M12665

NOVA SCOTIA ENERGY BOARD

IN THE MATTER OF: **THE PUBLIC UTILITIES ACT**

- and -

IN THE MATTER OF: **IN THE MATTER OF** a public hearing for **NOVA SCOTIA POWER INCORPORATED'S** Fuel Adjustment Mechanism (FAM) Audit for 2024/2025 by Bates White Economic Consulting, LLC

REDACTED INFORMATION REQUESTS

To:
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From:
Board Staff
Nova Scotia Energy Board

Responses Due: **Tuesday, November 17, 2026**

Copies: 1 electronic copy (PDF searchable)

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Issued at Halifax, Nova Scotia, this 27th day of October 2026.

Crystal Henwood, Clerk of the Board

Request IR-1:

Reference: Audit Report Section III.B.1.e. Short-Term Load Forecast, p. 54

The report notes that in the aftermath of the cybersecurity incident, the short-term load forecasts moved to a manual process from an automatic one, due to the loss of the Process Information system. The report states:

> It appears clear from the data that NSPI's short-term load forecasts were significantly impacted by the cyber event, and though NSPI denies making any sort of adjustments to bias the model against poor reliability outcomes, the forecasts' higher MAPE and upward bias suggests NSPI sought to ensure adequate online resources during a challenging period to operate the system. This approach has its merits and occurred in response to a major cyber event that prevented NSPI's employees from accessing key systems on which they rely each day, such as PI, and processes that are impacted by those offline systems (such as the short-term load forecast). Still, this approach has costs and could, at times, lead to overcommitment of resources.

a) Please describe in detail how the short-term load forecast was done manually after the loss of the Process Information system.

b) Please provide any written instructions prepared for those employees charged with calculating the short-term load forecast manually during this time (even if provided informally, such as in an email).

c) If there were differences in the input data or assumptions used to generate the forecasts between the manual and automatic methods, please identify and describe them.

d) If there were limitations to the development of the short-term load forecasts because of the loss of data, please describe them and how they were mitigated in the forecasting.

e) The audit report notes that there was a 7.8% increase in the Mean Absolute Percentage Error from before the cyber incident to after the cyber incident. Please explain how the short-term load forecasts affect fuel, maintenance and operating costs given NS Power's short-term expectation that more energy would be required than was actually needed, and how forecast inaccuracy impacts cost optimization.

Request IR-2:

Reference: Audit Report Section III.B.2.a. Inputs and Assumptions used with PLEXOS in Fuel and Purchased Power Forecasting, p. 57

> Wind and hydroelectric monthly production is estimated outside of PLEXOS, based on historical information and entered into PLEXOS. Monthly wind energy production profiles are based on averages of the last three years' production data for each telemetered wind project or based on the geographically nearest telemetered wind site. The hourly wind generation profiles are based on the previous year hourly wind profile coincident with the hourly load profile and input into PLEXOS together with monthly energy and peak generation forecast information for each wind generator. Hydroelectric production estimates for each unit use a 23-year rolling average, adjusting the average for unit additions, decommissioning, and extended unavailability for inspections and maintenance. Historical monthly hydro system energy averages are qualified in PLEXOS by the daily and

> weekly production restrictions representing water flow restrictions and reservoir capabilities including, riparian flows, fish ladder flows, required reservoir levels, etc. The run of river systems are modeled as fixed output profiles to represent the non-dispatchable nature of such systems. As we have pointed out in the past, the use of historical hydroelectric production data to forecast production from these resources assumes a certain regularity in Nova Scotia weather patterns which may not hold true over the long term. While the 23 years of hydroelectric history provides a reasonably large enough sample of precipitation variation over time, the impact of climate change may be increasingly felt as reduced annual precipitation and a change in the intensity and frequency of storms, with different effects on impounded and run of river hydroelectric facilities.

a) Why are hourly wind generation profiles based on the previous year?
    I. Wouldn't a current weather forecast be a better predictor of hourly wind generation?
b) Although Bates White did not make a recommendation related to its observations about the impact of climate change on annual precipitation, has NS Power considered reducing the number of years used to forecast hydro production, or otherwise giving more weight to more recent weather patterns, given changes due to climate change potentially being more prevalent in more recent years?

