EfficiencyOne

IN THE MATTER OF *The Public Utilities Act*, R.S.N.S. 1989, c.380 as amended.

- and -

IN THE MATTER OF An Application by EfficiencyOne for Approval of the 2027–2031 Demand-Side Management (DSM) Purchase Agreement between EfficiencyOne and Nova Scotia Power Inc., the establishment of a final agreement between the parties, and approval of a 2027–2031 Demand Side Management (DSM) Resource Plan.

Application of EfficiencyOne
as Holder of the
Efficiency Nova Scotia Franchise

FILED WITH THE NOVA SCOTIA ENERGY BOARD

March 31, 2026

NOVA SCOTIA ENERGY BOARD

IN THE MATTER OF: *The Public Utilities Act, R.S.N.S.* 1989, c. 380, as amended

- and -

IN THE MATTER OF: An Application by EfficiencyOne for Approval of a Demand-Side Management (DSM) Purchase Agreement between EfficiencyOne and Nova Scotia Power Inc., the establishment of a final agreement between the parties, and approval of a 2027 – 2031 Demand Side Management ("DSM") Resource Plan

NOTICE OF APPLICATION

TO: The Nova Scotia Energy BOARD ("Energy Board" "NSEB")

1. EfficiencyOne ("E1") is the holder of the Franchise issued by the Minister of Energy, effective January 1, 2025, to provide demand-side management activities to Nova Scotia Power Inc. ("NS Power").

2. Pursuant to section 79I of the *Public Utilities Act*, EfficiencyOne, as the franchise holder, is required to enter into an agreement for a term of five (5) years with NS Power for the supply of demand-side management (the "Purchase Agreement"), which agreement is subject to approval of the Energy Board pursuant to section 79L of the *Public Utilities Act.*

3. There is currently in place a Purchase Agreement between EfficiencyOne and NS Power for the years 2023 through 2025, with an extension for 2026.

4. EfficiencyOne makes this Application to the NSEB, pursuant to the *Public Utilities Act* for the approval of a final Purchase Agreement between EfficiencyOne and NS Power for a five-year term for the calendar years 2027, 2028, 2029, 2030, and 2031, on such terms as the NSEB considers appropriate.

5. In support of this Application is filed the Evidence of EfficiencyOne, which includes Appendices containing additional materials supporting the Application.

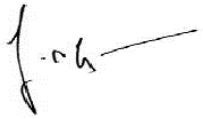
6. On the Evidence filed in support of this Application, EfficiencyOne asserts that the Order sought by the Application is in the Public Interest.

7. EfficiencyOne therefore seeks an Order finalizing and approving the DSM Purchase Agreement between EfficiencyOne and NS Power, approving the 2027 – 2031 Demand Side Management Resource Plan, as submitted herein. In the alternative, and in the event that a final decision on the full Application cannot be rendered prior to January 1, 2027, EfficiencyOne requests that the NSEB issue an interim order approving the 2027 funding level to ensure continuity of DSM programming

and to allow NS Power to collect the necessary funds from ratepayers commencing January 1, 2027, consistent with the requirements of section 79J of the PUA.

Dated this 31st day of March, 2026.

EFFICIENCYONE



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1. INTRODUCTION

1.1 APPROVAL OF 2027–2031 DSM RESOURCE PLAN

EfficiencyOne ("E1") requests approval by the Nova Scotia Energy Board (the "Energy Board" or "NSEB") of its Demand Side Management ("DSM") Resource Plan ("DSM Plan") for the term 2027 through 2031 which is attached hereto as Appendix "A" (the "Preferred Plan"). The Preferred Plan is designed first and foremost to reduce electricity costs for customers consistent with the NSEB's determination in its 2025 Decision on E1's application for approval of New Benefit-Cost Analysis ("BCA") Test for Evaluating Demand Side Management Plans that "the purpose of the demand-side management provisions in the *Public Utilities Act* is to reduce electricity costs for customers." [1] The DSM Plan demonstrates how the proposed programs and initiatives will achieve measurable cost reductions through detailed cost-benefit analysis, projected energy savings metrics, and rate impact assessments as set forth in Appendices A and B.

The Preferred Plan is one which will provide the benefits of DSM at an affordable cost, appropriate to the economic challenges being faced by Nova Scotians today. Consistent with the NSEB's determination that the statutory purpose of DSM is to reduce electricity costs for customers and recognizing the significant cost-of-living pressures currently facing Nova Scotia households and businesses, the Preferred Plan prioritizes short-term affordability and ratepayer value by ensuring electricity costs are reduced in both the near-term and long-term. These goals are achieved in the Preferred Plan by means of a comprehensive suite of programs and service offerings which will:

- Reduce electricity costs for customers;
- Increase consumer awareness of cost-effective options for electricity consumption and/or consumption at peak periods;
- Create favourable market conditions for the increased adoption of energy efficient and system-peak demand reduction equipment and upgrades; and
- Aid in meeting stringent climate change initiatives undertaken by Canada and the Province of Nova Scotia.

The Preferred Plan is achievable. It focuses on the provision of services for which E1 has a proven track-record of successful implementation, relies on E1's past experience in the successful design and delivery

[1] M12282, NSEB Decision, E1 Application for approval of a New Benefit-Cost Analysis Test for Evaluating DSM Plans, December 10, 2025, page 53, para 128.

of programs, incorporates lessons learned from the implementation of DSM Plans over the last decade, responds to the NSEB's recent decisions on cost-effectiveness considerations, and prepares for future growth of DSM in Nova Scotia.

The Preferred Plan will deliver approximately 435.4 GWh of incremental cumulative net energy savings, 14.0 GWh of incremental cumulative net energy savings for the dedicated low income and equity programs, 85.0 MW of cumulative peak demand savings, and 29.3 MW of available capacity from demand response. Additionally, the Preferred Plan will reduce the amount of electrical energy that NS Power would otherwise be required to supply to customers by 1.7 GWh through customer sited solar-PV. The Preferred Plan thereby serves both the economic and environmental goals of DSM in Nova Scotia, for the benefit of Nova Scotia Power Incorporated ("NS Power") ratepayers, and all Nova Scotians.

1.2 APPROVAL OF PURCHASE AGREEMENT WITH NS POWER

E1 also requests the NSEB's approval of its Purchase Agreement with NS Power, together with the associated Performance Targets, which is attached in redline form as Appendix "D" and in clean form as Appendix "E" (clean). The operating terms and conditions of the Purchase Agreement are substantially consistent with the Purchase Agreements approved by the NSEB for the 2016–2018, 2019, 2020–2022, 2023–2025, and 2026 Extension DSM Plans.

2. REGULATORY AND POLICY CONTEXT

The following sections set out the regulatory and policy context for the 2027–2031 DSM Plan and explain how E1 has responded to each requirement in developing this Application.

2.1 LEGISLATION AND POLICY

2.1.1 PUBLIC UTILITIES ACT

This Application must comply with the requirements set out in the *Public Utilities Act*, R.S.N.S. 1989, c. 380 ("*PUA*"). An overview of these obligations is set out below. Notably, since the last multi-year application by E1, there have been significant changes to the *PUA*. Bill 228 received Royal Assent on November 9, 2022, introducing the broader DSM mandate and extending the plan term from three to five years. Further amendments came into force on March 26, 2025, through Bill 6 - An Act Respecting

Agriculture, Energy and Natural Resources, Chapter 4 Acts of 2025, which addressed the 2026 extension and the transition to the new five-year plan cycle.

Pursuant to section 79I(1) of the *PUA,* NS Power has an obligation to undertake "cost-effective demand-side management that is reasonably available in an effort to reduce costs for its customers". It must do so by entering into a demand-side purchase agreement with a Franchise holder, pursuant to section 79I(2).

Section 79C(1) of the *PUA* gives the Minister of Energy ("Minister") the authority to grant an electricity efficiency and conservation franchise ("Franchise"). Pursuant to section 79C(2)(a), the Franchise holder has the exclusive right to supply NS Power with "reasonably available, cost-effective demand-side management for the purpose of this Act". Demand-side management is defined in section 79A of the Act, for the purposes of sections 79B through 79V, as follows:

> (b) "demand-side management" means activities, programs or plans relating to
>
> (i) the efficient use of electricity,
>
> (ii) the conservation of electricity,
>
> (iii) the alteration of the consumption pattern of an end-user of electricity that has the effect of reducing demand during Nova Scotia Power Incorporated's periods of highest demand,
>
> (iv) strategic electrification of energy end uses currently powered by fossil fuels in a manner that reduces overall greenhouse gas emissions and electricity costs,
>
> (v) the delivery of a reduction in the amount of electrical energy or capacity that Nova Scotia Power Incorporated would other-wise be required to supply to its customers, or
>
> (vi) any other prescribed activities, plans or programs;

The 2022 amendments to Nova Scotia's *PUA* through Bill 228 marked a shift in legislative language and policy scope from a narrower focus on "electricity efficiency and conservation activities" to the broader concept of DSM. The shift to DSM explicitly introduced strategic electrification as a new resource to the

Franchise holder's activities.[2] Clarification on the specific legislative requirements that E1 must meet for the inclusion of strategic electrification in a DSM Plan was provided by the Energy Board in its Benefit Cost Analysis (BCA) Decision.[3]

Due to its functions, and pursuant to section 79G(2) of the *PUA*, the Franchise holder is deemed a public utility for the purposes of the following sections of the *PUA*: 15 to 19, 21, 22, 25, 27 to 29, 34, 46, 47, 49 to 51, 63, 76, 79, 80, 83 to 85, 88 to 106 and 111 to 118.

E1 is the holder of the Franchise issued by the Minister of Energy on November 28, 2014, effective January 1, 2015. It is therefore a public utility for the purpose of the sections of the *PUA* listed above.

PUA section 79I(2) sets out certain of the requirements for the demand-side purchase agreement, as between NS Power and E1. It must:

(a) be for a term of five years
(b) describe the DSM that the franchise holder will provide to NS Power Incorporated;
(c) identify the amount that NS Power Incorporated will pay to the franchise holder for the supply of demand-side management;[4] and
(d) include such other reasonable terms as the Energy Board considers appropriate.

Pursuant to section 79I(2), all the terms and conditions of the purchase agreement are established by the Energy Board, upon application.

[2] The previous definition of "electricity efficiency and conservation activities" set out in section 79A(b) of the *PUA* stated: activities, programs or plans relating to
(i) the efficient use of electricity,
(ii) the conservation of electricity,
(iii) the alteration of the consumption pattern of an end-user of electricity that has the effect of reducing demand during Nova Scotia Power Incorporated's periods of highest demand,
(iv) the utilization or management by Nova Scotia Power Incorporated of its electrical system in a more cost-effective manner,
(v) the delivery of a reduction in the amount of electrical energy or capacity that Nova Scotia Power Incorporated would other-wise be required to supply to its customers, or
(vi) any other prescribed activities, plans or programs;

[3] M12282, NSEB Decision, E1 Application for approval of a New Benefit-Cost Analysis Test for Evaluating DSM Plans, December 10, 2025, page 80, para 218.

[4] This is similarly required by s. 79M(3): "In making an order approving an agreement pursuant to Section 79L, the Energy Board shall determine and approve the costs that are payable by Nova Scotia Power Incorporated to the franchise holder pursuant to the agreement."

The last multi-year DSM Plan was for the 2023 to 2025 term, where the statutory requirement was for the DSM purchase agreement to be for a term of three years. By way of legislative amendments in November 2022, the term was amended from three to five years. In explaining the reason for the shift, Carman Kerr, Member of the Legislative Assembly (MLA) noted at second reading of Bill 228 on October 27, 2022, that "[a]ccording to department staff, this will save time, money, and resources." This legislative intent to reduce regulatory burden and costs is relevant to the scope of any mid-term check-in, as discussed further in Section 8 of this Evidence.

Under the subsequent amendments that came into force through Bill 6 on March 26, 2025, section 79J clarifies that the 2023-2025 Purchase Agreement was extended to include the 2026 calendar year, and the next DSM purchase agreement would begin on January 1, 2027. The extension was approved by the Energy Board in its decision[5] on E1's application for approval of the 2026 DSM Extension.

Section 79J further states that the Franchise holder must file the new five-year agreement for Energy Board approval in sufficient time to allow for the Energy Board to approve the agreement prior to January 1, 2027. E1 is therefore submitting an application for Energy Board approval of the 2027–2031 DSM Plan at this time.

Pursuant to section 79G(1) of the PUA, the Energy Board has general supervision over the Franchise holder's activities, and therefore over the activities proposed to be carried out by E1 under its DSM Plan. Pursuant to section 79H(1), its responsibilities include determining "the cost-effective demand-side management that must be undertaken for the purpose of this Act", which in 79H(2) is to be evaluated at the portfolio level. In its decision on the BCA test, the Energy Board confirmed that DSM Plan applications must be evaluated at the portfolio level "that would be the aggregate amount of demand-side management programs,"[6] which also includes strategic electrification. The Energy Board noted at paragraph 168 that the requirement to evaluate the proposed cost-effective demand-side management at the portfolio level implies that, provided the overall portfolio passes the cost-effectiveness test, it is not a contravention of the statute if measures or programs themselves fail. Justification for including such measures and programs could be provided a number of ways, including based on the factors the Energy

[5] M12249, NSEB Decision, 2026 DSM Extension, December 22, 2025.
[6] M12282, NSEB Decision, E1 Application for approval of a New Benefit-Cost Analysis Test for Evaluating DSM Plans, December 10, 2025, page 34, para 82.

Board is required to consider under s. 6(2) of the *Energy and Regulatory Boards Act*. E1's 2027–2031 DSM Plan passes the Program Administrator Cost ("PAC") test at the portfolio level with a benefit-cost ratio of 2.4, satisfying this requirement. For the limited number of individual programs and measures that do not independently pass the cost-effectiveness test, E1 has responded to this specifically under Board Directives section 2.2.2.1.

In its decision on the use of measure-level Non-Energy Benefits within the context of Cost-Effectiveness testing, 2020 NSUARB 56 (M08888)[7], the Nova Scotia Utility and Review Board ("NSUARB") (as it then was) addressed the meaning of "cost-effective" at paragraph 47 as follows:

> The Board finds that "cost-effective" means considering the "electricity efficiency and conservation activities" of EfficiencyOne, as defined in the *Public Utilities Act*, to determine whether they are "affordable" and result in the lowest long-term cost of electricity.

Pursuant to section 79L(4) of the *PUA*:

> The Energy Board shall approve an application pursuant to this Section if, in addition to any other matters considered appropriate by the Energy Board, it is satisfied that the application, including the proposed demand-side management that is the subject of the application, is in the best interests of Nova Scotia Power Incorporated's customers and satisfies the requirements of Section 79I.

The requirements of section 79I have been summarized above. E1 submits that the 2027–2031 DSM Plan satisfies both elements of this mandatory approval test as described in section 2.1.3.

In its 2025 decision on the application for the approval of the BCA test, 2025 NSEB 18 (M12282), the Energy Board clarified the statutory purpose of DSM at paragraph 128, which guides this Application:

[7] M08888, NSUARB Decision, E1 Application for approval for the use of measure-level Non-Energy Benefits within the context of Cost-Effectiveness testing associated with future DSM planning regulatory processes, April 15, 2020, page 19.

> Considering the text, context and purpose of the legislation, the Board finds that the purpose of the demand-side management provisions in the *Public Utilities Act* is to reduce electricity costs for customers.

This finding establishes the primary lens through which E1 has designed the 2027–2031 DSM Plan.

In addition to this broad mandate, the Energy Board also has the authority, pursuant to section 79M(1), to establish performance requirements for the Franchise holder.

2.1.2 ENERGY AND REGULATORY BOARDS ACT

Since E1's last multi-year plan application, significant legislative amendments have also been implemented with respect to the legislation guiding NSEB authority and procedures by way of the *Energy Reform (2024) Act*, SNS 2024, c 2. That act repealed the former *Utility and Review Board Act* and replaced it by the *Energy and Regulatory Boards Act ("ERBA").*

As particularly applicable to the matter at hand, the *ERBA* included a new provision at section 6(2), which requires the NSEB to consider certain factors in relation to regulatory decision-making function. It states:

> In approving or fixing rates, tolls, charges, tariffs, capital applications and all other matters over which the Board has authority, the Board shall give appropriate consideration to the extent to which such rates, tolls, charges, tariffs, capital applications or other matters:
>
> (a) support competition and innovation in the provision of energy resources in the Province;
> (b) support the development of a competitive electricity market;
> (c) ensure the provision of safe, secure, reliable and economical energy supply in the Province;
> (d) support sustainable development and sustainable prosperity; and
> (e) support such other factors as prescribed by the regulations, with the goal of approving rates, tolls, charges, tariffs, capital applications or other matters that are consistent with the purpose of this Act, the *More Access to Energy Act* and the regulations.

As relates to the purpose of the *More Access to Energy Act, Schedule B of Chapter 2 of the Acts of 2024 ("More Access to Energy Act")* (referenced in subsection 6(2)(e) of the *ERBA*), it is set out in section 2 of *More Access to Energy Act* as follows:

> 2 The purpose of this Act is to
>
> (a) increase competition and innovation in the Province's energy sector;
> (b) ensure the provision of a safe, secure, reliable, and economic energy supply in the Province;
> (c) ensure a transparent, efficient and coordinated approach to the Provincial energy-supply planning;
> (d) provide for competitive procurement practices for new energy-system resources;
> (e) support the sustainable development, sustainable prosperity, energy efficiency and greenhouse gas emissions reduction goals of the Province articulated in the *Environmental Goals and Climate Change Reduction Act;* and
> (f) provide for a phased transition to the system operator from Nova Scotia Power Incorporated to an Independent Energy System Operator.

The meaning of sustainable development and sustainable prosperity for the purposes of the above-noted legislation have the same meaning as set out under the *Environment Act, SNS 1994-95, c 1,* and *Environmental Goals and Climate Change Reduction Act, SNS 2021, c 20* respectively, which state as follows:

> 3 (aw) "sustainable development" means development that meets the needs of the present generation without compromising the ability of future generations to meet their own needs.
>
> 2 (l) "sustainable prosperity" means prosperity where economic growth, environmental stewardship, and social responsibility are integrated and recognized as being interconnected.

These provisions expressly link legislative environmental goals with energy regulation. For E1, this means that the NSEB is required to consider whether E1's DSM Plan supports a competitive and innovative energy market, ensures reliable, safe, secure and economical energy supply, and supports sustainable

development and sustainable prosperity. E1 submits that the evidence below establishes that the DSM Plan supports all of these factors, thereby allowing the NSEB to satisfy its *ERBA,* section 6(2) obligations.

2.1.3 COMPLIANCE WITH STATUTORY REQUIREMENTS

As set out in the regulatory overview in Section 2.1 above, this Application must satisfy the requirements of the *PUA* and the considerations in s. 6(2) of the *ERBA*. E1 respectfully submits that both are met, for the reasons summarized below and the evidence for which is set out throughout this Application.

E1 submits that the 2027–2031 DSM Plan satisfies all statutory requirements under the *PUA*. As demonstrated in Section 2.1.1, the Preferred Plan supplies demand-side management services as defined in section 79A(b), passes the PAC test at the portfolio level as required by section 79H(2) with a benefit-cost ratio of 2.4, and is both "cost-effective" and "reasonably available" within the meaning of the statute as interpreted by the NSEB. The Plan thereby satisfies the requirements of sections 79C(1) and 79I(1) of the *PUA*.

As noted in Section 2.1.1, the NSEB confirmed in its 2025 BCA decision that cost-effectiveness is to be evaluated at the portfolio level, and that individual measures or programs that do not independently pass the cost-effectiveness test may still be included where justified. As the NSUARB held in 2020 NSUARB 56 (M08888), "cost-effective" DSM is that which is "affordable" and results in the "lowest long-term cost of electricity."[8]

Given the affordability concerns raised by DSM Advisory Group (DSMAG) members, as discussed in Sections 3.1.1 and 4.1, the Preferred Plan constrains investment to 2026 levels with no annual inflationary increases to the investment, while maintaining a portfolio that delivers long term benefits to ratepayers, consistent with the NSEB's direction to consider both affordability and long-term cost reduction. This approach satisfies the NSEB's interpretation of "cost-effective" DSM as that which is "affordable" and results in the "lowest long-term cost of electricity," while also responding to the *ERBA* section 6(2) requirement to ensure the provision of economical energy supply. E1's decision to hold investment at current levels reflects a deliberate and evidence-based judgment that near-term rate restraint, in the

[8] M08888, NSUARB Decision, E1 Application for approval for the use of measure-level Non-Energy Benefits within the context of Cost-Effectiveness testing associated with future DSM planning regulatory processes, April 15, 2020, page 19, para 47.

current economic environment, serves the best interests of ratepayers without compromising the long-term trajectory toward NS Power's Integrated Resource Plan ("IRP")-identified energy savings levels.

E1 therefore submits that it has satisfied the *PUA* cost-effectiveness requirement, as demonstrated by the portfolio-level results set out in Section 6.3.

As detailed in Section 4.3, DSM as presented in the Preferred Plan delivers energy savings at a lower cost than supply-side alternatives. Without cost-effective DSM, NS Power ratepayers would face higher electricity costs from more expensive supply-side resources.

The Purchase Agreement, presented in conjunction with its associated 2027–2031 DSM Plan in this Application, also satisfies the *PUA* section 79I(2) administrative requirements. In particular:

(a) It is for a term of five years (as required by s. 79I(2)(a));
(b) It describes the DSM that the Franchise holder will provide to NS Power (as required by s. 79I(2)(b)); and
(c) It identifies the amount that NS Power will pay for the supply of DSM (as required by s. 79I(2)(c)).

Furthermore, the within Application has been submitted to the Energy Board for approval nine months before January 1, 2027, which E1 submits provides sufficient time to allow for the Energy Board to approve the agreement prior to January 1, 2027, as required in section 79J of *PUA*.

As set out in Section 2.1.1 above, the mandatory approval test under section 79L(4) requires the NSEB to be satisfied that the Application is in the best interests of NS Power's customers and meets the section 79I requirements.

E1 respectfully submits that the Application satisfies both prongs of the mandatory approval test under section 79L(4). First, the 2027–2031 DSM Plan satisfies all requirements of section 79I:

(a) it is for a term of five years (2027–2031);
(b) it describes in detail the DSM that E1 will provide to NS Power, as set out in Appendix A;

(c) it identifies the amount NS Power will pay E1; and

(d) it includes all other reasonable terms as reflected in the draft Purchase Agreement.

Second, the Preferred Plan is demonstrably in the best interests of NS Power's customers because it:

(i) reduces electricity costs through cost-effective measures with a portfolio PAC ratio of 2.4, confirming that DSM remains less costly than supply-side alternatives;

(ii) balances near-term affordability with long-term value by constraining investment to 2026 levels;

(iii) provides equitable access to DSM benefits across all customer classes and rate classes, with dedicated programming for low-income and equity-seeking groups consistent with *ERBA* section 6(2) considerations;

(iv) delivers 435.4 GWh of energy savings, 85.0 MW of peak demand reduction at a lifetime unit cost of $0.05/kWh, avoiding more costly supply-side resources;

(v) maintains program diversity and market presence to ensure deliverability over the five-year term and to preserve the capacity needed to scale toward IRP-identified savings levels in future plan periods; and

(vi) is consistent with the direction of the IRP, which identifies DSM as a key component of the least-cost resource portfolio, while exercising appropriate regulatory judgment on the pace of investment given current economic conditions.

2.1.4 PROVINCIAL CLIMATE CHANGE POLICY

The statutory considerations outlined in *ERBA's* section 6(2), as well as the goals of DSM as set out in section 79A of PUA, establish the primary mandate for DSM. While the Province's climate and energy policy direction provides important context for the energy sector, the NSEB has determined that the purpose of DSM under the *PUA* is to reduce electricity costs for customers. The 2027–2031 DSM Plan is designed to fulfill this statutory mandate while recognizing that cost-effective DSM will also contribute to environmental objectives as a complementary outcome.

Nova Scotia's Clean Power Plan is the Province's roadmap for transforming the electricity system to support climate goals while maintaining reliability and affordability for customers. The plan is closely tied to the Province's broader legislative framework, including the *Environmental Goals and Climate Change Reduction Act* and the *Energy and Regulatory Boards Act*, which together establish both emissions targets

(including to have 80% of electricity in the Province supplied by renewable energy by 2030) and the regulatory considerations guiding energy decision-making.

The Clean Power Plan was developed to guide the transition of Nova Scotia's electricity sector away from fossil fuels and toward cleaner sources of generation. The plan outlines how the electricity system can evolve in a manner consistent with the Province's climate commitments while ensuring continued reliability and reasonable electricity costs. The policy framework is grounded in legislated climate targets set out in the *Environmental Goals and Climate Change Reduction Act*, which requires Nova Scotia to reduce greenhouse-gas emissions to at least 53% below 2005 levels by 2030 and to achieve net-zero emissions by 2050.

The Clean Power Plan identifies several core objectives for the electricity system transition, including, inter alia: transition away from coal-fired generation, expansion of renewable energy, grid modernization and reliability, enabling electrification, and maintaining affordability for customers.

A theme of the Clean Power Plan that aligns with E1's approach to the 2027–2031 DSM Plan is that the transition to a low-carbon electricity system must be achieved in a manner that is affordable for Nova Scotians. As the Clean Power Plan emphasizes, it is intended to ensure "that the path to 2030 protects ratepayers (who already face high power bills) from being burdened with additional excessive risks or uncontrolled costs."[9]

The Clean Power Plan does not replace the statutory authority of the NSEB; rather, it informs the broader policy context within which regulatory decisions are made. Under the *Energy and Regulatory Boards Act* as outlined above, the NSEB must consider factors such as reliability, economic supply of energy, innovation, and "sustainable development and sustainable prosperity." These considerations align with the Province's climate and energy transition objectives.

