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Request IR-1:

Refer to M13008, Exhibit N-1, NS Power Application for Renewall Energy Requested Updates to Renewable to Retail Market Elements, dated July 31, 2026, pages 1-5 (the “Application”); Attachments 1 through 12 that comprise the “RtR Market Elements Update”; and specifically, Attachment 3, RTR Tariff Application – Distribution Connected Generation and Net-Billing Update Stakeholder Meeting (M12339) July 23, 2026.

(a) Does NS Power anticipate that Renewall Energy will provide service to customers who are directly connected to the Company’s Transmission system? If so, does NS Power plan to provide a revision to its Transmission tariff?

(b) How do NS Power’s existing and revised tariffs accommodate an RtR customer providing service to a customer who is directly connected to NS Power’s Transmission system?

(c) How does NS Power accommodate spill energy currently?

(d) In Attachment 3, page 4 of 14, NS Power proposed handling the potential for spilled energy as follows:

“Any distribution connected generators will go through DGIP process to confirm distribution capacity per zone and flag any possible transmission spill”

Has this process been approved by all parties at this time? Will requiring these generators to go through the DGIP process delay their commercial operations?

(e) Will the occurrence of spill energy at the transmission level cause inconsistencies with the current approved allocated cost of service for each customer class? If so, please explain.

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1 Response IR-1:

2
3 (a-b) Yes, the Company anticipates that a Licenced Retail Supplier (LRS) may provide service
4 to customers who are directly connected to the transmission system. The proposed RtR
5 framework accommodates such customers through the existing tariff structure. As
6 described in the Distribution Tariff at point 3 – Scope of the Distribution Tariff,
7 transmission-connected RtR customers continue to be subject to the Distribution Tariff in
8 respect of applicable retail costs, while transmission system access must be arranged by the
9 LRS under the Open Access Transmission Tariff (OATT).¹ Accordingly, the Company is
10 not proposing revisions to the OATT as part of this Application.

11
12 (c) Under the existing wholesale market framework, spill energy is accommodated through the
13 Wholesale Market Spill Tariff. In the RtR context, the Energy Balancing Service (EBS)
14 Tariff provides for the treatment of spill energy, which is defined as hourly generation in
15 excess of LRS load.

16
17 (d) Generators which plan to connect to the distribution system, regardless of the reason for
18 interconnection, must go through the Distribution Generator Interconnection Procedures
19 (DGIP) to ensure the safety, reliability, and integrity of the distribution system are
20 maintained, and that the proposed interconnection does not adversely impact existing
21 customers, other interconnected generators, or utility operations, while complying with all
22 applicable technical, operational, and regulatory requirements. Accordingly, generators
23 participating in the RtR market would remain subject to the same interconnection review
24 requirements and processes applicable to other distribution-connected generation facilities.

25
26 The interconnection process is intended to assess system impacts and confirm the ability
27 of the distribution system to accommodate the proposed facility. Depending on the size,
28 location, and characteristics of a project, the time required to complete interconnection

¹ RtR Market Element Application, Attachment 6, page 7 of 24, Nova Scotia Power Distribution Tariff, page 5 of 10.

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1 assessments may vary. The Company is not aware of any aspect of the proposed RtR tariff
2 amendments that would introduce additional interconnection requirements beyond those
3 already applicable through the existing interconnection process.

4
5 The DGIP is a well-established interconnection process, having been recently reviewed in
6 Matter M10905: Review of NS Power's Transmission and Distribution Interconnection
7 Processes.

- 8
9 (e) No. It is not expected that spill energy under the EBS Tariff will affect the current approved
10 allocated cost of service for each customer class. As noted in the Application, certain
11 aspects of RtR market development, including the alignment of distribution-connected
12 generation and load and the treatment of losses under alternative configurations, will be
13 reviewed as experience is gained with the operation of the proposed framework.

