Request IR-1:

Provide a copy of all Net Metering (NM) and Self Generation Option (SGO) agreements with the customer and explain if, when and how a copy of each agreement was provided to the customer and provide a copy of all correspondence.

Response IR-1:

As a result of the cyber incident, NS Power does not currently have access to the original Legacy Net Metering (NM) agreements signed between NS Power and the customer, nor to the associated archived historical email correspondence. These records remain unavailable at this time. NS Power's IT team continues to work to restore affected portions of the system; however, it is not yet known whether these specific records will be recoverable.

NS Power has included a copy of the Class 1 Net Metering Interconnection Agreement, attached as Attachment 1, that would have been executed for the customer's original application approved in January 2016, and subsequently amended to reflect the expansion in May 2019. While NS Power is unable to provide the customer's executed copy of the agreement, the standard process at the time would have involved NS Power requesting, via email, that the customer sign and return the agreement upon approaching final electrical inspection. Once received, NS Power would countersign and return a fully executed copy to the customer. There is no indication that NS Power's standard process was not followed in this case.

For the customer records that are currently available, please refer to the customer account and communication notes from NS Power's CIS database, which are attached as Confidential Attachment 2 to NS Power's response to the DRO appeal.

With respect to the Self-Generation Option (SGO), the customer is not required to enter into a contractual agreement with NS Power. Please refer to IR-3 for further details.

This **NET METERING CLASS 1 INTERCONNECTION AGREEMENT** made as of the _______ day of ___________, 20___, effective as of the _______ day of ____________, 20___ ("Effective Date").

BETWEEN:

____
(the "Customer")

-and-

NOVA SCOTIA POWER INCORPORATED, a body corporate
("NSPI")

WHEREAS:

A. Class 1 net metering service is available to customers of NSPI with generators having a capacity not exceeding 100kW.

B. The Customer has applied for net metering class 1 pursuant to section 3.6 of the NSPI's regulations approved by the UARB.

C. The parties agree that the net metering service will provide such service on the terms and conditions contained herein.

NOW THEREFORE witnesses that in consideration of the promises and the mutual covenants and obligations herein and other good and valuable consideration, the sufficiency and receipt of which are hereby acknowledged, the parties agree as follows:

1. **DEFINITIONS**

In this Agreement the following terms have the following meanings:

1.1. "Distribution System" means NSPI's facilities that operate at a nominal voltage of 24,940 V or less, which are used to distribute electric power between substations and customer loads.

1.2. "Facility" means the Customer's plant and equipment, including but not limited to, the generator, inverter, storage devices, and Interconnection Equipment located on the Customer's side of the Point of Delivery.

1.3. "Interconnection" means the electrical connection of a generator in parallel with the Distribution System as defined herein.

1.4. "Interconnection Equipment" means all equipment and functions used to interconnect a generator to the Distribution System.

1.5. "Islanding" is a condition in which a portion of the Distribution System is energized by a Facility while a portion of the Distribution System is electrically separated from the rest of the Distribution System.

1.6. "Interconnection Guidelines" means NSPI's interconnection guidelines that are posted on the OASIS website located at www. http://oasis.nspower.ca/, as may be revised from time to time. The Interconnection Guidelines outline the technical requirements that are required to be met by the Customer to establish an Interconnection with the Distribution System.

1.7. "Point of Delivery" means the point where the Distribution System is connected to the Facility.

1.8. "Rates and Regulations" refers to NSPI's rates and regulations as may be approved by the Nova Scotia Utility and Review Board from time to time.

1.9. "Standard Protection Code" refers to NSPI's systematic and coordinated approach to work planning which is utilized to enhance personal safety and the protection of the Distribution System and ancillary equipment against damage.

1.10. "UARB" refers to the Nova Scotia Utility and Review Board.

2. **FACILITY**

The particulars of the Facility, as defined herein, are as follows:

Generator manufacturer	
Generator model	
Energy or source type (e.g. hydro, photovoltaic, wind)	
Nameplate rating (KW)	
Electric energy storage capability (YES/NO, if YES-describe)	
Point of delivery	
NSPI feeder designation	
Address of Generator	

The location of the generator is outlined in the site plan attached hereto as Schedule "A". The single line diagram is attached hereto as Schedule "B".

3. **OPERATION OF THE FACILITY**

3.1. Once interconnected, the Customer will operate its Facility in accordance with all applicable rules, regulations, and laws, including without limitation, Rates and Regulations, specifically regulation 3.6 net metering service, as may be amended from time to time, as well as and any instructions provided by the Facility's manufacturer. The Customer will not expand or alter the Facility in any manner without receiving NSPI's prior written consent.

3.2. The Customer warrants, covenants and agrees with NSPI that they will comply with applicable federal, provincial and municipal statutes, regulations and bylaws pertaining to the Facility. Should the Customer not receive all requisite approvals for the installation and operation of the Facility and

NSPI is advised of the non-compliance, NSPI may disconnect the Facility immediately as outlined in section 6, Suspension of Interconnection.

3.3. The Customer and NSPI shall operate the Facility and the Distribution System respectfully, in accordance with good utility practice, in a manner which places the utmost importance on the safety of the public and each party's agents and employees.

