

**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 to be collected through a Securitization Cost  
Recovery Rider

**INFORMATION REQUESTS**

**To:**                               **Nova Scotia Power Inc.**  
Blake Williams  
Senior Regulatory Counsel  
By e-mail: [blake.williams@nspower.ca](mailto:blake.williams@nspower.ca)

**From:**                         **Bates White LLC**

**Responses Due:**           **Thursday, October 22, 2026**

**Copies:**                     1 electronic copy (PDF searchable)

**Contact Person:**           **Vincent Musco**  
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**Issued at** Halifax, Nova Scotia, this 22<sup>nd</sup> day of October 2026.

  
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Crystal Henwood, Clerk of the Board

**Request IR-1:**

Please provide "PARTIALLY CONFIDENTIAL 2026 Securitization Rider Application Appendix C Attachment 2," found at PDF pages 69 to 76 of the Application, in electronic, Excel format with all formulas intact.

**Request IR-2:**

Preamble:

Some data in "2026 Securitization Rider Application Appendix C Att 01 CONF EO.xlsx", on worksheet "Schedule 7 – AA by Class" appears to be mis-aligned in worksheet rows 83/84 (table rows 65/66) between Column N and Column O. Specifically, there is a current interest line which appears to be all zeros and exists in all columns A through letter N, but disappears from column O onwards.

Request:

Please provide a corrected version of "2026 Securitization Rider Application Appendix C Att 01 CONF EO.xlsx".

**Request IR-3:**

Please provide a copy of the presentation shown at the Technical Conference held on October 15, 2026.

**Request IR-4:**

References:

A. Securitization Eligible Costs:

i. "2026 Securitization Rider Application Appendix A EO.xlsx", "Summary" worksheet, Cells F8 to F10, Fuel and Purchased Power Eligible Costs

B. The following values for December 2026:

i. "2026 Securitization Rider Application Appendix A EO.xlsx", "Schedule 1 – FAM Calculation" worksheet, Cell HL54

- ii. "2026 Securitization Rider Application Appendix A EO.xlsx", "Schedule 7 – AA by Class" worksheet, Cell HL74
  - iii. "2026 Securitization Rider Application Appendix C Att 01 CONF EO.xlsx," "Schedule 1 - FAM Calculation" worksheet, Cell HL54
  - iv. "2026 Securitization Rider Application Appendix C Att 01 CONF EO.xlsx," "Schedule 7 - AA by Class" worksheet, Cell HL74
- C. December 2026 values are also shown in "2026 Securitization Rider Application Appendix C Att 01 CONF EO.xlsx", "Annual Summary" worksheet, columns B through F for 2026 Q3F, specifically cells C12, D34, D56, D76 and E 76
- D. Value for December 2027
- i. "2026 Securitization Rider Application Appendix A EO.xlsx," "Schedule1 – FAM Calculation" worksheet, HX67

Request:

- a) Please confirm that the value of the "COS Adjustment" found on "2026 Securitization Rider Application Appendix A EO.xlsx," "Schedule 7 – AA by Class" worksheet, Cell HL74 (hard-coded value) reflects the sum of eligible costs for securitization related to Fuel and Purchased Power shown on "2026 Securitization Rider Application Appendix A EO.xlsx", "Summary" worksheet, cells F8 to F10. If not confirmed, please provide an explanation for this amount.
- b) If (a) is confirmed, please explain the difference between the two values.
- c) Please confirm if the value in "2026 Securitization Rider Application Appendix C Att 01 CONF EO.xlsx", "Schedule 7 – AA by Class" worksheet, HL74 "COS Adjustment" (hard-coded value) reflects the sum of "2026 Securitization Rider Application Appendix A EO.xlsx", "Schedule 7 – AA by Class", worksheet, HL74 "COS Adjustment" (hard-coded value) plus the value in "2026 Securitization Rider Application Appendix A EO.xlsx", "Schedule1 – FAM Calculation" worksheet, HX67 (negative value, the total

1 ending balance of the FAM at December 2027 reflecting an over recovery). If not  
2 confirmed, please provide an explanation for the value in “2026 Securitization Rider  
3 Application Appendix C Att 01 CONF EO.xlsx”, “Schedule 7 – AA by Class” worksheet,  
4 HL74 “COS Adjustment”.

5 d) If (c) is confirmed, please explain the difference between

- 6 i. the value of “2026 Securitization Rider Application Appendix C Att 01 CONF  
7 EO.xlsx”, “Schedule 7 – AA by Class” worksheet, HL74 “COS Adjustment”, and
- 8 ii. the sum of “2026 Securitization Rider Application Appendix A EO.xlsx”,  
9 “Schedule 7 – AA by Class”, worksheet, HL74 “COS Adjustment” plus the value  
10 in “2026 Securitization Rider Application Appendix A EO.xlsx”, “Schedule1 –  
11 FAM Calculation” worksheet, HX67.