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1 **Request IR-2:**

2
3 **Refer to Exhibit N-1 the Application, Page 3 of 5, paragraph 2:**

4
5 **The changes to the existing tariffs are limited and focused primarily on the**
6 **requirement to segregate LRS customer load imported from the NS Power**
7 **system for consumption by the retail customer and distribution-connected**
8 **generation exported to the NS Power system for sale in the RtR market. The**
9 **segregation is required because supply of electricity to retail customers and**
10 **aggregation of distribution-connected energy (whether customer-owned**
11 **behind-the-meter generation or LRS standalone generation) are two distinct**
12 **services.**

13
14 **Additionally, it is required because the OATT and Distribution Tariff employ**
15 **customer load information only, while the SS and EBS tariffs require both**
16 **customer load information and the LRS generation information in the**
17 **development of the tariff charges.** The segregation is enabled by the
18 Company's Advanced Metering Infrastructure (AMI) technology which
19 allows the creation of separate electricity import and export channels for the
20 recording, communication, and billing of the bi-directional electricity flows.
21 (Emphasis added)
22

23 **Refer also to the NS Power OATT Schedules 1-10 ([https://www.nspower.ca/docs/default-](https://www.nspower.ca/docs/default-source/monthly-reports/oatt-schedules(pdf).pdf?sfvrsn=a5db547_7)**
24 **[source/monthly-reports/oatt-schedules\(pdf\).pdf?sfvrsn=a5db547_7](https://www.nspower.ca/docs/default-source/monthly-reports/oatt-schedules(pdf).pdf?sfvrsn=a5db547_7)) which includes**
25 **Schedule 4A: Generation Forecasting Service on page 11 of 23, which states: :**

26
27 **This Generation Forecasting Service set out in Schedule 4A of the OATT**
28 **applies to Licenced Retail Suppliers only and is not applicable to any other**
29 **Eligible Customer. Generation Forecasting Service addresses the accuracy of**
30 **generation scheduling by Licenced Retail Suppliers.**

31 **...**
32 **To the extent that such schedules or forecasts of hourly production of the**
33 **aggregate of a Licenced Retail Supplier's RtR generation resources deviate**
34 **from the actual production for reasons other than those that occur as a result**
35 **of actions directed by the Operating Area operator the following charges shall**
36 **apply:**

37
38 **An hourly deviation band of +/- 10 percent of the aggregate hourly scheduled**
39 **or forecast quantity (with a minimum deviation band of +/- 2 MW) will be**

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1 **applied hourly to any forecast discrepancy that occurs as a result of the**
2 **Transmission Customer's scheduled transaction(s).**

- 3
- 4 • **Hourly forecast discrepancies falling outside the hourly deviation band**
5 **during peak hours will be charged at 10% of the average on-peak**
6 **system marginal cost for the billing month.**
- 7
- 8 • **Hourly forecast discrepancies falling outside the hourly deviation band**
9 **during non-peak hours will be charged at 10% of the average non-peak**
10 **system marginal cost for the billing month.**
- 11

12 **(a) Under Schedule 4A it says the Licenced Retail Supplier (LRS) is required to provide**
13 **hourly generation forecasts; is this a supply forecast and when was this Schedule 4A**
14 **added to the OATT and why?**

15

16 **(b) Is NS Power allowed to charge the LRS when the latter's hourly discrepancies fall**
17 **outside the hourly deviation band of +/- 10 percent of the LRS' aggregate hourly**
18 **scheduled forecast quantity for forecasted or actual generation, or both?**

19

20 **(c) Is NS Power is allowed to charge the LRS for each hour that these discrepancies occur**
21 **or is there a longer period of time during the day when one hour's discrepancy above**
22 **the 10 percent band could be offset by the next hour's discrepancy below the 10**
23 **percent band? In other words, are the discrepancies reconciled each hour or over**
24 **some longer period of time?**

25

26 **(d) Schedule 4A also says the deviations may occur as a result of actions directed by the**
27 **Operating Area operator. What party or entity performs the role of the Operating**
28 **Area operator today and will it remain the same party or entity in 2027 as well as**
29 **after 2027?**