3.4. NSPI shall perform any reviews and inspections that it is required to perform on the Facility.

3.5. The Customer is not required to give NSPI notice prior to starting or stopping the Facility, with the exception of the initial startup, which shall be subject to NSPI having inspected and approved the Facility and the Interconnection.

3.6. Islanding of the Facility with any portion of the Distribution System is not permitted under any circumstances.

3.7. NSPI reserves the right, at its option, to inspect the Facility at any time.

3.8. Outages: To the extent reasonably possible, NSPI will provide the Customer with advance notice that interruption or reduction of the Facility's output shall be required in order to permit NSPI to construct, install, maintain, repair or inspect any part of its Distribution System. NSPI will telephone the customer to provide any notice required.

3.9. Interruption: NSPI may curtail, interrupt, or reduce the Facility's electrical output, without prior notice, whenever NSPI determines that it is necessary to do so. Such curtailment may be necessary in cases of emergencies, forced outages, safety hazards or in order to comply with good utility practice.

3.10. No Compensation: The Customer agrees that the Customer is not entitled to any compensation or damages, direct or indirect, loss, prospective profits, economic loss or incidental or consequential damages as a result of the Facility's output being curtailed, interrupted or reduced.

3.11. Access: The Customer hereby grants NSPI access over and across the Customer's property outlined in Schedule "A" attached hereto, for the purpose of maintaining, operating, inspecting, meter reading, or disconnecting the Facility or the Interconnection Equipment, as the case may be, without prior notice to the Customer; provided such entry is made, except in cases of emergency, at reasonable hours. Nothing herein limits or otherwise affects any other right of entry which NSPI may have pursuant to its Rates and Regulations or at law.

4. **METERING AND BILLING**

4.1 Metering requirements and billing procedures shall be in accordance with regulation 3.6 of the UARB Rates & Regulations and any other applicable laws, as applicable.

5. **CUSTOMER COVENANTS**

5.1. The Customer warrants, covenants and agrees as follows:

(a) the Facility will be operated in accordance with NSPI's Interconnection Guidelines.

(b) the Facility and all ancillary equipment will be approved by the Canadian Safety Association ("CSA"), or by an agency which is acceptable to NSPI, in its sole discretion.

(c) the Facility and all ancillary equipment, will be installed, operated, and maintained in accordance with all applicable national, provincial, and municipal electrical construction and safety codes, including without limitation, the Canadian Electrical Code (including Parts I and II concerning product standards) and the Electrical Installation and Inspection Act (Nova Scotia).

(d) that the Customer has been advised that there are no synchronization schemes in place on NSPI's facilities, and that the upstream Distribution System contains automatic equipment that will provide for voltage regulation and automatic reclosing as part of normal operation.

6. **SUSPENSION OF INTERCONNECTION**

6.1. If the Customer's Facility is not operating in accordance with the Interconnection Guidelines, as may be amended from time to time, any statutory requirements or the terms of this Agreement, NSPI may disconnect the Customer's Facility until the Facility is, in NSPI's sole opinion, found to be in compliance with such requirements.

6.2. In the event that NSPI does not disconnect the Facility NSPI will provide written notice of default. Should the default not be cured within thirty (30) days, then NSPI may terminate this Agreement in accordance with section 8, Term and Termination.

6.3. Notwithstanding anything to the contrary articulated in this Agreement, NSPI may disconnect the Facility from the Distribution System without prior notice if the operation of the Facility is or may become in NSPI's sole discretion a threat to personal safety, the safety of the general public, or the integrity of the Distribution System.

7. **INDEMNITY**

7.1 NSPI shall not be liable for any loss, damage, or injury, including but not limited to death, relating to this Agreement or the operation of the Facility except to the extent that such loss, damage, or injury may be attributed to the negligence or willful misconduct of NSPI.

7.2 For the purposes of this Section 7 "Claims" shall mean any liabilities, losses, expenses (including legal costs on a solicitor-client basis), claims, demands, actions and causes of action, whether based upon breach of contract, breach of warranty, failure to meet performance guarantees, tort (including negligence) and/or strict liability.

7.3 The Customer shall assume all risk of loss, damage or injury, including death, to person or property, to the extent caused by its directors, officers, employees, sub-suppliers, agents or representatives in connection with the Facility, and agrees not to make or bring any claim, action or demand against NSPI or its directors, officers, servants, agents, or employees in respect of such loss, damage or injury arising out of or in any way attributable to the operation of this Agreement excepting such loss, damage or injury caused by the negligence or wilful misconduct of NSPI or NSPI's directors, officers, servants, agents or employees.

7.4 The Customer agrees to indemnify and save harmless NSPI, its directors, officers, servants, agents, or employees, and their heirs, executors, administrators, successors and assigns, or any of them, from and against any Claims whatsoever suffered by NSPI by reason of, or arising out of, or any way attributable to this Agreement or ancillary to the Customer's operation of the Facility contemplated herein excepting only to the extent caused by the negligence or wilful misconduct of NSPI or NSPI's directors, officers, servants, agents or employees.

7.5 The provisions set forth in this Clause shall apply and be effective with respect to any claim, cause of action, or legal theory whatsoever including without limitation, Claims based upon breach of contract, breach of warranty, failure to meet performance guarantees, tort (including negligence) and strict liability.

