not be subject to NSP's embedded fixed energy costs? Please explain.

Response IR-3:

(a) The premise of the IR is implausible and the term "sleeving agreement" is a misnomer. It is not possible for a grid-interconnected wind farm to provide 100% of a customer's demand elsewhere on the grid. This premise ignores the timing of the generator's output (relative to the customer's hourly demand), transmission and distribution losses, impacts on transmission congestion (and any required commitment or redispatch), and impact on required operating reserves.

Request IR-4:

Reference: Testimony, Section VI, page 35, lines 23-25. "... we recommend that a true-up mechanism be created to address substantial deviations of PHP net load from expectations..."

(a) Please quantify the term "substantial" in this context.

(b) Please confirm that this true-up mechanism is meant to operate in both directions and could provide a credit per MWh in favour of PHP if the actual PHP net load is higher than used in the forecast for the COS. If not confirmed, please explain.

(c) Please confirm Bates White's understanding of how the forecast energy usage is determined by NSP for the LIIR class of customers.

Response IR-4:

(a) The Bates White evidence documents that PHP annual net load may well be 60% lower than assumed by NSPI (page 15, lines 15-16), which we would consider substantial. We do not offer any lower bound on what might be considered substantial, but we note that our recommendation is that "NSPI be required to update the COSS model to better reflect likely PHP load...." As addressed in the evidence, and in response to IR-1, above, "net load" defined based on aggregated PHP consumption net of aggregated and non-contemporaneous production at Goose Harbour is not appropriate for determining the actual cost to serve PHP load.

(b) We confirm that a true-up should operate symmetrically, with the caveat that any true-up would need to appropriately reflect the actual cost to serve PHP load, accounting for contemporaneous output from Goose Harbour.

(c) We have no documentary basis for how NSPI determines forecast energy usage for LIIR customers.