For E1, the Clean Power Plan signals a continued policy emphasis on measures that reduce emissions and improve system efficiency, while focusing on affordability of these measures for Nova Scotian ratepayers.

[9] Nova Scotia's 2030 Clean Power Plan, Nova Scotia Department of Natural Resources and Renewables, page 2, nova-scotia-clean-power-plan-presentation-en.pdf

2.2 BOARD DIRECTIVES

As always, E1 remains committed to complying with all NSEB directives. The following subsections summarize the key directives from recent NSEB decisions that are relevant to this Application. E1's detailed response demonstrating compliance with each directive is set out in Sections 2.2.1.1, 2.2.2.1, and 2.2.3.1 of this Evidence.

2.2.1 2023–2025 DSM PLAN DECISION

The following directives from the 2023–2025 DSM Plan Decision are relevant to this Application:

(a) To provide detailed plans and processes for each of its research initiatives prior to proceeding with significant expenditures, to be documented and fully discussed with members of the DSM Advisory Group in advance of implementation;
(b) To work with NS Power and the DSM Advisory Group to discuss potential updates to avoided costs before the next DSM Resource Plan application;
(c) To provide specific justification, on an individual basis, for each measure that fails cost-effectiveness testing in future resource plan applications; and
(d) To include payback information in its measure level tables in future applications for the approval of resource plans and provide additional information about the other factors that E1 has considered in concluding that the proposed incentive level for the measure is appropriate for measures where the payback period is three years or less.

All other directions arising from the NSEB's decision in approving the 2023-2025 DSM Plan have been, or are being, incorporated into the ongoing activities of E1. The following subsections set out E1's detailed response to each set of directives in turn, demonstrating how each has been addressed in this Application.

2.2.1.1 COMPLIANCE WITH 2023–2025 PLAN DECISION

In response to the directive to provide detailed plans and processes for each of its research initiatives prior to proceeding with significant expenditures, documented and fully discussed with DSMAG members in advance of implementation, E1 has developed a formal Innovation Framework, Process and Plan for 2027–2031. These documents establish a structured framework for the identification, evaluation, and implementation of research initiatives, including defined criteria for prioritizing expenditures, and stage-

gate review processes. E1 engaged with the DSMAG throughout the development of these plans and is filing the Innovation Framework, Process and Plan for 2027–2031 as part of this Application in Appendix A, Attachment 5. This structured approach ensures transparency and meaningful stakeholder input in advance of significant research expenditures, consistent with the NSEB's directive.

In its decision approving the 2023–2025 DSM Plan, the NSUARB (as it then was) made note of the fact that updates to NS Power IRP process will have an impact on the avoided cost calculations used by E1 in relation to its DSM planning. In their decision, they directed that E1 update its avoided cost calculation to reflect the most updated IRP information:[10]

> The Board understands that recently legislated climate change reduction goals are not addressed in IRP Reference Plan 2.0C, nor are they fully addressed in Reference Plan 3.1C.The Board agrees that these factors need to be incorporated in updated avoided costs; however, there is no immediate urgency and directs that this issue be tasked to the DSMAG to be resolved in time for use during preparation of the 2026-2028 DSM Plan.

In keeping with this directive, E1 incorporated updated avoided costs from NS Power, from the 2022 Evergreen IRP in the 2026 DSM Extension[11] and subsequently for the 2027–2031 DSM Plan as well. Specifically, E1 has used the avoided costs provided by NS Power from the 2022 Evergreen IRP process (provided to the DSMAG on January 8, 2026). One notable difference between the avoided costs used for the 2026 DSM Extension and the avoided costs used for the 2027–2031 DSM Plan is that the avoided costs for capacity have generally increased and avoided costs for energy have generally decreased in the early years of the analysis.

E1 notes that section 11(1) of the *More Access to Energy Act* requires that the Nova Scotia Independent Energy System Operator (“NSIESO”) commence its first integrated resource planning exercise within one year of the coming into force of that section. E1 looks forward to working with the new NSIESO in relation to their IRP process generally, and in particular, its statutory mandate as franchise holder to cooperate with the NSIESO to:[12]

[10] M10473, NSUARB Decision, E1 2023-2025 DSM Resource Plan, September 6, 2022, page 23, para 64.
[11] M12249, E1 Application for approval of the 2026 DSM Extension, April 30, 2025, Appendix A, Attachment 1.
[12] More Access to Energy Act, SNS 2024, c 2, Schedule B, section 11 (1) (a).

(i) develop avoided cost calculations for demand-side management resources.

(ii) co-operate with the franchise holder in pursuit of its duties under this Act, including its duty to conduct integrated resource planning exercises, and

(iii) co-operate with the franchise holder respecting the integrated resource planning to develop avoided cost calculations for demand-side management resources and undertake reasonable cost-effective demand-side management;

In response to the directive to provide justification for individual measures that fail cost effectiveness testing, E1 notes that only nine of the 341 measures included in the Preferred Plan do not, on an individual basis pass the cost-effectiveness test in any year of the 2027–2031 DSM Plan. E1 has provided specific justification for each measure that fails cost-effectiveness testing, as set out in Appendix A, Attachment 3. Specifically, as related to residential demand response measures (i.e., hot water heater controllers and smart thermostats), E1 has provide justification in Section 3.3 of this Evidence.

In response to the directive to provide payback information for measures with a payback period of three years or less, E1 has provided the incentive level analysis for measures in Appendix A, Attachment 3.

2.2.2 2025 APPLICATION FOR APPROVAL OF NEW BCA TEST DECISION

The following directives from the NSEB's 2025 Decision on E1's application for approval of a new BCA test are relevant to this Application:[13]

(a) To use the Program Administrator Cost ("PAC") test as the primary test for screening cost-effectiveness of proposed DSM plans, using Nova Scotia Power's weighted average cost of capital ("WACC") as the discount rate, with cost-effectiveness assessed at the portfolio level;

(b) Unless an alternative acceptable methodology is proposed, to assess strategic electrification programs using the PAC test including increased utility revenues, and that strategic electrification programs must demonstrate a reduction in both greenhouse gas (GHG) emissions and electricity costs before inclusion in a DSM Plan;

[13] M12282, NSEB Decision, E1 Application for approval of a New Benefit-Cost Analysis Test for Evaluating DSM Plans, December 10, 2025, page 80-81.

(c) To provide the information previously required by the NSEB to assess DSM Plans, including justification for measures that fail the primary cost-effectiveness test, with the option to provide results from the proposed benefit-cost analysis test as supplementary information;

(d) Where E1 applies a social discount rate in any analysis supporting a DSM Plan, to include a comparison using Nova Scotia Power's WACC; to calculate emissions impacts using long-run marginal emissions rates, and that any impacts of electrification on the reliability of a customer's energy supply be considered.

(e) To include Eastward Energy as a member of the DSM Advisory Group.

E1's detailed response to each of the BCA decision directives is set out in the sub-section below.

2.2.2.1 COMPLIANCE WITH 2025 BCA DECISION

E1 has designed the 2027–2031 DSM Plan in accordance with the directives set out in the 2025 BCA Test Decision. The specific compliance responses are summarized below.

First, E1 has used the PAC as the primary test for screening the cost-effectiveness of proposed DSM plans, using NS Power's WACC as the discount rate, with cost-effectiveness assessed at the portfolio level, as specifically required by the Board in section 1 of its Order on the 2025 BCA Test.

Second, E1 has used the PAC test while including increased utility revenues, consistent with the approach recommended by the Industrial Group's consultant when assessing strategic electrification initiatives. Since no initiatives demonstrated that they reduce both greenhouse gas emissions and electricity costs for customers, as established by the modified PAC test, none were included in this 2027–2031 DSM Plan. E1 has included activities to continue to research and develop future initiatives for strategic electrification which both reduce greenhouse gas emissions and reduce electricity costs for ratepayers, in Enabling Strategies. E1 submits this approach aligns with the directive of the Energy Board in section 2 of its Order on the 2025 BCA Test.

Third, E1 has included in this Application information required by the NSEB to assess DSM plans, including justification for measures that fail the primary cost-effectiveness test. E1 submits it has satisfied this obligation outlined in section 2.2.1.1 as set out in section 3 of its Order on the 2025 BCA Test.

Fourth, with respect to the analytical requirements in section 4 of the BCA Test Order, E1 notes that it has not applied a social discount rate in any tests and accordingly no WACC comparison has been provided. E1 further notes that long-run marginal emissions rates have not been provided by NS Power, despite requests in December 2025 and February 2026. E1 understands that NS Power is consulting with the NSIESO on methodology and that this work is ongoing. E1 has calculated emissions impacts using the best available emissions information from NS Power's IRP, consistent with the approach taken in the 2023–2026 DSM Plan. As no test including customer impacts was performed, the impact of electrification on customer system reliability has not been separately assessed. Finally, E1 confirms that Eastward Energy has participated as a DSMAG member throughout the 2027–2031 Plan development process, in compliance with section 5 of the BCA Test Order.

2.2.3 2026 DSM EXTENSION DECISION

In approving E1's 2026 DSM Plan Extension, the NSEB issued the following directives relevant to this Application:[14]

(a) To continue engagement with the DSMAG on the Standardized Filing Framework, a review of E1's 'balanced plan', the relevant factors and weighing of factors for consideration in E1's next DSM Plan, and the impact of the NSEB's decision in Matter M12282*;*

(b) To assess and address concerns with E1's Residential Behaviour program, Residential Demand Response, and BNI Demand Response programs in the five-year DSM Plan application, while permitting certain program savings from these programs to be claimed towards E1's 2023-2026 Performance Targets; and

(c) To discuss with the DSMAG and include a revised process for making mid-course adjustments in E1's upcoming DSM Plan application.

E1 has been responsive to the NSEB in addressing each of these directives in the 2027–2031 DSM Plan application. E1's detailed response to each of the 2026 Extension directives is set out in the sub-section below.

[14] M12249, NSEB Decision, 2026 DSM Extension, December 22, 2025.

2.2.3.1 COMPLIANCE WITH 2026 DSM EXTENSION DECISION

As demonstrated in Section 2.2.3, E1 has satisfied each of the 2026 Extension directives. The key compliance responses are summarized below.

First, E1 has continued to engage with the DSMAG on the Standardized Filing Framework, a review of E1's 'balanced plan', the relevant factors and weighing of factors for consideration in E1's next DSM Plan, and the impact of the NSEB's decision in Matter M12282. As outlined in this Application, significant engagement was conducted with DSMAG members, at which any and all DSMAG members input was welcomed. Each of the above-listed topics were raised. The content of this Application, and the 2027–2031 DSM Plan proposed herein, is a result of that engagement. In particular, as a result of this engagement, E1 is submitting an updated Standardized Filing Framework for acceptance by the Board with this application. E1 has also altered its approach to the application of the 'balanced plan' principles in DSM plan design, in particular by moving away from its previous approach of applying a 50%/50% split in residential and business, non-profit and institutional ("BNI") investment, a 40%/60% split in residential and BNI energy savings and a total investment in low-income and equity support that aligns with current Census data on low-income prevalence in Nova Scotia as design inputs, in response to DSMAG feedback. Members raised concerns with the applicability of these design objectives for the 2027–2031 DSM Plan. Instead, the Preferred Plan is reviewed to ensure alignment with the spirit of the balanced plan principles. E1 submits that its efforts with respect to engagement satisfies the Board's requirement set out in section 1 of its Order in the matter of the 2026 Extension.

Second, E1 has addressed concerns about its demand response program in both consultations and this Application. In particular, E1 assessed, and within the Application addresses, concerns specifically with regard to its Residential Demand Response and BNI Demand Response programs.

In response to the concerns regarding demand response, E1 has limited its Residential Demand Response program component in the Preferred Plan and grown its BNI Demand Response program component to specifically address concerns with the cost-effectiveness of demand response. E1 has initiated discussions with NS Power to further collaborate on both locational demand response and the stacking of E1's demand response with rate signals. While there is not currently double counting of savings between E1's Demand Response program and NS Power's rate signals, E1 and NS Power recognize this requires ongoing efforts to determine if and how these two programs should work together. E1 expects these discussions

to continue with the outcome being a proposed resolution agreed upon by both organizations. E1 is committed to continue to work through a solution that remains in the best interest of ratepayers. E1 has included both of these topics for development and research efforts under innovation as highlighted in both Appendix A, section 9.4 and in the Innovation Framework, Process and Plan for 2027–2031 included as Attachment 5 to Appendix A. Further discussion is also provided in Appendix A at sections 7.1 and 7.2.

In response to the concerns regarding Residential Behaviour, E1 has not included Residential Behaviour in its Preferred Plan. E1's Residential Behavior program (My Efficiency Insights) launched in March 2024 within NS Power's My Energy Insights online portal. Following NS Power's cybersecurity incident in April 2025, both the My Energy Insights and My Efficiency Insights portals were affected, and customers have been unable to access them. As a result, performance data is limited to approximately 12 months, which is insufficient to provide a thorough analysis of program effectiveness or to predict future performance with confidence.

E1 also evaluated whether the My Efficiency Insights platform could be repurposed as a marketing tool to support customer engagement with E1's other DSM programs. E1 determined that it is not appropriate for this purpose for several reasons.

First, the program was designed and launched as a DSM energy savings program rather than a marketing platform. The foundational strategy was not developed with marketing objectives at the forefront, which likely would have resulted in the selection of a different vendor with stronger marketing platform capabilities. Due to constraints on the vendor's side, platform updates were only available to E1 once per quarter, and more complex updates, such as personalizing recommendations based on disaggregated data, required more than six months of development as these features did not exist in the vendor's product. Reporting presented a significant challenge, with simple queries taking approximately four weeks to fulfill, further reinforcing the platform's limitations as a marketing tool.

Second, customer navigation and usability presented significant barriers. My Efficiency Insights was not housed within the Efficiency Nova Scotia website despite being marketed as an Efficiency Nova Scotia program. Instead, customers were required to log into their My Account on the Nova Scotia Power website and navigate first to NS Power's My Energy Insights portal before being able to access My Efficiency Insights. This complex multi-step navigation contributed to lower than anticipated engagement:

within the first 12 months, only approximately 41,000 users (16 percent of the treatment group) visited My Efficiency Insights at least once, and average monthly visitors were approximately 11,000 (4 percent of the treatment group), which was lower than expected. By contrast, over 500,000 Nova Scotians visit the Efficiency Nova Scotia website annually, which was recently relaunched with improved navigation and accessibility.

Third, brand confusion and the impacts of NS Power's data breach created unacceptable risks. Because My Efficiency Insights could only be accessed through NS Power's website, continuing to operate an E1 marketing program entirely dependent on NS Power's platform carries a high potential for negatively impacting E1 and Efficiency Nova Scotia's customer satisfaction and brand trust.

While certain initial engagement metrics were encouraging-email open rates between May and December 2024 outperformed Canadian industry standards, and click rates were also above average-the limited data set of eight months is insufficient to determine whether this performance would have been sustained. Given the combination of platform limitations, usability challenges, brand risks, and the ongoing impacts of the cybersecurity incident, E1 determined that discontinuation of the Residential Behaviour program was the appropriate course of action.

E1 submits that these steps satisfy the order of the Board as set out in sections 2 and 3 of its Order with respect to the 2026 Extension matter.

Third, this Application specifically sets out a revised process for mid-course adjustments (as set out in section 8.1 of this Application, and section 13.3 of Appendix A). The process was developed subsequent to input from DSMAG stakeholders, in satisfaction of the order of the Board as set out in section 4 of its Order with respect to the 2026 Extension matter.

E1 respectfully submits that its extensive efforts, and the results thereof, as demonstrated in this Application are responsive to all of the Board’s respective orders relating to this 2027–2031 DSM Plan application.

2.3 STANDARDIZED FILING FRAMEWORK

The Standardized Filing Framework was filed with the NSUARB (as it then was), as part of a Consensus Agreement on 2016–2018 DSM Plan Application Deferred Matters[15] and was accepted by the NSUARB in 2016 for use in future DSM Plan applications.[16] This framework is intended to ensure consistency in the content included in a DSM Plan.

As part of the 2023–2025 DSM Resource Plan Decision, the NSUARB encouraged the DSMAG to "consider whether changes to the Framework are required".[17] In the 2026 DSM Extension Decision, and as noted above, the NSEB directed E1 to "continue its engagement with the DSMAG on the Standardized Filing Framework, a review of E1's 'balanced plan', the relevant factors and weighing of factors for consideration in E1's next DSM Plan, and the impact of the NSEB's decision in Matter M12282."[18]

Since 2024, E1 has continued to work with the DSMAG to review the framework and is providing recommended changes that have incorporated feedback received from the DSMAG for acceptance. E1 is seeking acceptance by the NSEB. The proposed updated Standardized Filing Framework is included in Appendix F. Following the Board's decision on this matter, E1 intends to update the Standardized Filing Framework to reflect the Board's approved recommendations and any directives issued. This will ensure that the Framework remains current and aligned with regulatory requirements and stakeholder feedback. E1 will provide an updated version of the Framework, incorporating the approved changes, for future DSM Plan applications

E1's 2027–2031 Application follows the Standardized Filing Framework (as accepted by the NSEB in 2016) and incorporates the Framework updates as proposed by the DSMAG.

2.3.1 THE 2022 INTEGRATED RESOURCE PLAN

The Standardized Filing Framework directs that the Resource Plan identified in NS Power's Integrated Resource Plan ("IRP") will serve to inform the development of a Preferred DSM Plan by E1. The current

[15] M07543, Consensus Agreement, Appendix 1: Standardized Filing Framework, July 22, 2016. The 2016 Consensus Agreement was signed by E1, NS Power, the Consumer Advocate, the Small Business Advocate, the Industrial Group, the Municipal Electric Utilities of Nova Scotia, the Affordable Energy Coalition, and the Ecology Action Centre.
[16] M07543, E1 2016–2018 DSM Deferred Matters, NSUARB Letter to E1, September 13, 2016.
[17] M10473, NSUARB Decision 2023-2025 DSM Plan, September 6, 2022, page 63, para 191.
[18] M12249, NSEB Decision, 2026 DSM Extension, December 22, 2025, page 33, para 91.

Resource Plan is NS Power's 2022 Evergreen IRP, which includes 683.1 GWh of energy savings and 123.9 MW of demand savings from energy efficiency during the 2027–2031 period and 44.3 MW of demand response available capacity (excluding NS Power delivered demand response activities through rate design). However, as will be discussed further, while E1 considers the IRP scenario to represent the current assessment of the optimal level of DSM that is in the best interest of ratepayers for the long term, E1 must also consider short term affordability which is influenced by current economic landscape for Nova Scotia residents and businesses.

2.4 DSMAG ENGAGEMENT

E1 undertook extensive engagement during plan development with the DSMAG Feedback informed program design, delivery approaches, and equity-focused enhancements.

The DSMAG is a forum of regulatory stakeholders who E1 engages with on current and emerging DSM issues, including the development of DSM Plan applications. DSMAG members who were invited to participate and provide input on the 2027–2031 DSM Plan included representatives from the Affordable Energy Coalition, Consumer Advocate, Eastward Energy, Ecology Action Centre, Industrial Group, Kwilmu'kw Maw-klusuaqn Negotiation Office, Municipal Electric Utilities, the NSIESO, NS Power, the Province of Nova Scotia, the Small Business Advocate, and Synapse Energy Economics, consultant to the NSEB.

E1 engaged the DSMAG throughout all phases of Plan development, providing multiple opportunities for review and input. To maintain transparency, after each round of modelling, E1 circulated detailed modelling results, assumptions, and supporting materials to DSMAG members and sought feedback through DSMAG sessions, written submissions, and one-on-one meetings. Feedback received at each stage informed subsequent modelling rounds and refinements to portfolio design.

Table 1 summarizes DSMAG engagement activities undertaken in support of the 2027–2031 DSM Preferred Plan. For additional context, Table 2 outlines engagement activities from development of the 2026–2030 DSM Plan that directly informed assumptions, modelling approaches, and scenario development for the 2027–2031 Plan.

Table 1: 2027–2031 DSM Advisory Group Engagement Activities

DSMAG Engagement Activity: 2027–2031	Timeline
E1 provided responses to DSMAG comments received on the Round 2 Modelling comments. E1 also shared highlights of the Preferred Plan.	March 28, 2026
DSMAG comments on Round 2 Modelling provided to E1. DSMAG Session – Presentation of E1's 2027–2031 DSM Preferred Plan and Alternate Scenario	March 11, 2026
RBIA Round 2 Scenario comparison circulated to the DSMAG	March 2, 2026
One-on-one stakeholder meetings with DSMAG members including Eastward Energy	March 2026
Round 2 Modelling Assumptions and Results circulated to DSMAG, including modelling results, assumptions, technical tables, and proposed updates to the Standardized Filing Framework (redline, clean, and streamlined versions)	February 27, 2026
DSMAG group session led by a third-party facilitator to discuss key issues with objective of achieving alignment, and included the Consumer Advocate, Eastward Energy, Ecology Action Centre, Industrial Group, Kwilmu'kw Maw-klusuaqn Negotiation Office, Nova Scotia Independent Energy System Operator, NS Power, and the Small Business Advocate. E1 invited subsequent written comments from DSM Advisory Group members.	February 26, 2026
Updated Avoided Costs circulated to the DSMAG, including NS Power's 2025 avoided cost refresh, updated avoided costs as of December 2025, and supplemental data; DSMAG comments invited	January–February 2026
One-on-one stakeholder meetings with DSMAG members including the Consumer Advocate, Eastward Energy, Ecology Action Centre, Industrial Group, Kwilmu'kw Maw-klusuaqn Negotiation Office, NS Power, Province of Nova Scotia, and the Small Business Advocate	December 2025; January–February 2026
DSMAG Technical Session – Demand Response	November 19, 2025
DSMAG Session – Round 1 Modelling Assumptions and Results	October 30, 2025
Round 1 Modelling Assumptions and Results circulated to DSMAG, including modelling results, assumptions, and proposed updates to the Standardized Filing Framework (redline and clean)	October 27, 2025

Table 2: 2026–2030 DSMAG Engagement Activities

DSMAG Engagement Activity: 2026–2030	Timeline
DSMAG Session – 2026 DSM Extension Application	April 22, 2025
One-on-one stakeholder meetings with DSMAG members on 2026 DSM Extension Application and Benefit Cost Analysis with the Consumer Advocate, Industrial Group, NS Power, Province of Nova Scotia, Small Business Advocate	March–April 2025
Written comments received on 2026–2030 Round 2 Modelling Assumptions and Results (Consumer Advocate, Industrial Group, Synapse)	January 9, 2025
DSMAG Session – Round 2 Modelling Assumptions and Results (2026–2030)	December 19, 2024

DSMAG Engagement Activity: 2026–2030	Timeline
Round 2 Modelling Assumptions and Results and appendices circulated to DSMAG, including technical tables and RBIA scenario summary	December 12, 2024
One-on-one stakeholder meetings with the Consumer Advocate, Department of Natural Resources and Renewables, NS Power, Kwilmu'kw Maw-klusuaqn Negotiation Office, Industrial Group, and Small Business Advocate; written comments received from Synapse	October–November 2024
Written comments received on Round 1 Modelling Assumptions and Results (Small Business Advocate, Synapse)	August 20, 2024
DSMAG Session – Round 1 Modelling Assumptions and Results (2026–2030)	July 26, 2024
Round 1 Modelling Assumptions and Results circulated to DSMAG, including modelling results, proposed updates to the Standardized Filing Framework, E1 Innovation Process, and RBIA model updates	July 22, 2024
DSMAG Session – Avoided Costs (2026–2030), led by NS Power	May 30, 2024
DSMAG Session – Avoided Costs, led by NS Power	April 4, 2024
Written comments received on Draft Scenarios Plan (Ecology Action Centre, Consumer Advocate, NS Power, Synapse)	March 1, 2024
DSMAG Session – Draft Scenarios Plan	February 9, 2024
Draft Scenarios Plan circulated to DSMAG	February 5, 2024
DSMAG Technical Session – DSM Avoided Cost Approach, led by NS Power	February 2, 2024
DSMAG Session – Stakeholder Engagement Plan and Planning Landscape Report	December 14, 2023
Stakeholder Engagement Plan and Planning Landscape Report circulated to DSMAG for comment	December 12, 2023
DSMAG Session – DSM Avoided Cost Approach, led by NS Power	November 27, 2023
DSMAG Session – Update on 2026–2030 DSM Plan and NS Power Avoided Cost Approach	September 28, 2023

3. DETERMINING THE PLAN DESIGN

3.1 AFFORDABILITY - THE PRIMARY DESIGN CONSIDERATION

Consistent with the *PUA* and the NSEB's regulatory framework, affordability is the primary consideration in the design of the 2027–2031 DSM Plan. The NSEB confirmed in its 2025 BCA Decision that "the purpose of the demand-side management provisions in the *Public Utilities Act* is to reduce electricity costs for customers." In the current economic environment, where Nova Scotians face significant cost-of-living pressures, rising interest rates, and electricity rate increases, E1 has prioritized near-term affordability while maintaining long-term value in recognition of the unique current economic circumstances and in direct response to DSMAG feedback. To that end, E1 has constrained the annual DSM investment to the

2026 approved level of $63.75 million, with no annual inflationary increases to the investment, for each year of the 2027–2031 Plan period, resulting in a total investment of $318.75 million. Given these affordability pressures, E1 concluded that maintaining current investment levels - rather than seeking growth - was the appropriate and responsible approach at this time. E1 acknowledges that this approach results in lower long-term energy savings to ratepayers than would be achieved by a plan more fully aligned with the scale of DSM savings contemplated by the IRP. This represents a deliberate judgment by E1, made in the context of significant economic uncertainty, that the balance between short-term affordability and long-term savings achievement should, at this time, favour ratepayer short-term affordability. E1 does not consider this trade-off to be permanent, and anticipates that future plan periods should be assessed with the prevailing economic and regulatory conditions.

