Nova Scotia Power announces settlement reached with customer groups supporting upcoming general rate application

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Halifax, NS – Today, Nova Scotia Power announced it has reached a settlement with customer representatives for an upcoming General Rate Application (GRA). The settlement reflects more than six months of discussion, consultation, and information sharing. The utility expects to file the GRA and related settlement with the Nova Scotia Energy Board (NSEB) later in September, outlining the revenue required to support the investments needed to meet the needs of Nova Scotians today and in the future.

The GRA is focused on critical reliability investments needed to make Nova Scotia's electricity grid as strong and resilient as possible, including storm hardening, vegetation management, and grid modernization. Nova Scotia Power's existing five-year Reliability plan, filed with the NSEB in December 2024, outlines more than $1.3 billion in required investments. This GRA and settlement supports the first two years of investment to deliver on this plan.

If approved by the NSEB, overall average rates will increase across all customer classes by 2.1 per cent in 2026 and 2.1 per cent in 2027 with rates to be effective January 1 of each year. Residential rates are expected to increase by approximately 4.1 per cent in both 2026 and 2027. The Energy Board will make a final determination on rates for each customer group. These rates include the benefit of up to $90 million in savings realized over the next two years (up to $225 million over the next 30 years) through a proposed securitization of more than $700 million of thermal assets planned to be retired by 2030 in order to meet federal and provincial environmental policies. Nova Scotia Power is working with stakeholders including the provincial government on this proposed securitization, which will require a separate NSEB approval process. The terms of this settlement, which include the continuation of the existing Return on Equity (ROE) target of 9 per cent and maximum equity thickness of 40 per cent, are expected to allow Nova Scotia Power to recover its costs and generate earnings within this ROE range to help ensure the Company remains compliant with key credit metrics to support its investment grade credit rating.

This settlement reflects a commitment to finding a balanced solution from a diverse group of customer representatives, including those representing residential customers, small businesses, large industrial customers and municipal electric utilities. The settlement works to balance the utility's ongoing need to invest in reliability with the very real cost pressures on customers.

When filed, the NSEB will initiate its process to evaluate the GRA and ultimately determine future rates for all customers.

Customer representatives involved in the Settlement include the Consumer Advocate, the Small Business Advocate, the Industrial Group, the Berwick Electric Commission, Riverport Electric Light Commission, the Town of Mahone Bay, and the Town of Antigonish, and Port Hawkesbury Paper.

Forward Looking Information

This news release contains forward-looking information or forward-looking statements within the meaning of applicable securities laws (collectively, "forward-looking information"), including, without limitation, statements about the timing and nature of future capital investments, the timing and outcome of the NSEB processes to consider the Settlement and proposed securitization of thermal assets, new rates and timing thereof, credit metrics, credit ratings. Undue reliance should not be placed on this forward-looking information, which applies only as of the date hereof. By its nature, forward-looking information requires Nova Scotia Power to make assumptions and is subject to inherent risks and uncertainties. These statements reflect Nova Scotia Power management's current beliefs and are based on information currently available to Nova Scotia Power management. There is a risk that predictions, forecasts, conclusions and projections that constitute forward-looking from those expressed or implied by such forward-looking information. The forward-looking information in this news release is made only as of the date hereof, and Nova Scotia Power disclaims any intention or obligation to update or revise any forward-looking information.

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About Nova Scotia Power

Nova Scotia Power has had a presence in communities across Nova Scotia for over a century. As the primary electricity provider in the province, the company is regulated by the Nova Scotia Energy Board and provides generation, transmission, and distribution of electrical power to approximately 550,000 customers. This includes residential, commercial, and industrial customers. With more than 2,300 dedicated employees, the team at Nova Scotia Power works every day to provide safe, reliable service to customers in every corner of the province. Their focus is on engaging with communities about the important work being done to meet the evolving energy needs of Nova Scotians while supporting the exciting growth and development in the region. Learn more at nspower.ca.

Media Contact

Jacqueline Foster, Senior Communications Advisor
news@nspower.ca | 902-233-6015

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