Nova Scotia POWER
An Emera Company
PO Box 910 ● Halifax, Nova Scotia ● Canada ● B3J 2W5

October 22, 2025

Crystal Henwood
Regulatory Affairs Officer/Clerk
Nova Scotia Energy Board
1601 Lower Water Street, 3rd Floor
Halifax, NS B3J 3S3

Re: M12249 Proposed Approach for the 2025/26 Time-Varying Pricing (TVP) Tariffs – Reply Comments

Dear Ms. Henwood:

On October 1, 2025, Nova Scotia Power (NS Power, Company) submitted an update regarding the systems required to complete the Year Four (2024/25) Time Varying Pricing (TVP) Evaluation Report along with a proposed approach for the 2025/26 TVP Season (November 1, 2025 to March 31, 2026) for approval.

By letter dated October 7, 2025, the Nova Scotia Energy Board (NSEB, Board) provided an expedited timeline for the Board's and parties' review of the Company's submission. On October 9, 2025, NS Power filed a letter responding to questions raised in the NSEB's October 7 letter, with the intention of supporting parties in the preparation of their comments and assisting the Board in its review of the proposed approach to maintain TVP Tariffs with suspended on-peak and critical peak event billing from November 1, 2025 to March 31, 2026.

The Board-established timeline for this proceeding also provided for comments from interested parties by October 17, 2025 and reply comments from NS Power by October 22, 2025. NS Power received comments from Synapse Energy Economics (Synapse) on behalf of Board Counsel, the Consumer Advocate (CA) and its Consultant, Green Energy Economics Group (GEEG), the Small Business Advocate (SBA), and the Department of Energy (DOE).

The submissions received in response to NS Power's proposed approach reflect a high level of engagement by the parties. The breadth and depth of feedback underscores the importance of the TVP Pilot and its potential to deliver long-term system benefits. Accordingly, it is essential to preserve customer experience in a manner that supports the sustained viability of the program. While the need for temporary modifications is disappointing, NS Power has proposed an approach for the 2025/26 TVP Season that seeks to balance program integrity, customer experience, and technical feasibility within the constrained circumstances.

Four key themes have emerged from the submissions. The Company has summarized the comments, by theme, in the sections that follow. Further detailed responses to each of the parties' comments are provided in Attachment 1.

(1) Revenue Impacts and Neutrality

Parties expressed general concerns regarding potential revenue impacts during the modified 2025/26 Season. DOE noted that TVP Tariffs are "revenue-neutral in the normal course" and emphasized that "NS Power should in any event not seek Board approval of future funds to meet any deficit."[1] Similarly, the Small Business Advocate (SBA) questioned whether "unwarranted tariff energy prices below standard rate equivalent energy prices [should] be subject to refund to all ratepayers."[2]

In contrast, the Green Energy Economics Group (GEEG) Memorandum to the CA stated:

> Any under or over collections during the temporary solution period would have a limited impact.
> - The TVP pilot accounts for about 8,000 customers and NSPI serves over 557,000 customers, 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.[3]

The CA provided "[…] to the extent the cybersecurity incident creates any additional costs, whether through the proposed TVP changes or otherwise, the Consumer Advocate reserves its right to address these additional costs more fully in the cybersecurity matter before the Board."[4]

NS Power confirms it is not currently intending to pursue recovery of any lost revenue related to the TVP temporary billing arrangements. Should that change, the Company understands that in accordance with the Board's established practice, any such future application considering recovery is expected to include stakeholder participation and would be subject to Board approval.

[1] M12499 – DOE Comments, page 1. October 16, 2025.
[2] M12499 – SBA Comments, page 4. October 17, 2025.
[3] M12499 – GEEG (CA Consultant) Memorandum, page 1. October 17, 2025.
[4] M12499 – CA Comments, page 2. October 17, 2025.

While Synapse did not directly comment on revenue neutrality, it characterized NS Power's proposed TVP billing treatment as "a reasonable solution on a temporary basis."[5] Further details are provided in Attachment 1.

(2) Equity and Fairness of 'Option A' Rates

DOE provided:

> The SOR for the Domestic class is $0.18561 per kWh but NS Power is proposing $0.1693.[6]

For clarity, both the Domestic Standard Offer Rate (SOR) and the Domestic Time-of-Use (TOU) winter off-peak rate are 16.931 cents per kWh excluding riders and 18.561 cents per kWh including riders.

DOE also raised concerns about potential inequality and suggested that standard residential rates may be more appropriate until the full pilot functionality resumes. The SBA questioned the fairness of applying winter off-peak rates without measurable load reductions, and proposed testing or simulating customer behaviour and responsiveness.[7]

NS Power acknowledges concerns regarding the application of winter off-peak rates while the systems required to measure and evaluate corresponding behavioural changes remain unavailable. Although significant progress has been made in restoring these systems, current limitations still prevent the simulation of critical peak events, as well as the tracking and testing of customer responsiveness.