In the Preferred Plan customer incentives account for 71 percent of total costs-an increase from 66 percent in the 2026 DSM Plan-reflecting E1's commitment to directing an increasing share of DSM investment directly to customers through rebates and services

3.2 ENERGY EFFICIENCY: SETTING APPROPRIATE LEVEL OF ENERGY SAVINGS

E1 established energy savings levels by balancing IRP guidance, cost-effectiveness, delivery capacity, and affordability. The Preferred Plan reflects a continuation and evolution of proven programs, with enhancements informed by evaluation findings and market transformation objectives. While short-term affordability was the primary consideration for the Preferred Plan, E1’s energy efficiency scenario also considers energy savings as a percentage of NS Power’s load and reasonable allocation of savings to residential, commercial and low-income and equity customers. The Preferred Plan energy savings achieves 0.8 percent of NS Power’s load which E1 considers appropriate based on a review of other jurisdictions, the 2023-2026 DSM Plan, and the current affordability focus. A jurisdictional scan conducted by APEX, a third-party expert, helped inform the percentage of load that E1 considers appropriate. The jurisdictional scan compared both U.S. and Canadian utilities, with similar climate and program mix. APEX has recommended 0.8 percent to 1.0 percent of load would be reasonable and aligned with comparable utilities. This is also aligned with E1’s 2023-2025 DSM Plan at 1.0 percent of load and 0.87 percent of load in the 2026 DSM Extension (adjusted to reflect the removal of the Residential Behaviour program). Following the NSEB’s decision on E1’s 2026 DSM Extension, E1 has removed the Residential Behaviour program component from the 2027–2031 DSM Plan.

The Preferred Plan allocation of energy savings is split 29 percent/71 percent between residential and BNI sectors which E1 considers appropriate. In addition to providing insights for the total energy savings as a percent of load, APEX also provided E1 with jurisdictional information on allocation between sectors. Based on their review APEX has recommended a 30 percent/70 percent split for these sectors as reasonable and aligned with comparable utilities. Dedicated low income and equity programs' energy savings as a percentage of total residential energy savings are 11 percent in the Preferred Plan. This is aligned with 2023–2026 at 10.5 percent.[19]

3.2.1 THE ROLE OF THE IRP IN ESTABLISHING THE APPROPRIATE LEVEL OF DSM ENERGY SAVINGS

One of the primary planning considerations for the development of the DSM Plan is NS Power's IRP. The IRP represents the most recent, comprehensive, and stakeholder-vetted assessment of the optimal mix of supply-side and demand-side resources required to meet Nova Scotia's electricity needs at the lowest long-term cost to ratepayers. It reflects an extensive collaborative process with stakeholders and NSEB consultants and provides the most rigorous available assessment of the long-term value of DSM to Nova Scotians. Within the IRP, demand-side management plays a material role in reducing future system costs, with specific energy and demand savings levels identified as part of the preferred portfolio.

Consistent with NSEB direction and the Standardized Filing Framework,[20] the DSM Plan uses the IRP savings levels as a benchmark for plan development.

In developing the 2027–2031 Plan, E1 relied on NS Power's most recent modelled IRP — the 2022 Evergreen IRP Update – which incorporated updated policy and legislative direction since the 2020 IRP, including legislated GHG reduction targets, the 80 percent renewable electricity goal, and the mandated phase-out of coal-fired generation by 2030 as required under the *Environmental Goals and Climate Change Reduction Act*.

Key system themes in the 2022 IRP include decarbonization, increased renewable capacity additions (solar and wind), firm capacity additions, regional integration, and electrification. The level of energy savings

[19] 2023-2025 actual results, plus 2026 Plan as Approved with residential behaviour savings removed from both.
[20] M07543, 2016–2018 DSM Deferred Matters, Consensus Agreement, Appendix 1: Standardized Filing Framework, July 22, 2016.

identified in NS Power's 2022 IRP Evergreen established an objective DSM target which is considered to provide the greatest benefits to Nova Scotians over the long-term planning period. For the period of 2027–2031 the level of energy savings in the IRP is 683.1 GWh, 123.9 MW of demand savings, and 44.3 MW from demand response (excluding rates – CPP & TVP).

E1 considers these to be the appropriate goals for the 2027–2031 DSM Plan given they are the result of an extensive and collaborative process with stakeholders and NSEB consultants and they represent the most recent and rigorously tested data available in identifying the lowest cost long-term revenue requirements from electricity ratepayers with respect to energy efficiency and conservation activities in Nova Scotia.

The energy savings levels modelled in E1's early modelling scenarios (Round 1-2, 2026-2030 DSM) aligned with these levels, reflecting a balance of energy savings that would continue to move toward optimal levels of DSM while also being deliverable and in the best interest of ratepayers.

However, feedback received from DSMAG members following these initial modelling rounds highlighted concerns primarily focused on short-term affordability. E1 modelled in Round 2 two energy efficiency scenarios that were responsive and addressed DSMAG member concerns with lower investment levels. For informational purposes, E1 also modelled a third scenario that reflected energy savings levels consistent with the IRP. The IRP scenario was purposely designed with the goal of achievability. The IRP scenario as modelled was cost effective, demonstrating energy efficiency continues to remain a lower cost than supply side options. E1's Preferred Plan has prioritized short-term affordability considerations as compared to longer-term considerations as represented in the IRP scenario. The proposed energy savings of 435.4 GWh represents 64 percent of the IRP target. This approach is not inconsistent with IRP direction. The IRP identifies optimal levels of DSM over a long-term planning horizon (i.e. 25 years). E1's Preferred Plan maintains a trajectory toward the IRP's long-term savings levels while prioritizing short-term affordability consideration for the period of 2027–2031 given the current economic context.

3.3 DEMAND RESPONSE

The demand response design in the 2027–2031 DSM Plan was informed by a combination of observed implementation experience, updated modelling assumptions, evaluation insights, DSMAG member feedback, and alignment with system planning objectives. Together, these inputs led to a more measured

and targeted demand response portfolio focused on cost-effectiveness, achievability, and reliable system value.

A primary input to the demand response design was performance and cost-effectiveness. E1 refined demand response assumptions, placing greater emphasis on program designs and customer segments with demonstrated and repeatable performance, particularly within the business sector, while moderating expectations for residential participation where results have been more variable.

DSMAG member feedback, played a significant role in shaping the demand response portfolio. In prior planning rounds, members raised concerns regarding the scale, achievability, and cost-effectiveness of proposed demand response investments. The 2027–2031 Plan responds to these concerns by moderating demand response investment levels relative to earlier scenarios, adopting more conservative ramp-ups, and ensuring that proposed capacity targets remain within a range consistent with system needs identified through integrated resource planning.

Alignment with NS Power's IRP also informed the demand response design. The IRP recognizes demand response as a valuable demand-side resource for managing peak demand and supporting system reliability. Its findings informed the scale and role of demand response within the broader DSM portfolio, ensuring that demand response contributes incremental system value without introducing undue delivery or affordability risk.

Finally, given heightened scrutiny of DSM spending and performance risk over a five-year plan term, E1 prioritized realistic assumptions, phased implementation, and performance. This approach supports a demand response portfolio that is achievable, cost-effective, and capable of delivering reliable capacity value to the system.

E1's Preferred Plan does include the Residential program component. Although it is not required that the program component itself is cost effective, E1 does understand that a justification for inclusion of measures that do not pass must be provided. While the Residential Demand Response (Eco Shift) program component does not yet meet the standard cost-effectiveness threshold, there have been noted improvements. Early-stage demand response programs typically require time to mature before their full value is realized. Continuing to build participation and operational experience allows the program to

develop the scale and efficiencies needed to improve performance over time while preserving the investments already made in program infrastructure and customer engagement.

Experience in peer jurisdictions suggests Nova Scotia is at an earlier stage of market development but following a similar trajectory. Cost-effectiveness is expected to improve over time as participation grows, technologies mature, operational processes are refined, and program design evolves alongside system needs.

Beyond cost-effectiveness metrics, Eco Shift contributes to electricity system resilience during cold weather events by enabling demand-side flexibility that complements supply-side resources and rate design. Residential demand response is widely used across North America as part of a balanced approach to grid management. As the electricity system continues to evolve in response to electrification, environmental compliance requirements, and changing market conditions, flexible demand-side programs such as Eco Shift are expected to play an increasingly important role.

3.3.1 WHY RESIDENTIAL LOAD CONTROL DEMAND RESPONSE MATTERS

Strategic peak reduction can help lower long-term infrastructure costs and moderate upward pressure on electricity rates. The IRP identifies both increasing electrification and a growing role for residential demand response as part of the future electricity system. Much of the projected demand growth reflects electrification trends, particularly as households transition from heating oil to heat pumps, supported by government incentives and favourable consumer economics. As electrification progresses, peak demand is expected to become an increasingly important system planning consideration.

Programs such as Eco Shift provide the ability to manage peak-period demand and support the grid during extreme cold-weather events. Expanding residential demand response capability during the upcoming DSM plan period would complement other system resources and align with the planning assumptions outlined in the IRP, as well as ongoing discussions with NS Power and the NSIESO.

Experience in other jurisdictions illustrates how residential demand response can evolve alongside electrification. For example, Ontario's Independent Electricity System Operator (IESO) has expanded its Peak Perks program over several years, reaching more than 300,000 participants and delivering over 200 MW of capacity as of February 2026. The program manages residential air-conditioning demand through

smart thermostats, reflecting Ontario's summer-peaking system. During periods of extreme heat, these resources provide additional flexibility to the grid. The program's continued expansion reflects the growing role that residential load control can play as electricity systems adapt to changing demand patterns.

3.3.2 COST-EFFECTIVENESS: A PROGRAM MATURITY ROADMAP

The 2023–2025 DSM Plan positioned demand response as a development and learning phase, with a focus on identifying effective program pathways and refining operational delivery for initiatives such as Eco Shift. This approach reflects the typical evolution of residential demand response programs across North America.

Early program years are generally focused on customer recruitment, system integration, and operational refinement. As participation grows and program operations mature, performance stabilizes and programs are often able to scale while improving cost-effectiveness.

This staged development approach allows program administrators to gain operational experience, refine program design, and build customer participation before programs reach full maturity. The following table highlights early-stage observations from Eco Shift alongside similar residential demand response initiatives in other jurisdictions.

Table 3: Demand Response Initiatives in other Jurisdictions

Jurisdiction and DSM Utility	Early-Stage Insights
Ontario (IESO Peak Perks / Smart Thermostat DR)	• Early years focused on recruitment and platform testing. • First-year MW per device was conservative. • Significant emphasis placed on learning dispatch behavior during cold weather. • Scaling now tied to electrification growth. • Ontario treated early years as infrastructure development, not mature performance.
Massachusetts (National Grid / Eversource Wi-Fi Thermostat Programs)	• Initial years showed modest realized capacity relative to forecast. • Baseline methodologies were revised after early events. • Participant attrition and device connectivity reduced first-year DR capacity (MW). • By years 3–4, per-device capacity values stabilized, and program economics improved. • **Source:** https://ma-eeac.org/studies/residential-program-studies/
California (PG&E Smart Thermostat Control Pilot)	• Early evaluations showed wide variance in per-device kW. Regression baseline models were introduced after initial "similar-

Jurisdiction and DSM Utility	Early-Stage Insights
	day" methods proved noisy. Cost-effectiveness improved materially once: ○ event strategy was refined; and ○ enrollment stabilized, snapback was better managed. California continues to expand residential DR despite early volatility. • **Source:** https://www.calmac.org/%5C%5C/publications/PY2022-2023_Smart_Thermostat_Control_Pilot_Evaluation_Report_Final_(03).pdf

Experience from comparable jurisdictions provides useful context for the evolution of residential demand response programs. In Ontario, the IESO implemented its Peak Perks program with the expectation that early years would focus on building participation, operational capability, and market awareness rather than immediate mature performance.

Through direct discussions with the IESO Demand Side Management team, the program is expected to reach cost-effectiveness under the Program Administrator Cost (PAC) test within the next year, approximately four years after its launch. IESO attributes this progression to several factors commonly observed as residential demand response programs scale, including: (1) growth in installed demand response capacity relative to fixed program costs, (2) improving customer participation during demand response events, (3) coordinated marketing and recruitment with smart thermostat manufacturers that reduce customer acquisition costs, and (4) increased adoption of bring-your-own thermostat participation models.

Given the significantly larger scale of Ontario's electricity market, this experience provides useful directional context for smaller jurisdictions. Many of the same program development dynamics, particularly those related to participation growth, operational learning, and technology adoption, are expected to influence program performance as residential demand response continues to mature.

3.3.3 TECHNOLOGY & FIELD LEARNING

Program deployment to date has provided valuable operational experience and insights into the technologies that deliver the strongest performance and program economics. This includes heat pump hot water controllers, enrollment of existing behind-the-meter battery systems, and smart thermostats in electrically heated homes.

Implementation has also supported improvements in installation workflows, dispatch strategies, and measurement and verification processes, alongside the development of established relationships with technology vendors. These operational refinements support lower cost per kW over time and improved reliability of demand response performance during peak events.

3.3.4 SUMMARY

Eco Shift continues to demonstrate measurable progress as it moves through its development phase. Preliminary results show increasing customer participation and improved device responsiveness across multiple technologies, both of which are key drivers of realized demand response capacity and program cost-effectiveness under the PAC test.

Operational deployment has also generated important program insights, including identification of the technologies that deliver the strongest performance, improvements in installation and dispatch processes, and stronger vendor integration. These operational refinements, combined with growing participation, are expected to continue reducing cost per kW and improving the reliability of demand response performance during peak events.

Experience from comparable jurisdictions further supports this trajectory, as residential demand response programs typically achieve improved economics as participation scales and program operations mature. In parallel, emerging opportunities, such as aligning demand response deployment with constrained areas of the electricity system, have the potential to further increase system value.

Taken together, the observed improvements in participation, operational performance, and program design provide clear evidence that Eco Shift is progressing along the expected pathway toward cost-effectiveness. Based on current trends and planned program refinements, Eco Shift is expected to achieve cost-effectiveness within the next two to three program seasons while continuing to contribute flexible demand response capacity to support Nova Scotia's evolving electricity system.

3.4 SOLAR-PV

E1 submits that customer sited solar-PV falls squarely within the statutory definition of demand-side management under section 79A(b)(v), which includes DSM activities relating to "the delivery of a reduction in the amount of electrical energy or capacity that Nova Scotia Power Incorporated would

otherwise be required to supply to its customers." The customer sited solar-PV installations proposed in the Preferred Plan are behind-the-meter resources that reduce the customer's demand for electricity from NS Power's system. The customer owns and controls the solar installation, and electricity generated is consumed on-site to offset what would otherwise be purchased from NS Power. To the extent that any incidental excess generation may flow to the grid under net metering arrangements, this does not alter the fundamental character of the resource: the program is designed and sized to reduce customer demand, the customer receives no compensation beyond offsetting their own consumption, and the primary effect is a reduction in electrical energy NS Power would otherwise be required to supply. Section 79A(b)(v) expressly contemplates this outcome: a reduction in electrical energy or capacity NS Power would otherwise supply. The targeted nature of the program (focused on Mi'kmaw communities to address documented barriers to DSM participation) furthers the legislative objective under s. 7(b) of the Environmental Goals and Climate Change Reduction Act to prioritize equitable access and benefits for low-income and marginalized Nova Scotians, is consistent with the ERBA s. 6(2)(d) requirement that the Board consider sustainable development and sustainable prosperity, and aligns with reconciliation objectives and Nova Scotia's duty to consult and accommodate Indigenous peoples.

E1 has included a modest level of solar-PV in the 2027–2031 DSM Plan which focuses exclusively on residents in Mi’kmaw communities. This targeted approach is justified on several grounds.

(i) it addresses documented barriers to participation in DSM programs faced by Mi'kmaw communities, including access to capital, housing issues in reserve communities, and historical underinvestment in energy infrastructure;

(ii) it aligns with E1's legislated mandate under the *PUA* and the legislative objective under s. 7(b) of the Environmental Goals and Climate Change Reduction Act to prioritize equitable access and benefits for low-income and marginalized Nova Scotians, and is consistent with the ERBA s. 6(2)(d) requirement to consider sustainable development and sustainable prosperity, by addressing barriers to participation;

(iii) reflects E1's engagement with, and accommodation of, the interests and concerns unique to Mi'kmaw communities, and supports reconciliation objectives by enabling Mi'kmaw communities to participate in the clean energy transition; and

(iv) the program coordinates with the Mi'kmaw New Home Construction program component, creating an integrated approach to supporting energy sovereignty and reducing electricity costs for Mi'kmaw residents;

E1 notes that any expansion of solar-PV to other customer segments in future DSM Plans would be subject to cost-effectiveness analysis and Energy Board approval. The 2027–2031 DSM Plan includes a modest scale of this offering, 200 installations over five years representing 0.9 percent of total DSM investment to specifically support Mi'kmaw communities.

3.5 STRATEGIC ELECTRIFICATION

Strategic electrification was added to E1's mandate by way of an update to section79A(b)(iv) of the *PUA* in 2022, as outlined in section 2.1.1 above. The NSEB, in its decision on E1's BCA clarified its interpretation of this provision: [21]

> The Board notes, however, that both requirements for strategic electrification must be met. It must reduce GHG emissions and electricity costs for customers.

E1 takes its role in addressing strategic electrification seriously. Its view is that the inclusion of strategic electrification in the 2027–2031 DSM Plan makes sense, providing the resource reduces electricity costs for NS Power customers and reduces GHGs.

The 2022 Evergreen IRP and the Nova Scotia Clean Power Plan both highlight the important role electrification will play in achieving provincial climate goals. While the IRP has included assumptions about the levels of electrification impacting the load over the study period (Mid-Electrification scenario), no ratepayer cost assumptions were included, nor were optimal savings levels and costs for strategic electrification included in the Clean Power Plan to act as a guide for the 2027–2031 DSM Plan. With no optimal savings levels available, E1's modelling for Strategic Electrification was guided by a modest investment range and a priority focus on achieving the requirements set out in the *PUA* as interpreted by the NSEB in their decision on E1's BCA (reducing electricity costs for NS Power customers and reducing GHGs).

[21] M12282, NSEB Decision, E1 Application for approval of a New Benefit-Cost Analysis Test for Evaluating DSM Plans, December 10, 2025, page 65, para 163.

E1 focused on building electrification measures to leverage existing partnerships, program infrastructure and expertise. As committed in the BCA matter, E1 did consider hybrid heating measures and worked collaboratively throughout the modelling process with both Eastward Energy and NS Power. E1 reviewed multiple strategic electrification scenarios during plan development, including heat pump water heaters, cold climate heat pumps for space heating, hybrid heating measures and custom measures. Modified-PAC results for all strategic electrification scenarios modelled through the 2027–2031 DSM Plan development process demonstrated that these measures did not reduce electricity costs for customers when evaluated under the Energy Board-approved modified-PAC test that includes increased utility revenues. Even under optimal assumptions where there are no peak impacts arising from the strategic electrification measures, they remained not cost-effective. E1 assessed GHG emission reductions using emissions information from NS Power's 2022 Evergreen IRP, as long-run marginal emissions rates were not available for this analysis. E1 requested long-run marginal emissions rates from NS Power in December 2025 and followed up in February 2026, but was advised this information is not currently available and that work is ongoing between NS Power and the NSIESO to develop this methodology. While strategic electrification measures reduce GHG emissions, based on available emissions data, the increased electricity costs to ratepayers failed to meet the statutory requirement that DSM reduce electricity costs for customers, as determined by the Board in its 2025 BCA Decision.

As a result of these findings, E1 was unable to include Strategic Electrification as a resource in its 2027–2031 DSM Plan. E1's exclusion of strategic electrification from the 2027–2031 DSM Plan as a resource is mandated by the statutory requirements of the PUA. Section 79A(b)(iv) defines strategic electrification as activities relating to "strategic electrification of energy end uses currently powered by fossil fuels in a manner that reduces overall greenhouse-gas emissions **and** electricity costs" (emphasis added). This conjunctive requirement that strategic electrification must reduce both GHG emissions and electricity costs-was confirmed by the NSEB in its 2025 BCA Decision, which stated that "both requirements for strategic electrification must be met." Because all modeled strategic electrification scenarios failed to reduce electricity costs for customers when evaluated under the Board-approved modified-PAC test, their inclusion as a DSM resource would violate the statutory definition. E1 understands from DSMAG members that strategic electrification remains an important area for exploration to determine how it can cost-effectively be included in future DSM Plans. To support this objective, E1 has allocated investment within its Enabling Strategies budget specifically for strategic electrification development and research. This investment will support: (1) market research and technology assessment to identify emerging strategic

electrification opportunities with improved economics; (2) pilot programs to test delivery approaches and gather real-world performance data; (3) collaboration with the NSIESO on future IRP development to better quantify system benefits; and (4) ongoing evaluation of how changes to avoided costs, particularly capacity values, may improve the cost-effectiveness of strategic electrification in future plan periods. E1 will report annually on strategic electrification research activities and findings as part of its Annual Progress Reports.

3.6 ENABLING STRATEGIES

Enabling Strategies are a foundational component of E1's DSM portfolio. These investments support the development, delivery, and long-term effectiveness of DSM programs by addressing structural, market, and informational barriers that cannot be resolved through incentives and direct program delivery alone. As such, Enabling Strategies are integral to achieving current DSM Plan goals and preparing the organization to deliver responsive, cost-effective and appropriate Plans in the future.

Consistent with past DSM Plans, the 2027–2031 DSM Plan includes targeted investments in Enabling Strategies to support education and outreach, research and development, market transformation, and other enabling activities (i.e. regulatory activities). In the 2023–2026 DSM Plan, investment in market transformation were included under Development and Research. These costs have been pulled out into their own Market Transformation category under the 2027–2031 DSM Plan Enabling Strategies. Where investments are discretionary, short-term affordability considerations have driven design. Compared to 2026, E1 has reduced the total Enabling Strategies investment as seen in Table 4, below.

Table 4: Comparison of 2026 and 2027–2031 Annual Investment in Enabling Strategies

	2026 DSM Extension ($M)	2027–2031 DSM Preferred Plan Annual Average ($M)
Education & Outreach	$1.6	$1.3
Development & Research	$1.6	$1.4
Other Enabling Strategies (i.e. Regulatory Activities)	$3.0	$2.3
Market Transformation	$0.7	$0.8
Total	$7.0	$5.8

In addition to reducing total investment through prioritization, E1 has responded to DSMAG member comments regarding Enabling Strategies. Specifically, E1 heard that there was a desire to better

understand the goals and objectives of Education and Outreach activities. In response E1 has introduced measures of success for these activities as described in section 9 of Appendix A. E1 also heard that there was a need for more structured plans and processes for development and research activities. In response to these past comments and the NSUARB's decision in the 2023–2025 DSM Plan, E1 has introduced its Innovation Framework, Process and Plan for 2027–2031 in Attachment 5 of Appendix A.

Eliminating or materially reducing Enabling Strategies investment would weaken E1's ability to deliver DSM programs effectively and responsibly over the 2027–2031 period.

First, E1 may lose capacity to identify, research, and test new DSM opportunities. Development and Research activities enable E1 to assess emerging technologies, delivery models, and market segments in a Nova Scotia–specific context before committing to full program deployment. Without this function, E1 would be forced to rely on less certain assumptions, increasing the risk of under-performing or misaligned programs and reducing the overall cost-effectiveness of the DSM portfolio. They are also necessary to maintain program effectiveness, adapt to changing market conditions, and support the achievement of DSM objectives in an increasingly complex energy and policy environment.

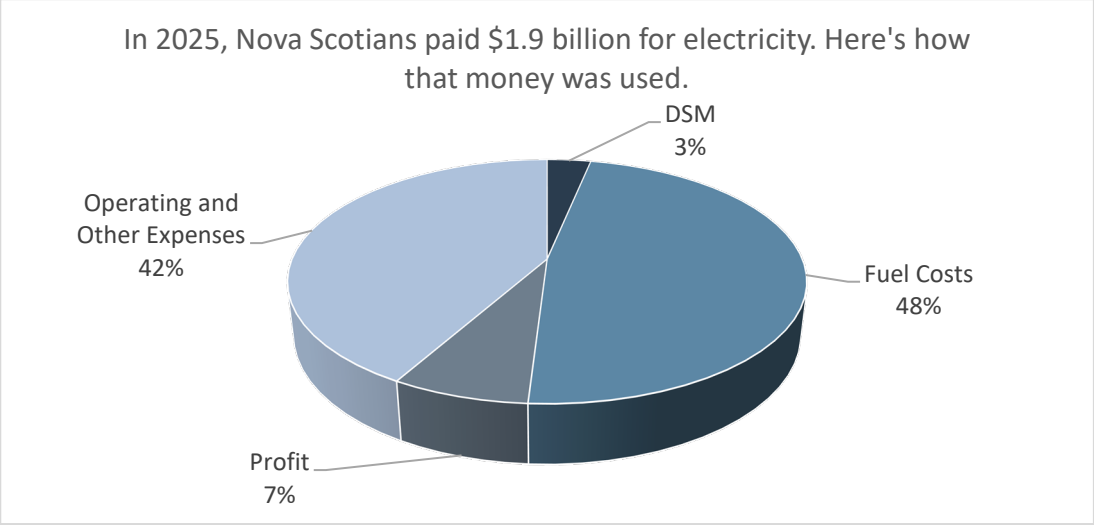
Second, the absence of Enabling Strategies could reduce program reach, uptake, and customer navigation. Education and outreach activities support awareness, understanding, and trust in DSM offerings—particularly in rural communities, among small businesses, and within underserved populations. Without these supports, participation barriers would increase, and program performance would increasingly depend on customers who already have the resources, knowledge, and capacity to participate, rather than those with the greatest need or opportunity for savings.