8. **TERM AND TERMINATION**

8.1 This Agreement is effective as of the Effective Date and shall remain in effect until terminated. This Agreement may be terminated by either party upon providing thirty (30) days prior written notice to the other party. This Agreement may be terminated by NSPI upon the Customer being in default of its obligations as outlined in Section 6. NSPI will provide notice of default to the Customer. If such default is not cured within thirty (30) days following notice of the default having been provided to the Customer, this Agreement shall terminate without further notice to the Customer.

8.2 Notwithstanding any provision in this Agreement, NSPI may terminate this Agreement effective immediately upon written notice to the Customer upon the happening of any one or more of the following:

(a) the Customer's electrical service is disconnected, regardless of whether such disconnection is at the request of the Customer or in accordance with NSPI's rates and regulations.

(b) In the event NSPI's metering indicates that the Customer's Facility has not generated electricity for a period of twelve (12) calendar months.

9. **DISPUTE RESOLUTION**

9.1 In the event of a dispute in connection with this Agreement the Customer and a senior officer of NSPI shall promptly meet to discuss and resolve the dispute and the parties shall have ten (10) days to resolve the dispute (or five (5) days if either party notifies the other party that the matter requires urgent resolution).

9.2 In the event resolution cannot be achieved then such dispute or difference may be referred by either party to binding arbitration under the provisions of the Commercial Arbitration Act (Nova Scotia).

9.3 Unless otherwise requested by Customer, there shall be no stoppage in the provision of net metering services during the dispute resolution process.

10. **NOTIFICATIONS**

10.1 All notices to be given to either party under this Agreement shall be written and addressed to NSPI and to the Customer as follows:

Nova Scotia Power Incorporated
Attention: Corporate Secretary
PO Box 910
Halifax, NS B3J 2W5
Facsimile: (902) 428-6171

To the Customer:

Attention:
Telephone Number:
Email Address:

10.2 All notices may be sent by facsimile, a nationally recognized overnight courier service, first class mail or hand delivered. Notice shall be given when received by the addressee on a business day. In the absence of proof of the actual receipt date, the following presumptions will apply:

(a) Notices sent by facsimile shall be presumed to have been received upon the sending party's receipt of its facsimile machine's confirmation of successful transmission. If the day on which such facsimile is received is not a business day or is after five p.m. (local time for the recipient) on a business day, then such facsimile shall be deemed to have been received on the next following business day;

(b) Notice by overnight courier shall be presumed to have been received on the next business day after it was sent; and

(c) Notice by first class mail shall be presumed delivered five (5) business days after mailing.

10.3 Either party may modify its address for notices by advance written notice to the other party.

11. **MISCELLANEOUS**

11.1 This Agreement does not supersede the requirements outlined in any applicable Rates and Regulations as approved by the UARB from time to time, or legislation, including but not limited to the Public Utilities Act, the Canadian Electrical Code, the Occupational Health and Safety Act.

11.2 This Agreement shall only be renewed with the written consent of both parties.

11.3 The insertion of headings in this Agreement is for convenience only and shall not be construed so as to affect the interpretation or construction of this Agreement.

11.4 The recitals and schedules are hereby incorporated into this Agreement.

11.5 This Agreement is to be read with all changes in gender and number as required by the context.

11.6 This Agreement shall be deemed to have been made in and shall be governed by, construed and interpreted in accordance with the laws of the Province of Nova Scotia and the laws of Canada, as applicable therein.

11.7 No consent or waiver, express or implied, by any party to this Agreement of any breach or default by any other party in the performance of its obligations under this Agreement or of any of the terms, covenants or conditions of this Agreement shall be deemed or construed to be a consent or waiver of any subsequent or continuing breach or default in such party's performance.

11.8 This Agreement is the entire agreement between the parties with respect to the subject matter hereto and shall not be modified, varied or amended except by an instrument in writing signed by the parties.

11.9 Should any provision of the Agreement be declared by a judicial or other competent authority to be unenforceable, the remaining provisions of the Agreement shall remain in full force and effect.

11.10 The parties acknowledge that this Agreement and all related documents shall be in English.

11.11 This Agreement may be executed by the parties in counterparts, each of which when so executed and delivered shall be deemed to be an original and when taken together shall be deemed to be one and the same instrument. The electronic delivery, including, without limitation, by email or facsimile transmission, of any signed original of this Agreement shall be the same as the delivery of an original.

IN WITNESS THEREOF, the Parties have duly executed this Agreement, in duplicate, as of the date set forth above.

NOVA SCOTIA POWER INCORPORATED

Per:______________________________________

Name:
Title:

CUSTOMER

Per:______________________________________

Name:

SCHEDULE "A"
SITE PLAN

SCHEDULE "B"
SINGLE LINE DIAGRAM

Request IR-2:

Based on the information provided by NS Power, it appears that the solar generating facility was originally installed on the property in 2015 and expanded in 2018, 2019 and 2025; the original installation and all expansions were approved by NS Power; and NS Power considered the 2025 expansion to be a material change to the Legacy NM contract which it says entitled it to terminate that contract and transition the customer to SGO.

(a) Does NS Power agree with the above statement? If not explain specifically what is agrees or doesn't agree with and why.

(b) How much capacity did the original installation, and each expansion add to the generating system?

(c) Why did NS Power treat the 2025 expansion as a material change to the Legacy NM contract and terminate that contact but not do so for the 2018 and 2019 expansions?

