

NOVA SCOTIA ENERGY BOARD

IN THE MATTER OF: *The Public Utilities Act*

- and -

IN THE MATTER OF: The Financing Orders and Securitized Bonds Regulations

- and -

IN THE MATTER OF: An Application by Nova Scotia Power Incorporated for approval of a financing order authorizing the securitization of \$1 billion in costs, collected through a Securitization Cost Recovery Rider

INFORMATION REQUESTS

To: Nova Scotia Power Incorporated ("NSPI")

From: Renewall Energy Inc.

Responses Due: October 29, 2026

Contact Person Daniel Roscoe
Renewall Energy Inc.
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Issued at Halifax, Nova Scotia, this 22nd day of October 2026.

Request IR-1:

Reference: Exhibit N-1, Section 9.0, p. 33 and Appendix C.

- (a) Please explain why the outstanding forecast under-recovered FAM balance from September 2025 was not recovered from customers in 2026 in accordance with the process set out in the FAM Plan of Administration (POA). In particular, please identify the specific steps of the FAM POA process that were, or were not, followed and explain whether a deliberate decision was made by NSPI, the Board, or some other entity, to defer collection, and if so, on what basis.

- (b) Please explain how the decision not to recover the September 2025 FAM deficit during 2026 affected the size of the \$149.6 million balance now proposed for securitization, and quantify the amount of interest, by customer class, that accrued on the balance as a result of the deferral.

Request IR-2:

Reference: Exhibit N-1, Section 2.2, pp. 12-13.

- (a) Please explain and confirm whether forecast future fuel and purchased power costs that have not yet been paid or incurred by NSPI (including the \$23.2 million additional buffer prepayment amount and any forecast Q4 2026/2027 fuel shortfall) satisfy the definition of "Unrecovered Fuel Costs" under s. 1 of the *Financing Orders and Securitized Bonds Regulations*.
- (b) If NSPI's position is that these forecast, unpaid future costs qualify for securitization, please explain how such treatment differs from the securitization of estimated or forecasted costs that have not yet been incurred, as opposed to an accumulated balance of costs that have been actually incurred and remain outstanding.
- (c) Please identify any other instances, in Nova Scotia, other Canadian or US jurisdictions, in which prospective and unincurred fuel costs have been approved for securitization, and provide any supporting authority reviewed and relied upon.

Request IR-3:

Reference: Exhibit N-1, Appendix C; and Figure 1, p. 10.

- (a) Please provide a schedule, in excel format, similar in approach to Appendix C, but limited solely to the forecast 2027 fuel shortfall (i.e. the forecast FAM under-recovery for 2027 only, excluding the September 30, 2026 balance and the \$23.2 million additional prepayment), showing the impact on 2027 GRA rates if that 2027 shortfall were instead recovered through the existing FAM process and applied to 2027 rates as approved, rather than being securitized.

- 1 (b) Please identify the resulting rate impact by percentage, by customer class
2 under this alternative.

3 **Request IR-4:**

4 **Reference: Exhibit N-1, Section 5.0, pp. 24-25; and Confidential Appendix B.**

- 5 (a) Please provide a revised version of Appendix B (Confidential), that
6 removes 2027 and future fuel costs from both the traditional recovery and
7 securitization scenarios, showing the resulting Eligible Costs, NPV of Total
8 Customer Payments, NPV of Customer Benefits, and Percentage Savings
9 for the remaining securitization components (i.e. thermal assets, PHP
10 Deferral, IESO-NS Deferral, and the September 30, 2026 FAM balance
11 only).

- 12 (b) Please confirm whether removing these amounts from the securitized
13 principal would require a corresponding reduction in the requested \$1
14 billion bond issuance, and if so, by what amount, and explain any resulting
15 change in financing costs or NPV benefit per dollar securitized.

16 **Request IR-5:**

17 **Reference: Exhibit N-1, Appendix F, Securitization Cost Recovery Rider (SECRR); and**
18 **Appendix G-1, Distribution Tariff, Section 11.2**

- 19 (a) Please explain how the SECRR will be billed to and collected from RtR
20 Customers or Licensed Retail Suppliers, and in particular, confirm whether
21 the SECRR will be included among the "DT Charges" that the Distribution
22 Tariff requires to be invoiced and collected by the LRS (i.e. REI) on NSPI's
23 behalf.

- 24 (b) If the LRS is expected to bill and collect the SECRR on NSPI's behalf,
25 please explain what amendments, if any, are needed to the Terms and
26 Conditions, Participation Agreement, or NSPI's billing systems required to
27 implement this, and the anticipated timeline and cost of implementing such
28 changes. Please also confirm who bears these costs.

29 **Request IR-6:**

- 1 (a) Please explain whether and how NSPI has considered the requirements
2 and policy objectives of the *More Access to Energy Act*, including its
3 purpose of encouraging competition in the Nova Scotia electricity
4 marketplace, in connection with the proposal to securitize future fuel costs.
- 5 (b) Please explain the impact, if any, of securitizing future fuel costs on the
6 ability of customers to switch to a Licensed Retail Supplier under the
7 Renewable to Retail (RtR) program, including whether the non-bypassable
8 Securitization Cost Recovery Charges applicable to RtR Customers would
9 include a share of future fuel costs that those customers would not
10 otherwise be responsible for under the existing FAM if they had already
11 switched or were to switch to an RtR supplier before those costs are
12 incurred.
- 13 (c) Please explain how securitizing future, as-yet-unincurred fuel costs and
14 locking in 30-year cost responsibility for those costs is consistent with, or
15 creates any disincentive to, the growth of competition in the RtR market
16 contemplated by the *More Access to Energy Act*.

17 **Request IR-7:**

- 18 (a) Please confirm whether the costs associated with RTR Implementation
19 Costs (CI C0053699) would constitute an "Unrecovered Regulatory Asset"
20 as defined in s. 1 of the *Financing Orders and Securitized Bonds*
21 *Regulations*. If not, why would these costs not meet that definition?
- 22 (b) If so, please confirm the amount of RTR Implementation Costs that would
23 qualify as an Unrecovered Regulatory Asset. If some amounts are
24 excluded, please explain.
- 25 (c) Please indicate whether any or all of the RTR Implementation Costs could
26 be included in a securitization financing package, either now or in the
27 future, and recovered through securitization charges from RTR market
28 participants. If not, please explain why such costs would be ineligible for
29 securitization.
- 30 (d) Please compare the proposed securitization with an alternative scenario
31 that substitutes the RTR Implementation Costs identified above for an

1 equivalent amount of the forecast future fuel costs addressed in IRs 2
2 through 4. Please provide revised versions of Appendix B and Appendix H
3 reflecting this alternative scenario, including any amounts recovered
4 specifically from RTR market participants, or explain in detail what
5 additional work would be required to prepare those revisions.

6 (e) If NSPI considers this alternative infeasible, less beneficial, or less
7 principled than the proposed components, please explain and quantify the
8 reasons.