Third, E1 may lose the ability to strategically manage and evolve the DSM portfolio over time. Other Enabling Strategies activities support portfolio planning, DSMAG engagement and collaboration, regulatory compliance filings, and continuous improvement. These functions ensure that DSM investments remain aligned with policy objectives, stakeholder expectations, and system needs. Removing these supports would reduce E1's ability to respond to new information, emerging risks, or changes in the electricity system in a timely and transparent manner.

4. AFFORDABILITY

Affordability continues to be a critical factor in determining the level of investment in a DSM Plan. E1 has heard from several members of the DSMAG over the past several DSM Plans that consideration of short-term affordability via rate increases should be prioritized over long-term affordability. The level of DSM considered optimal in NS Power's IRP is in the best interest of ratepayers for the long term, offering significant economic benefits, but E1 must also consider the unique current economic landscape that is influenced by the rising costs of housing, food, and energy. In response, E1 has held the annual investment in the Preferred Plan at the 2026 DSM Plan level of $63.75 million with no annual inflationary increases.

Figure 1:2025 Annual Electricity Investment in Nova Scotia



Source: NS Power Management's Discussion and Analysis, February 23, 2026

4.1 THE 2027–2031 DSM PLAN CONTINUES TO PRIORITIZE CUSTOMERS

E1's DSM Plan continues to prioritize customers by ensuring that the investment in customer incentives remains not only the largest portion of the $63.75 million per year but increases as a percentage of total investment as compared to the 2026 DSM Extension. In the Preferred Plan customer incentives account for 71 percent of total costs—an increase from 66 percent in the 2026 DSM Plan. Figure 2 and Figure 3, below, illustrate the expenditures for the Preferred Plan and 2026 DSM Extension.

Figure 2: 2027–2031 DSM Preferred Plan Average Annual Expenditures

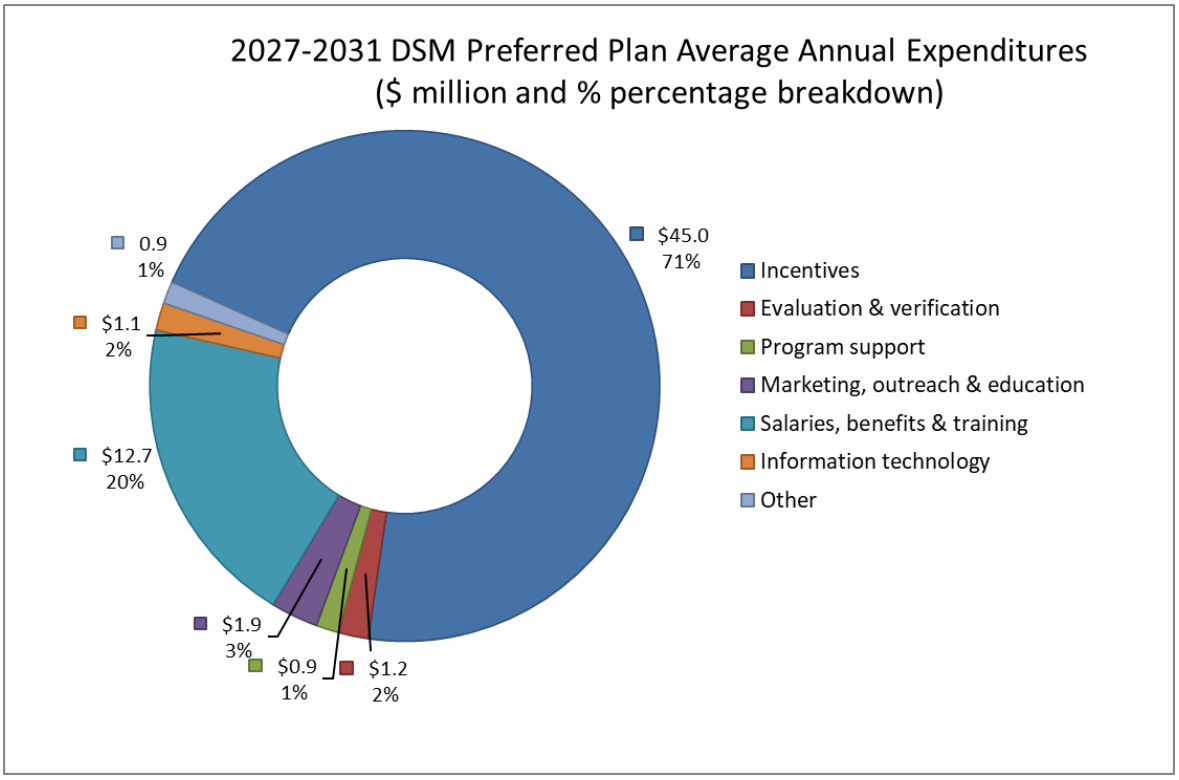
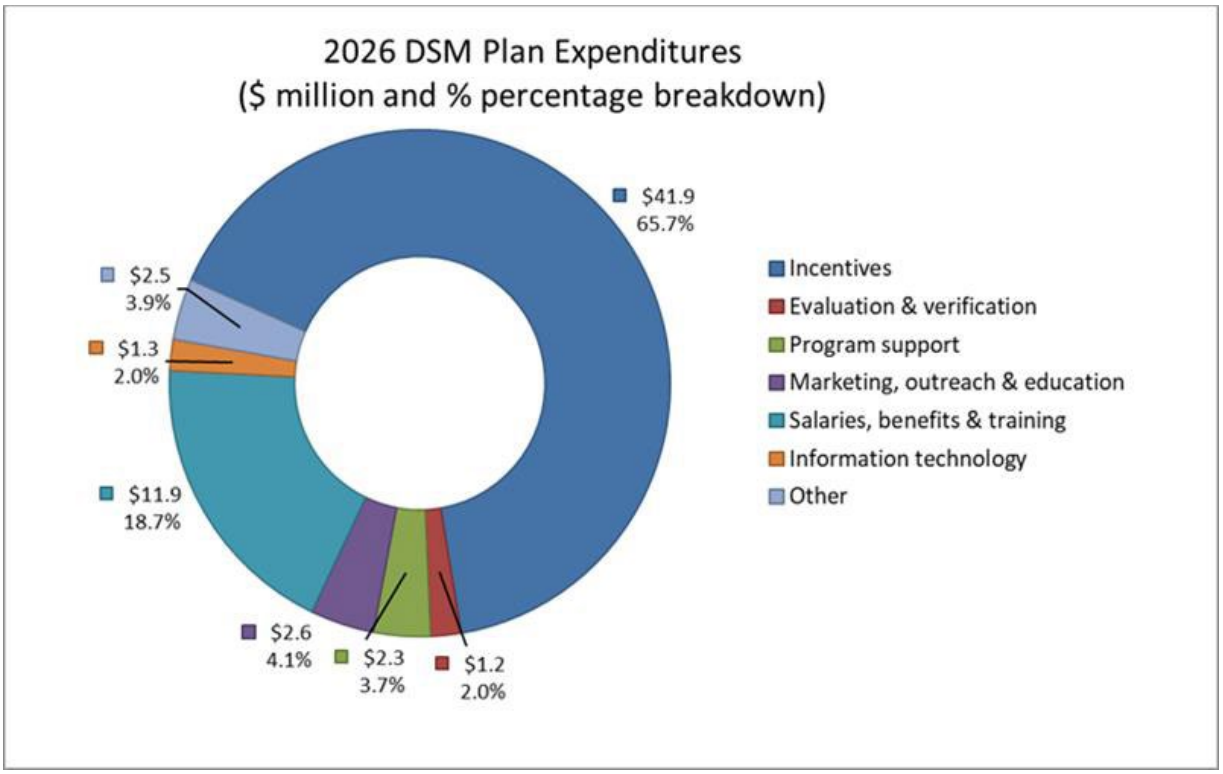


Figure 3: 2026 DSM Plan Expenditures



4.2 DSM REMAINS AT A LOWER COST THAN THE FUEL OPTION

DSM, and particularly its energy efficiency programs, is demonstrably lower in price than the fuel option it displaces, making it a logical and affordable first choice investment for ratepayers. Based on the cost of fuel as reported in NS Power's 2025 Management's Discussion & Analysis (MD&A) of $0.09/kWh, the cost of DSM at $0.05/kWh is less than the average cost of fuel by $0.04/kWh. Since 2015, the cost of fuel in $/kWh has fluctuated each year as compared to the cost of DSM with the lowest being 166 percent in 2024 and increasing to as high as 343 percent in 2022. In no one year has $/kWh for DSM been higher than the cost of fuel (Table 5). The ability to avoid fuel costs through the use of a more cost-effective DSM alternative is always in the ratepayers' best interests, even in the short-term. These benefits are then amplified in the long-term. In lowering overall fuel costs for the utility, DSM applies a downward pressure on the fuel adjustment mechanism (FAM), which, in turn, benefits all ratepayers.

Table 5: Cost Difference of DSM and Fuel

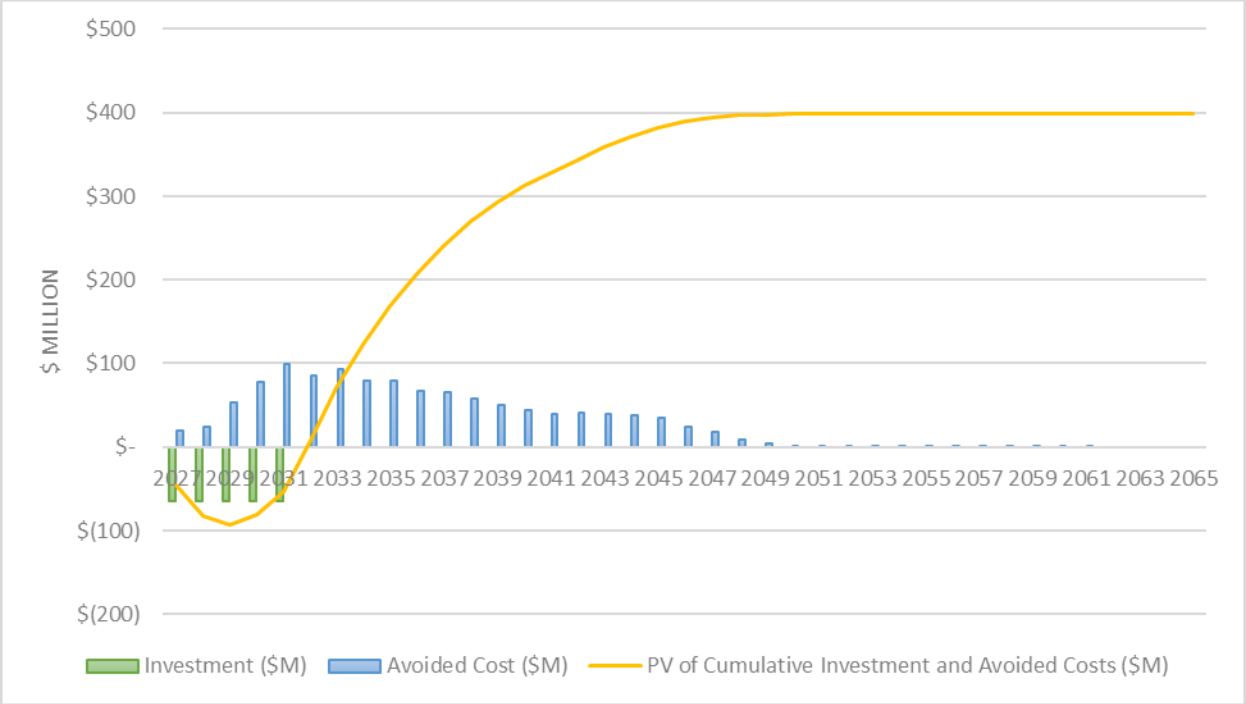
Year	Cost Difference Between DSM & Fuel	
	Cost of Fuel as Compared to DSM (Difference $ per kWh)	Fuel Cost as % of DSM
2015	0.031	271%
2016	0.029	283%
2017	0.024	229%
2018	0.037	296%
2019	0.040	312%
2020	0.046	319%
2021	0.052	326%
2022	0.060	343%
2023	0.046	296%
2024	0.018	166%
2025	0.052	227%

4.3 DSM CONTINUES TO PROVIDE LASTING BENEFITS WITH A SHORT PAYBACK

DSM is a long-term investment with lasting benefits and considerable lifetime savings, yet the Preferred Plan also contributes to short-term and immediate ratepayer benefits. In the short-term, the Preferred Plan will achieve 435.4 GWh of incremental cumulative net energy savings by 2031. Over the same time period in which the investment of $318.75 million is made, the Preferred Plan will achieve $682.5 million in avoided utility costs. By the end of 2032, the investment will be fully "paid back" in the sense that the

cumulative value of avoided costs will eclipse the investment amount. A short payback period that provides fully funded DSM benefits no later than the end of 2032 is in the best interests of ratepayers as it leverages the lower costs associated with present-day investment prices and mitigates the long-term effects of inflation and rising costs – as illustrated in Figure 4.

Figure 4: Payback Analysis – Preferred Plan



DSM investment includes EE, DR, Solar-PV and Enabling Strategies.
Green bars are nominal investment. Blue bars are nominal avoided cost. Yellow line is a 2027 net present value (NPV) of the difference between avoided cost and investment calculated using NS Power's Weighted Average Cost of Capital (WACC).

4.4 DSM CONTINUES TO BE THE LEAST RISK OPTION

DSM is a low-risk energy investment as there is:

- Certainty with respect to the level in investment;
- No unexpected costs associated with an investment in DSM; and
- No variability in the cost of DSM during each Plan term.

Spending on DSM is capped for the duration of each term at the level of investment approved by the Energy Board. Consequently, ratepayers have certainty during each term with respect to the cost they will bear in relation to DSM.

There are unexpected costs incurred through NS Power's investment in fuel and capital projects which are not associated with DSM. There is greater uncertainty and volatility with respect to the cost of these.

The reliability and consistency of E1's programs make an investment in DSM less costly and less risky for ratepayers. E1 has consistently met its targets within the Energy Board-approved level of spending. As spending on DSM is capped for the full five years of the Preferred Plan, ratepayers will not bear the cost of an unexpected increase in DSM expenditures.

Ultimately, the unexpected costs associated with higher risk fuel sources and capital projects are passed on to ratepayers.

4.5 RATE AND BILL CONSIDERATIONS & RATE AND BILL IMPACT ANALYSIS (RBIA) FOR 2027–2031

E1's RBIA for the Preferred Plan demonstrates that participants in DSM benefit from bill savings. The reductions in energy use and demand achieved by participants more than outweigh any rate impacts associated with DSM. Table 6 below offers insights on the rate impacts of the Preferred Plan as compared to no investment in DSM during 2027–2031. As can be observed from the table below, energy efficiency rate impacts are within the range of impacts seen in previous years (2011-2026), demand response generally has a downward effect on rates, and solar-PV has a minimal effect on rates.

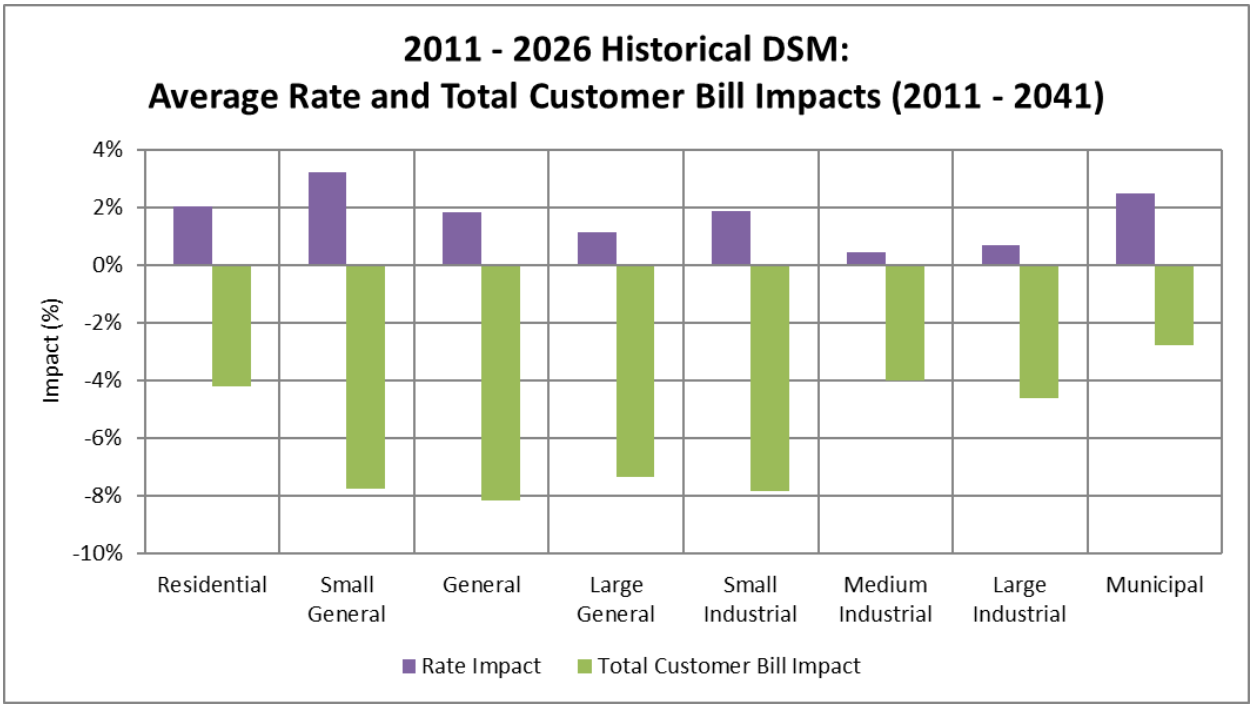
Table 6: Preferred Plan – Average Rate Impacts by Resource over 2027-2046

	Residential	Small General	General	Large General	Small Industrial	Medium Industrial	Large Industrial	Municipal
DSM (All Resources)	0.58%	0.88%	0.74%	0.33%	0.76%	-0.12%	0.59%	0.26%
Energy Efficiency	0.57%	0.90%	0.78%	0.38%	0.81%	0.02%	0.58%	0.30%
Demand Response	-0.01%	-0.03%	-0.04%	-0.05%	-0.05%	-0.12%	0.01%	-0.04%
Solar-PV	0.02%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

4.5.1 HISTORICAL RBIA

E1's 2026 Historical RBIA indicates that ratepayers are already positioned to accrue aggregate bill savings in excess of $2.5 billion between 2011 and 2041 as a result of past DSM activities between 2011 and 2026. Figure 5 illustrates the average rate and bill impacts of DSM by rate class based on historical data.

Figure 5: Average Rate and Bill Impacts (2011-2041) as a Result of DSM Activities in 2011-2026



4.5.2 2027–2031 RBIA

Investment at the Preferred Plan level would result in average rate impacts that range between -0.1 percent and +0.9 percent by rate class, averaged over the lifetime of measures (Figure 6). These figures are calculated relative to a scenario with no DSM as opposed to 2027 - 2031 Preferred Plan DSM levels. Average participants would see their bills reduced between 0.04 percent and 37 percent over the lifetime of measure.

Figure 6: Average Rate and Total Customer Bill Impacts as a Result of DSM Activities in 2027–2031 (Preferred Plan)

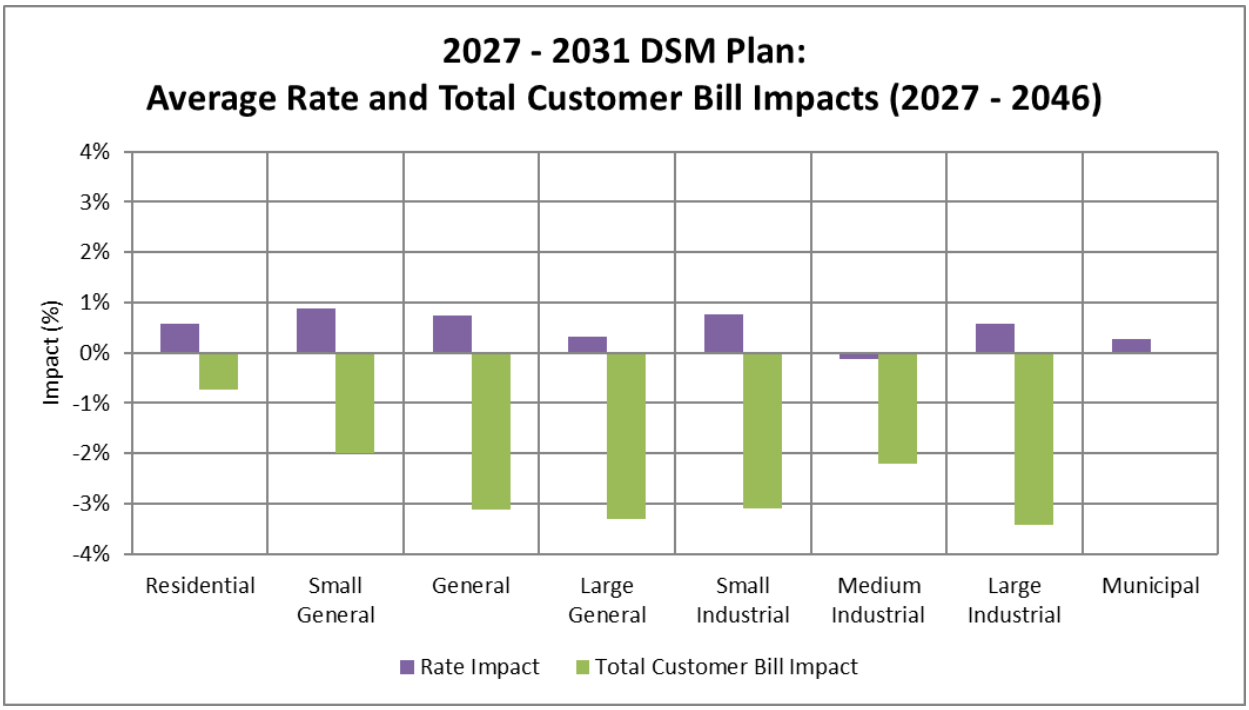


Figure 7 and Figure 8 provide a rate and bill-specific breakdown. As can be seen, the Preferred Plan will have minimal impact on rates but provides significant bill benefits for DSM participants and all customers, generally.

Figure 7: Average Rate Impacts (2027-2046) as a Result of DSM Activities in 2027–2031 (Preferred Plan)

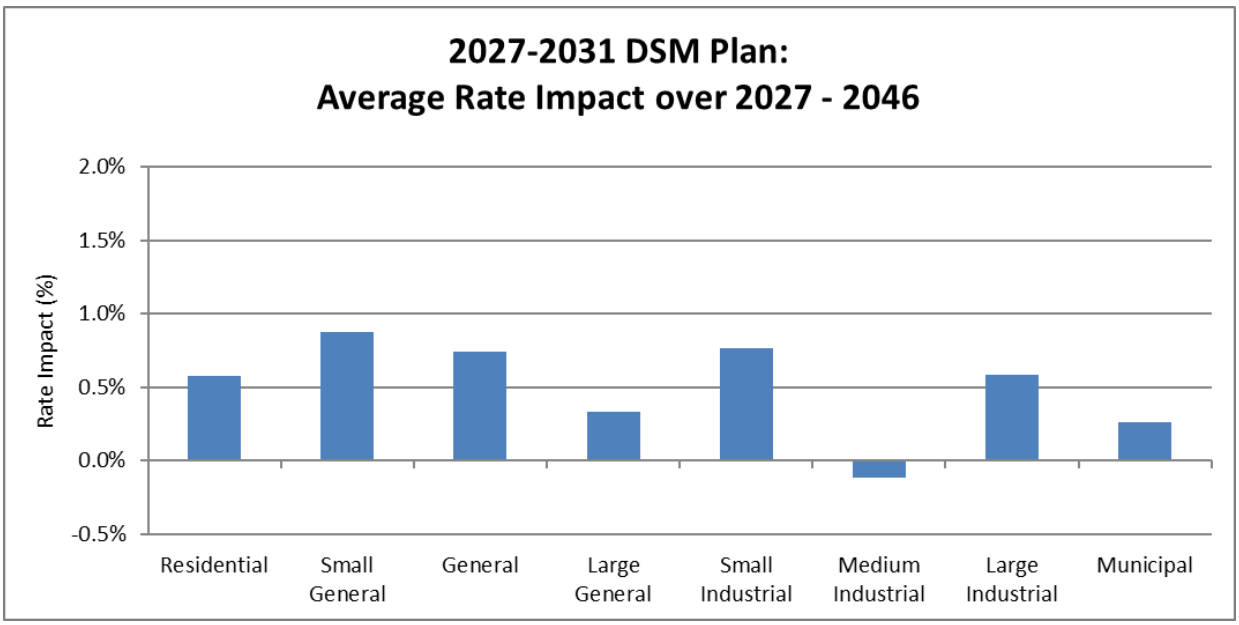
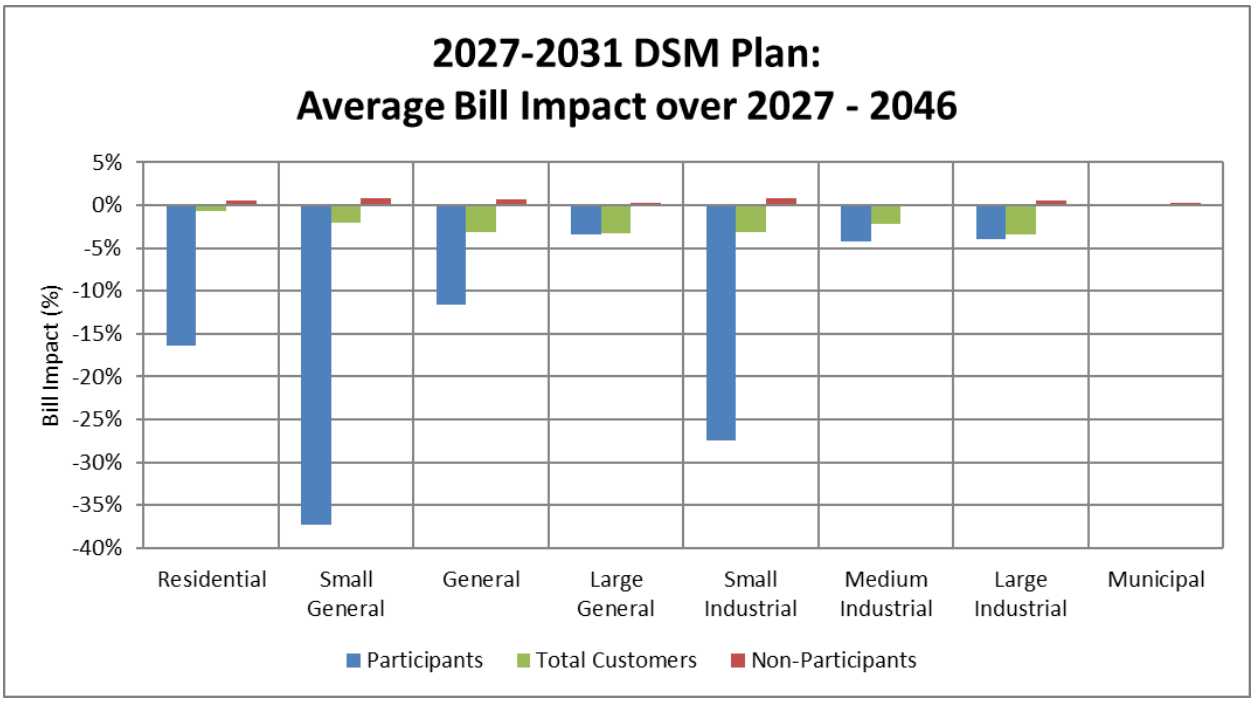


Figure 8: Average Bill Impact (2027-2046) as a Result of DSM Activities in 2027–2031 (Preferred Plan)



5. THE BALANCED PLAN APPROACH

The portfolio was developed in accordance with the "Balanced Plan Approach" outlined in the Standardized Filing Framework, which directs E1 to "produce DSM Resource Plans that balance multiple aspects of DSM for the benefit of customers." Based on the analysis outlined above, E1 has determined that 435.4 GWh in energy savings, 85.0 MW of demand savings, 29.3 MW of available capacity, and 1.7 GWh of solar-PV generation for 2027–2031 provide the best value to Nova Scotians.