Response IR-2:

(a) NS Power provides the following clarifications. While an expansion was originally requested in December 2018, final electrical inspection did not occur until May 2019. NS Power's records reflect two approved expansions to the customer's generating facility: one in 2019 and one in 2025.

The 2019 expansion was processed under the Legacy NM program, which was still active at the time. Under this framework, expansions were permitted through amendments to the terms of the customer's Class 1 Net Metering Interconnection Agreement, subject to review and approval by NS Power's NM team. Once approval was obtained, the previous version of the agreement was replaced with a revised agreement reflecting the new capacity. The customer was also required to obtain final electrical inspection approval.

However, effective April 22, 2022, amendments to the Nova Scotia *Electricity Act* through the passing of Bill 145 retired the Legacy NM program. As a result, any new applications or expansions submitted after this date were no longer eligible to proceed under the Legacy NM framework. Instead, customers were required to transition to the new legislated option, the SGO.

The SGO allows customers to install generation or battery storage (up to 27 kW) that shares the same meter as their home or business, without formal enrollment in an NS Power program. Under the new legislation, customers are not required to notify NS Power prior to making changes to their generating installation, provided the total capacity remains below 27 kW. NS Power's involvement is generally limited to electrical plan reviews and inspections coordinated by the installer. The NM team typically becomes involved only after final inspection to update the customer's rate, if applicable.

This is what occurred in the case of the 2025 expansion: NS Power approved the final electrical installation through on-site inspection, and the customer transitioned to the SGO.

(b) The following table summarizes the system capacity and approval dates for the original installation and subsequent expansions:

	System Capacity (KWAC)	**Final Electrical Inspection / Approval**
Original Application	3.57	January 5, 2016
Expansion 1	5.58	May 16, 2019
Expansion 2	9.42	February 27, 2025

(c) In both 2019 and 2025, the expansions constituted material changes to the customer's generating facility under the terms of the Legacy NM contract. The contract defines the "Facility" with reference to a specific set of technical particulars, including the nameplate rating. If the customer's equipment no longer complies with those specifications, it no longer meets the definition of the "Facility" under the agreement. As such, any increase in capacity is considered a material change. The difference in treatment reflects the regulatory framework in effect at the time of each expansion. In 2019, the Legacy NM program was still active. NS Power was able to enter into an amended Class 1 Net Metering Interconnection Agreement reflecting the expanded nameplate rating, thereby terminating the prior agreement. The customer obtained program approval from NS Power's NM team and proceeded with the expansion under the Legacy NM framework.

In contrast, the 2025 expansion occurred after the Legacy NM program was retired through amendments to the *Electricity Act* on April 22, 2022. At that time, there was no longer an option to amend the existing agreement under the Legacy NM program, as the program no longer existed. As a result, the material change triggered by the 2025 expansion effectively terminated the Legacy NM contract and required the customer to transition to the only available legislated option, the SGO.

Request IR-3:

Confirm or deny and provide copies of all correspondence with respect to NS Power notifying the customer of the following:

(a) If the 2025 expansion was not carried out the customer could continue under the Legacy NM contract and continue to be compensated for all excess generation.

(b) The 2025 upgrade would be considered a material change to the Legacy NM contract, resulting in termination of that contract and the customer being transitioned to SGO.

(c) Under the SGO, no compensation is provided to the customer for any excess generation/credit remaining at the end of a calendar year.

(d) The customer's Legacy NM contract was terminated, and they were transitioned to SGO.

(e) The terms of the SGO were provided to the customer, including how NS Power purchases electricity and NS Power's billing practices.

Response IR-3:

It is important to note that NS Power's communication with customers regarding participation in the SGO is generally limited due to the nature of the program. Customers are not required to apply to NS Power or enter into a contractual agreement before modifying their generating installation, provided the total capacity remains below 27 kW. NS Power's involvement under the SGO is typically limited to electrical plan reviews and inspections coordinated by the installer. In most cases, there is no direct communication between NS Power and the customer. The NM team is usually only involved following final inspection to update the customer's rate, if applicable.

If a customer contacts NS Power prior to an expansion, the Customer Care team can help explain the potential implications. Since the introduction of the SGO, NS Power has worked closely with industry stakeholders to support a clear understanding of the program's terms and conditions. Information regarding participation in the SGO, including billing practices, treatment of generation credits, and the annual settle-up process, is publicly available on NS Power's website: Self-Generating Option| Nova Scotia Power.

In this case, NS Power's records indicate that there was no direct communication with the customer until June 27, 2025, after the customer's rate code had been updated.

(a) Confirmed. If the 2025 expansion had not occurred, the customer could have remained under the Legacy NM contract and continued to be compensated for all excess generation. As noted above, there was no communication to the customer on this point.

(b) Confirmed. The 2025 upgrade constituted a material change to the Legacy NM contract, resulting in its termination and the customer's transition to the SGO. As noted above, there was no communication to the customer on this point.

(c) Confirmed. As per Section 3AA(4) of the *Electricity Act*, NS Power shall purchase electricity up to a maximum of the customer's total usage per calendar year at a rate equivalent to the rate paid by the customer. NS Power is not required to compensate a customer for electricity generated in excess of their total consumption within a calendar year. NS Power's billing practices under the SGO include applying any excess generation remaining at year-end (December 31) to billed consumption within that same year, up to the total billed energy.

