BEFORE THE NOVA SCOTIA ENERGY BOARD

IN THE MATTER OF *The Public Utilities Act, R.S.N.S. 1989, c.380* as amended

- and -

IN THE MATTER OF an Application by EfficiencyOne for Approval of a New Benefit-Cost Analysis Test for Evaluating Demand Side Management (DSM) Plans

OPENING STATEMENT

OF

THE SMALL BUSINESS ADVOCATE

Mr. Chair and Board members, please accept this submission as the opening statement on behalf of the Small Business Advocate (SBA).

EfficiencyOne, as the holder of the demand-side management franchise, is responsible for developing and implementing a demand-side management (DSM) plan, which must be approved by the Nova Scotia Energy Board, and which serves the electricity ratepayers in Nova Scotia. Those ratepayers include the classes that the SBA represents, which are the Small General, General and Small Industrial Classes.

The SBA has been active through the past 20-plus months of discussions with EfficiencyOne and other members of the Demand Side Management Group (DSMAG) regarding a new benefit-cost analysis (BCA) test to be used in Nova Scotia. The application before the Board is a proposed BCA test to be used as part of the planning and approval process for the next upcoming DSM plan, expected to cover 2027-2031 (the "Application").

During the period of time when discussions of a new BCA test were underway, the government of Nova Scotia introduced several pieces of legislation that impact on the way in which EfficiencyOne must develop and implement its DSM plan. The details of those legislative changes are set out in detail in the Application, and include, but are not limited to, the requirement for the Board to consider energy efficiency; sustainable development; sustainable prosperity; and greenhouse gas emissions reductions goals while assessing a DSM plan application.

The SBA acknowledges that those factors, along with additional applicable legislative changes, are important to keep in mind when considering a new BCA test. The Application includes a number of new benefits to be included as part of the new BCA test, which EfficiencyOne believes support the consideration of those factors and addresses the issue of bias that it has identified in the current test that is in place (being the Total Resource Cost Test). The SBA acknowledges that there are many factors that are being proposed to be included as part of the new BCA, as set out in the Application, where there is reasonable and appropriate quantification.

However, the SBA has concerns about the inclusion of some of the non-energy benefits that are being proposed, notably those that have not been quantified and for which a proxy percentage is being used. The SBA intends to explore the appropriateness of including unquantifiable non-energy benefits in a test that is intended to avoid bias.

The SBA looks forward to exploring these and other topics during this hearing. Thank you for the opportunity to submit this opening statement.

Dated at Bedford, Nova Scotia, this 11th day of September, 2025.

Melissa P. MacAdam
Small Business Advocate