The multiple aspects of DSM as captured by the Balanced Plan principles include:

- Short-term and long-term energy and capacity avoidance;
- Program delivery costs;
- Avoided energy and capacity investments;
- Non-electric and non-energy benefits;
- Diversity of program delivery;
- Business relationships and maintenance of market presence;
- Access to programs by all market sectors and rate classes by addressing barriers to participation; and

- Rate impacts.

The following sections explain how each balanced plan principle is achieved in the 2027–2031 Preferred Plan.

5.1 SHORT- AND LONG-TERM ENERGY AND CAPACITY AVOIDANCE

The Preferred Plan achieves a balance of both short- and long-term energy capacity avoidance. Dunsky Energy Consulting described the balanced plan approach, and in particular short- and long-term energy and capacity avoidance, as follows:[22]

> Short-term savings opportunities tend to revolve around the promotion of individual energy saving measures (e.g. lightbulbs, appliances) that can be implemented immediately (irrespective of how long they last). Long term savings opportunities tend to revolve around energy-saving practices and market conditions, such as education, training, financing, codes and standards, etc. – i.e. activities that may not translate into immediate savings but that ultimately transform markets to greater energy efficiency. […]
>
> Indeed, short term success is critical to creating market familiarity, comfort, support for, and interest in efficient products and services.

The DSM investments, as set out in the Preferred Plan, provide value to ratepayers immediately (e.g., bill savings and avoided supply side fuel costs) and over the long term (e.g., avoided investments in capacity and generation assets).

5.2 PROGRAM DELIVERY COSTS

The Preferred Plan gives due consideration to program delivery costs. E1 has heard some concerns from stakeholders that program delivery costs have increased unreasonably since the last plan. However, E1 submits that the observed changes in unit costs are attributable to identifiable structural (e.g., reduced government funding, evaluation results) and market factors (e.g., further evolution of the lighting market,

[22] M06733, E1 2016–2018 DSM Plan Application, February 27, 2015, Appendix F, Memo to Efficiency Nova Scotia from Philippe Dunsky, DSM Portfolio Design Principles and Considerations, page 2.

particularly in the BNI sector, increased costs of equipment, technology and labour) that are largely beyond E1's control, and that E1 has taken active steps to demonstrate the management and containment of costs within this environment. Notably, customer incentives account for 71 percent of total costs in the Preferred Plan, an increase from 66 percent in the 2026 DSM Plan, reflecting the fact that rising costs are directly attributable to the incentives that provide financial support to customers—either through direct rebates or fully funded upgrades—rather than to administrative or overhead cost growth. This increased share of incentive spending is responsive to customer feedback that they require more financial support to invest in efficiency measures, which is increasingly important in the current economic context. Several factors have contributed to changes in unit delivery costs between the 2023–2026 and 2027–2031 Plan periods:

(a) The conclusion of the federal government's Greener Homes Grant program which provided incentive top ups and subsidized energy audit costs directly impacted costs for the Home Energy Assessment program component. Additionally, incentive top ups for the Affordable Multifamily Housing program component are no longer provided by the Province. E1 has increased incentive levels to maintain participation following the end of this funding, directly increasing per-unit delivery costs attributable to the DSM Plan.

(b) The transition away from low-cost, high-volume lighting measures (LEDs), which historically provided significant savings at very low unit costs, has shifted the portfolio toward deeper, more complex measures such as building envelope upgrades, heat pump installations, and custom commercial projects. These measures deliver greater long-term savings and higher lifetime value per dollar invested, but at a higher first-year unit cost.

(c) Broader inflationary pressures across the Nova Scotia economy-including rising labour costs, supply chain constraints, and increased material costs for energy efficiency equipment have increased the cost of program delivery across the DSM industry, not solely for E1.

(d) The 2024 DSM Evaluation results for residential heat pumps, established through a billing analysis, reduced savings for this measure by approximately 50 percent.

Importantly, while first-year unit costs have increased for the reasons described above, the Preferred Plan's lifetime unit cost of $0.05/kWh reflects the strong long-term value delivered by the portfolio. The shift toward deeper measures with longer measure lives means that each dollar invested delivers savings over a longer period, resulting in a lower cost per unit of lifetime savings. E1 submits that the appropriate

metric for evaluating program delivery cost efficiency is lifetime unit cost, which accounts for the full value of savings delivered over the life of each measure.

In the development of its Preferred Plan, E1 has taken into consideration cost-efficiencies and a full accounting of value to minimize the cost of delivering savings in the near-term and to maximize the value of the savings delivered. E1 commits to controlling costs on an ongoing basis with the continuation of its cost management strategies, which consist of:

- Benchmarking – E1 ensures its costs are aligned with those of other similar industries, organizations, and DSM administrators, where appropriate, through market research and market comparisons prepared by independent third parties. E1 worked closely with subject matter experts to examine current market conditions when considering annual employee compensation changes. E1 also worked with a third-party consultant to review the assumptions in E1's incentive setting methodology that was developed in 2017 to ensure these assumptions remained aligned with other DSM administrators.
- Competitive Procurement – E1 follows rigorous procurement practices to achieve best value by acquiring goods and services through competitive processes. All material contracts for program delivery services, evaluation services, and enabling activities are subject to competitive procurement requirements. E1's procurement framework includes clear evaluation criteria, cost-benefit analysis, and periodic contract reviews to ensure ongoing value. E1 has also leveraged multi-year procurement arrangements where appropriate to secure favourable pricing and reduce transaction costs.
- Independent Reviews – conducting third-party independent audits and reviews to ensure that the organization's key controls are operating effectively and that the reporting of financial and savings results are accurate.
- Process Improvement – E1 takes a strategic approach to process improvement, implementing industry-leading methodologies to maximize cost-effectiveness across all aspects of program delivery. Specific process improvements implemented during the 2023–2026 Plan period and carried forward into the 2027–2031 Plan include: streamlining application and approval workflows to reduce administrative processing time and costs; enhancing digital delivery channels and self-serve participation options to lower per-transaction delivery costs; consolidating delivery agent contracts where possible to achieve economies of scale; and implementing data-driven

program management tools that enable earlier identification of underperforming measures, allowing for timely reallocation of resources to higher-performing program components.

E1's investment in customer incentives continues to be the single largest category of spending, as expected in a resource acquisition model where incentives are the primary mechanism for driving customer participation and measure adoption. E1 has implemented a formal Incentive Setting Process, which was an outcome of the CLEAResult study[23] conducted following the 2016–2018 DSM Plan. The incentive setting methodology is used when adding new measures or changing incentive levels on existing measures to confirm incentive levels fall within an acceptable range. To manage overall investment levels in the Preferred Plan, E1 has reduced full-time equivalent (FTE) staffing in the 2027–2031 Preferred Plan to 106.7 as compared to 114.3 in the 2026 DSM Extension, reduced spending on enabling strategies, and focused resources on proven, cost-effective program delivery. These cost management efforts demonstrate E1's commitment to prudent expenditure control while maintaining program effectiveness.

5.3 AVOIDED ENERGY AND CAPACITY INVESTMENTS

DSM provides value to ratepayers in part by avoiding investments associated with supply side resources. In Nova Scotia, the following categories of avoided system costs are applied to DSM:

- Energy (inclusive of carbon)
- Capacity
- Transmission
- Distribution

Specific programs, program components, and measures will vary in how they impact energy savings and demand savings, and thus avoid investments in energy and capacity.

The Preferred Plan invests in energy and peak demand savings initiatives, as well as demand response available capacity to reduce peak demand during times when its impact is most beneficial to the grid. Like previous DSM Plans, many measures included in the portfolio achieve both energy and peak demand savings. Consistent with the outcome of the IRP, energy efficiency is a key mechanism to ensure that

[23] M07544, EfficiencyOne, Incentive Setting Methodology CLEAResult Report and EfficiencyOne Implementation Plan, Revised March 31, 2017.

ratepayers benefit from the lowest cost solution to system design and operation (aka DSM). E1 recognizes that NS Power has experienced firm demand growth over the past number of years and E1 has grown the demand response program in the 2027–2031 DSM Plan in response.

The Preferred Plan invests in both energy and demand reduction initiatives, balancing the two priorities of avoiding energy and capacity investments. Building on the 2023–2026 DSM Plan, the Preferred Plan is the first time that focused solar-PV activities will be included in an E1 DSM Plan.

5.4 NON-ELECTRIC AND NON-ENERGY BENEFITS

Non-electric and non-energy benefits—such as improved comfort, health and safety, housing quality, productivity, and market awareness—are realized as ancillary outcomes of cost-effective DSM investments rather than as standalone drivers of program scale or selection. These benefits are most pronounced in residential and low-income and equity programs, where energy efficiency measures can materially improve living conditions and reduce energy insecurity, and in business programs, where efficiency improvements can support operational reliability and competitiveness. At the same time, the Plan maintains a disciplined focus on affordability and cost-effectiveness, ensuring that non-energy and non-electric benefits enhance, but do not override, the delivery of long-term system value and ratepayer savings consistent with the Board's mandate.

5.5 DIVERSITY OF PROGRAM DELIVERY

Diversity in program delivery is a key way to minimize risk and involves the diversification of measures, markets and strategies. The Preferred Plan includes a full suite of programs and strategies that seek to address a broad range of opportunities across all residential, and BNI sectors. E1 has developed a diversified portfolio to account for risk from future world changes and to provide a broad program base to maximize equitable participation, which explains why certain of the included opportunities present a higher unit cost, or a lower benefit/cost ratio.

DIVERSE MEASURES

The Preferred Plan continues to evolve E1's measure mix. The Plan features 341 measures, and 11 energy efficiency program components, and 2 demand response program components and one solar-PV program component.

DIVERSE MARKETS

The Preferred Plan also engages in a diverse range of markets. The investment in the Residential and BNI sectors is focused on reducing barriers to reach a wide, diverse range of customers. The target markets include:

- Homeowners
- Renters and/or landlords
- Building owners
- Builders & developers
- Small business
- Industry
- Commercial
- Institutional

The Preferred Plan also focuses on maintaining support for low-income and equity customers. Dedicated low-income and equity savings representing 11 percent of the total residential savings, is aligned with 2023-2026 at 10.5 percent.[24] Additionally, the solar-PV resource that has been introduced in the Preferred Plan, is dedicated to residential customers in Mi'kmaw communities.

DIVERSE STRATEGIES

The Preferred Plan includes diverse strategies recognizing that no single delivery model effectively reaches the full range of customers, market sectors, and technologies served by DSM. The portfolio incorporates a combination of turn-key delivery in partnership with delivery agents, contractor-based delivery, and market-enabled offerings. The portfolio offers a range of delivery strategies inclusive of technical support (such as energy assessments and feasibility studies), point-of-sale and post-purchase rebates, direct installation, and self-serve participation channels. Through Enabling Strategies, efforts to pilot an appropriate market transformation approach to support E1's traditional resource acquisition model will continue in 2027–2031 through the heat pump water heater pilot.

[24] 2023-2025 actual results, plus 2026 Plan as Approved with residential behaviour savings removed from both.

5.6 BUSINESS RELATIONSHIPS AND MAINTENANCE OF MARKET PRESENCE

In developing the 2027–2031 DSM portfolio, E1 gave deliberate consideration to the maintenance of strong business relationships and a stable market presence as essential enablers of effective, cost-efficient program delivery. The portfolio is designed to provide continuity and predictability for market actors, including contractors, vendors, retailers, and service providers, recognizing that sustained engagement and capacity within the delivery network are critical to achieving reliable savings and managing delivery risk.

Portfolio design choices emphasize the continuation and evolution of proven programs rather than abrupt shifts in offerings or funding levels. This approach supports market confidence, enables businesses to plan and invest in workforce and capabilities, and reduces the risk of market exit or capacity constraints that can drive up costs and undermine performance. Where program changes or enhancements are proposed, they are structured to be incremental and informed by evaluation findings, allowing market participants to adapt without disruption.

The portfolio preserves sufficient scale and breadth across customer segments to sustain participation by a diverse range of delivery partners, while continuing to refine delivery models, performance expectations, and cost controls. This balance supports efficient delivery and ensures that DSM remains a visible, credible, and accessible option for customers across the province.

Overall, the Preferred Plan portfolio reflects a measured approach that maintains a strong and resilient DSM marketplace, supports long-term delivery capability, and aligns with the NSEB's expectation that DSM plans be both achievable and prudent, while continuing to deliver value to ratepayers.

5.7 ACCESS TO PROGRAMS BY ALL MARKET SECTORS AND RATE CLASSES BY ADDRESSING BARRIERS TO PARTICIPATION

In developing the Preferred Plan portfolio, E1 ensured equitable access to programs across all market sectors and rate classes by explicitly identifying and addressing barriers to participation. The portfolio design reflects the recognition that customers face different structural, financial, and informational constraints, and that a one-size-fits-all approach can limit uptake and skew benefits toward customers with greater resources or market access.

Equitable access to program benefits across all customer groups is a key consideration in both program and plan design. Unique barriers faced by low-income households, Mi'kmaw communities, rental housing, and small businesses have been considered and addressed through targeted program design, recognizing that equitable access may result in higher per-unit costs that are justified by the broader social and system benefits delivered. In response to stakeholder input and community engagement, the Preferred Plan builds on E1's existing portfolio of equitable programming, to maintain support over the 2027–2031 DSM Plan period.

Across residential and business sectors, common barriers to participation include upfront cost requirements, limited access to capital, lack of awareness or understanding of available programs, transaction complexity, timing and administrative burden, split incentives between landlords and tenants, and constraints related to language, geography, or trust in institutions. For small businesses in particular, barriers also include limited staff capacity to engage with programs, disruption concerns, and difficulty prioritizing energy investments relative to core business needs. For larger and more complex facilities, barriers can include project complexity, coordination challenges, and uncertainty regarding savings realization.

The Preferred DSM Plan addresses these barriers through targeted portfolio design choices. Programs include no-cost or low-cost participation pathways, streamlined application and delivery processes, and enhanced customer support to reduce administrative burden. Delivery models are structured to simplify participation, provide end-to-end project support where appropriate, and align program offerings with customer decision-making timelines. The portfolio also maintains a breadth of offerings across customer classes and technologies to ensure that no single market segment is disadvantaged by program availability or scale.

Recognizing that affordability and access barriers are most acute for low-income and equity groups, the portfolio includes dedicated low-income and equity programming designed to remove financial, informational, and practical obstacles to participation. This includes no-cost delivery of energy efficiency measures, outreach and community-based engagement, and program designs that reduce eligibility complexity and participation requirements. The Preferred Plan introduces a new Mi'kmaw New Home Construction and residential solar-PV offer to ensure continued support to Mi'kmaw communities after the completion of the Mi'kmaw Home Energy Efficiency Project in 2027. Partnerships with community

organizations, and Mi'kmaw communities play a key role in reaching customers who may not otherwise engage with DSM programs.

Overall, the Preferred Plan portfolio reflects a deliberate and balanced approach to access and participation. By addressing known barriers, expanding low-income and equity programming, and maintaining a diverse and inclusive set of offerings, E1 has designed a portfolio that supports broad participation, improves equity of outcomes, and advances the NSEB's expectation that DSM programs serve the interests of all ratepayers.

5.8 RATE IMPACTS

In designing the Preferred Plan portfolio, E1 explicitly balanced near-term rate impacts with the long-term value delivered to ratepayers. The portfolio reflects a measured approach to investment, limiting it to the same investment level as 2026 for each of the five years. This approach paces savings acquisition in a manner that moderates annual revenue requirements while preserving the durable system benefits of demand-side resources. Program design and funding allocations prioritize cost-effective measures with long measure lives, ensuring that near-term expenditures deliver sustained bill and system cost reductions over time.

Rate impacts were further managed through a diversified portfolio that balances residential, business, and low-income programming, avoiding undue concentration of costs on any single customer class. Delivery approaches emphasize proven programs, scalable offerings, and continuous efficiency improvements to control administrative and delivery costs. In addition, targeted low-income and equity programs are designed to mitigate affordability impacts for vulnerable customers by providing no-cost participation and direct bill reductions.

Taken together, the portfolio design reflects a conscious balancing of affordability and value: moderating short-term rate impacts while advancing long-term cost containment, system flexibility, and customer benefits consistent with the NSEB's direction to consider both immediate and enduring impacts on ratepayers.

E1 files a forward-looking Rate and Bill Impact Analysis as part of DSM Plan Application. This has been provided as Appendix B to this Application.

6. PREFERRED PLAN DETAILS

6.1 OVERVIEW

The Preferred Plan represents a comprehensive suite of programs and service offerings which will deliver approximately 435.4 GWh of affordable, incremental net energy savings, 85.0 MW of cumulative system-peak demand savings, 29.3 MW of available capacity from demand response and 1.7 GWH of energy reductions from solar-PV generation to Nova Scotians over the 2027–2031 Plan period. These energy savings reflect approximately 0.8 percent of NS Power's load. The Preferred Plan builds upon past success and further increases the cumulative lifetime benefits for all rate classes.

The Preferred Plan's energy efficiency resource has a first-year unit cost of $0.66/kWh and a weighted average measure life of 12.3 years, resulting in a lifetime unit cost of $0.05/kWh which is significantly lower than NS Power's average cost of fuel at the end of 2025 of $0.093/kWh.

The Preferred Plan closely balances short-term impacts with long-term ratepayer benefits. The Preferred Plan proposes an investment of $318.75 million across the five-year period which maintains the approved investment amount for 2026 of $63.75 million for each year of the 2027–2031 DSM Plan.

6.2 HIGHLIGHTS OF THE 2027–2031 PLAN

Key highlights/portfolio insights of the 2027–2031 Preferred Plan include:

- portfolio cost-effectiveness result of 2.4 for the Program Administrator Cost (PAC) test demonstrating that the portfolio as a whole passes the Board-approved cost-effectiveness threshold;
- investment level of $318.75 million for three DSM resources -– energy efficiency, demand response, solar-PV - as well as for enabling strategies;
- customers who participate in programs are expected to achieve lifetime benefits of $682.5 million;
- by mid-2032, DSM investment will have been recovered from avoided costs – a payback period of under six years; and
- introduction of two new program components: Mi'kmaw New Home Construction and residential solar-PV (a dedicated offering for Mi'kmaw communities).

Table 7: 2027–2031 Plan - Portfolio Level Insights

Insights	2027–2031
Energy Efficiency	
Energy Savings as % of NS Power Load	0.8%
Energy Savings (EE) Split (RES/BNI)	29/71
Demand Savings (EE) Split (RES/BNI)	44/56
Dedicated Low-Income & Equity energy savings as % of total Residential energy savings (GWh)	11%
First-Year Unit Cost ($/kWh)	0.66
Lifetime Unit Cost ($/kWh)	0.05
Demand Response	
Available Capacity (DR) Split (RES/BNI)	13/87
Levelized Unit Cost ($/kW-year)	240.1
Solar-PV	
Installed Capacity (MW)	2
Generation Split (RES/BNI)	100/0
Installed Capacity Split (RES/BNI)	100/0
First-Year Unit Cost ($/kWh)	1.63
Lifetime Unit Cost ($/kWh)	0.05
Total Preferred Plan	
Lifetime Benefits ($ million)	682.5
Program Administrator Cost (PAC) Test	2.4
Investment ($ million)	318.75
First Year Energy Savings (GWh)	435.4
Lifetime Energy Savings (GWh)	5,335.1
Peak Demand Savings (MW)	85.0
Available Capacity (MW)	29.3
First Year Solar-PV Generation (GWh)	1.7
Lifetime Solar-PV Generation (GWh)	52.2
First-Year CO_2e Savings (kt)	68.2
Lifetime CO2e Savings (kt)	380.8

Columns may not add correctly due to rounding.
Currency is expressed in nominal dollars. For the five-year total row, currency is a straight sum of 5 years of nominal values.
Energy efficiency first-year and lifetime unit cost includes Enabling Strategies investment.
Levelized unit cost of demand response is calculated by taking the net present value of investment and available capacity for the total DR program over the 2027-2031 timeframe.
Lifetime benefits for energy efficiency, demand response and solar-PV are expressed as the net present value of the avoided costs, including energy, capacity, transmission, distribution over the life of the program measures, using utility WACC.
Low-Income & Equity Energy Savings are first-year energy savings from dedicated energy efficiency program components (Affordable Multifamily Housing, Affordable Single-family Homes, Mi'kmaw Home Energy Efficiency Project, Mi'kmaw New Home Construction).
PAC is a benefit/cost ratio comparing lifetime benefits to DSM investment. For Demand Response, upfront costs are levelized over ten years.

6.3 RESULTS

6.3.1 PORTFOLIO SAVINGS & INVESTMENT

Table 8 provides portfolio-level savings, inclusive of all proposed DSM resources for the 2027–2031 DSM Preferred Plan.

Table 8: 2027–2031 DSM Preferred Plan Portfolio Savings and Investment

2027-2031 Portfolio												
Year	Investment ($M)	Lifetime Benefits ($ million)	First-Year Energy Savings (GWh)	Peak Demand Savings (MW)	Lifetime Energy Savings (GWh)	Low-Income & Equity Energy Savings (GWh)	Available Demand Response Capacity (MW)	Solar-PV Generation (GWh)	Energy Efficiency Weighted Average Measure Life (years)	Demand Response Weighted Average Measure Life (years)	Solar-PV Weighted Average Measure Life (years)	Program Administrator Cost Test (PAC)
2027	63.75	175.9	121.5	19.7	1,540.6	2.7	21.1	0.0	12.7	1.0	30.0	2.7
2028	63.75	160.3	100.8	18.7	1,214.2	3.1	23.2	0.5	12.0	1.0	30.0	2.5
2029	63.75	150.5	77.7	16.6	937.9	2.9	25.2	0.5	12.1	1.0	30.0	2.3
2030	63.75	144.8	70.3	15.8	855.3	2.7	27.3	0.4	12.2	1.0	30.0	2.3
2031	63.75	135.4	65.2	14.2	787.1	2.5	29.3	0.3	12.1	1.0	30.0	2.1
Total	318.75	682.5	435.4	85.0	5,335.1	14.0	29.3	1.7	12.3	1.0	30.0	2.4

Columns may not add correctly due to rounding.
Currency is expressed in nominal dollars. For the five-year total row, currency is a straight sum of 5 years of nominal values.
Lifetime benefits for energy efficiency, demand response and solar-PV are expressed as the net present value of the avoided costs, including energy, capacity, transmission, distribution over the life of the program measures, using utility WACC.
Low-Income & Equity Energy Savings are first-year energy savings from dedicated energy efficiency program components (Affordable Multifamily Housing, Affordable Single-family Homes, Mi'kmaw Home Energy Efficiency Project, Mi'kmaw New Home Construction).
PAC is a benefit/cost ratio comparing lifetime benefits to DSM investment. For Demand Response, upfront costs are levelized over ten years.

6.3.2 PROGRAM SAVINGS & INVESTMENT

Table 9, below, provides the five-year savings and investment details by program component for the 2027–2031 Preferred Plan. Detailed information by year is provided in Appendix A.