Request IR-3:

Regarding Recommendation IV-1: Pdf p. 7 of NS Power's Reply Evidence [Exhibit N-8] states:

> NS Power accepts this recommendation. NS Power will consider index volatility in the evaluation of subsequent fuel procurements. NS Power considers this recommendation complete.

a) Please describe the specifics of the methodology that NS Power will use to account for index price risk when evaluating index priced offers against fixed price alternatives in its sold fuel procurement process.
b) Please explain how this methodology will not sacrifice the benefits of allowing suppliers to offer index-priced bids.

Request IR-4:

Regarding Recommendation IV-3: Pdf p. 8 of NS Power's Reply Evidence [Exhibit N-8]

NS Power accepts the recommendation to introduce a process to ensure all suitable vendors are invited to relevant Request for Proposal (RFPs).

Please explain how NS Power identifies all suitable vendors for its RFPs.

Request IR-5:

Reference: Audit Report Section IV.B.7.d Fourth Quarter 2024, p. 92

About the selection of [redacted] the Audit Report states:

[redacted]

a) Is NS Power able to quantify the flexibility benefit that Bates White notes it was unable to quantify?

   I. If so, please provide the calculation along with an explanation of supporting assumptions and inputs.

   II. If not, please explain why not.

Request IR-6:

Reference: Audit Report Section IV.B.8. Other Solid Fuel Contracts and Procurement, p. 103

The Audit Report states:

> To give a sense of the volumes of coal at issue, NSPI delivered a total of 3,662 railcars to Trenton in 2024. This is within NSPI's annual estimated range of deliveries (3,500-4,500 car/year). However, compared to total railcars delivered in 2025 (4,609 cars), it is almost 21 percent lower. At 1,600 tonnes/car, NSPI had rail capacity to deliver sufficient volumes of coal during 2024 to meet consumption needs while avoiding the need for trucking. NSPI explained that operational parameters (including plant dispatch needs) and constraints (including risk of excess inventory at Trenton 5 during its seasonal layup) were reasons it did not simply maximize railcar deliveries throughout 2024.

It is not clear to Board staff why operational parameters and constraints resulted in NS Power not maximizing railcar deliveries since the volume of coal was ultimately required.

a) Please separately identify each "operational parameter" and "constraint" that caused or contributed to the increased reliance on trucking and the costs associated with each.

b) What changed in relation to each operational parameter and constraint between the time the decision was made regarding the rail car deliveries and when the trucking requirements were determined to be necessary?

c) Please explain what is meant by "excess inventory at Trenton 5" and provide details about any capacity or storage limitations that preclude keeping coal onsite during seasonal layup.

d) Please explain what factors lead to NS Power underestimating its need to use Trenton 5, giving rise to the concern that there would be excess inventory at Trenton 5 during its seasonal layup.

Request IR-7:

Reference: Audit Report Section IV.B.8. Other Solid Fuel Contracts and Procurement, p. 103

The Audit Report states:

> We did have one concern. NSPI did not invite [redacted] to participate in this RFP, noting that [redacted] was inadvertently and unintentionally excluded from the RFP email distribution list. In fact, we observed no evidence that this RFP was sent to any parties other than [redacted]. This is a material lapse in practice from a team that ordinarily maximizes use of competition and good practices.

a) Does NS Power know how additional parties were excluded from the RFP email distribution list?

b) Is there a review practice for RFP email distributions?

c) Is there a step in RFP selection where there is a check on the number of parties an RFP is distributed to?

d) NS Power accepted Recommendation IV-3 to introduce a process to ensure all suitable vendors are invited to relevant RFPs but did not provide any detail. Describe the process NS Power intends to implement in Q4 2026.

