

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 Industrial Group (Bowman Economic Consulting)

From: Port Hawkesbury Paper LP

Responses Due: June 18, 2026

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

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5 **Reference: Testimony, pages 4-5, recommendations 1-7.**
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8 (a) For each recommendation, quantify the specific impact on NSP's proposed ELID
9 tariff charges and credits and the additional costs that would be allocated to PHP
10 under Mr. Bowman's proposed approach. Provide all workpapers in excel format
11 with all formulae and links intact.
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14 (b) Provide the revised ELID Tariff charges and credits if the Board were to adopt all
15 seven of Mr. Bowman's recommendations.
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1 **IR-2**

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3 **Reference: Testimony, pages 6-7, lines 29-1. “In this manner the ELIADC tariff**
4 **makes limited contribution towards paying the fixed costs of NSP’s operation, but**
5 **receives service using higher priced marginal source of power as available from**
6 **time-to-time.”**

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8
9 (a) Does Mr. Bowman agree that marginal power costs in excess of the average power
10 costs paid by ATL customer classes are used to fund NSP’s embedded cost of
11 service? Please explain.
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1 **IR-3**

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3 **Reference: Testimony, page 9, lines 20-23. “The capacity value used in the COS for**
4 **PHP should be representative of the expected PHP average demand based on total**
5 **forecast energy requirements (prior to non dispatchable wind energy credits) at a**
6 **high load factor. Absent other values provided by NSP consistent with the concept**
7 **of a CBL, the value should be set at 120 MW.”**
8

9 (a) Please explain whether under this proposal PHP would be permitted to operate at
10 the CBL at all hours of the year.

11
12 (b) Please explain whether PHP operating at the CBL in all hours of the year would
13 increase energy and capacity costs on a total-company basis compared to
14 operating at the dispatchable levels proposed by NSP.

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16 (c) Please explain whether the proposal suggests that the “capacity value” referenced
17 would be used in place of the 3-CP demand allocator currently in use in the COS.
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19 (d) If the answer to subpart (c) is in the affirmative, would Mr. Bowman suggest that
20 other customer classes use the “average demand” value in place of the 3-CP
21 demand allocator for COS allocation? Please explain.
22

23 (e) Please confirm that Mr. Bowman does not support the modelled PHP firm load at
24 8 MW at the three coincident peaks or PHP’s firm, plus interruptible load, at a
25 forecast of 65 MW, as modeled by NSP in its Application.
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27 (f) Please indicate the firm and interruptible load parameters that Mr. Bowman is
28 suggesting for PHP.
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1 **IR-4**

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3 **Reference: Testimony, pages 12-13, lines 25-2. “The DR dollar value credit**
4 **proposed to be allocated 100% to PHP risks over-crediting PHP for the value of DR,**
5 **and harming other customers. This arises in part because the theoretical CBL**
6 **against which the PHP DR activities will be measured does not reflect what would**
7 **likely be the default PHP operation absent the DR. Separately, there has been**
8 **experience in Nova Scotia of the CBL-type calculation over valuing the contribution**
9 **of dispatchable load. In order to address this issue, the Board should retain some**
10 **form of benefit sharing, as is in place under the current tariff (ELIADC), rather than**
11 **100% allocation of all theoretical savings to PHP.”**
12

- 13 (a) Does Mr. Bowman agree that hypothetically, if PHP operated in a suboptimal
14 manner, the DR could result in a charge to PHP? Please explain.
15
16 (b) If Mr. Bowman agrees with subpart (a), please explain whether his proposal would
17 include other customer classes receiving a share of the DR charge.
18
19 (c) Does Mr. Bowman agree that the DR as proposed by NSP is calculated based on
20 the change in FAM-related costs (fuel and variable O&M expense) that would
21 occur under a CBL scenario and PHP’s actual dispatch level? Please explain.
22
23 (d) Please explain whether it is Mr. Bowman’s understanding that the DR as proposed
24 by NSP will not credit any capacity cost savings to PHP. If the answer is in the
25 negative, describe these capacity costs, and how these capacity costs savings are
26 passed on to PHP through the DR.
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1 **IR-5**

