MEMORANDUM

DATE: October 15, 2025

TO: Office of Consumer Advocate

FROM: Green Energy Economics Group, Inc.

RE: Info & Recommendation re: M12499 – Nova Scotia Power Inc. Pricing Tariffs

SUMMARY:

- In general, customers in the TVP Pilot receive the same or *better* deal than they originally signed up for. Customers in the Comparable Standard rate could be disenfranchised because Pilot customers are getting a better deal without any behavior change. For the residentials rates:
  - Time of Use (TOU, approx. 5,400 customers) will have the same rate as the standard offer rate (SOR)
  - Critical Peak Pricing (CPP, approx.. 2,600) will have a save abut 2.7 ¢/kWh compared to the SOR (16%)
- Any under or over collections during the temporary solution period would have a limited impact.
  - The TVP pilot accounts for about 8,000 customers[1] and NSPI serves over 557,000 customers,[2] which makes the TVP approximately 1.5% of their customer-base.
  - A rough estimate of under collections shows around $500,000, which is less than 0.03% of 2024 residential revenues.
- Using a usage weighted average for the winter period would give a rate that is higher than the SOR and could push customers out of the pilot.

RECOMMENDATION:

NSPI should implement the fairest, most-expedient solution to preserve the integrity of the pilot. The most accurate solution is to estimate charges for TVP customers based on their 2024 usage as NSPI is doing now[3] and then true up the charges when data is restored. This could result in higher than proposed charges for TVP customers than NSPI is currently proposing as a temporary solution and could risk customer satisfaction among pilot customers, and, given there is some indication the TVP TOU customers have some level of dissatisfaction already,[4] NSPI should prioritize customer satisfaction at this time. Since NSPI's proposed solution benefits TVP customers and keeps them enrolled, we suggest accepting their proposal provided that the inquiries below are addressed satisfactorily.

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1 NSPI Response October 9th, 2025. M12499 – Nova Scotia Power Inc. – Proposed Approach for the 2025/26 Time Varying Pricing Tariffs, page 3.

2 https://www.sedarplus.ca/csa-party/records/document.html?id=c168a1f15466fdf168223ab0f03ccf3e23390fdfb618c1147b46f3eebc6f4d56, p. 21

3 As of October 13th, 2025 the NS Power Website says Time-of-Day, Time-of-Use, or Critical Peak Pricing customers' bills will be estimated based on 2024 usage from the same period.

4 2024-2025 TVP Application Appendix C Attachment 6 Page 77

POTENTIAL CONSIDERATIONS AND INQUIRIES FOR NSPI:

- Does NSPI have any concerns about winter Demand management since the TVP program will not be able to send demand signals to customers as usual?
- Can NSPI confirm that, should this winter's billing be lower than prior years due to the temporary solutions, that they will not attempt recovery of this lost revenue from the ratepayers?

ATTACHMENT: Comparison of NSPI Proposed Solutions vs SOR.xlsx