Request IR-8:

Reference: Audit Report Recommendation V-2:

a) Did the error in the Trenton 5 coal blend, and the resulting incorrect assumptions about the fuel mix being consumed at Trenton 5, result in incremental fuel costs for ratepayers compared to a scenario where no such error occurred? Please explain.

   I. If so, please identify this incremental cost.

b) Please describe the adjustments that NS Power made to its inventory and consumption data in the third quarter of 2024 to address the Trenton 5 coal blend error.

c) Pdf p. 10 of NS Power's Reply Evidence [Exhibit N-8] states: "NS Power accepts this recommendation and has performed the correction. The correction was completed as part of the Q3 2024 inventory survey adjustments recorded in September 2024. The adjustment did not change the total quantity of coal consumed by Trenton 5 over the affected period and resulted in no change to the aggregate heat rate reported for Trenton 5. The correction only affected the monthly allocation of fuel consumption and, accordingly, the monthly heat rates reported in quarterly FAM reports for the affected period." Did this result in any rate classes being over or under allocated fuel costs? Please explain.

   I. If so, please identify the over and under allocated dollar amounts per rate class.

Request IR-9:

Reference: Audit Report Section V.B.5.e. Petroleum Hydrocarbon Release at Sydney Coal Railway Train Maintenance Facility, p. 143

> The Phase III Assessment "[did] not identif[y] evidence of significant PHC impacts in soil or groundwater on the TRMC site, except for a relatively minor area of soil PHC impacts in the location of the former underground storage tank (UST), and a sporadic PHC exceedance in groundwater monitoring well MW101 between the boiler building and the TRMC building." The Phase III Assessment included recommendations "to complete additional assessment activities to achieve delineation of areas of PHC impacts that have not yet been fully delineated, to complete additional groundwater monitoring at the site to assess seasonal changes in PHC concentrations in groundwater, to perform wetland activities on the [adjacent Federal property], and to develop a Stormwater Quality Management Plan to outline measures that can be implemented at the site to mitigate the presence of PHCs in stormwater that are discharging from the TRMC site onto the adjoining [Federal] property."

a) Have the Phase III Assessment recommendations been completed? Please explain by recommendation and include a timeline for completion if not yet complete.

b) Please provide an update on this issue. Have the petroleum hydrocarbon (PHC) concentrations in soil and groundwater been mitigated?

Request IR-10:

Reference: Audit Report Section VI.B.1.b. First Quarter 2024, pp. 160-162

Bates White noted that permission was sought from the Fuel Strategy Table (FST) to negotiate a contract with [redacted] Bates White also noted that assessing NS Power's decision making on this issue is not straight-forward because although the bark contracted for was needed, the roundwood was not.

a) Why didn't NS Power issue an RFP for bark at the start of 2024?

b) Bates White stated that it may be possible that this was the only bark available at the time, but that it was not provided definitive proof.

   I. Was the bark from [redacted] the only bark available at the time?

      i. If so, provide all evidence in NS Power's possession and control demonstrating this.

      ii. If not, what were the other options and why was this option selected?

c) Bates White stated that it does not have an estimate of the impact of the extended storage of the fuel logs prior to chipping. Please provide NS Power's best estimate of the financial impact of the extended storage of the fuel logs prior to chipping.

Request IR-11:

Reference: Audit Report Section VI.B.8. Other Biomass Fuel Contracts and Procurement, pp. 170-172

Bates White noted that NS Power paid [redacted] a total of [redacted] for its management of hot spots in NS Power's bark pile. It further noted that under the contract [redacted] is required to:

