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October 16, 2025

Ms. Crystal Henwood
Regulatory Affairs Officer/Clerk of the Board
Nova Scotia Energy Board
3rd Floor, 1601 Lower Water Street
Halifax, NS B3J 3P6

Dear Ms. Henwood:

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

On October 7, 2025, the Board invited comments from interested parties in its letter to Kathleen Murray, Regulatory Counsel for NS Power. The Department of Energy shared certain concerns identified by the Board in the second page of its letter. On October 9, 2025, Ms. Murray provided a helpful response to these concerns, and the Department appreciates this information.

Following review of the referenced correspondence, the Department offers the following comments and questions for the Board's consideration, all related to the first question/response on page 3 of NS Power's letter of October 9, 2025:

1- Ms. Murray writes that: "*While Option B would align rates with those of non-participating customers, it would also terminate all pilot participation.*" Why is this the case? Is there not a way to change the pilot rate for participants without reverting them out of the program?

2- Ms. Murray writes that:"*Under the proposed approach, TOU Tariff customers are only billed at the winter off-peak rate for the five-month TVP Season, which is equivalent to the SOR for the Domestic class.*" The SOR for the Domestic class is $0.18561 per kWh but NS Power is proposing $0.1693 per page 5 of Exhibit N-1 of this proceeding. This represents a discount for participants.

3-NS Power's response explains about TOU rates in the quoted excerpt above but does not comment on the CPP rate which is a 10:1 ratio for winter rates.

4-TVP is revenue-neutral in the normal course. How is NS Power planning to meet the deficit revenue in the absence of the system for these participants? The Department of Energy says that the outcome of any approach should remain revenue neutral, but NS Power should in any event not seek Board approval of future funds to meet any deficit.

The Department of Energy is concerned about the potential for ratepayer inequality by allowing some customers to receive a discounted price while not participating in lowered energy usage. Following review of NS Power's application, and the correspondence referenced above, the Department of Energy submits it would be appropriate to apply the regular residential rate to TVP pilot participants until NS Power can reinstate the TVP pilot, rather than adopting either of the options NS Power proposes.

Your very truly,

Daniel Boyle

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