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3 **Reference: Testimony, page 14, lines 19-21. "Given the lack of practical**
4 **interruptibility of PHP loads at times of system constraint, there should be little to**
5 **no credit via Interruptibility Rider ("IR") provided in the ELID tariff."**
6

7 (a) Does Mr. Bowman agree that the value of interruptibility is currently set to the
8 avoided cost of a peaker through the LIIR? Please explain.
9

10 (b) Does Mr. Bowman agree that the calculation of the LIIR per unit interruptible credit
11 is currently determined based on the difference between the LIIR classes's
12 average demand and firm demand? Please explain.
13

14 (c) Does Mr. Bowman agree that under the ELID tariff if PHP is called on during an
15 interruptible event, it would be required to reduce its load down to the firm demand
16 level of 8 MW or be subject to a penalty? Please explain.
17

18 (d) Under Mr. Bowman's proposal would PHP still be called during interruptible events
19 to reduce its load if operating at levels higher than its firm demand (8 MW)? Please
20 explain.
21

22 (e) Does Mr. Bowman agree that the purpose of the IR is to credit customer classes
23 for the avoided cost of capacity? Please explain.
24

25 (f) Does Mr. Bowman agree that the IR does not credit customers for FAM-related
26 cost (O&M expenses and fuel)? Please explain.
27

28 (g) If PHP load is reliably dispatched down ahead of or during system peaks to
29 preserve grid integrity, please explain why that operational response does not
30 constitute a tangible capacity resource that avoids the need for incremental
31 peaking capacity investments.
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1 **IR-6**

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3 **Reference: Testimony, page 15, lines 6-9. "There is no basis for providing PHP with**
4 **a priority interruptibility credit, given (a) PHP is rarely if ever interruptible in**
5 **practice under the IR, and (b) the priority interruption adds nothing to the system**
6 **in terms of extra resources, in exchange for the added credit provided to PHP.**

7
8 (a) Does Mr. Bowman agree that if a customer class is interrupted prior to other
9 customer classes, and as a result, an interruption is avoided for other interruptible
10 customer classes, the customer classes that avoided an interruption would
11 experience operational cost savings? Please explain.

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13 (b) Does Mr. Bowman agree that if a customer class is interrupted prior to other
14 customer classes, and as a result, an interruption is avoided for other interruptible
15 customer classes, that this would provide more opportunities for interruptions for
16 the non-interrupted customer class (due to the restrictions on the number of
17 interruptions).
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2 **IR-7**

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4 **Reference: Testimony, page 15, lines 6-9. “The Board should not adopt the**
5 **proposals from PHP to alter the rate as proposed by NSP. This includes adjusting**
6 **the PHP peak load to 8 MW in the COS study, adjusting the PHP Revenue-to-Cost**
7 **ratio to 100%, and providing PHP with added value related to ancillary services for**
8 **which it is already compensated via the DR.”**
9

10 (a) Please explain how PHP is compensated for ancillary services via the DR.

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12 (b) Please explain how PHP is compensated for operating reserves via the DR.

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14 (c) Under Mr. Bowman’s proposals, which appear to set the capacity value of PHP at
15 120 MW with “little to no credit” for Interruptibility, what would be the firm demand
16 level for PHP? Please confirm what demand level PHP would be allowed to
17 operate at during all times without penalty, including times of interruption events.
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1 **IR-8**

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3 **Reference: Testimony, page 18 lines 8-10. “Regarding PHP proposal #3, seeking**
4 **changes to the proposed Revenue-to-Cost Ratios, there is no basis to exclude PHP**
5 **from the overall GRA adoption of ratios above 100% for non-residential customers.**
6 **This part of the rate design has been included in the NSP GRA negotiated**
7 **settlement, and included in the Matter M12451 compliance filing.”**
8

- 9 (a) Please confirm that (i) Mr. Bowman’s testimony makes recommendations to other
10 parts of the rate design that are contrary to the NSP GRA negotiated settlement,
11 (ii) the proposed ELID tariff was not approved as part of the Matter M12451
12 compliance filing, and (iii) that in Matter M12451 the Board approved the PHP
13 deferral account that was included in the NSP GRA negotiated settlement to
14 account for any revenue variances from the above the line PHP tariff assumptions
15 included in the 2026-2027 GRA.
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