

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

INFORMATION REQUESTS

To: **Blake Williams**
Senior Director, Regulatory Affairs
Nova Scotia Power Inc
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Email: blake.williams@nspower.ca

From: The Consumer Advocate

Responses Due: **April 10, 2026**

Copies: 1 electronic copy (PDF searchable)

Contact Person: **David J. Roberts**
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1 **Request IR-1:**

2 As noted in NSPI's Application:

3
4 The Tariff is based on the Large Industrial (LI) Tariff under which the Company's large
5 industrial customers are served. (N-1, page 3 of 19)

6
7 ...

8
9 As noted in the SA, for 2026 and 2027, the proposed interruptible credit applicable to PHP is
10 the same as proposed for the LIIR: \$7.638 per kVA and \$7.667 per kVA of interruptible service
11 for 2026 and 2027, respectively. It is important to note that this is a significantly lower figure
12 than would be applicable to PHP had the credit been developed in accordance with the
13 Company's established practice for pricing of the interruptible credit (\$13.107 per kVA
14 demand coincident with system peak) (N-1, page 8 of 19)

15
16 (a) Please explain why the Large Industrial Interruptible Rider (LIIR) Tariff applies a lower
17 credit than the Company's established practice for pricing of the interruptible credit?

18
19 (b) Please explain why PHP's interruptible credit should differ from the LIIR Tariff (excluding
20 the priority interruptibility premium)?

21
22 **Request IR-2:**

23
24 (a) Please provide COSS and resulting tariff reflecting all parameters proposed by PHP in its
25 evidence, including:

- 26
27 i. designing the capacity charge to reflect PHP's actual 8 MW firm demand rather
28 than the proposed 65 MW;
29 ii. adjusting the interruptible credit to match Nova Scotia Power's marginal cost of
30 capacity at \$13.107/kVA;
31 iii. applying a revenue-to-cost ratio of 1.0 to prevent PHP from subsidizing other
32 customer classes; and
33 iv. reflecting the most updated assumptions of the forecast energy requirements for
34 PHP in 2026 and 2027 used in calculating the new Above-the-Line Tariff.

35
36 (b) Please provide updated proposed rates for 2026 and 2027 for all customer classes based on
37 the revised cost-of-service models requested in (a) above.

38
39 (c) Please fully explain and provide supporting calculations for the updated proposed rates for
40 2026 and 2027 for all customer classes requested in question (b) above.

41
42 **Request IR-3:**

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44 (a) Please provide a summary table showing allocated costs and rates for PHP and all other
45 ATL classes for 2026 and 2027 in these three scenarios:

- i. NSPI's proposed ELID Tariff as filed;
- ii. PHP's proposed modified ELID (including 1.0 RCC)
- iii. Continued BTL tariff for PHP

(b) Please quantify potential implications of the three scenarios in (a) above for NSPI's proposed PHP deferral account balance (annualized for 2027), clearly stating all assumptions and estimates used in quantifying the implications.

Request IR-4:

As noted in NPSI's Application:

In accordance with this provision, PHP will be billed at the applicable ATL tariff rates for electricity consumed at the PHP facility in excess of the PHPW PPA aggregate amount of: (i) the Net Output; plus (ii) the difference between the Net Output and the Expected Output for which the Seller under the PHPW PPA was paid or compensated pursuant to either Section 4.2 or Section 4.3 of the PHPW PPA, as provided in s. 2.1(a) above. Where the PHPW PPA aggregate amount exceeds PHP consumption in a billing period, the excess PHPW PPA aggregate amount will be carried forward to be applied to PHP consumption in a future billing period. (N-1, page 13 of 19)

This is also confirmed in PHP evidence (N-3, page 11) where it is noted that throughout the year the energy consumed by the mill will be netted off with the energy produced by the Goose Harbour Lake wind facility.

What are NSPI's line losses with respect to the sales to PHP? Please explain if and how they are factored into netting off the energy produced by the Goose Harbour Lake wind facility from the energy consumed by the mill.

