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Karynne Munroe
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Dear Ms. Munroe:

M12686 – Nova Scotia Power Inc. – Community Solar Program – 2025 Report

On January 30, 2026, Nova Scotia Power Incorporated (NS Power) provided the Nova Scotia Energy Board (Board) with the annual *Community Solar Program – 2025 Report* (CSP 2025 report), as required under s. 36 of the *Community Solar Program Regulations* (*CSP Regulations*). The filing also included additional information required by the Board's directive in Matter M11911 — Community Solar Energy Credit Rider.

The Board determined that this matter would be conducted by way of a paper hearing and issued a letter on February 6, 2026, setting out a timeline for Information Requests (IRs) and written submissions. Notices of Intervention were received from the Small Business Advocate (SBA), the Consumer Advocate (CA), the Industrial Group (IG), the Department of Energy (DOE), Polycorp Properties Inc., Solar Nova Scotia (SNS), and SWEB Development.

On March 27, 2026, NS Power responded to IRs from the SBA, CA, SNS, and Board staff. Written closing submissions were filed on April 13, 2026, by the CA and the SBA. NS Power filed its reply submissions on April 20, 2026.

Confidentiality

A request for confidentiality, submitted under *Rule* 12 of the *Board Regulatory Rules*, was filed by NS Power on January 30, 2026, regarding Attachment 1 of the application. In its February 6, 2026, letter, the Board asked for evidence showing that releasing the information for which confidentiality is claimed would outweigh the public's interest in the open-court principle and the need for Board proceedings to remain open and transparent to the public.

NS Power submitted a letter on February 20, 2026, explaining that confidential treatment is necessary for certain information in Attachment 1 because, in a situation where there is only one operational proponent, revealing the total cost for Power Purchase Agreement (PPA) purchased energy alongside the total amount of energy purchased would effectively reveal the energy rate paid to that proponent. NS Power acknowledged the energy rate was established by the DOE and not directly through a traditional competitive procurement process. However, the program remains open. Project proponents are required to provide project specific energy rates. If potential proponents have knowledge of the energy rate for an approved project, NS Power submitted this may be used as a benchmark, thus negatively impacting on cost-reflective, project specific proposed energy rates. The DOE said revealing this information would be detrimental to the integrity of the competitive intake process. NS Power also provided a redacted version of Attachment 1. The only remaining redaction was to the total cost of energy purchased under the program.

SNS suggested that the redaction was not justified because the program did not involve a "competitive market clearing procurement." SNS submitted that "[t]ransparency in awarded rates supports accountability, market confidence, and efficient capital information. Developers and investors rely on visible benchmarks to assess risk and cost of capital." SNS said participants in a province-wide Community Solar Roundtable "…consistently identified the need for clearer benchmarks, greater predictability, and improved transparency to reduce financing risk and strengthen market confidence."

The IG agreed that disclosing the total cost of energy purchased where there is only one operational proponent would disclose the energy rate so that, in the case of the CSP 2025 report, the redaction of that information was appropriate. However, the IG submitted that in future years, where the energy rate could not be derived from the total cost of purchased energy, the information should be disclosed. The IG also submitted that, in future years, the average cost of purchased energy should be provided, consistent with public announcements under the Green Choice Program and the Rate Based Procurement Program.

NS Power said it would reassess confidentiality considering the comments received but maintained that where there was only one operational proponent, it was appropriate to keep the total cost of energy purchased confidential to maintain the integrity of the future proponent intake process.

The Board agrees with the proposition that revealing the energy rate awarded to the one operational proponent will likely have a negative impact on the proponent intake process. In the Board's view, to gain the advantage of efficient pricing, proponents should have to assess the costs of their own projects and price them accordingly; not benchmark the energy rate to what the Minister has awarded to one proponent. In this sense, there is a competitive aspect to the intake process, as there is an incentive for proponents not to inflate costs. If proponents are aware of the actual energy costs awarded to one proponent, there is serious risk that the proposed price will be materially based on this one award rather than on individual proponent costs. This would have a negative impact on ratepayers. As pointed out by the IG, different considerations may apply once there are more operational projects. In the circumstances of this case, the Board is satisfied with the justification provided for redacting the total cost of purchased energy in Attachment 1. The Board therefore approves NS Power's request for confidential treatment of the redacted information in refiled Attachment 1.