> Respond in a commercially reasonable manner to hot spots and open fires in the storage piles; Biomass Fuel that is hot, smoldering or on fire shall be separated from the Biomass Fuel storage piles or otherwise handled in a prudent manner. NSPI shall cooperate with PHP to use or remove hot Biomass Fuel expeditiously upon request

a) Does the contract contain a definition of "commercially reasonable"?
   I. If so, please provide the definition.
   II. It not, what is the definition NS Power uses to make the distinction between costs that should be paid by [redacted] and costs that should be paid by NS Power in these circumstances?
b) Bates White noted that NS Power had stated that [redacted] had "satisfied its obligation under section 2.04(g) by exhausting commercially reasonable efforts to manage the developing situation."
   I. What commercially reasonable efforts did [redacted] take to manage the situation prior to NS Power taking over responsibility for the costs?
   II. What efforts did [redacted] take to manage the situation after NS Power took over responsibility for the costs?

Request IR-12:

Reference: Audit Report Recommendation VI-1, Pdf p. 7 of NS Power's Reply Evidence [Exhibit N-8] states:

> NS Power accepts this recommendation. NS Power has revised future biomass supply RFP documents to remove the preference for supply proposals of two years or greater. The revised RFP approach will be applied in the next RFP which is expected to take place in Q2 2027, and in subsequent RFPs.

Please provide the details of the revised RFP approach.

Request IR-13:

Reference: Audit Report Section VI.B.8. Other Biomass Fuel Contracts and Procurement, p. 177 In Recommendation VI-6

Bates White says NS Power should consider an enhancement to capture the time value of PHP bark deficits determined under the energy balance process that carry over into future months. NS

Power disagrees with the recommendation saying that assigning a time value to PHP bark deficits could create incentives for PHP to deliver bark in excess of operational requirements, resulting in increased costs, congestion and risk of combustion. In the Audit Report Bates White had noted that the treatment of bark differed from the treatment of chip deficits.

a) Why does NS Power believe the result for chip treatment would be different for bark?
b) Does PHP deliver excess chip inventory to capitalize on the time value of excess chips?
c) Why couldn't the treatment be asymmetric in that NS Power is compensated for deficits but there is no time value assigned to excess inventory? Isn't it common for there to be an asymmetric remedy for under delivery under a commodity contract?
d) Does NS Power have an obligation to accept PHP bark deliveries in excess of operational requirements? Please explain.

Request IR-14:

Reference: Audit Report Recommendation VI-4, Pdf p. 11 of NS Power's Reply Evidence [Exhibit N-8] states:

> NS Power accepts this recommendation. NS Power will consider ways to further revise the energy balance process to account for the dynamic nature of Port Hawkesbury Biomass' (PHB) relative economics and the realities of biomass fuel supply in the province.

a) Please describe the items that NS Power will consider when evaluating ways to further revise the energy balance process to account for the dynamic nature of PHB's relative economics and the realities of biomass fuel supply in the province.
b) Please provide an update on the status the energy balance process review and engagement with PHP.

Request IR-15:

Reference: Audit Report Recommendation VI-5, Pdf p. 11 of NS Power's Reply Evidence [Exhibit N-8] states:

> NS Power accepts this recommendation. NS Power will consider relaxing or removing the moisture target collar in Step 2 of the energy balance process.

Please describe the factors that NS Power will consider when evaluating whether to relax or remove the moisture target collar in Step 2 of the energy balance process.

Request IR-16:

Reference: Audit Report Recommendation VI-8, Pdf p. 14 of NS Power's Reply Evidence [Exhibit N-8] states:

> NS Power accepts this recommendation and will provide this update through the FAM SWG which is attended by Board staff. NS Power expects the completion of this recommendation in Q4 2026.

Please describe the work NS Power has completed to date to reconcile the biomass inventory adjustments and energy balance results in Q4 2025 that carried over to 2026.

Request IR-17:

Reference: Audit Report Section VII.B.2.f. The Freepoint Commodities FT Offer, pp. 195-198, and Recommendation VII-2

NS Power says that it anticipates completion of the analysis recommended in Q1 2027. The second set of Information Requests (IRs) in this process are due in early Q1 2027. Please confirm that NS Power will complete this analysis and file it with its second round IR responses, or explain in detail why this is not possible.