Table 9: 2027–2031 DSM Preferred Plan Savings and Investment by Program Component

2027-2031	Investment ($ million)	Lifetime Benefits ($ million)	First Year Energy Savings (GWh)	Lifetime Energy Savings (GWh)	Peak Demand Savings (MW)	Available Demand Response Capacity (MW)	Solar-PV Generation (GWh)	Weighted Average Measure Life (years)	Program Administrator Cost Test (PAC)
Energy Efficiency (EE) Programs									
Residential EE Programs									
Efficient Product Rebates	20.6	111.1	63.4	691.1	18.7	-	-	10.9	6.3
Instant Savings	*20.6*	*111.1*	*63.4*	*691.1*	*18.7*			*10.9*	*6.3*
Existing Residential	119.3	115.1	61.6	777.5	18.2	-	-	12.6	1.1
Affordable Multifamily Housing	*11.3*	*12.7*	*4.6*	*79.0*	*2.1*			*17.2*	*1.3*
Affordable Single-family Homes	*43.7*	*30.2*	*8.3*	*157.4*	*6.0*			*19.0*	*0.8*
Efficient Product Installation	*39.5*	*33.4*	*39.6*	*362.4*	*2.6*			*9.2*	*1.0*
Home Energy Assessment	*24.3*	*38.3*	*9.1*	*177.3*	*7.5*			*19.4*	*1.8*
Mi'kmaw Home Energy Efficiency Project	*0.6*	*0.5*	*0.1*	*1.3*	*0.1*			*18.6*	*0.9*
New Residential	5.0	3.2	1.1	32.8	0.4	-	-	30.8	0.8
Mi'kmaw New Home Construction	5.0	3.2	1.1	32.8	0.4			30.8	0.8
Residential Total (Incidental + Dedicated) Low-Income & Equity Impacts	*73.9*	*59.0*	*28.6*	*404.7*	*9.6*			*14.1*	*0.9*
Residential EE Programs Subtotal	144.9	229.5	126.1	1,501.5	37.3	-	-	11.9	1.8
Business, Non-Profit & Institutional (BNI) EE Programs									
Efficient Product Rebates	18.1	67.4	50.2	578.7	9.4	-	-	11.5	4.2
Business Energy Rebates	*18.1*	*67.4*	*50.2*	*578.7*	*9.4*			*11.5*	*4.2*
Custom Incentives	67.5	297.3	237.5	2,973.1	32.4	-	-	12.5	4.9
Custom	*62.1*	*285.2*	*218.7*	*2,863.6*	*30.1*			*13.1*	*5.1*
Strategic Energy Management	*5.4*	*12.1*	*18.8*	*109.5*	*2.3*			*5.8*	*2.5*
Direct Installation	27.3	38.0	21.6	281.8	5.9	-	-	13.0	1.6
Small Business Energy Solutions	*27.3*	*38.0*	*21.6*	*281.8*	*5.9*			*13.0*	*1.6*
BNI Low-Income & Equity (EE)	*0.6*	*2.0*	*1.0*	*18.5*	*0.1*			*19.2*	*3.7*
BNI EE Programs Subtotal	112.8	402.6	309.4	3,833.6	47.7	-	-	12.4	4.0
EE Programs Total (Residential + BNI)	257.7	632.1	435.4	5,335.1	85.0	-	-	12.3	2.8
Enabling Strategies (ES)									
Education and Outreach	6.5								
Development and Research	7.1								
Other Enabling Strategies	11.7								
Market Transformation	3.8								
Enabling Strategies Subtotal	29.1								
EE Portfolio Total (EE + ES)	286.8	632.1	435.4	5,335.1	85.0	-	-	12.3	2.5
Demand Response (DR) Program									
Residential Demand Response	10.3	7.2	-	-	-	3.8	-	1.0	0.7
BNI Demand Response	18.8	40.5	-	-	-	25.5	-	1.0	2.4
DR Program Total	29.1	47.7	-	-	-	29.3	-	1.0	1.7
Solar-PV Program									
Residential Solar-PV	*2.8*	*2.8*	-	-	-	-	*1.7*	*30.0*	*1.1*
Solar-PV Program Total	2.8	2.8	-	-	-	-	1.7	30.0	1.1
DSM Portfolio Total (EE + ES + DR +Solar-PV)	318.75	682.5	435.4	5,335.1	85.0	29.3	1.7	-	2.4

Columns may not add correctly due to rounding.
Currency is expressed in nominal dollars. For the five-year total row, currency is a straight sum of 5 years of nominal values.
Lifetime benefits for energy efficiency, demand response and solar-PV are expressed as the net present value of the avoided costs, including energy, capacity, transmission, distribution over the life of the program measures, using utility WACC.
Low-income and equity impacts reflects planned participation by low-income and equity customers. Impacts are from dedicated low-income and equity programs and incidental low-income and equity impacts from non-targeted programs. Numbers are a subset of Existing Residential, New Residential, BNI Efficient Product Rebates, Custom Incentives, and Direct Installation.
PAC is a benefit/cost ratio comparing lifetime benefits to DSM investment. For Demand Response, upfront costs are levelized over ten years.

6.4 KEY ENHANCEMENTS FOR 2027–2031

The 2027–2031 DSM Plan (Appendix A) provides fulsome program details on the activities proposed as part of the Purchase Agreement. Table 10, below provides the modifications and enhancements in the 2027–2031 Plan as compared to the approved 2023–2026 Plan.

Table 10: 2027–2031 Enhancements

Program	Program Component	Changes from 2023–2026 Plan	2027–2031 Status
Residential Efficient Product Rebates	Appliance Retirement	• Component ended in 2025 following declining savings, rising delivery costs, and limited availability of service providers	• Retired (pre-2027)
	Instant Savings	• In 2025, transitioned to year-round rebates following adoption of LED baseline • Expansion of rebate categories to include space heating equipment, which is expected to be delivered to customers mid-stream when purchasing from select installers • Securing additional retailer partnerships. This may include recruiting online-exclusive marketplaces (e.g., Amazon), online storefronts (e.g., Shopify), and expanding online rebate options through existing in-store retailers	• Modified
Existing Residential	Affordable Multifamily Housing	• Incentive levels increased following conclusion of provincial DSM top-up funding	• Modified
	Affordable Single-family Homes	• Heat pump cleaning added as a new measure • Website updates to enhance customer experience (e.g., portal to check application status) and improve communication throughout the customer journey (communication on application status, next steps, eligible upgrades, and preparing the home for upgrades)	• Modified
	Efficient Product Installation	• Continued support	• Continued
	Green Heat	• Component concluded in 2025 due to declining participation and savings	• Retired (pre-2027)
	Home Energy Assessment	• Higher customer rebates to help address the rising costs of home retrofits. • Elimination of the customer co-pay for “D” audits	• Modified
	Mi’kmaw Home Energy Efficiency Project	• Program delivery concludes in 2027 • Homes that received heat pump installations via the program to date will be offered no-cost heat pump cleanings in the following years to ensure any equipment installed through the program continues to perform well. This	• Concluding (2027)

Program	Program Component	Changes from 2023–2026 Plan	2027–2031 Status
		maintenance service will be managed through the Affordable Single-family Homes program component, which is also offering heat pump cleanings.	
	Residential Behaviour	• Program delivery concluding in 2026	• Retired (pre-2027)
New Residential	Mi'kmaw New Home Construction	• New program component introduced to support high-performance new home construction in Mi'kmaw communities	• New
BNI Efficient Product Rebates	Business Energy Rebates	• Expansion of measure categories offered in Instant Rebates (commercial kitchen/ laundry equipment and smart thermostats)	• Modified
Custom Incentives	Custom	• Continued support • Better support for E1's BNI Demand Response program component by encouraging customers to install demand response event compatible equipment and participate in events	• Continued
	Strategic Energy Management	• Continued support	• Continued
Direct Installation	Small Business Energy Solutions	• Higher customer rebates to help address the rising costs of retrofits.	• Modified
Demand Response	Residential Demand Response	• Continued support by maintaining existing assets	• Continued
	BNI Demand Response	• Continued support	• Continued
Solar-PV	Residential Solar-PV	• New residential solar-PV offering introduced; coordinated with Mi'kmaw New Home Construction	• New
Enabling Strategies	-	• Market Transformation introduced as a new Enabling Strategies category, in addition to Education & Outreach, Development & Research, and Regulatory Affairs • Success metrics introduced for each category • Innovation Plan and Process	• New

7. PERFORMANCE TARGETS

E1's success in implementing an approved DSM Plan is evaluated through Performance Targets. The Standardized Filing Framework sets out the performance targets and thresholds which must be met through the execution of the DSM Plan. The proposed performance targets and threshold are consistent with those outlined in the Standardized Filing Framework which was updated by E1 and the DSMAG in 2026 as part of 2027–2031 Plan development and provided as Appendix F to this application. The current NSEB-approved Performance Targets are:

- Cumulative energy savings;
- Cumulative peak demand savings;
- Cumulative energy savings for dedicated low-income and equity programs; and
- Available capacity from demand response.

For the first time, E1 is proposing targeted solar-PV activities under its Preferred Plan and a new Performance Target for this resource.

Where a minimum of 90 percent achievement is reached with respect to each of the approved performance targets, E1 is deemed to be in substantial compliance with the Performance Targets. The Performance Targets apply, and are evaluated, to the period of the NSEB-approved Purchase Agreement, rather than annually.

The Preferred Plan sets out five proposed Performance Targets included in Table 11, below.

Table 11: Proposed 2027–2031 DSM Preferred Plan Performance Targets

DSM Resource	Energy Savings (GWh)	Peak Demand Savings (MW)	Low-Income & Equity Energy Savings (GWh)	Available Demand Response Capacity (MW)	Solar-PV Generation (GWh)
Energy Efficiency	435.4	85.0	14.0	-	-
Demand Response	-	-	-	29.3	-
Solar-PV	-	-	-	-	1.7
Total	435.4	85.0	14.0	29.3	1.7

8. REPORTING AND REVIEW

8.1 MID-COURSE ADJUSTMENT PROCESS

On the issue of Mid-Course Adjustments (MCAs), the NSEB in its Decision in the 2026 Extension Plan (M12249) stated:

> [73] The concerns raised by the Industrial Group are serious. The potential for E1 to proceed with relatively unrestrained changes to ensure it meets its own performance targets and objectives at the cost of hardship and prejudice to the rate classes who are funding E1's work needs to be revisited, particularly now that its DSM Plans will only be reviewed every five

> years. While the NSEB accepts E1's legitimate need for some flexibility, the NSEB finds the process now is unbalanced. Ratepayers in classes affected by E1's adjustments need more opportunity to consider and object to these changes before they are made. The NSEB directs E1 to discuss this issue further with the DSMAG and include a revised process for making mid-course adjustments in its upcoming DSM Plan application.

E1 has acknowledged the concerns raised by members of the DSMAG and engaged in discussions on these matters and understands the concerns to be:

- E1 should spend DSM funding in the rate classes as it was approved by the NSEB; and
- E1 should manage spending at the rate class level in addition to at the program level, to mitigate the unanticipated cost impacts arising from variances in E1's planned DSM expenditures as compared to the actual DSM expenditures by customer class noting that these variances could result in unexpected and significant impacts on customer classes where these costs have shifted by rate class.

E1 wants to clarify that the issues as identified above are not created by the actual MCAs, but rather by the actual rate class spending compared to the rate class spending projected in the DSM Plan. However, it is understood that the MCAs may influence the actual spending by rate class and as such E1 is introducing further improvements. E1 is confident that the introduction of rate class spending to the proposed MCA Process is responsive to both issues.

In the NSUARB's decision on the 2016–2018 DSM Plan the Board noted that El had sought the ability to make changes of up to 25 percent in targeted savings and investments at the **sector** level so that it could make any appropriate adjustments as the programming evolves. Section 5 of the Consensus Agreement[25] allowed E1 to make such changes at a program level, and requires it to provide explanations of changes exceeding 25 percent at the program level. The Consensus Agreement also provided that E1 would "use reasonable efforts to avoid program changes that will result in substantial changes to any customer class on an annual basis", and to give written notice of intent to implement any mid-course adjustments. In its closing submission, the Industrial Group asked the NSUARB to deny the request by E1 to permit moving

[25] M06733, NSUARB Decision, E1 2016–2018 DSM Plan, October 7, 2015, Schedule B: Consensus Agreement, Schedule B, section 5.

up to 25 percent at a sector level "…if on an annual basis, it will impact customer classes greater than 25 percent. In their decision, the NSUARB noted it:[26]

> The Board is satisfied that the provisions of the Consensus Agreement adequately address the ability of El to make mid-course adjustments and allow sufficient flexibility at the program level. Limiting the 25% adjustments to programs rather than sectors will reduce potential impacts at the customer class level. The Board does not consider it necessary to address this at the sector level, given E1's approach to the impact on customer classes. The Board also notes that the Industrial Group is a signatory to the Consensus Agreement.

E1 is recommending that the proposed MCA process be included within the Standardized Filing Framework. E1 will update this section of the Standardized Filing Framework to reflect the NSEB's decision on this matter. The proposed process is now expanded to include spending thresholds on rate class spending. E1 believes that this addition is responsive to the concerns heard from DSMAG members.

E1 has and will continue to be responsive to concerns and is mitigating the magnitude of the Balance Adjustment in the next DSM Plan's DSM Cost Recovery Rider through the proposed MCA Process.

In the 2026 DSM Extension matter, E1 agreed to the following enhancements:

- Improve the accuracy of estimates used for the rate class allocation of expenditures in the DSM Plan by using a minimum of three years of historical data;
- Provide enhanced rate class reporting to address concerns, for example, year-end forecast and Plan period forecast to provide an outlook on projected rate class expenditures for the entire Plan period and the anticipated variances from the approved DSM Plan; and
- Monitor program spending against the DSM Plan and to clarify any variances within the approved thresholds.

These enhancements have been implemented and are included in the proposed mid-course adjustment process.

E1 is also proposing further enhancements including:

[26] M06733, NSUARB Decision, E1 2016–2018 DSM Plan, August 12, 2015, page 37, para 114.

- Reducing the threshold from 25 percent to 20 percent for program changes both spending and savings that require explanations.
- Introducing a spending threshold of 15 percent for rate class spending changes that require explanations.
- Prior to filing the MCAs in E1's Q1 Report, the DSMAG will be provided the draft mid-course adjustments with explanations and given a two-week comment period. E1 will respond to the comments prior to E1 including the mid-course adjustment in the Q1 Report.
- The MCAs will be added as an agenda topic to the annual DSMAG session.
- The MCA Process will be included in the Standardized Filing Framework.

While achieving DSM Plan approved performance targets continues to remain a priority and maintaining flexibility is important for E1, the proposed MCA process rebalances that flexibility and confirms E1's commitment to considering rate class spending when reallocating funding between programs. The revised MCA process is further described in Section 13.3 of Appendix A. E1 has included a placeholder for the MCA process within the Standardized Filing Framework in Appendix F which will be finalized and inserted following the Board's decision on this matter.

8.2 MID-TERM CHECK-IN

Following the 2022 amendment to the *PUA* extending DSM Plans from three years to five years, DSMAG members expressed concerns regarding performance risk and oversight over the longer plan term. In response to stakeholder feedback, E1 proposes a structured mid-term check-in process to provide transparency and opportunities for meaningful review and discussion of implementation progress, results, and trends.

E1 currently provides regular and ad-hoc reporting (as requested/required by the Nova Scotia Energy Board (NSEB)) throughout Plan implementation:

- Quarterly Progress Reports
- Annual Progress Reports
- Annual Evaluation Reports
- Annual Financial Statements

Additionally, the NSEB provides ongoing oversight of E1 throughout Plan implementation and retains full authority to initiate a review or investigation at any time as it deems appropriate. E1 understands that DSMAG members are seeking a defined process for a mid-term check-in that provides structured opportunities for review and engagement. The mid-term check-in proposed below is intended to enhance transparency and stakeholder engagement during plan implementation, but does not constitute a full plan reopening or amendment process, nor does it alter E1's approved performance targets or total spending authority. To treat the mid-term check-in as a vehicle for reopening the approved Plan would frustrate the Legislature's express purpose in extending the DSM plan term from three to five years, which, as noted in Section 2.1.1 of this Evidence, was specifically intended to save time, money, and resources by reducing the frequency of full regulatory proceedings. E1 has outlined its proposed mid-term check-in process below.

E1 proposes to hold a mid-term session with the DSMAG at the mid-point of the Plan implementation period, during the first quarter of 2029. The purpose of this session is to provide stakeholders with a comprehensive review of: (i) cumulative progress toward approved performance targets; (ii) rate class spending trends and variances; (iii) evaluation findings and lessons learned; (iv) market conditions affecting plan delivery; and (v) any implementation challenges or opportunities. E1 will provide materials in advance of the session and will invite written stakeholder comments either in advance or following the session, similar to the DSMAG consideration approach used by the NSEB for DSM Annual Progress Reports and Evaluation Reports. E1 will also offer one-on-one meetings with interested stakeholders as part of this mid-term process.

E1 is also proposing the following enhancements to its current annual reporting:

- Annual DSMAG sessions: Each year, following the filing of the Annual Progress Report (APR) and Evaluation Report, E1 will hold an annual session with the DSMAG to review and discuss progress towards Plan implementation, mid-course adjustments (if applicable), rate class spending and related matters. These sessions will occur in Q2 of each year and may include opportunities for the DSMAG to provide written feedback. E1 will proactively convene these sessions recognizing that the NSEB may also initiate a DSMAG consideration process for these reports at its discretion.

- Annual one-on-one stakeholder meetings: After filing the APR and Evaluation Report each year, E1 will provide the opportunity to meet with stakeholders individually to address questions and discuss results. These meetings will be held in Q2 of each Plan year.
- Expanded content in E1's reporting: To support stakeholder understanding of annual and cumulative performance against the five-year Plan targets, E1 intends to include year-to-date and cumulative progress towards the approved five-year performance targets in its Quarterly reports (E1 provides this currently in its Annual Progress Reports).

The mid-term check-in process described above is designed to enhance transparency and stakeholder engagement but does not constitute a plan amendment proceeding or create any obligation for E1 to seek plan amendments. Should circumstances arise during plan implementation that, in E1's reasonable assessment, may necessitate changes to approved investment levels, performance targets, or other material plan elements requiring NSEB approval, E1 will provide advance notice to the DSMAG and file an appropriate application with the NSEB in accordance with the *PUA*. Such circumstances might include, for example, significant and unforeseen changes in avoided costs, material shifts in market conditions or technology availability, legislative or regulatory changes affecting DSM delivery, or other extraordinary events materially impacting plan feasibility or ratepayer value. E1 does not anticipate the need for such amendments. Nothing in this section limits the NSEB's existing statutory authority under the *PUA* to review E1's activities, to establish or modify performance requirements under section 79M, or to initiate modifications to approved plans where circumstances warrant such action in the public interest.

8.3 OTHER REPORTING PROCESSES

E1 will submit six reports annually to the NSEB, including quarterly reports (Q1-Q3), an annual progress report, annual DSM program evaluation reports, and annual audited financial statements. Over the 2027–2031 Plan period, this results in a total of thirty DSM reports. In addition, historically the NSEB's savings verification consultant conducts an independent annual review of E1's evaluated savings, which is filed with the NSEB to confirm the accuracy of the reported evaluated results.

These reports, filed with the NSEB, provide opportunities for DSMAG member questions and comments, either directly to E1 or through a NSEB regulatory process. Additionally, the NSEB can initiate a review process at any time as it deems appropriate. E1 intends to follow the current NSEB approved measurement and evaluation activities as established for the 2023–2026 Plan period. This includes an

annual impact evaluation for each program. Further detail on the quarterly reports, annual, evaluation and financial reports are set out in Appendix A, section 13.

9. ALTERNATE SCENARIO

9.1 OVERVIEW

Pursuant to the NSUARB directive,[27] E1 is required to file one or more alternate scenarios (the "Alternate Scenario") in addition to its Preferred Plan filing. In the stakeholder engagement process preceding this Application, E1 considered and modelled various scenarios inclusive of energy efficiency, demand response, solar-PV and strategic electrification, with both higher and lower investment levels. Directionally, most stakeholder engagement signaled the need for increased consideration of short-term affordability impacts given the current economic landscape facing Nova Scotia residents and businesses. In compliance with the Board's directive, E1 is providing this Alternate Scenario, as a fully costed DSM scenario.

9.2 SCENARIO IN ACCORDANCE WITH THE STANDARDIZED FILING REQUIREMENTS.

The Alternate Scenario represents a total investment in energy efficiency, demand response and solar PV of $308.4 million over the 2027–2031 DSM Plan. The design approach maintained the levels of energy efficiency savings and investment for low-income and equity customers and solar-PV contained in the Preferred Plan and reduced demand response through the elimination of the Eco Shift program component. This approach was taken to balance multiple DSMAG perspectives including concerns regarding levels of energy efficiency savings for low-income and equity seeking Nova Scotians and concerns of failing cost effectiveness results for Eco Shift over the five-year plan period.

10. CONCLUSION

Based on the supporting Evidence and Appendices, E1 respectfully requests approval from the Energy Board for the Preferred Plan and related Purchase Agreement with NS Power.

[27] M06733, NSUARB Order, E1 2016–2018 DSM Plan, October 7, 2015, item 12.

The Preferred Plan has been designed to fulfill the statutory purpose of DSM under the *PUA*: to reduce electricity costs for customers. The Preferred Plan prioritizes near-term affordability by constraining annual investment to the 2026 approved level of $63.75 million for each year of the five-year term, resulting in a total investment of $318.75 million, while continuing to deliver cost-effective energy savings, demand reduction, and system benefits for all NS Power ratepayers. The Preferred Plan delivers 435.4 GWh of incremental cumulative net energy savings, 85.0 MW of cumulative peak demand savings, 14.0 GWH of incremental cumulative net energy savings from dedicated low-income and equity programs, 29.3 MW of available capacity from demand response, and 1.7 GWh of energy reductions from customer-sited solar-PV generation, at a lifetime unit cost of $0.05/kWh-significantly lower than NS Power's average cost of fuel.

E1 submits that the Application satisfies both prongs of the mandatory approval test under section 79L(4) of the *PUA*.

First, the Application satisfies all requirements of section 79I of the *PUA*:

(a) The Purchase Agreement is for a term of five years (2027–2031), as required by section 79I(2)(a);
(b) The Preferred Plan, attached as Appendix A, describes in detail the DSM that E1 will provide to NS Power, as required by section 79I(2)(b);
(c) The Application identifies the amount NS Power will pay E1 for the supply of DSM, as required by section 79I(2)(c); and
(d) The Purchase Agreement includes all other reasonable terms, as required by section 79I(2)(d), and is attached in redline form as Appendix D and in clean form as Appendix E.

Second, the Preferred Plan is in the best interests of NS Power's customers because it:

(a) reduces electricity costs through cost-effective DSM that passes the Program Administrator Cost test at the portfolio level with a benefit-cost ratio of 2.4, confirming that DSM remains a lower-cost alternative to supply-side resources;
(b) balances near-term affordability with long-term value by constraining investment to 2026 levels, during a period of significant cost-of-living challenges for Nova Scotians;

(c) provides equitable access to DSM benefits across all customer classes and rate classes, with dedicated support for low-income and equity-seeking groups, including new offerings for Mi'kmaw communities;
(d) delivers substantial energy savings and demand reduction at a lifetime unit cost well below the cost of supply-side alternatives, thereby avoiding more costly investments in generation, capacity, transmission, and distribution;
(e) maintains program diversity, market presence, and delivery capacity to ensure achievability over the five-year term and to preserve the infrastructure necessary to scale toward IRP-identified savings levels in future plan periods; and
(f) is consistent with the direction of NS Power's IRP, which identifies DSM as a key component of the least-cost resource portfolio.

The Application also satisfies the considerations set out in section 6(2) of the *ERBA*. The Preferred Plan supports competition and innovation through research investments into new DSM approaches, including strategic electrification; supports the development of a competitive electricity market by providing least-cost energy options; ensures the provision of safe, secure, reliable, and economical energy supply by reducing supply requirements; and supports sustainable development and sustainable prosperity through the reduction of energy consumption and associated GHG emissions.

E1 has demonstrated compliance with all applicable NSEB directives from the 2023-2025 DSM Plan Decision, the 2025 BCA Decision, and the 2026 DSM Extension Decision, as detailed in Section 2 of this Evidence. In particular, E1 has:

(a) used the PAC test as the primary cost-effectiveness screening tool, using NS Power's WACC as the discount rate, with cost-effectiveness assessed at the portfolio level;
(b) assessed strategic electrification using the modified-PAC test including increased utility revenues, and excluded strategic electrification as a resource because modelled scenarios did not demonstrate a reduction in both GHG emissions and electricity costs, while allocating funding for continued research and development;
(c) provided specific justification for each measure that does not independently pass the cost-effectiveness test;

(d) included measure-level payback information and provided considerations for measures with payback periods of three years or less;
(e) developed and included a revised mid-course adjustment process with enhanced rate class spending thresholds and DSMAG engagement, in response to the NSEB's direction in the 2026 Extension Decision;
(f) responded to concerns with E1's Residential Behaviour and Demand response program, including the overlap with rate signals and locational DR; and
(g) developed an Innovation Framework, Process and Plan for 2027–2031.

E1 proposes five Performance Targets for the 2027–2031 Plan period, as set out in Section 7 of this Evidence: (1) cumulative energy savings; (2) cumulative peak demand savings; (3) cumulative energy savings for dedicated low-income and equity programs; (4) available capacity from demand response; and (5) solar-PV generation. Consistent with the Standardized Filing Framework, E1 will be deemed in substantial compliance where a minimum of 90 percent achievement is reached with respect to each approved Performance Target over the five-year plan period.

E1 also proposes a structured mid-term check-in process, enhanced annual reporting, annual DSMAG sessions, and one-on-one DSMAG meetings to provide transparency and meaningful DSMAG engagement throughout Plan implementation, as described in Section 8 of this Evidence.

This Application has been filed nine months in advance of January 1, 2027, in compliance with section 79J of the PUA, which requires the franchise holder to file the new five-year agreement in sufficient time to allow the NSEB to approve it prior to the commencement of the new plan period.