12 **Request IR-5:**

13 **References:**

14 **A. Securitization Eligible Costs:**

- 15 ii. “2026 Securitization Rider Application Appendix A EO.xlsx”, “Summary”  
16 worksheet

17 **Request:**

- 18 a) Please confirm if the values shown on the “Summary” worksheet of “2026  
19 Securitization Rider Application Appendix A EO.xlsx” are fixed or if they will change.  
20 If values are expected to change, please provide an overview of what costs may  
21 change and why. For instance, NSPI states that the values related to PHP may be  
22 affected by the ELID tariff Application M12661 per the statement at the Application  
23 page 29, lines 14-55, and the AAR application filed November 7, 2026 per the  
24 Application page 29, lines 15-17.

- b) Please confirm if the only item related to an analysis of the proposed Securitization not yet determined is the Securitization Bond Interest Rate assumed in the Confidential Application at page 23, line 16.
- c) Please confirm that the value shown on the “Summary” worksheet (“Fuel and Purchased Power – Additional FAM Prepayment”) is essentially a ‘plug’ value to reach a total securitization issuance value of \$1 billion.
- d) Will the “Fuel and Purchased Power – Additional FAM Prepayment” amount change as actual results for September 2026 and the remainder of 2026 Q4 are determined?
- e) Is the “Fuel and Purchased Power – Additional FAM Prepayment” amount the value that will change in response to NSPI’s proposal that “any difference between the forecast balance of \$12.2 million and the actual PHP Deferral account balance at December 31, 2026 be applied as an adjustment to the \$64.9 million FAM Prepayment, with the offset recorded to the Securitization Regulatory Asset”? (See page 14, lines 21 to 25 of the Application.) If not, please explain.
- f) Is the “Fuel and Purchased Power – Additional FAM Prepayment” amount the value that will change in response to NSPI’s proposal that “any difference between the forecast IESO-NS Deferral of \$20.1 million and the actual deferral at March 31, 2027 be applied as an adjustment to the \$64.9 million FAM Prepayment, with the offset recorded to the Securitization Regulatory Asset”? (See page 15, lines 17 to 20 of the Application.) If not, please explain.
- g) Is the “Fuel and Purchased Power – Additional FAM Prepayment” amount the value that will change in response to NSPI’s proposal that “any difference between actual and forecast Upfront Financing Costs be applied as an increase or decrease to the \$64.9 million FAM Prepayment, with the offset recorded to the Securitization Regulatory Asset”? (See page 20, lines 18 to 21 of the Application.) If not, please explain.

1 h) How would a change in the value of the “Fuel and Purchased Power – Additional  
2 Prepayment” to below \$0 impact the proposed securitization? For example, would the  
3 overall impact be a decrease in the NPV?

4 i) How would a change in the value of the “Fuel and Purchased Power – Additional  
5 Prepayment” to a significantly larger amount impact the proposed securitization? For  
6 example, is there a value at which the dollar value of the issuance would be reduced?

7 **Request IR-6:**

8 Reference:

9 A. “2026 Securitization Rider Application Appendix B CONF EO.xlsx,” “NPV Analysis  
10 – Securitization” worksheet

11 i. Hard-coded value in Cell D10, Change in Securitization Financing Fee  
12 Deferral

13 Request:

14 a) Is the value in Cell D10 determined by calculating the difference between the sum of  
15 values in Row 62 (Without Securitization, “Thermal Assets Financing Cost Deferral”)  
16 and Row 83 (Thermal Assets Financing Cost Deferral, Interest Expense)? If  
17 confirmed, please explain why a hard-coded value was used.

18 b) If part a) not confirmed, please identify where and how the value shown in Cell D10 is  
19 calculated indicating the workbook, worksheet and cells required to replicate the  
20 calculation.

21 **Request IR-7:**

22 Reference:

23 A. “2026 Securitization Rider Application Appendix A EO.xlsx”

24 B. “2026 Securitization Rider Application Appendix B CONF EO.xlsx”

25 C. “2026 Securitization Rider Application Appendix C Att 01 CONF EO.xlsx”

- 1 D. Specifically “2026 Securitization Rider Application Appendix B CONF EO.xlsx”,  
2 “Without Securitization” worksheet, Recovery Forecast Assumptions presented in  
3 i. Footnote 1, first paragraph C29, worksheet “NPV Analysis –  
4 Securitization”, and  
5 ii. Lines C69 to C74 of the same worksheet  
6