While the temporary suspension of on-peak billing in the 2025/26 Season may be perceived as a "discount," the lower price applied – relative to Domestic TOU and Critical Peak Pricing (CPP) on-peak rates in a status quo program year – reflects the value of participants' continued engagement in the TVP program and the expected near- and long-term system benefits of sustained participation. It also supports long-term program viability by maintaining enrollment and avoiding the incremental costs associated with re-enrollment and rebuilding the participation base, particularly where the Domestic TOU winter off-peak rate proposed to apply for the five-month period is the same as the Domestic SOR.

[5] Synapse recommends approval of the Company's proposal to bill TVP customers at the off-peak winter rates but suggests this may not be necessary for the full 2025/26 Season. NS Power's reply to Synapse's suggested modifications to Option A is addressed in further below and in Attachment 1.
[6] DOE Comments, page 1.
[7] SBA Comments, page 4 and 5.

The SBA also emphasized the need to balance objectives during a modified TVP Season:

> As such, it is imperative to support the positive outcomes to-date for the TVP and CPP pilot programs because momentum has reached a critical point where NS Power can begin to draw conclusions about whether the program design is sufficient to encourage more participation. It is respectfully submitted that the plan to put TVP essentially under suspension needs to balance:
> - maintaining participation and continuity,
> - inadvertently creating discriminatory or non-cost-based rates,
> - simplicity, and
> - minimizing costs to be borne by other rate payers.[8]

The Company agrees that balancing the SBA's cited objectives is essential to support both current and future program viability. As outlined in NS Power's October 1 Submission, the proposed approach (Option A) represents the most technically feasible and least disruptive approach under current constraints.[9] Option A aligns with the SBA's objectives, specifically:

- maintaining participation and continuity: by preserving existing enrollment and avoiding mid-season billing changes, Option A supports uninterrupted customer engagement and minimizes the risk of attrition.
- avoiding discriminatory or non-cost-based rates: the proposed billing approach applies consistent off-peak rates that effectively aligns the TOU customer winter on-peak prices with the applicable SORs and, for CPP customers, maintains the same off-peak rate used in a typical program year, avoiding the more significant customer impacts that would result from reverting to the higher SOR.
- simplicity: Option A avoids complex billing system changes and mid-season transitions, reducing customer confusion and administrative burden.
- minimizing costs to other ratepayers: by maintaining existing enrollment, Option A avoids the incremental administrative and marketing costs associated with re-enrollment and preserves program momentum for future seasons, which benefits the system and other customers in the long-term.

In contrast, Option B, which involves fully pausing the TVP program and reverting participants to standard offer rates, would disrupt customer participation, increase administrative complexity, and potentially undermine the program's long-term viability.

[8] SBA Comments, pages 3-4.
[9] Please refer to page 4 of NS Power's October 1 Submission.

NS Power remains committed to evaluating customer behaviour and load impacts once systems are restored. In the interim, NS Power will continue to monitor participation and engagement and will share insights for review in future stakeholder sessions once data access resumes. Further details are provided in Attachment 1.

(3) Alternative Approaches and Data or Systems Availability

The SBA stated:

> The SBA was looking forward to hearing from NS Power about its plans for improvements in these programs during the Year 4 pilot; however, it now appears that any possibility of momentum in this direction will be negated by the inability to track the results of the pilot and make adjustments.[10]
> //
> Due to these issues, the SBA respectfully recommends that NS Power be required to address the questions raised above in an update to the Application. It may also be of assistance to have a technical session with intervenors to review alternative options.[11]

NS Power shares the disappointment regarding the limited ability to fully leverage the TVP program during the 2025/26 Season. The cybersecurity incident has restricted access to the systems and data required to measure and evaluate the program. While short-term progress may be impacted, NS Power remains committed to the structured, analytics-based, and stakeholder-engaged approach that has guided the program since its inception in 2020.[12] Once system capabilities are restored, NS Power will resume stakeholder sessions, including the technical session that was postponed earlier this year.[13]

The CA (GEEG) questioned whether NS Power has concerns about winter demand management in the modified TVP Season. At the current scale, TVP has a relatively modest impact on system

[10] SBA Comments, page 3.
[11] SBA Comments, page 5.
[12] The TVP Tariff Pilot was established following significant stakeholder engagement and input through M09777 resulting in a multi-party Consensus Agreement that governed the principles, objectives, and scope of continued program engagements and refinements in the early stages of the pilot. Following four years of TVP program development, an updated Consensus Agreement was executed and filed part of the 2024/25 TVP Application (M11822). The 2024 Consensus Agreement builds on these established principles (structured, analytics-based, and stakeholder-engaged approach to pricing innovation) and updates learning-based objectives in the interest of continued refinement and long-term viability of the TVP pilot.
[13] For ease of reference upon restoration of stakeholder engagements, Attachment 1 of NS Power's October 1 Submission provides a progress update on the 2024/25 Areas of Focus Work Plan and directives from the 2024/25 TVP Application (M11822), 2023/24 (Year Three) Evaluation Report (M11823), and the Smart Grid Nova Scotia Final Report (M11621) proceedings.

peak (estimated at approximately 0.15 percent in 2024/25).[14] In light of the variability of other drivers affecting system load and supply (customer load, weather, generator availability), this level of variance can be accommodated within the Company's resource planning processes. Additionally, the Company continues to coordinate with EfficiencyOne (E1) on demand response (DR) events, which will proceed independently of the TVP program. Further details are provided in Attachment 1.