This was communicated to the customer in response to their inquiry to NS Power's Customer Care Centre on June 27, 2025, as referenced on page 16 of 23 in Confidential Attachment 2 to NS Power's response to the DRO appeal.

(d) Confirmed. The customer's Legacy NM contract was terminated, and they were transitioned to the SGO. This was communicated to the customer on June 27, 2025, in response to their inquiry, as referenced on page 16 of 23 in Confidential Attachment 2 to NS Power's response to the DRO appeal.

(e) Confirmed. NS Power advised the customer on June 27, 2025, that they had been transitioned to the SGO. Additional details NS Power's billing practices under the SGO were explained to the customer on July 17, 2025, as referenced on page 21 of 23 in Confidential Attachment 2 to NS Power's response to the DRO appeal.

Request IR-4:

Reference Exhibit C3, page 2, of NS Power's response (July 16, 2025):

> **NS Power also cited Section 3AA of the Electricity Act, which permits customers to install renewable generators up to 27 kW and requires NS Power to purchase excess electricity only up to the customer's total annual usage. If there is any excess generation remaining at the end of the year (December 31st), NS Power would apply this excess generation to any billed consumption within the same calendar year, up to the maximum total billed amount within that year. Any credit would only be applied to the same account in which the generator is connected.**

(a) How is the customer's maximum usage per calendar year calculated?

(b) Provide the customer's maximum usage for each calendar year?

Response IR-4:

(a) The customer's maximum usage per calendar year is calculated based on the total amount of energy delivered to the customer, as measured by their meter.

(b) The table below summarizes the customer's total net consumption (in kWh) for each calendar year since participation in NM began:

Year	Net Consumption (kWh)
2025	6,054
2024	9,028
2023	8,488
2022	8,810
2021	7,662
2020	9,521

Year	Net Consumption (kWh)
2019	9,005
2018	7,425
2017	6,690
2016	6,747

Request IR-5:

Reference Exhibit C3, page 3, of NS Power's response (July 17, 2025):

> **NS Power spoke with Jeffrey regarding his bill. It was explained that excess generation is banked and applied to future bills or at the settlement period. Although the current bill appears higher, the customer has accumulated more banked credits. NS Power clarified that no payment is required at this time and no late fees will apply until at least the settlement period. The base fee was also explained.**

(a) What date is the "settlement period"?

(i) Is the "settlement period" the same as the "settle up date" referenced elsewhere in the evidence?

(b) Please explain the accumulated banked credits.

(i) What is the banked credit?

(ii) How will this be applied to the customer's account?

(iii) When will this be applied to the customer's account?

Response IR-5:

(a) The year-end generation settle-up process occurs annually on the customer's first bill of the new year. This process retroactively applies any banked generation credits to previously billed energy consumption within the same calendar year (i.e., January 1 to December 31 of the prior year).

(i) The year-end settle-up process applies to participants of the SGO and the Commercial Net Metering Program (CNMP). Participants under the Legacy NM program selected a specific "settle-up date," at which point excess generation was purchased by NS Power (i.e., a payout to the customer).

(b) Please refer to Attachment 1 for an example of how NS Power treats excess generation including application to the customers bill, banking of excess for future use, and treatment during the year-end settle-up process:

(i) When a customer generates more electricity than they consume during a billing period, the excess generation is banked and carried forward as a generation energy credit for future use.

(ii) These banked credits are applied to offset billed consumption in future billing periods. At year-end, any remaining credits are applied retroactively to any billed consumption from the same calendar year that was not previously offset by generation. Please refer to the example in Attachment 1.

(iii) This application occurs during the year-end settle-up process, which is reflected on the customer's first bill of the new calendar year. Please refer to the example in Attachment 1.

REDACTED (CONFIDENTIAL INFORMATION REMOVED)

Scenario - Net Zero

	Bill 1	Bill 2	Bill 3	Bill 4	Bill 5	Bill 6	Total/Balance	
Gross Generation	1,000	2,000	3,000	4,000	3,000	2,000	15,000	kWh
Gross Consumption	4,000	3,000	2,000	1,000	2,000	3,000	15,000	kWh
Metered Generation (Exported to Grid)	500	1,000	1,500	3,500	2,000	1,000	9,500	kWh
Metered Consumption (Received from Grid)	3,500	2,000	500	500	1,000	2,000	9,500	kWh
Consumption Displaced by Generation (Real-time)	500	1,000	1,500	500	1,000	1,000	5,500	kWh
Generation Credits Used	500	1,000	500	500	1,000	2,000	5,500	kWh
Generation Credits Banked	-	-	1,000	3,000	1,000	(1,000)	4,000	kWh
Bank Balance	-	-	1,000	4,000	5,000	4,000	4,000	kWh
Billed Consumption	3,000	1,000	-	-	-	-	4,000	kWh

Settle-up Adjustment

Year-end Bank Balance	4,000	kWh
Total Billed Consumption in Calendar Year	4,000	kWh
Total Settle-up Adjustment	4,000	kWh
Net Energy Billed in Calendar Year	0	kWh

<u>Summary</u>

i) 5,500/15,000 kWh generated were consumed in real-time and not exported to grid
ii) 5,500/15,000 kWh generated were used and applied to customer billing throughout year
iii) 4,000/15,000 kWh energy credits held in bank were applied to customer account at settle-up
to offset billed consumption within same calendar year (account credit equal to amount paid for billed consumption)
iv) Customer to begin following year with account credit equal to amount paid for 4,000 KWh
v) Credit remains on account until used

Request IR-6:

Reference Exhibit C3, page 4, of NS Power's response:

> **If a customer contacts NS Power prior to an expansion, the Customer Care team can help explain the potential implications. NS Power has worked closely with industry stakeholders to support installer awareness and continues to consider ways to enhance customer understanding, including improving access to publicly available resources.**

(a) Is this information available on NS Power's website? Please provide the link.