30

31 **(e) Will the LRS' load forecast deviations be tracked by NS Power's AMI system or**
32 **another system? Which of these systems will track the charges that would accumulate**

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1 **due to deviations under this provision of Schedule 4A and how will the compensation**
2 **or credit be recorded?**

3
4 **(f) If these forecast deviations were to occur and they were not tracked and reconciled**
5 **with the LRS, what costs would be incurred and how would NS Power recover those**
6 **costs?**

7
8 **(g) Schedule 4A also requires each LRS to use “commercially reasonable efforts to**
9 **provide accurate schedules and forecasts of production from renewable low-impact**
10 **generators that are not dispatchable.” Is the term “commercially reasonable efforts”**
11 **defined in the Application Attachment 12 “Licensed Retail Supplier Terms and**
12 **Conditions” and if not, is this term defined elsewhere?**

13
14 Response IR-2:
15

16 (a) Schedule 4A: Generation Forecasting Service requires the Licensed Retail Supplier to
17 submit hourly generation supply forecasts to the Nova Scotia Power System Operator.
18 Schedule 4A was added to the Open Access Transmission Tariff (OATT) on March 23,
19 2016, with the Board decision in the original RtR proceeding which established the RtR
20 suite of tariffs and supporting documents under matter M06214.

21
22 Schedule 4A is a forecasting performance mechanism for Licensed Retail Suppliers (LRS)
23 with non-dispatchable renewable generation. Its purpose is to encourage accurate
24 generation forecasts and recover a portion of the balancing costs caused by significant
25 forecast deviations, while exempting deviations caused by system operator actions.

26
27 (b) Schedule 4A provides a charge to the LRS for differences between hourly aggregated
28 generation forecast and hourly aggregated metered generation falling outside of the +/-10%
29 percent deviation band (with a minimum deviation band of +/- 2 MW).
30

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1 (c) Schedule 4A provides a charge to the LRS for each hour that the difference between the
2 aggregated generation forecast and aggregated metered generation falls outside of the
3 deviation band.

4
5 (d) NS Power clarifies that no charges are applied to the LRS for hours in which deviations
6 are the result of actions of the Operating Area operator. The party that performs the role of
7 the Operating Area operator today is the NSPSO. That role is expected to transition to the
8 Independent Energy System Operator – Nova Scotia (IESO-NS) in late 2027/early 2028.

9
10 (e) NS Power clarifies that OATT Schedule 4A deals solely with hourly deviations of the LRS'
11 aggregated generation forecast compared with the LRS' aggregated metered generation
12 (i.e., forecast generation compared with actual generation). As such, LRS load does not
13 factor into the calculation for charges under Schedule 4A and calculations under Schedule
14 4A can result in only a charge – no credit is applicable.

15
16 Billing determinants for Schedule 4A, like other RtR tariffs, are calculated in the Meter
17 Data Management System (MDMS). MDMS imports the LRS's hourly metered generation
18 forecast data via an interface with UL Solutions, which provides renewable generation
19 forecasting services for facilities overseen by the NSPSO.

20
21 (f) As described in part (a) above, Schedule 4A is a forecasting performance mechanism
22 intended to incentivize the LRS to provide accurate and high-quality forecasts.

23
24 The LRS's actual aggregate hourly metered generation is reconciled against its actual
25 aggregate hourly metered load and settled under the Energy Balancing Service (EBS) tariff.
26 Where the LRS's hourly generation is less than its hourly load, the shortfall is supplied
27 through EBS Top-up, resulting in a billing charge. Conversely, where the LRS's hourly
28 generation exceeds its hourly load, the excess generation is settled under the EBS Spill
29 provisions, resulting in a billing credit.

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- 1 (g) No, the term “commercially reasonable efforts” is not defined in the Licensed Retail
2 Supplier Terms and Conditions or other related RtR documentation.