E1 therefore respectfully requests that the Energy Board issue an Order:

(a) approving the 2027–2031 Demand Side Management Preferred Resource Plan, as set out in Appendix A;
(b) finalizing and approving the DSM Purchase Agreement between EfficiencyOne and Nova Scotia Power Incorporated for the term January 1, 2027 to December 31, 2031, on such terms as the NSEB considers appropriate, substantially in the form attached as Appendix D;
(c) approving the Performance Targets as proposed in this Application; and

(d) granting such further and other relief as the NSEB considers just and appropriate.

In the alternative, and in the event that a final decision on the full Application cannot be rendered prior to January 1, 2027, E1 respectfully requests that the NSEB issue an interim order approving the 2027 funding level to ensure continuity of DSM programs and to allow NS Power to collect the necessary funds from ratepayers commencing January 1, 2027, consistent with the requirements of section 79J of the *PUA*.

Appendix A: Preferred Plan

2027-2031 DSM Resource Plan

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GLOSSARY OF TERMS

Term	Definition
Alternate Scenario	E1 provides one or more alternate scenario(s) with the same portfolio-level metrics as E1's proposed DSM Resource Plan (i.e., the Preferred Plan).
Available Demand Response Capacity	The capacity available to NS Power to reduce system peak demand via demand response events.
Balance Adjustment	The Balance Adjustment (BA) is the mechanism within the DSM Cost Recovery Rider (DCRR) that trues up the rate class spending and rate class collections. E1 is responsible for providing information to inform the spending true-up for each rate class. This true-up compares the spending by rate class as approved in the DSM Plan to the actual spending by rate class for the same Plan period. The true up is completed at the end of the DSM Plan period not on an annual basis, typically two years after the DSM Plan completion.
Baseline	Baseline is the reference (e.g., pre-existing or standard) measure or equipment chosen to be compared with the efficient measure

Term	Definition
	or equipment. For the reference measure or equipment, the baseline may include such information as the hours of operation, wattage, and base consumption.
Cumulative savings	Sum of incremental savings achieved over a specified period.
DSM Cost Recovery Rider	The DSM Cost Recovery Rider (DCRR) is the mechanism by which NS Power recovers the costs of E1's Energy Board approved DSM Plan. The DCRR is comprised of the Program Cost Recovery (PCR) and a Balance Adjustment (BA).
DSM Forecast	E1 prepares an updated forecast that includes both spending and savings by program each quarter. These are compared to both the DSM Plan as approved and the Mid-Course Adjustment (if applicable).
DSM Resource Plan	E1's multi-year filing describing proposed DSM resources, budgets, savings, and performance metrics for approval. The approved DSM Plan establishes E1's performance targets, program spending and targets, and the rate class spending for each of the years included in the DSM Plan.
DSM resource	Category of DSM activity such as energy efficiency, demand response, strategic electrification, or solar-PV, or other DSM resources.
Demand Response	Demand response measures generate savings that reduce load or provide available capacity in response to events called by the utility, typically 1-4 hours during peak periods.
Effective Useful Life	The period a measure is expected to be in service and provide both energy and peak demand savings. This value combines equipment life and measure persistence.
First-year savings	The first full year of energy or peak demand savings generated by an energy efficiency measure.
First-year unit cost	First-year unit cost is the quotient of first-year energy savings and investment.
GHG emissions	Greenhouse Gas emissions. Avoided GHG emissions would be derived from reduced energy use.
Incremental annual savings	Savings achieved in a single year as a result of energy-efficiency measures installed or program activity during that year (i.e., one year of impacts).
Investment	The electric ratepayer funding of DSM activities delivered by E1, unless otherwise specified.
Lifetime benefits	Present value of the avoided costs attributable to DSM (energy, capacity, transmission, distribution, carbon). For Demand Response, benefits include avoided capacity, transmission, and distribution. Discount using NS Power's weighted average cost of capital (WACC).
Lifetime energy savings	The energy savings that occur over the lifetime of an energy efficiency measure. Lifetime energy savings account for a

Term	Definition
	measure's effective useful life and any increase in the baseline efficiency level (which reduces attributable annual savings) over its lifetime.
Lifetime unit cost	Lifetime unit cost is the quotient of lifetime energy savings and investment.
Mid-Course Adjustment	Mechanism to adjust annual program-level budgets and savings in a given Plan year from those set out in the original approved DSM Plan, in order to respond to market conditions and program performance changes that were not known at the time of Plan development. Mid-course adjustments are not a mechanism to revise Energy Board approved Performance Targets.
Net savings	Energy or peak demand savings that can be reliably attributed to a program. This includes effects such as free-ridership and spillover that negatively or positively affect the savings attributable to a program.
Peak demand savings	The demand savings that coincide in time with the expected annual peak demand period of the entire electricity system. For industrial participants on an interruptible rate, peak demand savings may include savings on non-firm loads, i.e., loads that may be interrupted when Nova Scotia Power's 10-minute reserve is low.
Plan period	The five-year term covered by the DSM Resource Plan, unless otherwise specified.
Portfolio	Aggregate of all DSM resources proposed in a DSM Plan.
Preferred Plan	E1's proposed DSM Resource Plan for the upcoming period.
Program Administrator Cost (PAC) test	Primary cost-effectiveness screen at the portfolio level, discount using NS Power's WACC. Strategic electrification is assessed using a modified PAC that includes the incremental utility revenues and must both greenhouse gas emissions and electricity costs for customers.
Program Cost Recovery	The Program Cost Recovery (PCR) is the mechanism within the DCRR that NS Power uses to calculate the recovery from ratepayers to fund the DSM Plan. E1 provides NS Power with the spending by rate class by year that has been approved by the Energy Board as part of the DSM Plan Application.
Program Spending and Targets	Program spending and targets are approved as part of E1's DSM Plan Application. Progress on the program spending and targets are included in the DSM Quarterly Reports.
Rate and Bill Impact Analysis (RBIA)	Forward-looking RBIA assesses projected impacts of the proposed Plan; historical RBIA summarizes impacts of DSM to date.
Rate Class actual spending	Rate class actual spending by program is reported in E1's Annual Progress Report and Quarterly Reports. E1 also provides this information to NS Power upon request.

Term	Definition
Strategic Electrification	DSM activities that shift end-uses from fossil fuels to electricity while reducing both GHG emissions and electricity costs for customers.
System peak	The highest level of electricity demand experienced on the Nova Scotia electricity system during a defined period.
Threshold	Within the mid-course adjustment process, the threshold represents an approved percentage that E1 can vary from the Energy Board approved spending (program or rate class) and program targets without providing a detailed explanation for the variance.
Weighted Average Measure Life	Average measure life weighted by each measure's share of total savings.

ACRONYMS

Acronym	Definition
AMI	Advanced metering infrastructure
APR	Annual Progress Report
BCA	Benefit Cost Analysis Test
BNI	Business, non-profit, and institutional
CFLs	Compact fluorescent lamps
DER	Distributed Energy Resources
DSM	Demand Side Management
DSMAG	Demand Side Management Advisory Group
DR	Demand Response
E1	EfficiencyOne
EV	Electric Vehicle
GHG	Greenhouse Gas
HVAC	Heating, Ventilation, Air Conditioning
IRP	Integrated Resource Plan
LED	Light-emitting diode
MCA	Mid-Course Adjustment
NSIESO	Nova Scotia Independent Energy System Operator
NSEB	Nova Scotia Energy Board
NSUARB	Nova Scotia Utility and Review Board (now the Nova Scotia Energy Board)
NRCan	Natural Resources Canada

Acronym	Definition
NS Power	Nova Scotia Power Incorporated
PAC	Program Administrator Cost Test
PUA	Public Utilities Act
RBIA	Rate and Bill Impact Analysis
Solar-PV	Solar Photovoltaic
WACC	Weighted Average Cost of Capital
TVP	Time-Varying Pricing
YTD	Year-to-date

1. INTRODUCTION

The 2027–2031 DSM Resource Plan sets out E1's Preferred Plan for the delivery of demand-side management (DSM) programs and services over the five-year Plan period (herein referred to as the "2027–2031 DSM Preferred Plan" or "Preferred Plan"). Filed pursuant to the *Public Utilities Act (PUA)*, the 2027–2031 DSM Preferred Plan is designed first and foremost to reduce electricity costs for customers. The Preferred Plan delivers cost-effective demand-side management that is reasonably available in an effort to reduce costs for customers, and is consistent with the statutory requirement that DSM be undertaken in the best interests of Nova Scotia Power Incorporated (NS Power) customers.

The Preferred Plan builds on E1's experience delivering DSM programs in Nova Scotia since 2010. The Plan is achievable, focusing on the provision of services for which E1 has a proven track record of successful implementation, incorporating lessons learned from over a decade of plan delivery, and responding to the Nova Scotia Energy Board's ("NSEB" or "Energy Board") recent decisions on cost-effectiveness considerations. Energy efficiency remains the foundation of the 2027–2031 Preferred Plan portfolio, complemented by growth in demand response, and the introduction of solar photovoltaic (solar-PV) support for Mi'kmaw communities.

Together these DSM resources comprise E1's 2027–2031 DSM Preferred Plan, delivering significant lifetime customer benefits ($682.5 million), maintaining ratepayer affordability in the short and long-term, and demonstrating portfolio-level cost-effectiveness with a Program Administrator Cost (PAC) test result of 2.4.

In developing the 2027–2031 DSM Preferred Plan, E1 placed a deliberate emphasis on maintaining affordability for Nova Scotia ratepayers, both in the short and long-term. To that end, the Preferred Plan maintains annual DSM investment at the 2026 DSM Extension approved investment level of $63.75 million, with no annual inflationary increases to the investment, for each year of the 2027–2031 DSM Preferred Plan. This approach reflects current economic, affordability, and rising cost of living challenges facing Nova Scotians and responds to these unique economic conditions and DSM Advisory Group (DSMAG) members and NSEB feedback emphasizing the importance of balancing long-term system benefits with near-term impacts. E1 does not view this approach as establishing a standard for future DSM Plan investment levels; those will be determined by considering affordability alongside other relevant conditions and evidence when each Plan is developed.

As a result, the Preferred Plan is not a growth Plan. It represents a continuation of DSM delivery with a focus on maintaining short-term affordability and delivering E1's proven, cost-effective DSM programs with targeted program updates that reflect market evolution, including the introduction of solar-PV to support residential customers in Mi'kmaw communities.

1.1 OBJECTIVES OF THE 2027–2031 DSM PREFERRED PLAN

E1's objectives for the 2027–2031 DSM Preferred Plan include:

1. deliver cost-effective demand side resources that support the successful implementation of a long-term electricity strategy that is in the best interest of ratepayers, is achievable, and prioritizes affordability;
2. deliver a portfolio of demand side management services that are accessible on an equitable basis and non-discriminatory basis, are responsive to the current market, and consider potential future market developments; and
3. conduct a transparent and collaborative demand side resource planning process that demonstrates consideration of stakeholder insight, and encourages alignment among DSMAG members.

1.2 REPORT ORGANIZATION

Appendix A provides the following:

- overview of the development of the Preferred Plan including approach and methodology;
- overview of the proposed portfolio and program targets, investment levels, and performance metrics for the Preferred Plan;
- a detailed description of the direction that E1 is taking DSM programs for the next five years (i.e., energy efficiency, demand response, and solar-PV); and
- description of activities that form the basis of a DSM Purchase Agreement made pursuant to s 79 of the *PUA* (provided in redline form as Appendix D and in clean form as Appendix E).

The report is organized as follows:

- Section 2 provides the previous Plan's DSM results (2023–2025 and historical results since 2012);
- Section 3 describes the 2027–2031 DSM Preferred Plan's development approach;
- Section 4 provides an overview of the Preferred Plan's portfolio, including savings and investment;

- Section 5–8 describes the Preferred Plan's programs;
- Section 9 describes Enabling Strategies that support program delivery;
- Section 10 sets out proposed performance requirements and metrics for the 2027–2031 DSM Preferred Plan; and
- Sections 11 and 12 describes evaluation activities and Section 13 outlines DSM reporting.

2. PREVIOUS DSM PLAN RESULTS

2.1 2023–2026 DSM PLAN

E1's current approved DSM Plan (2023–2026) provides for the delivery of DSM programs through the end of 2026.[1] With three of the four Plan years now complete, E1 has made substantial progress towards the achievement of its four performance targets approved by the Energy Board. The four approved performance targets over the 2023–2026 Plan period include energy savings, demand savings, available demand response capacity, and energy savings applicable to Affordable Multifamily Housing, Affordable Single-family Homes, and Mi'kmaw Home Energy Efficiency Project.[2]

To date, the results for the completed years (2023, 2024, and 2025) demonstrate achievement of approximately 82 percent of the 2023–2026 energy savings performance target, 84 percent of the demand savings target, 42 percent of the available demand response capacity target and 84 percent of the energy savings target applicable to Affordable Multifamily Housing, Affordable Single-family Homes, and Mi'kmaw Home Energy Efficiency Project. Available demand response capacity results to date reflect the gradual ramp-up of this program in the early years of the Plan, with the gap in available demand response capacity addressed in 2026.

When the 2026 approved DSM Extension is considered alongside the 2023–2025 actual results achieved to date, E1 is projected to achieve the 90 percent compliance threshold for all four 2023–2026 performance targets at the end of the Plan period (December 31, 2026).

[1] M10473, E1's 2023-2025 DSM Plan Compliance filing was approved by the NSUARB on November 8, 2022. M12249, E1's 2026 DSM Extension Application filing was approved by the NSEB on December 22, 2025. Together, the two approved filings are hereinafter referred to as the 2023–2026 DSM Plan.
[2] M12249, NSEB Decision, 2026 DSM Extension, December 22, 2025, page 33, para 90.

Table 1, below, provides portfolio-level actual results for 2023, 2024, and 2025 compared to the approved 2023–2026 Plan. E1 has also provided 2023–2025 actual results plus the approved 2026 DSM Extension compared to the approved 2023–2026 Plan for additional context.

Table 1: 2023–2026 Approved Plan and Results

	Year	Investment ($ million)	Lifetime Benefits ($ million)	First-Year Energy Savings (GWh)	Lifetime Energy Savings (GWh)	Peak Demand Savings (MW)	Available Demand Response Capacity (MW)	Low-Income & Equity Energy Savings (GWh)	Weighted Average Measure Life (years)	Program Administrator Cost Test (PAC)
Plan as Approved	2023	53.1	172.6	120.7	1,502	26.9	3.0	5.3	12.4	2.9
	2024	57.5	179.7	142.6	1,540	25.6	10.0	5.3	10.8	2.9
	2025	62.5	192.6	149.5	1,639	26.3	17.9	5.3	11.0	2.9
	2023-2025 Total	173.0	544.8	412.7	4,681	78.8	17.9	15.8	11.3	2.9
	2026 Extension	63.75	137.9	116.0	1,322	18.9	16.3	4.0	11.4	2.2
	2023-2026	236.8	682.7	528.7	6,002	97.7	16.3	19.8	11.4	2.7
Results	2023	45.3	211.4	131.6	1,913	27.6	2.4	3.5	14.5	4.0
	2024	65.7	243.7	172.8	2,431	30.7	8.1	5.3	14.1	3.6
	2025	60.4	170.7	129.4	1,477	23.6	6.8	7.9	11.4	2.6
	2023-2025	171.4	625.8	433.8	5,820	81.8	6.8	16.6	13.4	3.4
	2026 Extension*	63.75	137.9	116.0	1,322	18.9	16.3	4.0	11.4	2.2
	2023-2026**	235.1	763.7	549.8	7,142.5	100.7	16.3	20.6	13.0	3.1
% 2023-2025 Results to 2023-2026 Approved		**72%**	**92%**	**82%**	**97%**	**84%**	**42%**	**84%**	**118%**	**127%**
% 2023-2025 Results + 2026 to 2023-2026 Approved		**99%**	**112%**	**104%**	**119%**	**103%**	**100%**	**104%**	**114%**	**117%**

Low-Income & Equity Energy Savings are first-year energy savings from dedicated energy efficiency program components (Affordable Multifamily Housing, Affordable Single-family Homes, and Mi'kmaw Home Energy Efficiency Project.
*2026 DSM Extension as approved by the Energy Board, December 22, 2025.
** 2023–2026 results are expected results, by the end of 2026. Includes 2023-2025 actuals plus the approved 2026 DSM Extension.

2.2 DISCUSSION OF 2023-2025 RESULTS

E1's 2025 Annual Progress Report (APR), filed March 31, 2026, provides detailed discussion of 2025 results and cumulative progress toward the 2023–2026 DSM Plan performance targets. Results for 2023 and 2024 are discussed in the respective APRs.[3]

Results discussed in these reports must also be understood within the broader context of implementation over the four-year DSM Plan period. Over the past three years, 2023–2026 implementation has been shaped by several changes, developments, and transitions including market evolution, program ramp-up and closures, and higher than anticipated savings in some program components. E1 has provided this broader 2023–2026 Plan period context below. Accordingly, these 2023–2026 implementation insights informed E1's 2026 DSM Extension and its approach for 2027–2031 DSM Preferred Plan development.

[3] M11630, E1 2023 Annual Progress Report, April 1, 2024 and M12186, E1 2024 Annual Progress Report, March 31, 2025.

2.2.1 ENERGY AND DEMAND SAVINGS

Energy and demand savings in 2023 and 2024 exceeded the approved Plan, resulting in significant progress towards the approved four-year Plan performance targets. This overachievement was driven primarily by participant completions under the Canada Greener Homes Grant program (co-delivered by E1 through the Home Energy Assessment program component with Natural Resources Canada) and higher-than-expected uptake of certain light-emitting diode (LED) lighting products through the Instant Savings spring and fall campaigns. At the time of 2023–2025 DSM Plan development, the impact of the federal Canada Greener Homes Grant program was unknown. Also, in 2024, E1 introduced higher rebates (70-80 percent off) for select LED lighting products through the Instant Savings campaigns to provide customers with a final opportunity to access rebates on these products and to capture remaining potential for these products ahead of residential LED baseline adoption in 2025.

Savings from these program components declined in 2025 as residential lighting baseline changes took effect, resulting in the phase-out of LED lighting measures in program components such as Instant Savings and Efficient Product Installation. Savings also declined in 2025 for Home Energy Assessment as the Canada Greener Homes Grant program closed to new applications in 2024.

As outlined in the 2026 DSM Extension, energy and demand savings targets for 2026 are consistent with E1's expectations that energy efficiency savings in 2026 will continue to be lower than those achieved in 2024 and 2025. Key drivers include a permanent shift toward non-lighting measures in residential programs and declining Home Energy Assessment savings following the closure of the Canada Greener Homes Grant program.

2.2.2 RESIDENTIAL BEHAVIOUR PROGRAM

Residential Behaviour, re-introduced as a program component in the 2023–2026 Plan, experienced a delayed launch with implementation beginning in Q2 2024. In 2023, E1 collaborated with NS Power to address program overlap between E1's Residential Behaviour program component and NS Power's Customer Energy Management program. The parties reached an agreement that E1's Residential Behaviour program would be delivered by Bidgely, NS Power's existing vendor with E1's Home Energy Report offered as a separate, stand-alone module within NS Power's platform.

Accordingly, Residential Behaviour did not achieve any savings in 2023 as the program component did not launch that year as originally planned. In 2024, savings also fell below Plan targets due to a downward lower savings per participant informed than expected. In addition, participants did not receive Home Energy Reports for a full 12-month period in 2024 including during most of the heating season when electricity use is typically highest in Nova Scotia. Lower initial savings were also anticipated following program launch, as participants generally require time to act on the energy savings reports and tips from the Home Energy Report.

In 2025, energy savings from the Residential Behaviour program were significantly impacted by its indefinite pause in May 2025 following a cybersecurity incident at NS Power that made customer consumption advanced metering infrastructure (AMI) data unavailable. As a low-unit-cost program component accounting for approximately half of Existing Residential's planned 2025 energy savings, this pause was the primary driver of the Residential sector's underperformance relative to 2025 targets.

As of Q1 2026, the Residential Behaviour program remains paused and there is no firm timeline for when data feeds will be restored and available. E1 has communicated the ongoing impact of this pause on program performance to the Energy Board. E1 will address the impact of the ongoing pause of Residential Behaviour on 2026 results in its 2026 mid-course adjustment, which will be provided in the Q1 2026 DSM quarterly report, to be filed May 25, 2026.

In the 2026 DSM Extension Decision, the NSEB directed E1 to determine whether the program could be improved as a marketing or promotional program. E1 has determined that the program faces several challenges in that role, including vendor and platform constraints and reporting limitations. As a result, E1 has removed Residential Behaviour as an energy savings program and will not be continuing it as a marketing or promotional program in the proposed 2027–2031 DSM Preferred Plan.

2.2.3 PROGRAM ADJUSTMENTS

In 2025, E1 ended two program components - Green Heat and Appliance Retirement. Green Heat continued to experience a steady decline in participation and energy savings in 2025, consistent with trends observed in 2023 and 2024. In response to this sustained decline, E1 closed the program component at the end of 2025 and transitioned to supporting homeowners through its more comprehensive rebate offerings. The final deadline for submitting applications under Green Heat was

December 31, 2025. The decline in participation and energy savings in recent years was driven by the following factors:

- the launch of the federal Canada Greener Homes Grant program, co-delivered through E1's Home Energy Assessment program component, led many participants to choose that path over Green Heat due to the availability of higher, stackable incentives for heat pump measures; and
- billing analysis results conducted as part of the 2024 DSM evaluation resulted in a reduction in unitary savings for mini-split heat pumps and a significant reduction in unitary energy savings for biomass measures.

E1 ended Appliance Retirement on January 8, 2025, following an assessment of the program component's viability. Rising delivery costs and declining savings from increasingly newer and more efficient units being retired, and the very limited number of companies providing this service in Canada were factors in ending the program component.

2.2.4 LOW-INCOME AND EQUITY ENERGY SAVINGS

The performance target of energy savings applicable to E1's dedicated low-income and equity program components (i.e., Affordable Multifamily Housing, Affordable Single-family Homes, and the Mi'kmaw Home Energy Efficiency Project program components) was introduced for the first time in the 2023–2026 Plan.

Affordable Single-family Homes was re-introduced as a dedicated low-income and equity program component in 2023; ramp-up was slower than anticipated as service delivery infrastructure was re-established. Capacity constraints among delivery agents and heat pump contractors—driven by a surge in applications and customer interest—persisted throughout the year, lengthening project completion timelines and reducing realized savings. As a result, the 2023 savings target was not met. In response, E1 added additional delivery agents and staff to increase delivery capacity.

In 2024, E1 continued to make progress towards this performance target, with significant increase in participation in Affordable Single-family Homes. Evaluated savings were reduced following billing analysis conducted as part of the 2024 DSM Evaluation; however, the high participation helped offset some of these reductions. These reductions in evaluated savings arose from updates to the HOT2000 modelling software adjustment ratio applied by E1's independent evaluation consultant- and were not foreseeable at the time of Plan development, nor within E1's control. Savings from the Mi'kmaw Home Energy

Efficiency Project were similarly impacted due to updates to the HOT2000 modelling software overestimation ratio.

In 2025, progress continued towards this target, although results remained affected by billing analysis updates arising from the 2024 DSM Evaluation, including impacts to both the Mi'kmaw Home Energy Efficiency Project and Affordable Single-family Homes. As in 2024, increased participation in Affordable Single-family Homes helped offset some of the reductions in evaluated savings. Participant completions were high in 2025 as projects were completed at a faster pace, aided by a Q2 transition to managing building envelope upgrades and heating system installations as separate projects, allowing the contractor network to be deployed more effectively.

E1 expects to meet this performance target at the end of 2026.

2.2.5 AVAILABLE DEMAND RESPONSE CAPACITY

Demand response was introduced as a new program in 2023 following pilot initiatives undertaken from 2020-2022.

In the 2023 season (December 1, 2022 to February 28, 2023), early implementation challenges impacted results, including participant drop-out and operational constraints within the business, non-profit, and institutional customers (BNI) Demand Response program component where some participants withdrew or opted out of some events due to operational requirements at the time of curtailment). Within the Residential Demand Response program component, the domestic hot water direct load control pathway moved from pilot to permanent offering and was run on a small scale. In Q2 2023, a decision was made to remove all installed controllers for quality reasons, in advance of the next season.

In the 2024 season (December 1, 2023 to February 29, 2024), the Residential Demand Response program component was impacted by the ongoing pause of the domestic hot water direct load control pathway (as installation of replacement controllers did not begin until after the demand response season), and lower-than-expected adoption of other demand response devices (smart thermostats and Electric Vehicle [EV] telematics and chargers) that were introduced and marketed as Eco Shift. The BNI Demand Response program component saw increased participation and available demand response capacity, but overall 2024 Demand Response results fell short of target.

In the 2025 season (December 1, 2024 to February 28, 2025), Demand Response results again fell short of the available capacity Plan target due to lower-than-anticipated participation in the Residential Demand Response program component, and participant opt-outs, including constraints associated with limited advance notice of events from NS Power, in the BNI Demand Response program component.

Throughout 2023–2025, several pathways modelled in the 2023–2026 DSM Plan were not pursued, including behavioural demand response in the Residential Demand Response program component, and direct load control smart thermostats, domestic hot water direct load control, battery control, and dynamic pricing with enabling technologies within the BNI Demand Response program component, as E1 focused on the pathways with the most available capacity potential.

In response to the 2023–2025 results, E1 implemented program design and delivery changes ahead of the 2026 season (December 1, 2025 to February 28, 2026). These changes included ensuring installed devices were event-ready and targeted Eco Shift marketing to existing Residential Demand Response participants. For the BNI Demand Response program component, changes included enhanced customer engagement strategies including improved advance notice of events from NS Power (48 hours versus 16 hours), automated event participation reporting available within 48 hours of participation, and additional pre-event coordination support. Following the NS Power cybersecurity incident, E1 also implemented interim solutions, including independent metering and onboarding a new aggregator with enhanced metering and real-time insights.