Request IR-18:

Reference: Audit Report Section VII.B.2.h. NS Power's Position Regarding FT Pipeline Capacity pp. 199-200, and Recommendation VII-3

NS Power says that it anticipates completion of the written draft of Enterprise Risk Management group (ERM) position on firm transportation (FT) capacity in Q4 2026. The second set of IRs in this process are due in early Q1 2027. Please confirm that NS Power will file this document with its second round IR responses, or explain in detail why this is not possible.

Request IR-19:

Reference: Audit Report Recommendation X-1, Pdf p. 15 of NS Power's Reply Evidence [Exhibit N-8] states:

> NS Power accepts this recommendation. NS Power tracks RCA actions and will provide an update during the Q4 2026 FAM SWG.

Please provide the Board with an update on the status of the remaining 27 recommendations from the Root Cause Analyses in response to this IR.

Request IR-20:

Reference: Audit Report Figure X-16: Root Cause Analyses Received or in Progress, p. 257

Please provide a copy of the 14 Root Cause Analysis referenced and completed during the audit period. Please provide this as an appendix to the IR responses that is a separate PDF file rather than contained within the same PDF file as the other IR responses.

Request IR-21:

Reference: Audit Report Section X.B.3.b.vi. Root Cause Analysis Review, pp. 267-269

With respect to the Tufts Cove November 22, 2024, to January 6, 2025, outage due to rotor imbalance:

a) The Audit Report notes that missing welds was one possible contributor to the outage. What is the process for inspection of rotor welds and does NS Power have evidence that it was followed in the years leading up to the outage?

b) The Audit Report states: “As the Root Cause Analysis makes clear, the collective work done during the planned maintenance outage likely did not sufficiently remove deposits from the rotor blades, which became the most probable cause of the imbalances that caused this outage.” Further the report notes that it is NS Power’s position that its sandblasting contractor did not fail to complete its scope of work. Bates White agrees with this position, insofar as it was NS Power’s role to manually remove any deposits not cleaned by sandblasting. The Report further notes that no written instructions were given to the contractor.

   I. Describe the work scope completed by NS Power staff to remove rotor blade deposits that were not cleaned by sandblasting.

   II. Please describe the qualifications and experience level of the NS Power staff that completed this work.

   III. Please explain why the post-sandblasting work was not included within the scope of work of the sandblasting contractor.

   IV. Please describe NS Power's quality control process that was used to evaluate both the sandblasting work and the post-sandblasting work completed by NS Power staff.

   V. Is it common for NS Power to only provide contractors with verbal instructions?

   VI. How does NS Power ensure that all employees of the contractor are made aware of the instructions?

c) Page 269 of the Audit Report states: “NSPI did indicate that there was additional non-FAM costs associated with the capital project for this work.”

I. Please provide NS Power's estimate of the FAM and non-FAM costs associated with this event (as recommended in Bates White's Recommendation X-2).

II. Please describe the scope of work associated with the incremental non-FAM costs associated with addressing the excessive vibration experienced on the Tufts Cove Unit 2.

Request IR-22:

Reference: Audit Report Section X.B.3.c.iii. Root Cause Analysis Review, pp. 271-273

With respect to the March 7, 2024, event at Burnside 1, the Audit Report states:

> …NSPI should confirm that no incremental FAM costs were incurred, and if they were, to refund those costs to customers, who should bear no costs associated with this event.
>
> Further to the Root Cause Analysis, NSPI is in the process of conducting third-party audits of any engine or free turbine exchanges to evaluate in detail the history of refurbishments performed by the vendor on high-risk areas such as High Pressure Compressors stages 9-15 prior to acceptance and delivery, with that work expected to be completed in September 2026.

a) Please provide NS Power's estimate of the FAM costs associated with this event (as recommended in Bates White's Recommendation X-3).

b) Can NS Power confirm that the third-party audits noted above have been completed?