(b) Were all NS Power net metering customers informed of the change after the April 2022 amendments to the Electricity Act? Please provide details including when and how customers were informed. If not, why not?

(c) Were all NS Power net metering customers informed of how the regulation change would impact their billing and the inability to be paid out for the excess generation? Please provide details including when and how customers were informed. If not, why not?

Response IR-6:

(a) Yes, this information is publicly available on NS Power's website: https://www.nspower.ca/your-home/save-money-energy/make-own-energy/self-generating-option.

(b) NS Power worked closely with industry stakeholders to support installer awareness and updated the Company's website to include detailed information on the changes, including a comprehensive FAQ. Individual communication was not issued to existing NM customers following the April 2022 amendments to the *Electricity Act*. While NS Power does not have a record of the analysis behind the decision to rely on centralized website communications, it assumes this approach was preferred because it allowed for the inclusion of multiple links, FAQs, and supporting documentation in one accessible location.

(c) Please refer to the response in part (b). Additionally, there were no changes to the terms and conditions for customers participating under the Legacy NM Program, as NS Power is required to honour the terms of those contracts pursuant to Section 3AA(7) of the *Electricity Act*. Impacts to participation and the treatment of excess generation only occur upon termination of the existing agreement, as outlined in Section 3AA(8).

Request IR-7:

Reference Exhibit C3, pages 4 and 5 of NS Power's response:

> **NS Power is in the process of identifying potential revisions to Section 3.6 of the Regulations in response to legislative changes introduced by Bill 145. These revisions have been contemplated in relation to Class 2 CNMP customers, with possible revisions for other customer categories, such as those under the SGO, also under consideration**

(a) When does NS Power expect to have drafts of the potential revisions to s. 3.6 complete?

(b) Why has it taken so long for NS Power to identify potential revisions to s. 3.6 of the Regulations?

Response IR-7:

(a-b) The Company first identified the need for revisions to Section 3.6 of the Regulations in its CNMP Application (M10872), specifically:

> Following approval of the Commercial Net-Metering Program, NS Power will revise NS Power Regulation 3.6 to incorporate the Program and will submit the proposed revisions to the NSUARB for approval.[1]

The Board's July 4, 2023 Decision in M10872 included the following directive:

> The Board directs NS Power to implement the Class 1 Net Metering Service within 30 days of the Board's order in this matter and to confirm this has been done in the report it will file with the Board within that 30-days. Following the commitment in its Reply Comments, NS Power is to provide an update on its progress toward completing the necessary tasks for full

[1] M10872 – NS Power, Commercial Net Metering Program, page 3. November 25, 2022.

> program implementation in its 30-day report and should implement the Class 2 Net Metering Service earlier than 90 days if it is able to do so.[2]

With respect to progress toward implementation of Class 2 CNMP, the Company's 30-day Report provided, in part, "NS Power is identifying the necessary revisions to Regulation 3.6 (February 2, 2023) resulting from Bill 145."[3] In its November 1, 2023 Board Order, the Board approved the processes (e.g. Terms and Conditions, Participant Agreement, etc.) required to implement CNMP and further directed NS Power to "confirm to the Board within 90 days after the date of this Order that all necessary administrative processes for the processing of Class 2 Net Metering applications are in place."[4]

In its 90-day Report, filed January 30, 2024, the Company confirmed that all necessary administrative processes for the processing of Class 2 Net Metering applications were in place and provided updates on the list of progress items related to Class 2 Implementation (as initially described in its 30-day Report). These progress items included revisions to Regulation 3.6, along with other items interrelated or reasonably overlapped with the Interconnections Review proceeding (M10905) that was underway at that time. Specifically, the 90-day Report provided:

> Revisions resulting from M10872 continue to be identified. NS Power plans to submit the proposed revised Regulation 3.6 to the NSUARB for approval following the completion of Matter M10905 to ensure any additional revisions which may be required as a result of that ongoing matter are incorporated in the approval request.[5]

The Company provided similar updates with respect to pending potential revisions to Regulation 3.6 in its 2023 Annual Report (M11626)[6] and 2024 Annual Report (M12164)[7],

[2] M10872 – Board Decision, 303485, page 3. July 4, 2023.
[3] M10872 – NS Power, CNMP 30-day Report, page 6. August 3, 2023.
[4] M10872 – Board Order, 308596, page 2. November 1, 2023.
[5] M10872 – NS Power, CNMP 90-day Report, page 2. January 30, 2024.
[6] M11626 – NS Power, CNMP 2023 Annual Report, page 3. March 28, 2024.
[7] M12164 – NS Power, CNMP 2024 Annual Report, page 5. March 27, 2025.

respectively.