7 Request:

- 8  
9 a) Please confirm that Appendix A calculates values for 2027 assuming the securitization  
10 issue is approved and, with respect to the FAM, the FAM-related securitization costs  
11 are used to adjust the Cost of Service in December 2026, leading to an over-recovery  
12 of FAM amounts at December 2027. If not confirmed, please explain.  
13  
14 b) Please confirm that Appendix C calculates values for 2027 assuming the securitization  
15 issue is approved but, with respect to the FAM-related securitization costs, assumes  
16 that the over-recovery estimated in Appendix A at the end of December 2027 is  
17 eliminated by adjusting the Appendix C Cost of Service value in December 2026. If  
18 not confirmed, please explain.  
19  
20 c) Please confirm that in Appendix B the traditional (without securitization) recovery  
21 forecast amounts are calculated assuming the securitization changes in December  
22 2026 are in place and not reversed in 2027 for all categories of securitization costs  
23 except for Fuel & Purchased Power, and the IESO Deferral as shown in lines 61 to 66  
24 of the worksheet “NPV Analysis – Securitization.” If not confirmed, please explain.  
25  
26 d) If part c) is confirmed please explain why the decision was made to proceed with this  
27 approach to estimating the “without securitization” values.  
28  
29 e) Please provide an explanation for this approach to calculating the without  
30 securitization values, and an estimate of the savings or costs associated with this  
31 approach to calculating the “without securitization” values in Appendix B as compared

1 to assuming securitization does not occur in December 2026 impacting values for  
2 2027.

3  
4 **Request IR-8:**

5 Reference: N-1, Section 6.

6 Does the cost of service treatment outlined in Section 6 differ from the Cost of Service approved  
7 during the previous GRA? If so, please provide an explanation of how it differs.

8 **Request IR-9:**

9 Reference:

10 Decision in 2026 NSEB 8, Matter 12451 ("GRA Decision"), paragraphs 291 and 305  
11

12 At paragraph 291, NSPI indicated that it estimated the savings associated with the  
13 "securitization of \$704 million of the unrecovered net book value of thermal assets with  
14 the scope of the DDA (\$500 million in 2025 and \$204 million in 2026)" at approximately  
15 \$90 million in the 2026-2027 test period."

16 At paragraph 305, NSPI estimated that a six-month delay in proceeding with the  
17 securitization from January 1, 2026 to July 1, 2026 was a decline in savings of  
18 approximately one-quarter or \$22.5 million.

19 Request:

- 20 a. What are the estimated savings in the current application related solely to the  
21 assets within the scope of the DDA?
- 22 b. What is the impact on savings from securitization resulting from a six-month delay  
23 in proceeding with securitization as it relates to i) the assets as defined in part a),  
24 and ii) as filed for in the current application (i.e., all four categories of securitized  
25 costs)?  
26

**Request IR-10:**

Reference: N-1, section 2.3 and Appendix A, tab “2 – PHP Deferral.”

- a. Please provide a narrative explanation as to why the “PHP Deferral” includes Non-Fuel costs only (and not Fuel Costs).
- b. Please provide the basis for “accrued interest calculated at the Bank of Canada policy rate plus 1.75 percent.”

**Request IR-11:**

Reference: N-1, page 13 lines 8-9.

- a. Please provide a narrative explanation of the material differences between “NS Power’s Q3 Forecast” and the forecast used in the GRA to set the BCF FAM rate currently in place.
- b. Please identify any resource assumptions (e.g., retirements, retirement dates, commercial operations dates) that changed between the forecast used in the GRA to set the BCF FAM rate currently in place and NS Power’s Q3 Forecast.

**Request IR-12:**

Reference: N-1, page 13 lines 11-13.

- a. Please explain the meaning of the phrase “a more efficient execution of the Securitized Bond issuance in the capital markets.”
- b. Please provide any evidence that supports NS Power’s assertion that a \$1 billion bond issuance will result in increased savings to customers.
- c. Please provide any evidence that supports NS Power’s assertion that a \$1 billion bond issuance will result in reduced transactional risk (related to the bond issuance) to customers.
- d. Please explain why NS Power does not propose a *higher* amount of “unrecovered fuel costs” to be securitized, such as an amount that would increase the total Securitized Bond issuance to an amount that exceeds \$1 billion? Please include any evidence supporting the position that a bond issuance exceeding \$1 billion will not be beneficial for customers.

1 e. Is there a risk that NS Power will be unable to actually or efficiently issue a \$1 billion  
2 Securitized Bond? If so, how will NS Power proceed? For example, will NS Power seek  
3 the largest possible issuance in such a scenario? Please explain.

4 f. Further to (e), is there a minimum value of the Securitized Bond, below which NS Power  
5 would not proceed with securitization? Please explain.