I. If not, when will they be completed?

II. If so, please provide a summary of the audit findings.

Request IR-23:

Reference: Audit Report Section X.B.3.f.ii. October-November 2024 forced outage, p. 277, and Recommendation X-4

a) Please provide an update on the corrective measures taken in response to the October 26, 2024, forced outage at Point Tupper.

b) If NS Power is not currently able to provide an update, please confirm that it will provide the update and file it with its second round IR responses, or explain in detail why this is not possible.

Request IR-24:

Reference: Audit Report Section X.B.3.f.iii. Root Cause Analysis Review, pp. 277-279

With respect to the June 25, 2023, to August 2, 2023, outage at Point Tupper:

a) The Audit Report notes that the roof leak was found "prior to the 2023 failure"

I. Why hadn't the roof leak been remediated prior to the 2023 failure?

II. When was the roof leak discovered?

b) Is there a process for inspection of the cabinet heaters?
    I. If so, was it followed in the years leading up to the outage?
    II. If not, why not?
c) Please provide NS Power's estimate of the FAM costs associated with this event (as recommended in Bates White's Recommendation X-5).

Request IR-25:

Reference: Audit Report Section X.B.3.h.ii. Root Cause Analysis Review, pp. 281-282

With respect to the May 31, 2024, PHB outage event:

a) Are there written procedures for inventory management at the plant?
    I. If so, were the procedures not followed?
    II. If not, why not?
b) Please provide NS Power's estimate of the FAM costs associated with this event (as recommended in Bates White's Recommendation X-6).

Request IR-26:

Reference: Audit Report Section X.B.3.i.ii. Wreck Cove Performance, Life Extension, pp. 283-284

The Audit Report notes that "[h]ad NSPI completed the LEM work on Unit 1 and Unit 2 according to the original schedule, FAM customers would have benefited from lower costs during the Audit Period." Bates White estimates the value of these costs as $[redacted].

a) Please provide a detailed explanation for the delay.
b) Does NS Power agree with Bates White's estimate of the additional FAM costs resulting from the delay?
    I. If not, please provide an alternate estimate clearly explaining the methodology, assumptions, and basis for those assumptions.

Request IR-27:

Reference: Audit Report Section X.B.3.i.ii. Wreck Cove Performance, Life Extension, p. 285

a) For each of the Tusket and Black River Hydro Systems, please provide the following for 2024 and 2025:
    I. Total generation in MWh
    II. Total hours of generation
    III. Total number of derates
    IV. The average derate in MW
    V. The average derate duration

VI. The cost of replacement energy associated with unit derates, complete with the related calculations

b) Please provide the rated capacity for both the Tusket and Black River hydro systems.

Request IR-28:

Reference: Audit Report Section X.B.7.a. NS Power's Compliance with Sulfur Dioxide, Nitrous Oxide, and Mercury Emissions Caps, pp. 293-294

The audit report notes that the mercury emissions were measured to be 46.9 kg, which NS Power reports as 45 kg (the credit adjusted cap) because it falls within 5% of that limit.

a) Has the Province accepted this methodology?

I. If so, please provide the documentation confirming this.

Request IR-29:

Reference: Audit Report Chapter X, Prior year audit Recommendation X-7, p. 302-305

In the 2022-2023 Audit Report, Recommendation X-7 stated that "NSPI should continue to pursue damages to the maximum extent under its agreement with Nordex and update the Board on the outcome of those efforts, including on the capability status of South Canoe."

a) Please provide the third-party damages and claims estimate of [redacted] completed by [redacted] including all underlying calculations and support for that estimate.

b) Please provide the underlying calculations and support for the additional amount of [redacted]

c) Please provide the underlying calculations and support for NS Power's [redacted]

d) Please provide the underlying calculations and support for NS Power's [redacted]

e) [redacted]

f) [redacted]

Request IR-30:

Reference: Audit Report Recommendation XI-1

Please confirm that NS Power will provide the report on the functionality of the Economic Dispatch Optimization and Outage Coordination Solution as soon as it is available (and no later than in response to the second set of IRs) or explain in detail why this is not possible.

