

February 14, 2020

Nicole Godbout
Director, Regulatory Affairs
Nova Scotia Power Inc.
PO Box 910
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RE: M08929 - NSPI Integrated Resource Planning – Draft Analysis & Assumptions Comments

Heritage Gas is the regulated provider of natural gas distribution service to Nova Scotia residents and businesses. Our interest in understanding Nova Scotia Power Inc.'s ("NSPI") Integrated Resource Plan ("IRP") is its interplay with overall long-term energy planning for the next 25 years in the province.

Heritage Gas has been attending stakeholder meetings and workshops with NSPI, Energy+Environmental Economics ("E3") and other stakeholders throughout 2019 and 2020. On January 28, 2020, NSPI held a stakeholder session to address the Draft Analysis Plan where Heritage Gas and others had the opportunity to listen, comment, and provide feedback.

Following that stakeholder session, Heritage Gas and NSPI met independently to discuss the Draft Assumptions Set for the IRP, of which Heritage Gas' comments were generally in relation to the following topics:

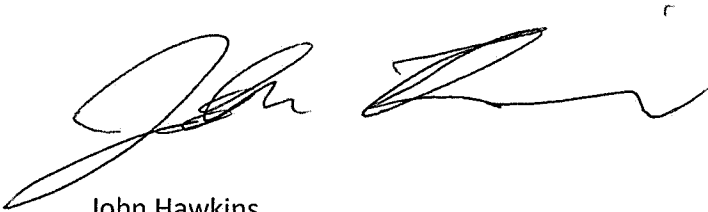
- **Electrification load contribution to peak load.**
 - Heritage Gas sees it as imperative to incorporate the contribution of newly electrified technologies (i.e. EV's, heat pumps, etc.) in the calculation to peak, both in terms of system build-out and GHG contributions. Heritage Gas sees a significant potential opportunity over a 25-year period for the natural gas distribution system to relieve some of the upward pressure on the electrical system peak. Heritage Gas understood from NSPI that E3 was developing an assumptions set and alternative options for electrification scenario modelling which would be provided to stakeholders for review and comment. Heritage Gas looks forward to receipt of this information.
- **Coal plant conversions to natural gas.**



- Heritage Gas received confirmation from NSPI that the final supply side modelling assumptions will include coal-to-gas conversion and that although the base loaded gas price assumptions (slide 78) refers to 100,00 MMBtu/day the model will not have a specific supply constraint on natural gas.
- **Continued use & reliability of Combustion Turbines (“CTs”) within NSPI’s fleet.**
 - Heritage Gas received confirmation that new natural gas-fired CTs would be included in the supply options and available to the model, and that NSPI would be considering the reliability over the IRP study period of existing CTs from a fuel security, general reliability and start-up perspective, potentially in the proposed reliability screening or earlier phases of the IRP.
 - NSPI also indicated it would review the CT Sustaining Capital costs in its February 3, 2020 slide 95 revision as against its original January 20 assumptions set and provide explanations for the changes, particularly in light of the vertical axis revisions. Heritage Gas looks forward to the receipt of this information.

Heritage Gas appreciates the continued open and collaborative process with all stakeholders to date on this IRP. While various other issues related to the above matters were discussed with NSPI, Heritage Gas felt it appropriate to highlight the foregoing points for all stakeholders at this stage in the process. We look forward to the continued dialogue on the inputs, modelling, analysis, screening and planning stages of the IRP, including receipt of the final detailed data assumptions to be used in the upcoming modeling stages.

Kindest Regards,



John Hawkins

cc: M08929 Participants