

NOVA SCOTIA ENERGY BOARD

IN THE MATTER OF: THE PUBLIC UTILITIES ACT

and

IN THE MATTER OF: An Application by Nova Scotia Power Inc. (“NS Power”) for approval of an Extra Large Industrial Dispatchable Above-the-Line Tariff applicable to Port Hawkesbury Paper

NON-CONFIDENTIAL INFORMATION REQUESTS

To: **NS Power**
Michael Willett
Director, Regulatory Finance

From: **Port Hawkesbury Paper LP**

Responses Due: **April 10, 2026**

Contact Person: James MacDuff
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2 **IR-1**

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4 **Reference: Application, page 5, lines 15-17. "In accordance with the Company's**
5 **Cost of Service Study (COSS), demand-related costs are proposed to be allocated**
6 **to the ELID Tariff class based on PHP assigned demand at the time of the three**
7 **coincident peaks (3CP)."**

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9 **Reference: NS Power Report on the January 23-26, Cold Weather Event, M12694,**
10 **pages 12-13, Figures 4 and 5.**

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12 Question:

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14 Please provide a breakdown of the hourly Net Load as shown in each of Figures 4 and 5
15 of the Cold Weather Event Report by Customer Class, including PHP.
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IR-2

Reference: Application, page 5, line 21 to page 6, line 2. “As proposed, rather than relying solely on PHP metered data at the time of the 3CPs, the setting of the PHP coincident peaks for costing and pricing purposes will require judgment as to the level of demand which is representative of the PHP system usage and provides for fair allocation of demand-related costs across ATL classes. Given that PHP coincident demand could swing based on the Company’s dispatch between very low (e.g. 8 MW) and very high (e.g. 160 MW), depending largely on system load conditions and the level of PHP demand that produces the lowest cost to serve the system in real time (as enabled by the Dispatchable Rider), it is proposed that the PHP demand determinant be reviewed and set as part of the GRA process or, as applicable, Fuel Adjustment Mechanism (FAM) or other related proceedings, if occurring between GRAs.”

Questions:

- (a) How does NS Power propose that “judgment as to the level of demand which is representative of PHP system usage” be used to determine the PHP coincident peaks?
- (b) Does NS Power use “judgment” in determining the coincident peaks of any other rate class? Please explain.
- (c) How often and under what circumstances does NS Power plan to adjust the PHP coincident peaks?

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2 **IR-3**
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4 **Reference: Application, page 7, lines 20-21. “The proposed energy charges for 2026**
5 **and 2027 are 9.977 cents per kWh and 11.240 cents per kWh, respectively.”**
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7 Question:
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- 9 (a) Please confirm that these proposed energy charges do not include any costs
10 associated with the securitization deferral account as proposed in the GRA.
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- 12 (b) Please provide a calculation of the proposed securitization rider applicable to PHP
13 in 2026 and 2027 assuming that securitization is approved effective January 1,
14 2027 using an interest rate of 5%.
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- 16 (c) Please provide a calculation of the increase in the proposed demand and energy
17 charges for 2027 for PHP if securitization is not approved, and NS Power receives
18 approval to recover such costs from customers as an additional rider to its rates
19 effective January 1, 2027.
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IR-4

Reference: Application, page 8, lines 13-16. “As noted in the SA, for 2026 and 2027, the proposed interruptible credit applicable to PHP is the same as proposed for the LIIR: \$7.638 per kVA and \$7.667 per kVA of interruptible service for 2026 and 2027, respectively. It is important to note that this is a significantly lower figure than would be applicable to PHP had the credit been developed in accordance with the Company’s established practice for pricing of the interruptible credit (\$13.107 per kVA demand coincident with system peak).”

Questions:

- (a) Please confirm that NS Power simply used the credit applicable to Large Industrial Interruptible customers as the credit to be applied to PHP’s interruptible load on the basis that this was the language of section c) of the PHP Treatment portion of the Settlement Agreement.
- (b) Please confirm that if NS Power had independently developed the interruptible credit for PHP using NS Power’s established practice for pricing the interruptible credit for Large Industrial Interruptible customers, PHP’s interruptible credit would have been \$13.107/kVA.
- (c) Please provide the reduction in allocated costs to PHP in each of 2026 and 2027 if the interruptible credit independently developed for PHP is used as opposed to the interruptible credit calculated for the LIIR.
- (d) Please explain why it would be appropriate from a cost causation perspective to use the same interruptible credit for PHP as for the LIIR.
- (e) At page 6, lines 18-19 of the Application, NS Power states in relation to the Demand Charge that: “In light of the provisions of the GRA Settlement Agreement and well-established NS Power cost of service treatment, the Company does not agree.” Does NS Power consider utilization of the Large Industrial Interruptible credit as the credit to be applied to PHP’s interruptible load to be consistent with “well-established NS Power cost of service treatment”. If yes, please explain.
- (f) If the ELID Tariff is approved, how does NS Power propose that any interruptible credit for PHP be developed for the years following 2027?

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2 (g) If a GRA is not held for 2028, in what process does NS Power propose the
3 interruptible credit for PHP be revisited?
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IR-5

Reference: Application, Attachment 1, page 8 of 8: “Annually, NS Power shall report to the Board to confirm the dollar value of system savings that have been achieved through the dispatch of the Customer’s load under the Operating Procedure. NS Power shall endeavour to submit this report no later than 60 days after the end of a tariff year. The Customer will be entitled to a credit equal to the cost differential between the actual annual system cost and the calculated system cost if the Customer was served under the high load factor scenario.”

Question:

Does NS Power agree that the credit payable to PHP should include an interest component to recognize the fact that the dollar value of system savings will occur throughout the year? If so, please indicate how NS Power proposes to incorporate interest as part of the credit payable to PHP under the Dispatchable Rider. If not, please explain.

IR-6

Reference: Application, Attachment 4, page 11 of 21: “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.”

Please provide the reduction in the allocated demand costs to the Large Industrial Interruptible customer class as a whole as a result of the application of the interruptible credit for each of 2026 and 2027?