Some parties suggested alternative approaches that aim to balance Option A and Option B. These alternatives represent hybrids to the two technically feasible options:

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

Synapse recommended a modified Option A:

> An alternative option would be for NS Power to commence the CPP program as usual, with the possibility that it does not call any events if IT system capabilities are not restored during the 2025/26 TVP Season, but with the possibility that events would be called as usual as soon as system capabilities are restored. This option would not require a change to the tariff, as the tariff does not currently specify a minimum number of events, and would allow standard CPP events to resume immediately upon NS Power's IT system restoration, providing 30 days of additional potential CPP events than under NS Power's proposal.[15]

NS Power agrees that resuming both critical peak billing and events would be ideal from a continuity perspective; however, over the four-year pilot, the Company has observed that uncertainty around rate expectations often leads to customer confusion and opt-outs. Although Synapse's modified Option A results in no CPP Tariff modifications, the 'until further notice' messaging from a customer perspective may be perceived as introducing mid-season rate changes which risks undermining engagement. To avoid this uncertainty, NS Power has proposed a clear and consistent approach for the full 2025/26 Season, indicating that critical peak billing will not occur even if CPP events resume. By clearly communicating upfront that the on-peak rate will not apply for the 2025/26 Season, NS Power seeks to provide rate stability for TVP participants, in the interest of long-term program viability.

[14] NS Power's 2025 Load Forecast Report estimated 3.7 MW of load reduction in the 2024/25 TVP Season and a 2,400 MW forecast system peak.
[15] M12499 – Synapse (Board Counsel Consultant) Comments, page 3. October 17, 2025.

Further, time-differentiated billing remains dependent on restoring Advanced Metering Infrastructure (AMI) data integration.[16] While significant progress has been made in recent weeks, the Company does not anticipate sufficient restoration of systems to support time-differentiated billing well in advance of March 31, 2026.

The SBA and DOE proposed a modified Option B that would align TVP rates with the SOR without removing customers from the pilot. This approach keeps customers enrolled but requires manual adjustments to energy charges within the Company's legacy billing system. These modifications are complex and administratively burdensome, as they involve overriding rate logic rather than simply switching the customer's rate code to SOR. Additionally, this method could result in confusing bill presentations with multiple energy charges. Although both approaches, modified Option B and reverting to SOR, are expected to result in similar customer experience outcomes, the modified Option B would be more complex and operationally burdensome.[17] Please refer to page 7 of Attachment 1 for further details.

As Synapse noted, "the SOR rate would be higher than the off-peak CPP rate"[18] and reverting CPP rates to SOR could result in customer dissatisfaction and reduced willingness to participate in future seasons, which undermines the pilot's long-term viability. Further, just over 67 percent of TVP participants are on the Domestic TOU Tariff,[19] where the winter off-peak rate matches the Domestic SOR, making reversion neutral for these customers. Further details are provided in Attachment 1.

(4) Temporary Modifications and TVP Program Continuity

As noted above, parties recognized the constraints leading NS Power to propose modifications for the 2025/26 Season. While the SBA and DOE suggested alternative approaches, such as mid-season CPP billing or aligning all TVP rates with SOR, these options introduce administrative complexity and risk undermining customer experience and long-term program viability (as described above in response to the SBA and DOE's proposed modified Option B).

[16] Page 3 of the Company's Monthly Update 2 provided "NS Power expects customer billing and engagement processes to return to business as usual in early 2026, with interim measures maintained until that time to ensure continuity for customers." The section specifically related to customer billing, on page 5, provided "The response and restoration arising from the Incident is dynamic, and consequently timelines and impacts may evolve as restoration progresses."
[17] As further detailed in Attachment 1, the Company's legacy Customer Information System (CIS) is not designed to accommodate such overrides without reconfigurations, which may result in multiple rate lines on customer bills and increased likelihood of customer confusion, frustration, and churn.
[18] Synapse (Board Counsel Consultant) Comments, page 4.
[19] Please refer to page 3 of NS Power's October 9 Letter.

