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April 23, 2026

VIA WEB PORTAL

Crystal Henwood, Clerk of the Board
Nova Scotia Energy Board
1601 Lower Water Street, 3rd Floor
P.O. Box 1692, Unit "M"
Halifax, NS B3J 3S3

Dear Ms. Henwood:

Re: M12451 - Nova Scotia Power Inc. - 2026 General Rate Application (GRA) Compliance Filing

These are the comments of the Consumer Advocate concerning the Compliance Filing of Nova Scotia Power as directed by the Board decision in the General Rate Application.

The primary question in any a review of the compliance filing is whether the filing satisfies the conditions imposed by the Board in its decision: *Maritime Link Inc, 2013 NSUARB 242*, at para. 123.

With the exception of one area, the Billing Directive issued by the Board, the Compliance Filing implementing the Board's GRA Decision appears to meet that test.

Revenue Requirement / Cost of Service

In its decision, the Board directed Nova Scotia Power to make further reductions in its Operating, Maintenance and General Expenses, beyond the reductions already included in the Settlement Agreement that was filed with the Application.

The Compliance Filing confirms that those reductions, together with a change to the Cost of Service allocation for the different rate classes, will result in a modest decline in the proposed rate increases for residential customers. Residential rates will increase by 3.1% in 2026 and 3.9% in 2027: Exhibit N-91, Compliance Filing, April 7, 2026, Figure 6, page 24 of 28.

This appears to give effect to the Order of the Board.

Billing Directive

Anticipating that the new rates would take effect in the midst of a billing cycle, the Board directed Nova Scotia Power to rely on the information provided by AMI meters to "precisely determine the amount of energy used before the new rate came into effect and after the new rate came into effect": Exhibit N-91, Compliance Filing, April 7, 2026, page 26 of 28, lines 9 to 11.

Relying on the AMI meters to apply the new rates would replace Nova Scotia Power's preferred method of prorating the electricity bills to estimate the proportion of consumption that occurred before and after the rate change.

In its responses to the Board's Information Requests on the Compliance Filing, Exhibit N-93, Nova Scotia Power has stated that, accommodating the AMI data within its existing Customer Information System would be a complex, lengthy and expensive process that could add as much as $400,000 to its OM & G costs: Exhibit N-93, RIR-3, RIR-5, RIR-6.

In light of this evidence, the Consumer Advocate submits the Board should reconsider its Directive regarding the implementation of the new rates and permit prorating of the rates during the billing cycle.

Proration would inevitably result in some customers paying a new, higher rate for some portion of consumption that occurred before the new rate came into effect. Presumably, this is the issue the Board was trying to address with its Directive.

Given the problems with billing accuracy that Nova Scotia Power has experienced, the Consumer Advocate submits it would be appropriate for Nova Scotia Power to apply proration so as to give customers the benefit of the doubt. It should prorate the new rates for billing purposes starting some period of time after their effective date. This would mitigate the problem the Board identified in its Billing Directive.

Conclusion

The Consumer Advocate thanks the Board for the opportunity to make these brief comments on the compliance filling of Nova Scotia Power.

Yours truly,

PINK LARKIN

David Roberts, on behalf of
Consumer Advocate
DJR/aw