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Mr. Stephen McGrath
Chair, Nova Scotia Utility and Review Board
3rd Floor, Summit Place
1601 Lower Water Street
Halifax, Nova Scotia B3J 3P6

August 23, 2022

Dear Chair McGrath:

EfficiencyOne (E1) is providing this update to the Nova Scotia Utility and Review Board (NSUARB) on the company's 2020-2022 DSM Plan three-year performance targets, in advance of filing E1's Q2 2022 Report on August 25, 2022. E1's Annual Progress Reports for 2020 and 2021, identified the savings impact from COVID-19. During various discussions between E1 counsel and Board counsel over this Plan period, E1 committed to notifying the NSUARB immediately upon determining that it was unlikely to meet either, or both of its 2020-2022 DSM Plan three-year performance targets.

With two remaining quarters in the Plan period, E1 is now forecasting to achieve its NSUARB-approved Performance Target for cumulative annual energy savings, achieving the equal to or greater than 90% performance target threshold by the end of 2022. There does however remain some risk within this forecast, including lingering impacts caused by the ongoing COVID-19 pandemic; supply chain issues; project delays due to contractor/staff capacity; and participant concerns with inflationary pressures. E1 is diligently working to mitigate these impacts by increasing marketing activities and campaigns to the end of 2022; reviewing incentive levels in programs; and introducing new measures within programs where applicable.

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Presently E1 does not expect to achieve its NSUARB-approved Performance Target for cumulative annual system peak demand savings by achieving the equal to or greater than 90% performance target threshold. The projected shortfall is attributable to COVID-19 impacts on savings results in 2020 and 2021. E1 will continue to provide updates of the activities of the joint E1 and NS Power the Demand Response Working Group. Despite this projected underachievement, E1 remains committed in its efforts to reduce the projected gap in its demand savings contractual target throughout the remainder of the Plan period.

E1 will be filing its Q2 2022 Report on August 25, 2022.

Respectfully,

Stephen MacDonald
President and Chief Executive Officer

Cc: Bruce Outhouse
James R. Gogan