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Request IR-3:

Refer to Exhibit N-1, Application, Attachment 11, Standby Service Tariff redline additions for Availability (3) at page 1 of 5; Determination of Monthly Standby Contract Demand, 2nd and 5th bullets on page 3 of 5, and Special Conditions on page 5:

(a) Does the description included in the Availability paragraph (3) of the flow of hourly imports and exports correspond accurately to the Stakeholder Engagement presentation on May 14, 2026, provided by Power Advisory, pursuant to M12339, in the Application, Attachment 2, page 10 of 50? Does the description in the Availability paragraph (3) describe only the flow of energy or both energy and costs?

(b) Which tariff classes are expected to receive LRS service upon approval of this Application?

(c) Will the source for distribution system losses be what was approved in the most recent GRA or be determined separately? In either case, please provide the source for distribution losses.

(d) Please provide the ELCC, as set out in the most recently approved IRP, including the matter number and date of Board approval.

(e) As described in the 5th bullet on page 3 of 5 referenced above, how long would operating conditions of the generator likely have to depart from NS Power's assumptions before being subject to adjustment and what operating conditions would be reviewed for this adjustment to take place?

(f) For Special Conditions, 5 (iv), please provide the terms for recall that have been determined and approved by all parties or are still under negotiation. How did NS

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1 **Power determine that the NSPSO has the unilateral option to recall export**
2 **transactions utilizing energy from the LRS's resource?**

3
4 Response IR-3:

5
6 (a) Yes, the description included in the Availability paragraph (3) of the flow of hourly imports
7 and exports corresponds accurately to the Stakeholder Engagement presentation on May
8 14, 2026 provided as Attachment 2 to the Application. In general, the two are aligned
9 however, Power Advisory's presentation focused on the transmission and distribution
10 system's flow of electricity at a high level as it applies to both NS Power and RtR
11 customers, while NS Power's Distribution connected Aggregation Service (DAS)
12 provisions speak to the settlement processes that recognize that flow of electricity between
13 the Licensed Retail Supplier (LRS), LRS customers, and NS Power should surplus be
14 created and sold to NS Power as spill.

15
16 The description in the Availability paragraph (3) describes both the flow of energy (both
17 import and export channels) and the related charges or credits.

18
19 (b) The LRS has indicated they are exploring/pursuing customers across the various domestic,
20 commercial, and industrial classes.

21
22 (c) The source for distribution system losses to be used in the settlement process for RtR tariffs
23 will be what was included in the Line Loss Study spreadsheets filed in the most recent
24 GRA proceeding.

25
26 (d) An Effective Load Carrying Capacity (ELCC) analysis was completed for NS Power's
27 2020 Integrated Resource Plan (IRP). Details were provided in the pre-IRP Planning
28 Reserve Margin and Capacity Value Study filed in M08929 (Exhibit N-8). The Board
29 accepted the IRP as filed on April 16, 2021. NS Power's most recent Evergreen Integrated
30 Resource Plan (IRP) Update (2023 Evergreen IRP Action Plan & Roadmap Update) was

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1 filed with the Board on August 8, 2023 (M10504). The input assumptions that supported
2 the Evergreen IRP were informed by the M08929 ELCC analysis, and including values
3 used for wind and solar.¹ Following the transition of the system planning function to the
4 Independent Energy System Operator Nova Scotia (IESO-NS), the study of ELCC values
5 is now the responsibility of the IESO-NS. The IESO-NS' inaugural IRP is currently
6 underway and includes an updated ELCC study. The interpretation of the outcomes of the
7 updated ELCC study will inform the appropriate values to be used for the capacity
8 contribution factor, for each resource type, noted in the Standby Service Tariff (if all
9 Special Conditions are met) and will be reviewed and determined through engagement with
10 stakeholders.

- 11
- 12 (e) NS Power clarifies that the capacity contribution factor, designated as “CCi” in the Standby
13 Service Tariff, of a non-dispatchable generator is not adjusted based on operating
14 conditions. Capacity contribution factor is established through an ELCC study, which, as
15 noted above, is performed by the IESO-NS.