6 **Request IR-13:**

7 Reference: N-1, page 13 lines 11-13.

8 a. Please explain the meaning of the phrase “a more efficient execution of the Securitized  
9 Bond issuance in the capital markets.”

10 b. Please provide any evidence that supports NS Power’s assertion that a \$1 billion bond  
11 issuance will result in increased savings to customers.

12 c. Please provide any evidence that supports NS Power’s assertion that a \$1 billion bond  
13 issuance will result in reduced transactional risk (related to the bond issuance) to  
14 customers.

15 **Request IR-14:**

16 Reference: N-1, Figure 5.

17 a. Please confirm that the “Cost of Financing” under the “Securitization” scenario is an  
18 estimate that is subject to risk of change once NS Power pursues the Securitized Bond  
19 issuance. If not confirmed, please explain.

20 b. How will NS Power address a scenario where the actual “Cost of Financing” under the  
21 “Securitization” scenario is materially higher than what is shown in Figure 5?

22 c. Related to question (b), is there a “maximum” “Cost of Financing” rate that NS Power will  
23 be willing to accept, beyond which NS Power would not agree to the terms of the Bond  
24 Securitization?

25 d. Has NS Power proposed any guardrails associated with the risks in (a-c) above, or is NS  
26 Power seeking the ability to execute a Securitized Bond issuance, regardless of the

1 interest rate associated with the Securitized Bond? Please explain with references to the  
2 Application.

3 **Request IR-15:**

4 Reference: N-1, Section 9.0 and page 33 lines 7-11.

- 5 a. Please confirm that the actual, final “(i) scheduled principal and interest payments on the  
6 Securitized Bonds” is not currently known and will remain uncertain and subject to risk  
7 until NS Power executes a Securitized Bond. If not confirmed, please explain.
- 8 b. If the Board approves NS Power's Application as filed, will the Board have the ability to  
9 review the final value in (a) prior to those costs becoming part of customer rates, other  
10 than the process laid out in Section 9.0 of the Application? If yes, please explain with  
11 references to the evidentiary record.
- 12 c. Please confirm that the actual, final value of “Ongoing Financing Costs” is not currently  
13 known and will remain uncertain and subject to risk until NS Power executes a Securitized  
14 Bond. If not confirmed, please explain.
- 15 d. If the Board approves NS Power's Application as filed, will the Board have the ability to  
16 review the final value in (c) prior to those costs becoming part of customer rates, other  
17 than the process laid out in Section 9.0 of the Application? If yes, please explain with  
18 references to the evidentiary record.
- 19 e. Has NS Power proposed any guardrails associated with the risks in (a-d) above, or is NS  
20 Power seeking the ability to execute a Securitized Bond issuance, regardless of the  
21 interest rate associated with the Securitized Bond and the Financing Costs of the bond?  
22 Please explain with references to the Application.

23 **Request IR-16:**

24 Reference: N-1, Section 2.3.

- 25 a. If NS Power's Application is not approved, please explain how NS Power would recover  
26 the PHP Deferral Account amounts.

b. Regarding “the Company’s Q3 Forecast,” please provide the forecast of PHP’s load used in that forecast.

c. Regarding “the Company’s Q3 Forecast,” please provide the forecast of Goose Harbour wind farm’s output used in that forecast.

**Request IR-17:**

Reference: N-1, Section 2.5.

a. Please explain how NS Power’s purchases of fuel (e.g., natural gas, coal), power (e.g., via existing PPAs or through market transactions), and other FAM-related products and services in recent years as well as 2026 and 2027, are costs that should be recovered over a 30-year period. Please reference electricity rate and cost causation principles in the response.

b. Please explain how NS Power’s costs associated with a regulatory asset related to a single customer’s costs and tariff(s) in 2026 are costs that should be recovered over a 30-year period. Please reference electricity rate and cost causation principles in the response.

**Request IR-18:**

Reference: N-1, Section 6.3.

Please explain if NS Power’s proposed cost allocation for the PHP Deferral costs relates to the GRA and the Board’s Decision in the GRA.

**Request IR-19:**

Reference: N-1, Section 7.0.

a. Under NS Power’s proposal in the Application, will PHP pay its portion of the Securitization Rider on its actual load, or its net load (net of generation from Goose Harbour wind farm)? Please explain.

b. Please provide a narrative explanation of the basis for NS Power’s answer to (a), including any references to current or past matters before the Board.

**Request IR-20:**

- 1 Reference: N-1, page 37 lines 15-19.
- 2 Is NS Power aware of any precedent for an instance where a Board Order “may not be amended,
- 3 modified, or terminated by any subsequent action of the Board”? Please provide any relevant
- 4 precedents.