The CA explicitly endorsed Option A:

> The Consumer Advocate acknowledges the value of the TVP Program and the importance of maintaining the Program's current enrollment to ensure the Program's long-term success. On review of the information provided, the Consumer Advocate accepts the Option "A" approach proposed by NS Power as filed.[20]

Green Energy Economics Group's Memorandum to the CA further provided:

> 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 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, 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.[21]

Synapse also supported the Company's proposed approach:

> NS Power states that the majority of TVP customers (67 percent) are enrolled in the Domestic TOU tariff. The Domestic TOU's off-peak rate is the same as the SOR, which supports NS Power's proposal to bill Domestic TOU customers at the off-peak rate temporarily. For this reason, Synapse recommends approval of NS Power's proposal to bill Domestic TOU customers at the off-peak rate.
>
> In contrast, the TOU off-peak rates for the Small General and General Service customers are higher than the SOR. Here, too, NS Power's proposal to bill these customers at the off-peak rate appears to be a reasonable solution on a temporary basis, since this effectively treats all usage as off-peak consumption, but provides more revenue than if the customers were billed at the otherwise effective standard rate. It also avoids requiring these customers to re-enroll once NS Power's IT capabilities are restored. Synapse recommends approving NS Power's proposal to bill Small General and General Service customers at the off-peak rate.
> //
> Synapse agrees with NS Power's proposal to bill CPP customers at the off-peak rate, primarily due to the fact that CPP events may still be called during the

[20] CA Comments, page 2.
[21] GEEG (CA Consultant) Memorandum, page 1.

2025/26 TVP season, if NS Power's capabilities are restored. In addition, there would likely be additional costs to billing CPP customers at the higher SOR, primarily in the form of communication costs and reducing customers' willingness to participate in the CPP rate in the future (and associated higher costs of customer acquisition in the future).[22]

The Company's proposed approach reflects a balance between maintaining program continuity and minimizing disruption, with the understanding that if systems required to notify customers of critical peak events are restored before March 31, 2026, NS Power will provide 30 days' notice to customers and the Board of its intent to:

(1) resume scheduling and notifying customers of critical peak events,

(2) continue billing customers at the winter off-peak rate until March 31, 2026, and

(3) encourage load shifting during critical peak events, in accordance with standard Tariff procedures.

Conclusion

Stakeholder submissions demonstrate strong engagement and broad support for Option A, including endorsements from the CA and Synapse. While alternative suggestions – such as mid-season CPP billing or adjusting TVP rates to match the SOR – were considered, these approaches introduce administrative complexity and risk undermining customer experience and program viability.

While the need for temporary modifications is disappointing, NS Power's proposed approach reflects a careful balance of technical feasibility under constrained circumstances, minimized disruption to customers, and the preservation of the program's long-term integrity. Option A remains the only viable path forward. It is supported by Synapse and the CA.

The Company recognizes the importance of collaboration and stakeholder alignment to the success of the TVP program. NS Power remains committed to its structured, analytics-based, and stakeholder-engaged approach. The Company intends to reschedule the postponed Technical Session once systems and resources are restored and will continue working with stakeholders during the 2025/26 Season to determine what, if any, insights or learnings may be available from this modified program year.

[22] Synapse (Board Counsel Consultant) Comments, pages 5-6.

The Company appreciates the Board's consideration of the proposed approach and respectfully submits that Option A represents the most practical and least disruptive solution to ensure continuity of the TVP pilot during the 2025/26 Season. Accordingly, the Company requests approval of the relief outlined in its October 1, 2025 submission.[23]

Yours truly,

Kathleen Murray

Kathleen Murray
Regulatory Counsel

[23] Please refer to pages 8-10 of NS Power's October 1 Submission for the full list of requested relief.

<table>
<tr><th>Theme</th><th>Party</th><th>Party Question or Comment</th><th>NS Power Reply</th></tr>
<tr><td rowspan="4">(1) Revenue Impacts and Neutrality</td><td rowspan="2">CA</td><td>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?[24]</td><td rowspan="4">NS Power’s response to the cyber incident is ongoing, and no final determination has been made regarding associated costs. At this time, NS Power is not forecasting recovery of any lost revenue related to the TVP temporary billing arrangements. Should recovery be considered in the future, it would be subject to Board approval. In accordance with the Board’s established practice, it is expected stakeholders would have an opportunity to participate in any such application. Barring an application for recovery, the Company will be absorbing the revenue shortfall arising from Option A.

NS Power remains committed to revenue neutrality in the administration of TVP. While the temporary application of off-peak rates may reduce revenue during the 2025/26 Season, this impact is expected to be partially offset by avoided costs associated with re-enrollment, customer communications, and program restart efforts. As outlined above, NS Power does not intend to seek Board approval for additional funds to cover any deficit arising from this interim approach. The Company recognizes that the TVP program is designed to be revenue-neutral under normal operating conditions. Given the magnitude of the program, including that just over 67 percent of TVP participants would be billed the same as their respective class’ SOR,[25] the impact is expected to be modest – as described in the Company’s responses below.</td></tr>
<tr><td>The Consumer Advocate further notes that to the extent the cybersecurity incident creates any additional costs, whether through the proposed TVP changes or otherwise, the Consumer Advocate reserves its right to address these additional costs more fully in the cybersecurity matter before the Board.[26]</td></tr>
<tr><td>SBA</td><td>d) Since this proposal follows directly from the Cyber Security breach, should any unwarranted tariff energy prices below standard rate equivalent energy prices be subject to refund to all ratepayers in the instance where NS Power is cited for imprudence or neglect or other findings under M12273? (i.e., who should bear the costs of providing lower TVP rates without being able to obtain proof of differentiated energy consumption which provides lower costs, or increased reliability or both.)[27]</td></tr>
<tr><td>DOE</td><td>TVP is revenue-neutral in the normal course. How is NS Power planning to meet the</td></tr>
</table>

[24] CA Comments, page 2 and GEEG (CA Consultant) Memorandum, page 2.