Now that the Interconnection Processes proceeding (M10905) has completed many of its deliverables, including compliance with Synapse recommendations and corresponding NSEB direction, it is unlikely that any further work under M10905 will have an effect on revisions to Regulation 3.6. Accordingly, work has commenced on updating Regulation 3.6 as part of a broader initiative to update NS Power's Regulations to reflect current requirements. The proposed revisions are expected to be submitted to the NSEB by the end of Q2 2026.

Request IR-8:

Reference Exhibit C3, page 51, of NS Power's response. Please explain the January 6, 2023, log and how it is relevant to this dispute.

Response IR-8:

The January 6, 2023, log referenced in Exhibit C3, page 51 of NS Power's response is not relevant to this dispute. These logs are generated as part of the routine administrative process for billing NM customers. The entry reflects the customer's current consumption, generation, banked credit value, and the previous generation read from the customer's meter as of the billing date.

Request IR-9:

Reference Exhibit C4, page 4, of the Appellant's Evidence, Section 8 Term and Termination:

> **8. TERM AND TERMINATION**
>
> 8.1 This Agreement is effective as of the Effective Date and shall remain in effect until terminated. This Agreement may be terminated by either party upon providing thirty (30) days prior written notice to the other party. This Agreement may be terminated by NSPI upon the Customer being in default of its obligations as outlined in Section 6. NSPI will provide notice of default to the Customer. If such default is not cured within thirty (30) days following notice of the default having been provided to the Customer, this Agreement shall terminate without further notice to the Customer.
>
> 8.2 Notwithstanding any provision in this Agreement, NSPI may terminate this Agreement effective immediately upon written notice to the Customer upon the happening of any one or more of the following:
>
> (a) the Customer's electrical service is disconnected, regardless of whether such disconnection is at the request of the Customer or in accordance with NSPI's rates and regulations.
>
> (b) In the event NSPI's metering indicates that the Customer's Facility has not generated electricity for a period of twelve (12) calendar months.

(a) Please explain the reasoning for a customer not being able to carry on with the same contract after a system upgrade.

(b) Please provide the section or subsection of this original contract (May 8, 2020) that NS Power says is no longer in compliance due to the system expansion.

(c) Please provide a copy of the notice of default that was provided the to the customer as indicated in section 8.1 of the agreement.

Response IR-9:

(a) As explained in response to IR-2(c), an expansion of the system constitutes a material change to the customer's generating facility under the terms of the Legacy NM contract. The contract defines the "Facility" with reference to a specific set of technical particulars, including the nameplate rating. The original agreement was offered based on those particulars, and if the customer's equipment no longer complies with those specifications, such as through an increase in capacity, it no longer meets the definition of the "Facility" under the agreement.

Under the Legacy NM framework, any material change required an amendment to the original agreement. However, following the retirement of the Legacy NM program on April 22, 2022, NS Power can no longer offer to amend or enter into a new agreement under that program, as doing so would be non-compliant with section 3AA(7) of the *Electricity Act*. As such, a material change, such as the 2025 expansion, results in termination of the existing agreement and transition to the SGO, the only legislated option now available.

(b) The original Legacy NM contract defines the "Facility" in Section 2 with reference to specific technical particulars, including the generator's manufacturer, model, energy source, nameplate rating, and other equipment details. These particulars form the basis on which the contract was offered.

Under Section 3.1, the agreement explicitly states that the customer will not "expand or alter the Facility in any manner without receiving NSPI's prior written consent." Prior to the retirement of the Legacy NM program, if a customer wished to expand or alter their Facility, they were required to seek NS Power's written consent. If NS Power agreed to the proposed changes, a new amended agreement would be executed based on the updated technical particulars. If the expansion was not approved, the customer could either choose not to proceed with the expansion and remain under the original agreement, or proceed with the expansion, in which case the contract would be terminated.

However, since the Legacy NM program has been retired, NS Power no longer has the ability to offer new amended agreements under that framework. As a result, a system expansion renders the original agreement non-compliant and triggers termination. The customer must then transition to the SGO, which is the only legislated alternative currently available.

(c) NS Power did not issue a notice of default to the customer under Section 8.1 of the Leacy NM Agreement. This is because the termination of the agreement was carried out under the authority of Section 3AA(8)(c) of the *Electricity Act*, which states that such agreement can be terminated when "the generating facility is not in compliance with the terms of the contract." This legislative provision does not require NS Power to issue a notice of default before terminating the Legacy NM agreement, when the customer's generating facility no longer complies with the contractual terms. Furthermore, Section 11.1 of the Legacy NM agreement confirms that the terms of the contract are subordinate to applicable legislation, including the *Electricity Act*.

Additionally, NS Power typically does not have direct contact points with customers under the current framework. As per Section 3AA(1) of the *Electricity Act*, participation in the SGO does not require the customer to submit an application or enter into a contractual agreement with NS Power. Instead, NS Power's involvement is generally limited to electrical plan reviews and inspections, which are coordinated by the installer.

Request IR-10:

Please provide the customer invoices from January 2021 through to current.

Response IR-10:

Please see Confidential Attachment 1.

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IR 10 - Attachment 1 has been removed due to confidentiality.

Request IR-11:

Reference Exhibit C2, page 2, of the DRO Decision. The customer references a secondary camper property (Louis Head).