Request IR-31:

Reference: Audit Report Recommendation XI-2, Pdf p. 19 of NS Power's Reply Evidence [Exhibit N-8] states:

> NS Power accepts this recommendation but notes it may not be possible to develop a comprehensive and exhaustive set of criteria in a system undergoing significant transition and encountering circumstances that have not previously been experienced. In addition, a rigid set of criteria governing the use of Lingan 2 could limit the ability to respond to evolving system conditions and may result in missed economic opportunities for customers. NS Power believes that resource utilisation is best optimised by the utility and subsequently reviewed by the Board in light of the specific and dynamic facts and circumstances that existed at the time decisions were made. NS Power will commit to developing an approach that fulfils the spirit of this recommendation in Q4 2026 and update FAM SWG regarding the status of this recommendation in Q1 2027.

a) Please confirm that any criteria developed for dispatch and operation of Lingan 2 will be incorporated into NS Power's Economic Dispatch Optimization Solution.
    I. If not confirmed, please explain.

b) Please explain how a set of criteria developed to keep Lingan 2 operational once committed would limit the ability of NS Power to respond to evolving system conditions and may result in missed economic opportunities for customers.

c) Please confirm that NS Power will provide its proposed criteria that must be met to keep Lingan 2 operational in its responses to the second set of IRs or explain why this is not possible.

Request IR-32:

Reference: Audit Report Section X.B.3.b.ii. Performance Test Results at Units 2, 4, 5, and 6, p.258-259

In the 2022-23 FAM Audit Report (p. 226), Bates White noted: "NSPI conducted the same maximum real power test (pursuant to NERC standard MOD-025-2) for units 4, 5, and 6. These were the first such tests on these units since 2017. All three units tested within 2 percent of their NPCC declared value." On p. 259 of the current FAM Audit Report, Bates White states: "In 2025, NSPI conducted the same maximum real power test (pursuant to NERC standard MOD-025-2) for units 4, 5, and 6. These were the first such tests on these units since 2022." The report further notes that test results for each unit were below current NPCC declared values.

a) Please describe the reasons for the decline in test results as a percent of Northeast Power Coordinating Council declared values from 2022 to 2025.
    I. Describe the impact this decline would have on NS Power fuel costs.

Request IR-33:

Reference: Audit Report Section X.B.3.b.v. LM6000 engine efficiency impact on fuel costs, p. 261

The Audit Report stated:

> To attempt to be more responsive to the Board's directives in the referenced decisions, we suggest that an effective way to assess the efficiency of an engine following a refurbishment is to conduct an ISO test upon recommissioning. That allows the variables we identify above to be controlled, and then to allow the results of that test to be compared to OEM specifications under those same (or similar) conditions. We requested evidence of any such tests from NSPI. NSPI explained that it requested from the OEM (General Electric) a gross heat-rate versus gross power performance curve based on acceptance test data specifically for Engine 191-443. The OEM provided this curve, which adjusts for (1) ISO reference conditions, (2) typical heat recovery steam generator exhaust losses, and (3) NOx operating conditions." Bates White then notes: "The OEM curve is based on original acceptance test data for Engine 191-443 obtained in 2003, as updated for ISO ambient conditions, exhaust loss, and NOx operating condition.

a) Does the OEM curve, based on the original acceptance test data for Engine 191-443 obtained in 2003, as updated for ISO ambient conditions, exhaust loss, and NOx operating condition, represent the results of a true ISO test upon unit recommissioning as recommended by Bates White?
    I. If not, please explain the difference.
b) Has NS Power completed any ISO tests on any of its LM6000 units upon recommissioning since 2003?
    I. If not, why not?
    II. If so, please provide the results of the tests.