[25] As described in NS Power’s October 9, 2025 Letter, just over 67 percent of TVP customers are enrolled in the Domestic TOU Tariff and the Domestic TOU winter off-peak rate, proposed to apply for the 2025/26 Season, is the same per-kWh charge as the Domestic Service Tariff (i.e. the SOR for the Domestic class).

[26] CA Comments, page 2.

[27] SBA Comments, page 4.

Theme	Party	Party Question or Comment	NS Power Reply
		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.[28]	
(2) Equity and Fairness of 'Option A' Rates	CA (GEEG)	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 [save about] 2.7 ¢/kWh compared to the SOR (16%)[29]	NS Power recognizes the importance of fairness and equity in the temporary billing modifications proposed under Option A, particularly given both the current system limitations and the program momentum (as best captured in the SBA's comments[30]) to date. For clarity, both the Domestic SOR and the Domestic TOU winter off-peak rate are 16.931 cents per kWh excluding riders and 18.561 cents per kWh including riders. For Domestic CPP customers, the off-peak rate is lower than the SOR, consistent with the Board-approved tariff design that includes a 10:1 price ratio during critical peak events. As provided in GEEG's Memorandum to the CA: "Any under or over collections during the temporary solution period would have a limited impact. • The TVP pilot accounts for about 8,000 customers and NSPI serves over 557,000 customers, 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."[31] Further, while critical peak events are temporarily suspended due to system limitations, the proposed approach uniformly applies the winter off-peak rate to maintain program continuity and avoid customer disruption, as detailed in the next section (Theme 3) of this table.
	SBA	Second, it is unclear whether the rates proposed in Option A are just and reasonable in that they differentiate from the standard rates based upon load shape differentiation or other changes in cost to serve, with no actual ability to determine load shape. [33]	

[28] DOE Comments, page 1.
[29] GEEG (CA Consultant), page 1.
[30] At page 3, the SBA provided "As such, it is imperative to support the positive outcomes to-date for the TVP and CPP pilot programs because momentum has reached a critical point where NS Power can begin to draw conclusions about whether the program design is sufficient to encourage more participation."
[31] GEEG (CA Consultant) Memorandum, page 1.
[33] SBA Comments, page 3.

<table>
<tr><th>Theme</th><th>Party</th><th>Party Question or Comment</th><th>NS Power Reply</th></tr>
<tr><td rowspan="3"></td><td></td><td>g) By not analytically deriving Option A rate parameters would this mean that:
i. The proposed rates are discriminatory?
ii. A load shape differential has not been established to determine if the lower cost recovery is justified on a cost allocation basis from TVP customers justifying lower than standard rates?
iii. A behavioral consumption change by TVP customers is not expected or demonstrated to be expected to justify lower rate parameters?[34]</td><td rowspan="3">NS Power understands the SBA's concerns regarding not "analytically deriving" the Option A rates proposed to temporarily apply and the perception that TVP customers receive a "discount" during the coming five-month TVP Season. Respectfully, while reasonable and understandable, these conclusions overlook the broader context. The temporary application of winter off-peak rates is not proposed to drive behaviour. Rather, the Option A rates reflect the current Board-approved winter off-peak rates which have been implemented in accordance with four years of stakeholder engagement beginning in 2020 with the TVP program design under M09777. The Company's proposed approach provides a minimally disruptive solution that reflects the reality that NS Power cannot currently access the interval data required to apply time-differentiated rates, and achieves the primary objectives: positive customer experience and long-term program viability.
While the need for any TVP program modifications is unfortunate, the Company has proposed an approach that, among the other technically feasible option (Option B), results in the best outcome under the circumstances. Consistent with observations provided in GEEG and Synapse's comments,[32] the proposed approach: effectively aligns TOU customer winter on-peak prices with the applicable SORs, may provide an opportunity to schedule and notify CPP customers of events while minimizing mid-season billing changes causing customer confusion or churn, and partially offsets the incremental costs required to restart the TVP program (e.g. customer communications and marketing updates, customer recruitment, delays in system savings).
As it relates to applying the "regular residential rate," this would require formal removal of participants from the TVP program, as detailed in the next section (Theme 3) of this table. Such a step would hinder the long-term viability of the program, i.e. customers may opt-out of the program and share negative experiences, reducing future enrollment potential.
Additionally, some participants may have invested in technologies, such as smart thermostats or load control devices, to align with program signals. Removing these customers from the pilot may diminish confidence in the program and reduce the likelihood of further enrolments or investments in energy-shifting solutions. This, in</td></tr>
<tr><td rowspan="2">DOE</td><td>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.[35]</td></tr>
<tr><td>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.
//</td></tr>
</table>

[34] SBA Comments, page 4.
[32] GEEG Comments, page 1, and Synapse Comments, pages 2-4 and page 5.
[35] DOE Comments, page 1.