Request IR-5:

In their evidence, Brubaker & Associates state:

If the ELID capacity charge is designed to include the cost of firm demand service for a 65 MW tariff capacity, then the interruptible credit should be applied to 57 MW of the 65 MW service that will be interruptible. NS Power is able to avoid incurring the cost of adding resource capacity additions to serve this interruptible demand. This interruptible credit should be priced at NS Power's estimated marginal cost of capacity of \$13.107/KVA, and updated in the next GRA filing to reflect the current cost of capacity. (N-2 page 3)

Please confirm that other than the interruptible credit price, the proposed ELID tariff is consistent with the above position of PHP. If not confirmed, please explain.

Request IR-6:

In their evidence, Brubaker & Associates state:

The interruption demand service will not impose resource capacity cost on NS Power because this demand will be served only on an as-available basis. Hence, NS Power can

1 avoid incurring the cost of resource capacity additions to serve the interruptible demand.
2 Therefore, no Capacity Charge will be justified for interruptible demand, but NS Power's
3 cost of serving the interruptible demand can be recovered in the ELID energy charge, which
4 is designed to recover both fuel/energy power supply, and a portion of NS Power's non-
5 fuel cost of service. Under this ELID design, the ELID will not require an interruptible
6 credit for NS Power interruptible power supply above PHP's firm demand of 8 MW. (N-2
7 page 2)
8

9 (a) Please provide a ELID tariff design reflecting recovery of costs related to interruptible
10 demand via the ELID energy charge.

11 (b) If the above ELID tariff design results in cost allocation differences to the remaining ATL
12 customers, please provide updated COSS and resulting tariffs reflecting this scenario.
13

14 **Request IR-7:**

15 What will NSPI decide beyond 2026 (when the current ELIADC tariff expires) in the event PHP
16 does not accept service under the ELID tariff? Please set out NSPI's proposed process and
17 timelines for negotiated BTL tariff after expiry of ELIADC tariff.
18

19 **Request IR-8:**

20 How would the ATL cost allocations be determined in a scenario where PHP does not subscribe
21 to the ELID Tariff beyond 2026?
22

23 **Request IR-9:**

24 In its evidence, PHP proposes the following modifications to the proposed ELID tariff:
25

- 26 1. designing the capacity charge to reflect PHP's actual 8 MW firm demand rather than the
27 proposed 65 MW;
- 28 2. adjusting the interruptible credit to match Nova Scotia Power's marginal cost of capacity
29 at \$13.107/kVA;
- 30 3. applying a revenue-to-cost ratio of 1.0 to prevent PHP from subsidizing other customer
31 classes;
- 32 4. reflect the most updated assumptions of the forecast energy requirements for PHP in 2026
33 and 2027 used in calculating the new Above-the-Line Tariff.
34

35 Given the above, please explain whether or not NSPI considers any aspect of PHP's proposed
36 position as set out in PHP's evidence (whether as indicated above or otherwise) to be inconsistent
37 with any terms of the 2026-2027 GRA settlement agreement and why.
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39 In answering this question, and without limiting the generality of the foregoing, please also address
40 the following:
41

- 42 (a) Please confirm that the 2026 and 2027 test year cost allocations to ATL customer
43 classes and rate design were based on a set of forecast energy consumption
44 parameters for each customer class, including the parameters for PHP's load (both
45 kWh and kW) under the ELID tariff, and if so, whether PHP's requested update to
46 the load forecast for the ELID tariff will result in both cost allocation and rate

1 design differences for these two test years from what was contemplated in the 2026-
2 2027 GRA settlement agreement. To the extent there are differences, please explain
3 (i) whether or not NSPI considers PHP's proposal to be consistent with the 2026-
4 2027 GRA settlement agreement and why; and (ii) whether or not updating COSS
5 load parameters and rate design for 2026 and 2027 test years in the PHP ATL
6 application require re-opening of the 2026-2027 GRA COSS and rate design
7 matters in NSPI's view.
8

- 9 (b) Please explain whether or not NSPI considers PHP's proposed position of including
10 its 8 MW peak demand in NS Power's 3-CP capacity cost allocation used within
11 its COSS to be consistent with the 2026-2027 GRA settlement agreement and why.
12