Blackburn Law Inc.

April 23, 2026

VIA EMAIL

Ms. Crystal Henwood
Clerk of the Board
Nova Scotia Energy Board
1601 Lower Water Street, 3rd Floor
Halifax NS B3J 3S3

Dear Ms. Henwood:

Re: M12451 – Nova Scotia Power Inc. 2026-2027 General Rate Application – Compliance Filing

Nova Scotia Power Incorporated ("NS Power") submitted its Compliance Filing on April 7, 2026[1] which set out the rates to be charged by customer class for 2026 and 2027 pursuant to the Decision issued by the Nova Scotia Energy Board ("Board")[2], which reflected, to a significant extent, the Settlement Agreement reached by a number of the intervenors to the matter. The Small Business Advocate (SBA) appreciates the opportunity to provide these submissions.

Compliance Percentage Change in Rates:

The SBA has reviewed the Compliance Filing percent change in rates for its three classes for 2026 and 2027 and finds that these appear to be consistent with the Board's directives.[3] Although it is noted that the percentage changes for the SBA's three customer classes changed slightly compared to the Settlement Agreement, this appears to be at least partially due to the Board directives to NS Power to adjust for further reductions in expenses such as OM&G and Fuel and Purchased Power costs. The SBA also notes that one of the Board's directives, to include "a peak load carrying capability adjustment of 0.4 kW per customer applied as a credit to the non-coincidental peak demand for determining the minimum system demand allocators for the distribution system costs"[4] would likely have impacted the resulting percent rate changes as well.

Billing Directive:

The SBA acknowledges the Board's concern regarding billing precision and the ability of advanced meter infrastructure ("AMI") to accurately bill customers where rates changes occur in the middle of a billing cycle and the Board's Billing Directive, which requires split billing to

[1] M12451 Exhibit N-91 NS Power 2026-2027 GRA Compliance Filing – Non-Confidential, April 7, 2026.

[2] M12451 NSEB Decision dated March 25, 2026, Section 6. Compliance Filing, page 307, para 736.

[3] M12451 Exhibit N-91 Figure 6 - 2026 – 2027 Proposed Rate Impacts (Percentage Change), pp. 24-25 of 28.

[4] M12451 NSEB Decision dated March 25, 2026, Section 6. Compliance Filing, page 307, para 736, 6th bullet.

T: 902-835-8544 F: 902-835-4310 E: info@blackburnlaw.ca www.blackburnlaw.ca
SUITE 231 BEDFORD HOUSE, SUNNYSIDE MALL, 1595 BEDFORD HIGHWAY, BEDFORD, NOVA SCOTIA B4A 3Y4

account for rate changes rather than the historic utilization of proration. The SBA believes that this is not simply an issue for GRA rate changes but anticipates that, with potentially more sophisticated advanced rates being developed, the reliance on proration will reduce the efficiency of price signals during defined periods—such as seasonal transitions.

However, the SBA is concerned that the Billing Directive could impose significant costs on ratepayers. NS Power claims that the current Customer Information System ("CIS") would require material capital investment and increased operating costs (estimated at $1 million[5]), with those costs ultimately borne by customers. Based on the evidence filed in the responses to the Board's IRs, the SBA does not oppose the use of proration in this limited application.

At the same time, the SBA agrees with the Board that proration should not be relied on indefinitely. As billing systems evolve, and the CIS is modernized, the SBA respectfully submits that NS Power should efficiently incorporate the enhanced functionality that would allow rates to be applied precisely for a defined period - whether for seasonal charges, GRA rate increases or other applications that do not align with billing cycles.

The SBA respectfully submits that this approach, with the use of proration for this matter but an intentional upgrading of the CIS to eliminate the need for proration in the future, would balance accuracy, cost effectiveness, and customer impacts during the term of the GRA while also acknowledging the importance of achieving improvements over the long-term.

ALL OF WHICH IS RESPECTFULLY SUBMITTED this 23th day of April, 2026.

Yours truly,

Melissa P. MacAdam
Small Business Advocate

[5] M12451, Exhibit N-93, NS Power Responses to Board IRs, IR-5, Page 1 of 2, Lines 8-16.