Nova Scotia Energy Board

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Kathleen Murray
Regulatory Counsel
Nova Scotia Power Inc.
1223 Lower Water St
Halifax, NS B3J 3S8

Dear Ms. Murray:

M12499 – Nova Scotia Power Inc. – Application for Approval of 2025/26 Time Varying Pricing Tariffs

Nova Scotia Power Inc. filed an application on October 1, 2025, to extend the Time Varying Pricing (TVP) Tariffs, effective November 1, 2025.

The Board panel considering this matter is comprised of Roland A. Deveau, K.C., Vice Chair; Richard J. Melanson, LL.B., Member; and Steven M. Murphy, MBA, P.Eng., Member.

This year's TVP application was delayed due to the cybersecurity incident that NS Power incurred in the spring of this year. The cybersecurity breach has impacted NS Power's ability to extract data from its systems to analyze its customers' energy usage under the tariffs.

NS Power stated that the impact of the cyber incident prevents it from proceeding with standard TVP billing or critical peak event notifications, including unresolved system limitations such as interval meter data retrieval impacting on-peak, off-peak, and critical peak event rates for billing purposes; customer notification systems for critical peak events; and customer-facing tools, limiting their customers' ability to monitor their response to winter peak periods.

Given the operational and system constraints, NS Power identified two options for the 2025/26 TVP Season:

> Option A – maintain TVP Tariffs with suspended on-peak and critical peak event billing; or
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> Option B – fully pause the TVP program and revert participants to the standard offer tariffs.

NS Power indicated that Option B would present significant risk to the long-term viability of the TVP program. It added that reverting customers to the standard offer tariffs would require substantial administrative effort before the upcoming season and require re-enrollment in the TVP program for future seasons, disrupting the customer experience. NS Power said this “would undermine the continuity and credibility of the TVP pilot and risk losing the momentum built over the past four years”.

NS Power submits that Option A is the only “viable path forward” because it “preserves customer enrollment, supports longer-term continuity of the TVP program, and minimizes disruption for customers”.

NS Power's proposal raises some questions for the Board. The Company has not explained how it developed the proposed rates or how it determined they were appropriate. Further, it did not explain why “pilot” customers should be offered lower rates than normal customers even though the “pilot” customers would be taking power like normal customers (i.e., the same service) until system functionality is restored. Did NS Power consider simply adjusting the TVP rates in the interim to be the same as the rates for normal customers in the respective classes? If so, why was this approach not adopted? NS Power did not indicate whether the TVP rates would be restored when the system functionality resumed, which it expects by year end. Also, NS Power said it informed the Consumer Advocate and Small Business Advocate of its proposal, but it did not indicate whether they supported the proposal or whether other interested parties were canvassed.

Due to the delay in filing its TVP application, NS Power requests an expedited process to consider the present matter so that TVP rates can be in effect by November 1, 2025. An expedited timeline impacts the Board’s and parties’ ability to fully review NS Power’s proposed tariffs. However, any delay in implementing tariffs by November 1, 2025, would remove the availability of TVP tariffs for customers, at least in short term. The Board recognizes that pausing the TVP tariffs could negatively impact the viability of the TVP program.

Accordingly, the Board considers it appropriate in the circumstances to seek comments from interested parties about NS Power’s application, including Option A, Option B and any other option the interested parties may wish to propose to the Board. Any comments are to be provided to the Board no later than **Friday, October 17, 2025**.

NS Power will be permitted to file reply comments by **Wednesday, October 22, 2025**. After that date, the Board will expedite its review of the application.

Yours truly,

Crystal Henwood

Crystal Henwood
Clerk of the Board

c. Interested Parties M11822