Request IR-34:

Reference: Audit Report Section XII.B.1.d.ii. NS Block Deliveries (Pursuant to ECA), pp. 371-380

[redacted] The Audit Report notes that Bates White does not agree with the scale of benefit range (of [redacted] that NS Power calculated for the benefits of the Maritime Link make-up energy in relation to SO2 emissions compliance.

Please provide NS Power's calculations of the benefit range and all supporting information and assumptions used.

Request IR-35:

Reference: Recommendation XIII-1

Please confirm that NS Power will provide its identified opportunities to streamline the hedging lifecycle in responses to the second set of IRs or explain why this is not possible.

Request IR-36:

Reference: Audit Report Section XV.B.1. Implementation of the Extra Large Industrial Active Demand Control (ELIADC), p. 442, and Recommendation XV-2

NS Power disagrees with Bates White's recommendation that PHP should be required to pay for the Cause Code 5 deviations without the percentage reduction that had been applied. NS Power notes that the ELIADC benefit has been consistently applied throughout the term of the ELIADC. Bates White states that the reduction is not supported by the tariff.

a) What part of the tariff specifically does NS Power believe is inconsistent with Bates White's recommendation?
    I. Please explain how it is inconsistent.

Request IR-37:

Reference: Audit Report Section XV.B.4.b. The Number of PHP Deviations from Schedule, pp. 458-459, and Recommendation XV-2

NS Power disagrees with Bates White's recommendation that PHP deviations should be identified hourly and reported in the ELIADC annual reports. NS Power states that it already tracks deviations on an hourly basis but that the interpretation of those deviations must account for operational realities of demand response.

a) If NS Power already tracks the hourly deviations, couldn't it report the information and include the explanatory information it says is required to account for operational realities?

Request IR-38:

Reference: Audit Report Section XV.B.4.c. The Identification of PHP Deviations from Schedule, pp. 459-460, and Recommendation XV-5

NS Power disagrees with Bates White's recommendation that the size of real-time PHP deviations should be measured by hour as opposed to event and reported in ELIADC annual reports. NS Power does not believe that hourly measurement of real time deviations provides a reliable indication of demand response performance.

a) Does NS Power agree that deviations could be reported as both hourly and event based?

Request IR-39:

Reference: Audit Report Section XV.B.4.e. Cause Code 5: PDN Deviations – PHP Decision to Vary From Schedule, pp. 461-462, and Recommendation XV-6

NS Power disagrees with Bates White's recommendation that a correction should be made to calculation of Cause Code 5 deviations to omit positive values. NS Power states that the removal

of positive values does not accurately capture positive outcomes that are more optimal than forecast. NS Power further states that the calculation of ELIADC benefit has been consistently applied through the term of the benefit. On page 462 of the Audit Report, Bates White states that in prior audit periods positive amounts were set to zero.

a) Please address the discrepancy between Bates White's statement that previously the positive results were set to zero, and NS Power's statement that the calculations have been consistently applied.
b) Would NS Power agree that the Cause Code 5 calculation is intended to penalize deviations from schedule?
    I. If so, why should PHP be compensated for coincidental benefits of deviations?
    II. If not, why not?

Request IR-40:

Reference: Audit Report Section XV.B.4.c. The Identification of PHP Deviations from Schedule, p. 460, and Recommendation XV-7

NS Power disagrees with Bates White's recommendation that the system operator should be the one to identify and record PHP real time deviations from schedule, stating that PHP is the source of the operational information necessary to determine the cause of deviations originated by PHP.

a) Does NS Power validate the data provided by PHP?
    I. If not, isn't this a conflict of interest?

Request IR-41:

a) Please confirm, or clarify otherwise, that the $96,250 fine levied by the NS Provincial Court in July 2025 on NS Power for the drowning death of an engineer in a Nova Scotia Power reservoir in 2020 has been credited to the FAM.
b) Please provide the reference to this adjustment in the 2025 FAM working papers.