16

17 The ELCC study measures the capacity value of a generator by assessing its contribution
18 to system reliability and peak demand needs. The resulting ELCC can be used to assign a
19 capacity credit that reflects the resource's expected resource adequacy contribution. Since
20 the ELCC values depend on factors such as the resource mix, load forecast, and system
21 conditions, they may be updated periodically through ELCC re-studies conducted by the
22 IESO-NS as part of the Integrated Resource Planning process to ensure capacity credits
23 remain aligned with the resource's actual contribution to system reliability.

- 24
- 25 (f) Please refer to CA IR-2, part (a), subsection (5) (iv) describing the terms for recall. The
26 NSPSO's authority to recall an export transaction from a resource receiving a capacity
27 credit under the Standby Service Tariff is supported by established precedent in the
28 corresponding Wholesale Market tariff, which contains a similar recall provision. This

¹ [IRP Evergreen - Updated Assumptions](#), January 26, 2023, page 27.

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1 authority was established under matter M09940, an Application by Nova Scotia Power
2 Incorporated to amend its Wholesale Market Backup/Top-up (BUTU) Service Tariff, and
3 Board Decision dated October 13, 2021.

4
5 The similar provision in the approved BUTU tariff² is found in Special Condition (7) (a)
6 (iv.) and is reproduced as follows for ease of reference:

7
8 (iv.) Any export transactions utilizing energy from the Internal Resource
9 will be recallable by the NSPSO, up to the amount contracted to the
10 wholesale customer, for delivery to the NSPI system in the event of a
11 resource adequacy need.

² The Wholesale Market Backup/Top-up Service Tariff is found at PDF page 99 of the NS Power Tariff Book available at: https://www.nspower.ca/docs/default-source/regulatory/tariff-book-2026.pdf?sfvrsn=69ab1a05_4

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Request IR-4:

Refer to Exhibit N-1, the Application, Attachment 4, Distribution-Connected Aggregation Service Tariff, DAS Tariff Review, page 3 of 3:

(a) Given the mid-year timing of this Application, does NS Power anticipate a decision by the Board by the end of this year?

(b) If a Board Order is delayed or a separate filing must be made to accommodate revisions, how will this impact the availability of NS Power's other tariffs included with this Application to allow RtR service to commence in 2027?

(c) Does NS Power intend to request that this tariff, and related tariffs included in this application, be available as a pilot program? If so, what would be the term for this pilot?

Response IR-4:

(a) It is the Company's understanding that REI expects to commence retail operations in November/December 2026 and that the enablement of distribution-connected generation and net billing within the RtR market is desired by REI in time for its initial market establishment. The proposed amendments were developed in response to the Board's directive in M12339 through a collaborative process involving REI, stakeholders, and Power Advisory. Given the limited and targeted nature of the proposed revisions, and the established timeline for this proceeding may be completed as early as October 23, 2026, it appears a Board Decision by the end of the year is feasible. However, the timing of a Board decision in this process is a matter for the Board to determine.

(b) The revisions to RtR market elements provided in this Application are separate from the existing Board-approved RtR market elements. Pending the Board's final determination in

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1 this matter, those existing market tariffs, terms and conditions, and related market elements
2 remain in effect. This proceeding relates to tariff provisions associated with enabling
3 distribution-connected generation and net billing within the RtR market in accordance with
4 the Board's direction in M12339, whereas the Annually Adjusted Rates (AAR) process is
5 designed to update tariff rates using established methodologies and would not normally
6 include amendments to tariff structures or provisions. Accordingly, a delay in the
7 disposition of this Application would not affect the continued availability of the existing
8 RtR framework. To the extent an LRS wishes to utilize the additional functionality
9 proposed in this Application, including distribution-connected generation and net billing,
10 implementation would remain subject to the Board's approval of the proposed revisions.

