2026 **M12661**

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: **The Consumer Advocate (InterGroup Consultants)**

From: **Port Hawkesbury Paper LP**

Responses Due: **June 18, 2026**

Contact Person: James MacDuff
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IR-1

Reference: Testimony, page 6. "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."

(a) Does InterGroup agree that (i) the clause in the SA stating "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", and (ii) the clause establishing a deferral account to account for any NSP revenue variances that may arise in 2026 or 2027 where a Board decision on the PHP tariff, including the Active Demand Control Rider, differs from the above the line PHP tariff assumptions included in the 2026-2027 GRA were an integral consideration understood by all parties to the SA?

IR-2

Reference: Testimony, page 5: "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."

(a) Please provide specific examples including citations to relevant regulatory decisions of InterGroup's "experience [that] this is a common problem with 'interruptible' loads that reflect a considerable portion of a customer's ordinary electricity needs."

IR-3

Reference: Testimony, page 6. "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."

(a) Please provide the regulatory or economic rationale for why an interruptible credit based on a utility's avoided marginal cost of capacity cannot or should not exceed an embedded cost-of-service demand charge.

(b) Does Intergroup agree that under NSP's COS a portion of capacity costs are functionalized as energy cost? Please explain.

IR-4

Reference: Testimony, pages 6-7. "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. However, the 65 MW determinant is not a metered and confirmed non-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. 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."

(a) Explain how the interruptible demand level is "metered" for LIIR customers.

(b) Does Intergroup agree that PHP's demand at the time of interruption would be "metered" to ensure compliance with the Interruptible Rider? Please explain.

(c) Are the Intergroup consultants suggesting that the "non-coincident PHP peaks" and the firm demand levels are the more appropriate values to be used when calculating PHP's interruptible demand? Please explain.

IR-5

Reference: Testimony, page 10. "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."

(a) Is Intergroup suggesting that the performance of another customer class under their applicable rider should determine the benefits received by other customer classes? Please explain.

(b) Should other customer classes receive a share of penalties for non-performance under a rider for a customer class that incurred a penalty? Please explain.

IR-6

Reference: Testimony, page 13. "In InterGroup's view there is a risk the pairing the proposed Dispatchable Rider with the proposed Interruptible Credit credits PHP twice for effectively the same provision."

(a) Does Intergroup agree that the Dispatchable Rider provides benefits to PHP based on the fuel and O&M savings if operating at reduced load levels during periods of higher marginal fuel costs? Please explain.

(b) Does Intergroup agree that the Interruptible Rider provides benefits to PHP based on avoided capacity savings if operating at reduced load levels during interruptible events? Please explain.

(c) Please explain whether Intergroup agrees that the savings identified in subparts (a) and (b) are distinct from one another. If not confirmed, explain the "risk" in pairing distinct benefit streams to PHP.