



EfficiencyOne

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

-and-

IN THE MATTER OF An Application for Approval of a New Benefit-Cost
Analysis Test for Evaluating Demand Side Management
Plans

EfficiencyOne Opening Statement M12282

Filed with the NOVA SCOTIA ENERGY BOARD

September 11, 2025

**Opening Statement by Stephen MacDonald
President and Chief Executive Officer, EfficiencyOne**

Thank you for the opportunity to present EfficiencyOne's application in support of a New Benefit-Cost Analysis Test for Evaluating Demand Side Management Plans.

This application stems from direction of the Board in September of 2022, in its decision on EfficiencyOne's 2023–2025 Demand Side Management Plan. At that time, the Total Resource Cost (or TRC) test was the primary measure of cost-effectiveness.

As part of that DSM Plan, EfficiencyOne submitted that, given recent legislative changes and the advancement of demand response and electrification initiatives, a broader review of cost-effectiveness testing should be considered. The Board accepted this approach and directed us to work with the Demand Side Management Advisory Group to conduct a review to determine an optimal DSM cost-effectiveness testing methodology for Nova Scotia.

Since then, further legislative changes, which are unique to Nova Scotia, have provided clearer direction for our work to pursue strategic electrification, as well as broader considerations of sustainable development and prosperity in DSM work.

This application responds directly to the Board's earlier direction, to conduct a review to determine the optimal cost-effectiveness testing methodology for Nova Scotia; one which incorporates the evolving legislative requirements. EfficiencyOne is therefore asking the Board to approve its proposed Benefit-Cost Analysis, or BCA, test.

The proposed BCA test is the product of work undertaken by our expert consultant, Energy Futures Group, combined with more than a year of iterative consultation with the Demand Side Management Advisory Group. We take this opportunity to thank participants for their engagement during that process, and for the expert evidence provided in this application.

Most experts in this Application agree: the current primary TRC test is limited in serving as the primary cost-effectiveness lens. We submit that the proposed BCA test is more appropriate than the TRC test, aligning with recent legislative changes, and Nova Scotia's policy objectives.

The BCA test submitted in this Application offers a more comprehensive framework, reflects recent legislative changes through the inclusion of host customer benefits, non-electric fuel impacts and greenhouse gas emissions impacts, which could not previously be considered. This is a significant step forward in cost-effectiveness testing in Nova Scotia — an approach that is modern, responsive, and better aligned with the province’s priorities.

At the same time, we recognize that this is just the beginning. EfficiencyOne is proposing that the Board also approve an “evergreen” process, whereby the proposed BCA test would go through a review process of all impacts with the Demand Side Management Advisory Group in advance of future DSM Plans. As part of this process, we will carry out preliminary work to present for discussion with the group, including undertaking ongoing research, jurisdictional scans, and customer engagement. This process will ensure that Nova Scotia’s approach to cost-effectiveness testing remains relevant and reflective of legislative, technological and social changes that may occur between now and the 2032 DSM Plan, and beyond.

In closing, I would like to thank again the members of the Demand Side Management Advisory Group, intervenors, experts, those who provided Letters of Comment, and, of course, the Board for their careful attention and engagement on this Application. We look forward to working with you to establish a robust, forward-looking framework for assessing DSM initiatives in Nova Scotia.