

October 31, 2022

Ms. Crystal Henwood
Regulatory Affairs Officer/Clerk
Nova Scotia Utility and Review Board
1601 Lower Water Street, 3rd Floor
P.O. Box 1692, Unit "M"
Halifax, NS B3J 3S3

Re: M10504 - IRP Evergreen Update (P-884)

Dear Ms. Henwood:

By letter dated July 18, 2022, the Nova Scotia Utility and Review Board (NSUARB, Board) directed Nova Scotia Power Incorporated (NS Power, Company) to file a further update on the IRP evergreen process by October 31, 2022.

According to the process timeline, NS Power intended to provide interested parties with updated assumptions, a modeling scenario plan, early insights, and responses to stakeholder feedback on July 18, 2022. However, that date was recently moved to the week of July 25th. The next listed task is to provide stakeholders with the draft modeling results by September 29, 2022, for review at a workshop during the week of October 4, 2022.

The Board recognizes the progress being made with the Evergreen update, which includes stakeholder involvement. In keeping with that approach, interested parties should be able to provide NS Power with additional comments after reviewing the July 25th material so that relevant concerns can be factored into the modeling activities. The Board notes that its consultants, Synapse and Bates White will also continue to be engaged in this process

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The Board directs the filing of a further report by October 31, 2022

In accordance with the NSUARB's direction, please accept the following as NS Power's

updated report on the Company's IRP evergreen process.

NS Power had been working to prepare the draft evergreen IRP modeling results based on the updated assumptions and modeling scenarios in accordance with the process timeline and milestone dates that the Company provided to stakeholders. To ensure the full stakeholder engagement, the feedback period for the assumptions, modeling scenarios and early insights in the Company's process timeline was further extended from the week of July 25, 2022 to the week of August 5, 2022.

As a result of the extension on stakeholder feedback, combined with NS Power's storm restoration efforts in response to Hurricane Fiona, the Company advised stakeholders that additional time would be required to provide the draft modeling results for review. At the time, NS Power indicated it was targeting October 31, 2022 to circulate the draft modeling results with a stakeholder engagement session to follow.

Since that time, however, the Province of Nova Scotia has proposed amendments to both the *Public Utilities Act* (Nova Scotia) and the *Environment Act* (Nova Scotia) which are expected to impact key assumptions in the evergreen process. The proposed amendments to the Environment Act would affect a transition from the current cap-and-trade system to a provincial output-based pricing system (OBPS). The details of the OBPS will have a direct impact on the evergreen IRP carbon policy assumption.

As a result of these legislative changes, NS Power advised stakeholders on October 28, 2022 that additional time would be required to consider these updates and that the Company would re-engage with them once updated assumptions are better understood. NS Power committed to providing an update to stakeholders on its progress and next steps in the IRP evergreen process by the end of Q4 2022.

NS Power will provide a further update to the NSUARB on the evergreen process, including a revised process timeline with milestone dates, by December 31, 2022.

All correspondence in relation to this matter should be directed to my attention.

Yours truly,



Brian Curry,
Senior Director Regulatory

c. Interested Parties (M10504)