

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: **Melissa P. MacAdam**
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From: Vincent Musco
Collin Cain
Bates White Economic Consulting

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:

Refer to Section II of Bates White Evidence, where Bates White recommends that NS Power set the Customer Charge at the midpoint of its estimated range, or \$12,291.67/month.¹ Bates White further recommends that the Customer Charge be subject to reconciliation such that if actual costs of ELID Tariff administration are below Customer Charge collections, PHP receives 100% of that amount in credits.²

(a) Please clarify whether this recommendation is intended to result in a true-up to the incremental cost of administering the ELID Tariff, such that both over collection and under collection are reconciled to PHP.

(b) If the recommendation is not intended to be symmetric, please explain the rationale for providing a refund to PHP when costs are over collected, but not addressing under collection in the same manner. In addition, please clarify how any under recovery of ELID Tariff administration costs would be treated and which customers would ultimately bear those costs.

(c) If NS Power's methodology for tracking the costs of administering the ELID Tariff is demonstrated to be reasonable, would Bates White support full reconciliation of Customer Charge amounts to actual costs, such that PHP ultimately bears all incremental ELID administration costs?

Response IR-1:

(a) Confirmed.

(b) Given our response to part (a), the first part of this IR is inapplicable. We have not conducted a review of the allocation of any under-recovered ELID Tariff administration costs. However, those costs would be recovered from other customers, including other FAM customers, to the extent that the cost of NSPI's resources (including labor) are recovered from customers.

(c) Yes.

¹ M12661, Application by Nova Scotia Power Incorporated (NS Power) for an Above-the-Line Tariff, (December 29, 2025) (the "Application"), Exhibit N-20, Evidence (Redacted) Filed By: Bates White Economic Consulting On behalf of: The Nova Scotia Energy Board, ("Bates White Evidence"). Page 13, at lines 15 -23.

² *Id.*

Request IR-2:

Refer to Section V of Bates White Evidence, where Bates White notes that PHP receives significant benefits from the treatment of Goose Harbour output as a direct reduction of its purchases of tariff energy under the ELID Tariff. Bates White also expresses concern that this treatment of the Power Sales Agreement (PSA) may affect “PHP paying its properly allocated embedded costs as an ATL customer under the ELID.”³ As such, does Bates White consider that this effect increases the importance of ensuring that other elements of the ELID Tariff, including the Customer Charge and Dispatchable Rider, are designed to be robust, verifiable, and consistent with cost-causation principles, and that appropriate true-up mechanisms—whether related to load, cost, or other verifiable factors—are in place to ensure accurate cost recovery from PHP?

Response IR-2:

Yes.

³ M12661, Exhibit N-20, Bates White Evidence, Page 8, at lines 19-20.