Theme	Party	Party Question or Comment	NS Power Reply
		[T]he 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.[36]	turn, would likely lead to increased cost and lead time to re-build participation, which directly impacts NS Power's ability to meet future peak load reduction targets.
(3) Alternative Approaches and Data or Systems Availability	CA (GEEG)	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?[37]	It is disappointing that NS Power will not have full access to this DR tool for the coming winter. However, as the Pilot has expanded in a measured fashion, the overall effect of the total TVP load shift remains relatively low compared to the total system peak. As described in NS Power's October 9 Letter[38] and on pages 8-9 of the Company's October 22 Reply Comments Letter, the marginal benefit of reverting these customers to SOR is limited. As part of the 2025 Load Forecast Report, NS Power estimated the actual load reduction from TVP Tariffs in the 2024/25 Season at 3.7 MW[39] which, on a forecast system peak of approximately 2,400 MW,[40] amounts to approximately 0.15 percent. In light of the many variables that affect system peak margins (e.g. weather, customer load, generator availability), this level of variance can be accommodated within the Company's resource planning processes. In addition, NS Power will continue to notify E1 of DR events, and E1 will continue to administer its DR program independent of the TVP program. If CPP event notifications are restored before March 31, 2026, NS Power will provide 30 days' notice to customers and the Board of its intent to resume scheduling and notifying customers of critical peak events, maintain winter off-peak billing through March 31, and encourage load shifting in line with standard Tariff procedures. In relation to hybrid approaches that might balance the objectives of Option A and Option B, NS Power carefully considered potential alternatives, ultimately determining
	SBA	First, it is unclear why NS Power did not propose an option, for the Board's consideration, which would attempt to salvage some value from the tariffs during the 2025-26 winter period.[44]	
		The SBA, however, respectfully submits that NS Power has not fully evaluated whether the Option A rates are appropriate and how this approach will provide data that can be analyzed for when the TVP and CPP pilot program is resumed. In addition, the SBA submits that there are unanswered questions as to when the TVP 2025/2026 Year 4 pilot may resume under the original tariff rates, and how NS Power	

[36] DOE Comments, page 2.
[37] CA Comments, page 2 and GEEG (CA Consultant) Memorandum, page 2.
[38] Page 3 of the October 9 Letter provided, "While the application of the winter off-peak rates will reduce revenue received by the Company over the 2025/26 TVP Season, this is expected to be partially offset by the incremental costs that would be required to restart the TVP program (e.g. customer communications and marketing updates, customer recruitment, delays in system savings)."
[39] M12349 – 2025 Load Forecast Report, CA (NSPI) IR-2. August 19, 2025.
[40] M12349 – 2025 Load Forecast Report, Figure 65, page 82. June 27, 2025.
[44] SBA Comments, page 3.

Theme	Party	Party Question or Comment	NS Power Reply
		plans to track the difference in customer participation and savings in the interim.[45] e) Is there an alternative option that strikes a balance between the extremes of Option A and Option B, either in the specific energy charge or overall approach? f) Would it be possible to modify Option A to include: i. some testing of customer behavior and responsiveness by analytically deriving any load impacts by program participants on the TVP rate? ii. simulating critical peaks and events with alternative customer notifications while using load research type metering to measure effects? iii. finding ways to maximize the value of providing lower rates while essentially suspending the ability to monitor load shifting effects?[46]	there were only two technically feasible paths (Option A and B) as provided in its October 1 Submission. While attractive, hybrid approaches, like Synapse's proposed alternative to retain the optionality to restore on-peak billing and events mid-season,[41] share a common uncertainty in the timing of system restoration.[42] The uncertainty of systems restoration extends to simulating events or testing behavioral response which, while valuable, require functional systems, data access, and customer-facing tools that are not yet restored and for which restoration times are not concrete. While significant system restoration progress has been made, NS Power cannot currently retrieve time-differentiated consumption data from AMI meters or notify customers of critical peak events. In addition to billing-related implications, as described earlier, these limitations preclude the ability to simulate critical peak events, track customer savings, and test customer responsiveness. NS Power remains committed to evaluating customer behaviour and load impacts once systems are restored. In the interim, NS Power will continue to monitor participation and customer engagement and undertakes to provide these insights for review in future stakeholder engagement sessions, which NS Power plans to re-establish once systems are restored and data access resumes. In response to "when the TVP 2025/2026 Year 4 pilot may resume under the original tariff rates," the Company confirms that the standard non-winter rates would resume on April 1, 2026, "consistent with the Board-approved tariff provisions and the treatment applied to TVP customer bills since the cyber incident."[43]
	DOE	NS Power's response explains about TOU rates in the quoted excerpt above but does	The CPP Tariff features a 10:1 price ratio during critical peak events, applicable for the winter months. During the non-winter (April to October) period, customers pay the same off-peak rate as they would during non-critical hours in winter months