- 11
- 12 (c) In accordance with the Board's directive in M12339, and following a collaborative process
13 involving REI, stakeholders, and Power Advisory, the Company has proposed amendments
14 to enable an ongoing framework for distribution-connected generation and net billing
15 within the RtR market. The proposed framework is not intended to operate as a pilot.
16 However, given the early stage of RtR market development and the limited operational
17 experience with distribution-connected generation within the RtR context, the proposed
18 DAS Tariff includes a review at the end of 2028. The review period is intended to provide
19 an opportunity to gain experience with the operation of the DAS Tariff and broader RtR
20 constructs, recognizing the uncertain pace and scope of market development and the
21 uncertain implications of distribution-connected generation. Any such amendments
22 identified through that review would be subject to future Board consideration.

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Request IR-5:

Refer to Exhibit N-1, the Application, Attachment 9, Energy Balancing Service Tariff, Applicability (3) (4) and (5), on pages 1-2 of 4:

(a) Referring to Applicability 3, Pages 1 - 2 of 4, what is the source for the deduction of transmission locational losses, as applicable to the geographic zone in which the generating facility is interconnected? In your response, please include a list or map of the geographic zones involved.

(b) Referring to Applicability (4), how is the “compliance period” determined?

(c) Referring to Applicability (5), what is the mechanism or process to compel the LRS to provide a proposal to mitigate “Spill capacity” and within what time frame? What is the definition of “Spill Capacity” as opposed to spill energy?

(d) Will the terms of the Energy Balance Service, Standby Service, Distribution Access tariff and Licensed Retail Supplier Terms and Conditions all be reviewed and subject to revision as part of the Annually Adjusted Rates application each year or will they be reviewed under a separate application process going forward?

Response IR-5:

(a) Transmission Locational Loss Factors for the Renewable to Retail market are published in the Renewable to Retail folder¹ on the Open Access Same-time Information System (OASIS) website and updated periodically. The published loss factors include a geographic representation of the transmission zones in which the factors apply.

¹ The Renewable to Retail folder is found on OASIS at: https://www.nspower.ca/docs/default-source/monthly-reports/renewable-to-retail-locational-loss-factors-for-2022.pdf?sfvrsn=ee7ccdbf_7

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1 (b) The Compliance Period is defined in the Definitions section of the Board Electricity
2 Retailers Regulations (Nova Scotia)² and reproduced here for convenience.

3
4 “compliance period” means the twenty-four month period commencing
5 each January 1. The initial compliance period shall commence on the date
6 that a licence is approved and shall end December 31 of the following year,
7 but may exclude any periods of time determined by the Board to be subject
8 to force majeure;

9
10 (c) Maximum Spill Capacity (MSC) is the NS Power approved capacity limit for the Licensed
11 Retail Supplier’ (LRS) renewable generation resources. Spill energy is the amount of
12 renewable energy generated in excess of the LRS’ total customer load and associated
13 losses, measured and accumulated over a calendar year.

14
15 Under the Energy Balancing Service (EBS) tariff, NS Power annually compares:

- 16
17 • The amount of spill energy purchased from the LRS, and
18 • The amount of top-up energy sold to the LRS.

19
20 The objective is to maintain a balance between annual spill and top-up energy volumes.

21
22 If annual spill energy exceeds annual top-up energy, the LRS must submit a mitigation plan
23 demonstrating how it will balance spill and top-up energy going forward. If the LRS does
24 not adequately mitigate the excess spill, NS Power may reduce the MSC assigned to the
25 LRS’ renewable generation resources.

26
27 A reduced MSC limits the permitted output of the renewable resources to a level below
28 their nameplate capacity, thereby reducing the amount of spill energy produced on an
29 annual basis.

² The Board Electricity Retailers Regulations are available at:
https://novascotia.ca/just/regulations/regs/elecretailers.htm#TOC2_1

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1 (d) The costing and pricing associated with below-the-line tariffs, including those applicable
2 to a LRS, are conducted through the Annually Adjusted Rates (AAR) process. The AAR
3 process is designed to update tariff rates using established methodologies and would not
4 normally include amendments to tariff structures or provisions. Revisions to tariff
5 provisions, terms and conditions, and other non-pricing elements are generally reviewed
6 through a separate process, such as in this matter. The Company anticipates future rate
7 updates and tariff amendments would continue to be addressed through these respective
8 processes, consistent with current practice.