Community Solar Program 2025 Report

The CSP 2025 report noted that, as of December 31, 2025, four projects representing approximately 9% of Program capacity have been approved. Three of the projects did not achieve commercial operation in the reporting year. Program intake remains open, and the DOE indicates applications may continue to be accepted until the 100 MW program limit is reached. The report stated that, in 2025, NS Power paid a total of $13,657 credits to

Community Solar Energy Credit Rider subscribers from various customer classes, for the total energy received, amounting to 682,853 kWh.

The CSP 2025 report also noted that on January 20, 2026, NS Power notified the five low-income Solar Garden Rate Rider (SGRR) subscribers of the option to transition to the CSP, in accordance with the Board's directive in Matter M12178 (2025 NSEB 20). Although there is currently no available capacity for new CSP solar garden subscribers, it is committed to keeping low-income SGRR subscribers informed and to providing details on how to apply to the CSP as more information becomes available.

In its submission, the CA raised concerns that NS Power's response to one of its IRs does not clearly explain why the maximum administrative fee was not included in the four awarded PPAs. The CA recommended that NS Power include information in future reporting on whether program costs are self-financing and, if not, provide an explanation and discuss options to return the program to a self-financing model. It further recommended that future reports from NS Power include sufficient information to explain the impact the CSP is having on customers, including any potential fuel-savings offsets. The CA also recommended that NS Power be directed to isolate the costs of any billing system enhancements that solely benefit community solar generation subscribers and ensure such costs are recovered through program administration fees. Finally, the CA requested that the Board direct NS Power to report, in future filings, on the methods used to contact SGRR customers and the number of customers who have transitioned to the CSP.

Responding to the CA submission, NS Power stated that the administrative fees included in the Program PPA are based on ministerial determinations. It noted that these fees may be set below the maximum administrative fee or above the minimum power purchase rate allowed under the *CSP Regulations*. NS Power explained that it does not have discretion to apply a different power purchase rate or administrative fee, nor to implement any discussed options to return to self-financing. In this context, NS Power does not consider it beneficial to introduce additional reporting beyond what is required under the *CSP Regulations* and existing Board directives under Matter M11911 (2025 NSUARB 32).

NS Power also noted that fuel cost impacts associated with energy purchased under the Program are addressed through established mechanisms within the Fuel Adjustment Mechanism. Given the framework and scale of the CSP, NS Power submitted that additional reporting is not warranted.

It further noted that CSP-related updates to low-income SGRR subscribers were delivered by email, consistent with NS Power's standard customer program communication practices. Upon enrolment, all SGRR subscribers provide their email address as the primary point of contact. Given that there are currently four SGRR subscribers, further reporting on communication methods or transition activity would provide limited value.

Finally, NS Power confirmed that costs associated with billing system enhancements required to administer the Program are identified and isolated at the Program level and will be recovered over time through the administrative fee established in the PPAs. As NS Power noted in its response to CA IR-2 (Exhibit N-3), this assumes that the administrative fee is set at an appropriate amount.

In its submission, the SBA recommended that the Board require NS Power to include in its CSP annual report additional information for each project, whether new or existing, covering the interconnection status, including whether it is governed at that time by NS Power or by the Nova Scotia Independent Energy System Operator (IESO-NS); and an explanation of the role played by IESO-NS in ensuring that these projects reach their planned and final commercial operation dates. The SBA also noted that it seeks assurance that NS Power's liability during any Interim Period (when a community solar garden is connected to the NS Power grid and generating power before the scheduled commercial operation date) is clearly identified and minimized, so that the likelihood of NS Power seeking recovery of cost obligations from all customer classes under the next general rate application is reduced.

Responding to the SBA submission, NS Power stated that the purchase of energy during the Interim Period does not represent a separate or additional category of liability, nor does it give rise to a unique cost exposure for non-participating customers. The applicable pricing for Interim Period energy is set out in the Board-approved PPA and is distinct from the post-Commercial Operation Energy Rate. Buying Interim Period energy from these projects is expected to save customers money in most scenarios. NS Power also said that all interconnection details for non-net-metering, distribution-connected projects, including CSP, are included in the annual Interconnection Processes Report.

The Board reviewed the submissions and NS Power's reply submission, is satisfied with the explanations provided by NS Power, and finds that no further direction on the content of future reports is warranted at this time.

The Board accepts the *Community Solar Program – 2025 Report* submitted by NS Power and looks forward to receiving the next annual report.

Yours very truly,

Stephen T. McGrath, K.C.
Chair

Roland A. Deveau, K.C.
Vice Chair

Richard J. Melanson, LL.B.
Member

c. William L. Mahody, K.C., Board Counsel
M12686 Participants