[45] SBA Comments, page 5.
[41] Synapse (Board Counsel Consultant) Comments, page 3.
[42] Most clearly stated by the SBA which, at pages 1-2, provided "The Application refers to the possibility of NS Power gaining the ability to issue CPP event notifications on or before March 31, 2026, however there is no commitment to that timing, nor is there any estimate provided with respect to the TOU pilot. Notably, in the Cyber Security Update 2 provided to the Board on October 1, 2025, NS Power estimated that full recovery was likely to extend through 2026."
[43] As provided on page 3 of the Company's October 9, 2025 Letter, "Under the proposed approach, TVP customers are billed at the winter off-peak rates until the end of the winter TVP Season. Beginning April 1, 2026, the standard non-winter rates would resume as part of the usual annual process, regardless of whether system functionality has been fully restored. This approach is consistent with the Board-approved tariff provisions and the treatment applied to TVP customer bills since the cyber incident."
[46] SBA Comments, page 4.

Theme	Party	Party Question or Comment	NS Power Reply
		not comment on the CPP rate which is a 10:1 ratio for winter rates.[47]	(November to March). While the temporary suspension of on-peak and critical peak rates during the 2025/26 Season presents a perceived "discount," the CPP customer rate impact between a status quo program year and reversion to SOR is substantial. Over the past four years, 8 to 14 (of 18 possible) critical peak events have been completed per season. Consistent with the Company's comments above, given the many variables that affect when and whether a critical peak event is scheduled (weather, customer load, generator availability) and the relative magnitude of the program at this stage (in total, approximately 2,700 CPP customers and a total program load reduction at approximately 0.15 percent of forecast system peak), impacts of the temporary modification is possible to be accommodated within the Company's resource planning processes. For Domestic TOU customers, the winter off-peak rate for the five-month period is equivalent to the Domestic SOR, both including and excluding riders. The temporary application of this rate reflects the value of participants' continued engagement in the TVP program and the expected near- and long-term system benefits of sustained participation. It supports long-term program viability by maintaining enrollment and avoids the costs associated with re-enrollment and rebuilding participation.
(4) Temporary Modifications and TVP Program Continuity	SBA	a) When did NS Power first learn that they would not have the capability to measure TVP loads? Has there been any changes in the participants, either joining or leaving, since the cyber security incident? b) Should service to customers for the 2025-26 period be restricted to those enrolled in 2024-25 to maintain continuity or should other participants have the opportunity to enroll? Are there any equity concerns? c) On what basis does NS Power assume that providing TVP rates with parameters equal to Standard Offer Rates (SOR) would	NS Power first identified the impact to AMI data retrieval, impacting its ability to measure time-differentiated TVP customer load, during the initial containment phase of the cybersecurity response. When it became apparent this could interfere with the 2025/26 Season, the Company halted enrollment activities. Between March 31 and October 8, 285 TOU and 156 CPP customers have left the program. Departures prior to the beginning of the next winter are not unusual. NS Power confirms that enrolment of new TVP participants remains paused for the 2025/26 Season. Following the Board's determination regarding the proposed approach, NS Power will notify TVP Waitlist customers of the temporary enrolment pause and confirm that they will be eligible to enroll once system functionality is restored. Participation in the 2025/26 Season will be restricted to customers enrolled at, or in advance of, the 2024/25 TVP Season. This approach supports continuity and avoids the need for new enrolment processes during a period of constrained system functionality. As the pilot is not being expanded during

[47] DOE Comments, page 1.

Theme	Party	Party Question or Comment	NS Power Reply
		automatically unenroll TVP and CPP customers?[48]	this modified program year and all existing participants will continue to receive service under their respective TVP tariffs, NS Power does not anticipate equity concerns. Both the SBA and DOE sought clarity on the differences between adjusting TVP energy charges to match SOR and Option B (reverting TVP customers to SOR). At a high-level, the primary difference is the rate code in NS Power's billing system – the former requires billing system modifications to manually override the energy charge for customers on a TVP rate code while the latter (Option B) necessitates a rate code change[49] that formally removes the customer from the TVP pilot (requiring subsequent re-enrollment). NS Power's Customer Information System (CIS) billing system is a legacy platform. Modifications to CIS to accommodate new and innovative rate options introduce multiple layers of complexity in billing logic and system configuration. As a result, adjusting the TVP rate code energy charges to reflect SOR is more administratively burdensome than changing the rate code entirely. Moreover, this would likely result in three separate energy charges – peak, off-peak, and modified – on customer bills, leading to confusion. Additional complexity arises as new riders come into effect or other rate changes occur during the season.[50] As described in the Company's October 1 Submission and October 9 Letter, billing TVP customers at their respective SOR would require reverting those customers to the SOR rate code (Option B). Option B necessitates re-enrollment and is considered overly disruptive to the program. Moreover, as observed in Synapse's comments,[51] the effort to revert customers to SOR (or make billing system modifications to adjust TVP rates to match SOR) would introduce additional costs. The Company submits this approach
	Synapse (BCC)	[…] it may not be necessary to convey to customers that the off-peak rate will apply to all consumption through March 31, 2026. If NS Power's systems are restored earlier, NS Power could provide 30 days' notice that on-peak and off-peak rates will resume and potentially obtain valuable load shifting in the remaining months of the 2025/26 TVP Season. Synapse therefore recommends that NS Power simply notify TOU customers that off-peak rates will apply until further notice, rather than guaranteeing off-peak rates for the duration of the 2025/26 TVP Season.[55]	
		In terms of NS Power's proposal to provide 30 days' notice prior to implementing CPP events, Synapse questions whether such notification would be necessary. An alternative option would be for NS Power to commence the CPP program as usual, with the possibility that it does not call any events if IT system capabilities are not	