(a) Is this secondary camper property under the same account as the main property?

(b) Can the secondary camper property be added under the main property account? If not, why not and cite the specific authority NS Power relies upon.

(c) Can the excess generation from the main property be applied to the secondary camper property usage? If not, why not and cite the specific authority NS Power relies upon.

Response IR-11:

(a) No. Each metered service is assigned its own independent account.

(b) No, the secondary camper property cannot be added under the main property account. Each metered service must be billed independently. Under NS Power Regulation 4.3, when a customer requires more than one metering point, NS Power is obligated to treat each meter as a separate billing entity. This means that the electricity usage recorded at each meter must be billed individually, using the rate that applies to the specific load served by that meter.

(c) No, excess generation from the main property cannot be applied to the secondary camper property usage.

Under Section 3A(3) of the *Electricity Act*, NS Power is required to offer a program that allows a customer to generate electricity for their own use and to sell electricity to the utility at the same rate the customer pays for electricity supplied by NS Power. However, programs developed under this section are limited to customers who meet specific criteria: those installing a generator with a nameplate capacity greater than 27 kW, those whose generator and load are not connected to the same meter, or other customer classes prescribed by regulation (see Section 3A(4) of the *Electricity Act*).

The only program currently available under Section 3A is the CNMP. The eligibility requirements for CNMP are set out in Section 37 of the *Renewable Electricity Regulations*, which state that a customer may enter into a net-metering agreement for multiple accounts only if all accounts are billed under the same non-residential rate (see Section 37D(3)). In this case, the customer is billed under a residential rate, and their generator produces less than 27 kW, and therefore does not meet the eligibility criteria for the CNMP.

The SGO falls under Section 3AA of the *Electricity Act*, which does not contain provisions permitting the aggregation of excess generation across multiple accounts. NS Power sought clarity from the government on the intent of Sections 3A and 3AA once the amendments were in force, to inform the development of its programs and modifications to net metering offerings. Based on these discussions, NS Power understands the intent of the legislation to be that aggregation of excess generation across multiple accounts is not available under the SGO, and that aggregation is only contemplated for CNMP customers under Section 3A.

Request IR-12:

Reference Exhibit C1, page 2, or Complaint.

I would like to be compensated for my extra power. I do have another cottage property that I pay electrical bills on so doesn't seem right I make extra power at home that they take then they actually sell my own power back to me. If you think that's not reasonable then I should at least be able to donate my extra power to a non profit or charity.

(a) Please cite and provide the specific act/regulations/procedures or any other authority that NS Power relies upon that prohibits the transfer of credit to another account held by the same account holder.

(b) Please cite and provide the specific act/regulations/procedures or any other authority that NS Power relies upon that prohibits the transfer of credit to another account not held by the same account holder (example nonprofit or charity).

Response IR-12:

Please refer to the responses provided to IR-11(b) and IR-11(c).

(a) NS Power does not permit the transfer of energy credits between accounts held by the same customer unless they are CNMP customers whose accounts meet specific eligibility criteria under Section 37D of the *Renewable Electricity Regulations*. The CNMP is limited to customers who meet certain conditions, including installing a generator with a nameplate capacity greater than 27 kW, having a generator and load that are not connected to the same meter; or belonging to other customer classes prescribed by regulation (see Section 3A(4) of the *Electricity Act*).

Eligibility requirements for CNMP are set out in Section 37 of the *Renewable Electricity Regulations*, which state that a customer may enter into a net-metering agreement for multiple accounts only if all accounts are billed under the same non-residential rate (see Section 37D(3)). In this case, the customer is billed under a residential rate and their generator produces less than 27 kW, and therefore does not meet the eligibility criteria for the CNMP.

The SGO, governed by Section 3AA of the *Electricity Act*, does not contain any provisions that permit the transfer or aggregation of energy credits across multiple accounts, even if those accounts are held by the same customer. As mentioned in response to IR-11, NS Power sought clarity from the government on the intent of Sections 3A and 3AA once the amendments were in force, to inform the development of its programs and modifications to net metering offerings. Based on these discussions, NS Power understands the intent of the legislation to be that the transfer or aggregation of energy credits across multiple accounts is not available under the SGO, and that aggregation is only contemplated for CNMP customers under Section 3A.

(b) Neither the Legacy NM Program, the CNMP, nor the SGO include provisions that allow a customer to donate or transfer excess generation to another customer or entity.

The SGO, governed by Section 3AA of the *Electricity Act*, does not contain any provisions that permit credit transfers to other accounts, whether held by the same customer or by third parties (including nonprofits or charities). The program is designed to support generation for the customer's own use, and Section 3AA(4) provides that NS Power is required to purchase electricity only up to the customer's total usage per calendar year, at the rate paid by the customer, and is not required to compensate for electricity generated in excess of that amount. It is NS Power's understanding that this provision reflects a policy intent to limit compensation for excess generation in order to avoid cost impacts on the broader customer base.

Regulation 3.6(f), applicable to the Legacy NM Program, specifically requires that surplus generation be allocated only among accounts owned by the same customer and connected to the same distribution zone. Section 3A of the *Electricity Act*, which governs the CNMP, defines a "customer" as all metered accounts registered to the same person or entity under the same rate code in a distribution zone.