[48] SBA Comments, page 4.

[49] Each TVP Tariff has a different rate code than other TVP and non-TVP Tariffs. For instance, the Domestic Service customers take service under rate code 02 or 03 and Domestic CPP customers are on rate code 70.

[50] TVP customer bills show energy charges and consumption by the respective peak and off-peak periods. When rates or riders are modified, the first TVP customer bill following these modifications provides a breakdown of energy charges for both the pre-modified and post-modified peak and off-peak rates – resulting in four (4) or more individual line items each with different amounts of consumption at different rates.

[51] On page 4, Synapse describes the type of additional costs that may be associated with adjusting Small General and General CPP customer rates to equal SOR for the five-month TVP Season. The Company submits these costs would extend to all TVP Tariffs if Option B or billing system modifications to adjust TVP rates to SOR rates were required.

[55] Synapse (Board Counsel Consultant) Comments, page 5.

Theme	Party	Party Question or Comment	NS Power Reply
		restored during the 2025/26 TVP Season, but with the possibility that events would be called as usual as soon as system capabilities are restored. This option would not require a change to the tariff, as the tariff does not currently specify a minimum number of events, and would allow standard CPP events to resume immediately upon NS Power's IT system restoration, providing 30 days of additional potential CPP events than under NS Power's proposal. Synapse recommends proceeding with commencing the CPP program as usual so that events can resume as quickly as possible once NS Power's systems are restored. [56]	would also undermine the long-term viability of the program and, consistent with the observations of GEEG,[52] at a marginal benefit – forgone load reduction of approximately 0.15 percent and a revenue impact estimated under 0.03 percent from Domestic TVP customers.[53] Further, as described in NS Power's October 9 Letter, upon TVP program restart, a poor customer experience with the Pilot may lead to a reduced ability to, or increased cost of, future enrollment and extend the lead time required to re-establish current participation levels, which impacts NS Power's ability to achieve future peak load reduction targets from this DR initiative. While Synapse supports billing all TVP customers at their respective winter off-peak rates for the 2025/26 Season (as part of Option A), Synapse recommends notifying customers that off-peak rates will apply "until further notice," allowing for a mid-season return to on-peak billing if systems are restored. NS Power agrees this is ideal for the structural continuity of TVP but cautions it introduces complexity for customers and risks customer confusion. As outlined in NS Power's October 1 Submission and in its Cybersecurity Incident Monthly Update 2 (M12273), the ability to apply time-differentiated rates remains dependent on restoring AMI data integration.[54] Absent the ability to remotely retrieve the interval data required to distinguish on-peak, off-peak, and critical peak event consumption, standard TVP billing cannot be applied. While significant progress has been made in recent weeks, the Company does not anticipate sufficient restoration of systems to support time-differentiated billing well in advance of March 31, 2026. Option A minimizes customer disruption from mid-season changes by applying the winter off-peak rate uniformly, preserving the integrity and momentum of the program.
	DOE	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?[57]	

[56] Synapse (Board Counsel Consultant) Comments, page 3, and raised, in the context of Small General and General CPP, on pages 4-5.
[52] In its Memorandum to the CA, GEEG (CA Consultant) observes that approximately 1.5 percent of NS Power's customer base is enrolled in TVP. NS Power respectfully adds that, while not insignificant, the magnitude of the program at this stage is such that a temporary (one-season) pause in load shift activity may be at least partially offset by the avoided incremental costs of long-term damage to the viability of the program.
[53] NS Power's 2025 Load Forecast Report estimated 3.7 MW of load reduction in the 2024/25 TVP Season and a 2,400 MW forecast system peak and GEEG's Memorandum estimated a revenue impact of about 0.5 million from Domestic TVP customers in the 2025/26 Season.
[54] Page 3 of the Company's Monthly Update 2 provided "NS Power expects customer billing and engagement processes to return to business as usual in early 2026, with interim measures maintained until that time to ensure continuity for customers." The section specifically related to customer billing, on page 5, provided "The response and restoration arising from the Incident is dynamic, and consequently timelines and impacts may evolve as restoration progresses."
[57] DOE Comments, page 1.