While results from the 2025/2026 season are still being compiled, early insights indicate available demand response capacity results from both Residential Demand Response and BNI Demand Response are expected to be approximately double what was achieved in the 2024/2025 season, reflecting improved program performance and delivery. While demand response ramp-up has been slower than initially anticipated, these early results build on the demand response infrastructure established to date and represents growth relative to 2025 performance. Based on these early insights, E1 expects to meet its Performance Target of 16.3 MW of available capacity, as approved in the 2026 DSM Extension.

2.2.6 UNIT COST RESULTS

Unit cost data is a calculation output reflecting E1's investment and energy savings over a defined time period. Actual results for the 2023–2025 period show a portfolio-level unit cost of $0.37/kWh, slightly

lower than the approved 2023–2025 Plan unit cost of $0.39/kWh. This outcome reflects E1's overachievement in energy savings in 2023 and 2024 combined with slightly lower than planned investment.

While 2023–2025 portfolio level unit cost results largely align with the approved Plan, E1 has observed a trend of rising residential unit costs over the course of 2023–2026 Plan implementation. In 2025, the residential sector unit cost was $0.60/kWh as compared to the approved Plan at $0.41/kWh.

In 2025, residential sector unit costs increased largely due to the eight-month pause of Residential Behaviour. As a low unit cost program component representing approximately half of Existing Residential's approved 2025 energy savings and only nine per cent of its approved investment, the pause of Residential Behaviour resulted in higher unit costs for the Existing Residential program and the Residential sector overall.

Other Existing Residential program components also contributed to higher Residential sector unit costs relative to the approved Plan, including:

- Efficient Product Installation's unit cost was significantly higher than the 2025 Plan, reflecting the removal of lower-unit cost LED lamps as of July 1, 2025, and a shift toward electrician-installed measures. Electrician-installed measures were in place throughout 2025, after first being introduced in late Q3 2024.
- Mi'kmaw Home Energy Efficiency Project's unit cost was higher than the 2025 Plan, due to reduced energy savings resulting from a billing analysis conducted during the 2024 DSM evaluation, that updated the HOT2000 modelling software overestimation ratio.

As outlined in the 2026 DSM Extension, E1 expects the trend of rising residential sector unit costs, to continue in 2026. This reflects the phase out of lighting as a low-cost savings opportunity (Instant Savings and Efficient Product Installation), and an expected decline in participation in Home Energy Assessment. In addition, the continued suspension of Residential Behaviour related to the NS Power cybersecurity incident will impact 2026 unit cost results.

Taken together, these factors represent key themes that have emerged during Plan implementation, influencing 2023–2026 Plan period performance to date and informing the development of the 2027–

2031 DSM Preferred Plan. The Preferred Plan assumes that unit costs will continue to increase, particularly for the residential sector. In addition to unitary savings adjustments from the 2024 evaluation, exclusion of the Residential Behaviour program component and the assumption lighting measures end in the BNI sector early in the Plan have all influenced unit cost changes.

2.2.7 2023–2026 DSM PLAN RATE CLASS RESULTS

E1 has provided 2023–2025 rate class results, in addition to 2026 DSM Extension anticipated results, compared to the approved 2023–2026 Plan, in Table 2, below.

2025 actual expenditures were slightly lower than the approved 2025 Plan expenditures. Similar to 2024, the medium industrial rate class had the highest increased spending, compared to the 2025 approved Plan, driven by higher-than-expected participation by medium industrials in the BNI Demand Response program component. Medium industrial participants represented more than half of both the incentives paid out and the available capacity achieved in BNI Demand Response in 2025. Please refer to E1's 2025 APR for further details on 2025 rate class expenditures.

Table 2: 2023–2026 Approved Rate Class Expenditures and Results

Rate class	Plan as Approved ($ million)					Results ($ million)						% Results to 2023-2026 Approved Plan	
	2023	2024	2025	2026	2023-2026	2023	2024	2025	2023-2025	2026 Extension	2023-2025 Results + 2026	% 2023-2025 Results to 2023-2026 Approved	% 2023-2025 Results + 2026 to 2023-2026 Approved
Residential/Charitable (2,3,4)	28.2	31.7	34.5	33.9	128.3	24.1	37.5	34.8	96.4	33.9	130.3	-24.9%	1.6%
Small General (10)	2.7	2.8	3.0	3.1	11.6	2.7	3.8	3.5	10.0	3.1	13.1	-13.9%	12.7%
General (11)	13.8	14.3	15.4	17.0	60.4	10.2	17.4	14.2	41.8	17.0	58.7	-30.8%	-2.8%
Large General (12)	2.4	2.4	3.1	1.6	9.5	1.1	0.8	0.9	2.9	1.6	4.5	-69.5%	-53.1%
Small Industrial (21)	1.8	1.8	1.9	1.4	6.9	0.7	1.3	1.1	3.1	1.4	4.5	-55.4%	-35.5%
Medium Industrial (22)	1.0	1.1	1.1	2.4	5.6	2.0	1.9	1.9	5.7	2.4	8.1	3.3%	46.0%
Large Industrial (23, 25)	2.2	2.3	2.4	3.9	10.8	4.1	2.3	2.5	8.9	3.9	12.8	-18.1%	18.4%
Municipal (24)	1.0	1.0	1.1	0.5	3.6	0.5	0.8	1.4	2.6	0.5	3.2	-26.8%	-11.9%
Unmetered (999)	0.0	0.0	0.0	0.0	0.1	0.0	0.0	0.0	0.0	0.0	0.0	-100.0%	-71.0%
Total	53.1	57.5	62.5	63.75	236.8	45.3	65.7	60.4	171.4	63.75	235.1	-27.6%	-0.7%

Table 3, below, highlights that for the 2023-2026 DSM Plan period, E1's spending by rate class has aligned proportionately with the approved spending by rate class.

Table 3: 2023-2026 Expenditures by Rate Class

	2023-2026 Plan as Approved ($ million)	2023-2026 Actual/Forecast Expenditures ($ million)	Rate Class Spending as a Percentage of Total Spending - DSM Plan	Rate Class Spending as a Percentage of Total Spending - Actual	Change
Residential/Charitable (2,3,4)	128.3	130.3	54.2%	55.4%	1.2%
Small General (10)	11.6	13.1	4.9%	5.6%	0.6%
General (11)	60.4	58.7	25.5%	25.0%	-0.6%
Large General (12)	9.5	4.5	4.0%	1.9%	-2.1%
Small Industrial (21)	6.9	4.5	2.9%	1.9%	-1.0%
Medium Industrial (22)	5.6	8.1	2.4%	3.4%	1.1%
Large Industrial (23, 25)	10.8	12.8	4.5%	5.4%	0.9%
Municipal (24)	3.6	3.2	1.5%	1.4%	-0.2%
Unmetered (999)	0.1	0.0	0.0%	0.0%	-
Total	236.8	235.1	100%	100%	0%

2.3 CUMULATIVE DSM SAVINGS AND INVESTMENT: 2012-2025

Table 4, below, presents E1's cumulative DSM Plan savings and expenditures from 2012 to 2025 compared with the corresponding Board-approved Plans.[4]

Results reflect evaluated savings prepared by E1's independent evaluation consultant and accepted by the Board following review by the Board's verification consultant. Expenditure results are based on audited financial statements which are filed annually at the end of April. 2025 savings results are pending verification and expenditures are unaudited.

Where applicable, Table 4 aggregates approved Plan period results to provide comparison of actuals to the approved performance targets for each Plan period. Table 4 also includes the additional performance targets as approved in the 2023–2026 DSM Plan – available demand response capacity and energy savings applicable to E1's dedicated low-income and equity program components. E1 notes that the available demand response capacity performance target is now 16.3 MW at the end of 2026, as approved by the Energy Board in the 2026 DSM Extension. E1 also excluded the approved 2026 Extension targets in this table as 2026 results are still in progress.

[4] M07543, Standardized Filing Framework, section 2.1, Previous Plan's DSM Expenditures and Energy Savings Results. July 22, 2016. E1 has provided historical results beginning in 2012 corresponding to the filing of the first DSM Resource Plan by Efficiency Nova Scotia Corporation, the predecessor to E1, as DSM administrator.

On a cumulative basis from 2012 to 2025, E1's expenditures are approximately 6 percent below the cumulative Board-approved investment, while energy and demand savings results are approximately 5 percent above the cumulative Board-approved savings. E1's underspend in earlier DSM Plan years (e.g., 2013 and 2014) is generally reflective of the mix of programs generating savings in those years, including a high proportion of lower-unit cost savings from residential and BNI lighting (Residential and BNI Efficient Product Rebates and Residential Direct Installation) and other market factors such as a slower new home construction market. E1's Performance Alignment Study conducted by KPMG[5], also provides additional information on the variance analysis of 2015 and 2016–2018 (actual to approved Plan), including factors related to the mix of programs generating the savings.

Table 4: Cumulative DSM Savings and Investment : 2012–2025

Year	Plan as Approved					Results				
	Investment ($ million)	First-Year Energy Savings (GWh)	Peak Demand Savings (MW)	Available Demand Response Capacity (MW)	Low-income & Equity Energy Savings (GWh)	Expenditures ($ million)	First-Year Energy Savings (GWh)	Peak Demand Savings (MW)	Available Demand Response Capacity (MW)	Low-income & Equity Energy Savings (GWh)
2012	43.7	124.2	23.1	-	-	43.7	158.1	33.8	-	-
2013	46.2	135.2	25.9	-	-	39.6	163.2	34.1	-	-
2014	48.7	137.8	27.0	-	-	37.1	151.9	27.1	-	-
2015	39.0	121.2	21.2	-	-	32.0	137.9	22.7	-	-
2016	33.2	133.1	20.4	-	-	30.8	136.9	26.0	-	-
2017	34.0	136.5	21.0	-	-	30.3	130.7	23.7	-	-
2018	34.9	136.3	21.0	-	-	33.9	151.4	25.5	-	-
2016-2018 Plan	*102.2*	*405.9*	*62.5*	-	-	*95.1*	*419.0*	*75.2*	-	-
2019	34.1	127.2	20.2	-	-	34.1	124.6	22.8	-	-
2020	34.4	119.2	29.2	-	-	28.4	95.5	21.2	-	-
2021	36.6	121.5	33.2	-	-	36.0	109.4	27.5	-	-
2022	39.0	127.1	35.9	-	-	42.7	121.9	31.3	-	-
2020-2022 Plan	*110.0*	*367.8*	*98.3*	-	-	*107.1*	*326.8*	*80.0*	-	-
2023	53.1	120.7	26.9	3.0	5.3	45.3	131.6	27.6	2.4	3.5
2024	57.5	142.6	25.6	10.0	5.3	65.7	172.8	30.7	8.1	5.3
2025	62.5	149.5	26.3	17.9	5.3	60.4	129.4	23.6	6.8	7.9
2012-2025	**596.9**	**1,832.1**	**357.0**	**17.9**	**15.9**	**560.1**	**1,915.3**	**377.5**	**6.8**	**16.6**

Low-Income & Equity Energy Savings are first-year energy savings from dedicated energy efficiency program components (Affordable Multifamily Housing, Affordable Single-family Homes, and Mi'kmaw Home Energy Efficiency Project.

[5] M09096, E1 Performance Alignment Study, April 21, 2020.

3. PLAN DEVELOPMENT AND DESIGN APPROACH

E1 developed the 2027–2031 DSM Preferred Plan through a multi-phase process to establish a cost-effective DSM portfolio. This process defined the DSM resources to be offered, the level of savings expected from each resource, and the level of investment required to deliver on the Plan's savings targets.

Plan development progressed through several phases, including a discovery phase to assess the DSM planning landscape, scenario development to establish assumptions and modelling scenarios, third-party modelling supported by E1's consultant, Guidehouse, and Plan refinement leading to preparation of the final application. Throughout each phase, E1 engaged the DSMAG, and member feedback informed key design decisions. Additional detail on DSMAG engagement activities is provided in section 3.1, below.

E1 initiated Plan development in 2023 for what was originally the 2026–2030 DSM Plan and continued this work through the first quarter of 2025. Following the March 2025 amendments to the *PUA* which extended the 2023–2025 DSM Plan by one year,[6] E1 paused development of the five-year Plan to prepare and file the 2026 DSM Extension. After filing the 2026 DSM Extension on April 30, 2026, E1 resumed development of the 2027–2031 DSM Preferred Plan, building on the modelling, scenario analysis, and foundational work already completed while incorporating the Energy Board's decisions on E1's BCA and the 2026 DSM Extension in Plan development.[7]

Plan development included the following activities:

- consideration of the DSM planning landscape including current economic conditions and affordability, NS Power's 2022 Evergreen IRP, federal and provincial climate targets, legislation, policy directions, and strategies (e.g., *Environmental Goals and Sustainable Prosperity Act*, the *Energy Reform Act (2024)*, and Nova Scotia's Clean Power Plan);
- consideration of E1's most recent DSM Plan performance (2023–2025 results) and the 2026 DSM Extension;
- consideration of the NSEB's Decision on E1's Application for a new benefit cost analysis test for DSM in Nova Scotia, and the NSEB's findings and directions in their 2026 DSM Extension Decision;

[6] *Public Utilities Act*, s 79J

[7] M12282, NSEB Decision, E1 Application for approval of a New Benefit-Cost Analysis Test for Evaluating DSM Plans, December 10, 2025 and M12249, NSEB Decision, 2026 DSM Extension, December 22, 2025.

- established and refined portfolio-wide assumptions, including incorporation of updated avoided costs of DSM as provided by NS Power;
- developed draft DSM scenarios and conducted multiple rounds of modelling supported by E1's consultant Guidehouse. E1 completed two rounds of modelling for the initial 2026-2030 DSM Plan and two rounds of modelling for 2027–2031. All modelling rounds included a process for DSMAG feedback;
- led a robust stakeholder engagement process that solicited and incorporated feedback from DSMAG stakeholders, as detailed in section 3.1, below; and
- revised and finalized portfolio parameters including approach to savings determination, the mix of DSM resource offerings, programs, and measures and the investment level, to select the DSM Preferred Plan and Alternate Scenario.

3.1 DSMAG ENGAGEMENT IN THE DEVELOPMENT PROCESS

DSMAG engagement played a central role in development of the 2027–2031 DSM Preferred Plan. Throughout the planning process, E1 engaged a range of DSMAG members including rate class representatives, provincial government representatives and internal subject matter experts. Input from this engagement, together with insights from E1's ongoing customer satisfaction surveys, was incorporated at all stages of plan development to inform portfolio and program design.

A key focus of E1's stakeholder engagement included collaboration with the DSMAG. The DSMAG is a forum of regulatory stakeholders who E1 engages with on current and emerging DSM issues, including the development of DSM Plan applications. DSMAG members who were invited to participate and provide input on the 2027–2031 DSM Preferred Plan included representatives from the Affordable Energy Coalition, Consumer Advocate, Eastward Energy, Ecology Action Centre, Industrial Group, Kwilmu'kw Maw-klusuaqn Negotiation Office, Municipal Electric Utilities, the Nova Scotia Independent Energy System Operator, NS Power, the Province of Nova Scotia, the Small Business Advocate, and Synapse Energy Economics, consultant to the Energy Board.

E1 engaged the DSMAG throughout all phases of Plan development, providing multiple opportunities for review and input. To maintain transparency, after each round of modelling, E1 circulated detailed modelling results, assumptions, and supporting materials to DSMAG members and sought feedback

through DSMAG sessions, written submissions, and one-on-one meetings. Feedback received at each stage informed subsequent modelling rounds and refinements to portfolio design.

This iterative engagement process shaped the final model outputs used to inform both the Preferred Plan and the Alternate Scenario.

E1 has provided additional detail on DSMAG engagement activities in section 2.4. of the Evidence.

3.2 PORTFOLIO DESIGN CONSIDERATIONS AND ASSUMPTIONS

E1 was guided by the following key considerations in developing the Preferred Plan:

- cost-effectiveness;
- determining appropriate energy and demand savings established using a percent of load approach informed by a jurisdictional review;
- determining available capacity targets that are achievable and demonstrate improved cost-effectiveness results;
- ensuring continued support to Mi'kmaw communities following the completion of the Mi'kmaw Home Energy Efficiency Project in mid-2027;
- consideration of the balanced portfolio principles of the Standardized Filing Framework;[8] and
- establishing an appropriate overall investment level to maintain both short-term and long-term ratepayer affordability.

Together, these considerations formed the foundation for determining portfolio-level savings and investment levels and the design approach that shaped the Preferred Plan. Emphasis was placed on setting performance targets that provide electricity ratepayer benefits while remaining reasonable, achievable, and affordable.

3.2.1 RESOURCE SCENARIO DESIGN

In developing the Plan's design approach, E1 considered feedback from the DSMAG indicating limited support for the three design objectives historically used to guide recent DSM Plans: a 50/50 investment

[8] M07543, 2016–2018 DSM Deferred Matters, Exhibit 3, Executed Revised Consensus Agreement, Appendix 1: Standardized Filing Framework, Section 4.3.1 Balanced Plan Approach, July 22, 2016, page 10.

split between the residential and BNI sectors; a 40/60 energy savings split between the residential and BNI sectors; and 15–20 percent investment in low-income and equity as a percentage of total investment. In response to the comments from DSMAG members, E1 developed the following design approach to guide DSM resource scenario design including:

- maintaining the annual DSM investment at the same level as the approved 2026 DSM Extension investment of $63.75 million, with no annual inflationary increases to the investment, was applied as a core design constraint reflecting affordability considerations and stakeholder feedback;
- the energy savings target was informed by a jurisdictional scan conducted by APEX, an independent third-party consultant. The scan reviewed compared Canadian and United States utilities with similar climate and program mix. APEX recommended that 0.8 percent to 1.0 percent of NS Power load would be reasonable and aligned with comparable utilities. Accordingly, energy savings in the 2027–2031 Preferred Plan, as a percentage of load, are 0.8 percent of NS Power's load forecast;
- energy savings allocation was also informed by the APEX jurisdictional scan resulting in a Residential/BNI split of 29 percent / 71 percent, respectively;
- dedicated low-income and equity savings are aligned with the 2026 DSM Extension, representing approximately 11 percent of residential savings;
- the residential solar-PV program is linked to Mi'kmaw New Home Construction energy efficiency program through aligned launch timing and participation assumptions. Supporting diverse and equity communities is the design approach of E1's Solar-PV offering under the 2027–2031 DSM Preferred Plan. The program component provides direct support to Nova Scotia's Mi'kmaw communities participating in the Mi'kmaw New Home Construction program component; and
- demand response targets were established to be realistic and achievable while ensuring the overall demand response portfolio meets the cost-effectiveness threshold (PAC ≥ 1.0).

3.3 MODELLING

The "modelling process" refers to the use of DSM portfolio design tools to assess the comparative costs, savings, and cost-effectiveness of various DSM resource scenarios to determine the Preferred portfolio design for the 2027–2031 DSM Resource Plan.

To support E1 in developing the 2027–2031 DSM Preferred Resource Plan, Guidehouse employed its Program Cost-Effectiveness Scenario Software™ (ProCESS™) and DRSIM™ portfolio design tools which provide the following key model outputs for each modelled resource scenario:

- cost-effectiveness test costs, benefits and ratios;
- energy and demand impacts; and
- forecast expenditures.

3.3.1 MODELLING PROCESS

The following sections provide a high-level overview of the 2027–2031 DSM Resource Plan modelling process, followed by a description of each stage in the process.

3.3.1.1 MODEL CONFIGURATION

At the outset of the modelling process, E1 and Guidehouse reviewed and confirmed the overall modelling framework for the 2027–2031 DSM Resource Plan, and configured the following modelling tools associated with the resource plan development:

- the ProCESS™ model: used to model energy efficiency and solar-PV resources; and
- the DRSim™ model: used to model demand response resources.

Specifically, model configuration included activities such as setting the modelling timeframe (2027–2031), ensuring the model reflected program, program component, program pathways and measures currently offered by E1 and/or planned for inclusion in the planning scenarios, and confirming the model outputs addressed all of E1's resource planning requirements and Board directives.

During this phase, Guidehouse made required structural updates to its planning tools to ensure the model parameters and methodology were appropriate and up to date and confirmed which inputs and assumptions were required to operate each model.

3.3.1.2 MODEL INPUTS AND ASSUMPTIONS

Once the models were configured, E1 and Guidehouse compiled the key modelling inputs and assumptions required for all subsequent modelling steps associated with the DSM Plan. These included global inputs and assumptions which were utilized in both the DRSim™ and ProCESS™ tools; and program

or measure specific inputs, which were utilized in either the DRSim™ or ProCESS™ tools, depending on the resource being modelled.

Global model inputs and assumptions include, but are not limited to:

- avoided costs;
- line losses; and
- discount rate.

Inputs used in the ProCESS™ tool are generally compiled at the measure-level and include, but are not limited to the following:

- energy and peak demand savings;
- effective useful life;
- net to gross ratio;
- costs (incentives, direct installation costs); and
- estimated participation.

For existing measures, measure-level inputs were developed using the most recently available program and evaluation data. Inputs were then reviewed by E1 and Guidehouse and subsequently modified, as appropriate, to reflect known or expected differences over the 2027–2031 period. For new measures, measure level inputs were developed, with support from Guidehouse, using a combination of engineering assumptions, evaluation results from comparable programs, and data from other jurisdictions.

Demand response inputs vary slightly. Program and measure level inputs used in the DRSim™ model include:

  - unitary capacity impacts;
  - costs (incentives, program administration); and
  - estimated participation.

Model inputs and assumptions were regularly reviewed and revised, as appropriate, throughout the modelling process to ensure they remained reflective of the most current and accurate information available. Key modelling assumptions used to model the 2027–2031 DSM Plan are described in greater detail in Attachment 1.

3.3.1.3 MODEL OUTPUTS

The DRSim™ and ProCESS™ tools produced model outputs for each modelled scenario. All model outputs were reviewed by E1 and Guidehouse for accuracy and completeness. Outputs were further shared with the DSMAG for review, resulting in revisions to inputs and assumptions for subsequent model runs, where appropriate.

The final model outputs are provided in Section 4, which provides an overview of the proposed 2027–2031 Preferred Plan portfolio.

3.4 COST-EFFECTIVENESS

In the Energy Board's Decision regarding E1's Application for approval of a New Benefit-Cost Analysis Test for Evaluating Demand Side Management Plans (M12282), the Energy Board directed E1 to:[9]

> …use the Program Administrator Cost (PAC) test as its primary test for screening the cost effectiveness of its proposed DSM Plan for its next term beginning in 2027. E1 is directed to use NS Power's WACC as the discount rate in this assessment. As required by the *Public Utilities Act*, this screening will occur at the portfolio level.

As directed, E1 has used the PAC as the primary cost-effective screening test for the 2027–2031 Plan. A discount rate of 6.65 percent has been used in this assessment, consistent with NS Power's 2025 WACC rate, effective April 1, 2025.[10]

In the BCA Decision, the Energy Board also noted that: [11]

> In approving the cost-effective demand-side management to be undertaken, the Board may consider a broad range of factors, including alternative cost-effectiveness tests, or cost-effectiveness tests undertaken at the measure or program level. In this regard, E1 is directed to continue to provide the information it was previously directed by the NSUARB for

[9] M12282, NSEB Decision, E1 Application for approval of a New Benefit-Cost Analysis Test for Evaluating Demand Side Management Plans, December 10, 2025, page 80, para 217.
[10] M11990, NSEB Order, NS Power Application for approval of its Weighted Average Cost of Capital (WACC) and Allowance for Funds used during Construction (AFUDC) Rates, March 31, 2025, page 1.
[11] M12282, NSEB Decision, E1 Application for approval of a New Benefit-Cost Analysis Test for Evaluating DSM Plans, December 10, 2025, page 66, para 167. M10473, NSUARB Decision, 2023-2025 DSM Plan, October 11, 2022, page 65, para 197. E1 was directed to "provide specific justification, on an individual basis, for each measure that fails cost-effectiveness testing in future resource plan applications".

assessment of DSM plans, including justification for measures that fail the primary cost-effectiveness test.

As required under the *PUA*, the proposed DSM Plan is screened for cost-effectiveness at the portfolio level. E1 demonstrates that the Plan meets the cost-effectiveness requirement at the portfolio level, achieving a portfolio-level PAC result of 2.4, above the cost-effectiveness threshold of PAC ≥ 1.0.

E1 has provided portfolio, program, and program component cost-effectiveness results in section 4.4 and 4.5. Attachment 3 provides specific justification, on an individual basis, for inclusion of each measure that fails cost-effectiveness testing and payback information for measures where the payback period is three years or less, as well as section 3.3 of E1's Evidence as related to demand response specifically. E1 notes that only nine of the 341 measures included are not cost-effective in any year of the 2027–2031 DSM Preferred Plan.

4. 2027–2031 PORTFOLIO OVERVIEW

4.1 PORTFOLIO KEY INSIGHTS

The 2027–2031 DSM Preferred Plan will invest $318.75 million to achieve 435.4 GWh of incremental cumulative net energy savings, 85.0 MW of cumulative system-peak demand savings, 29.3 MW of available capacity from demand response, and 1.7 GWh of solar-PV generation. Key insights and impacts for the 2027–2031 DSM Preferred Plan are provided in Table 5, below.

Table 5: 2027–2031 DSM Preferred Plan Portfolio Level Insights

Insights	2027–2031
Energy Efficiency	
Energy Savings as % of NS Power Load	0.8%
Energy Savings (EE) Split (RES/BNI)	29/71
Demand Savings (EE) Split (RES/BNI)	44/56
Dedicated Low-Income & Equity energy savings as % of total Residential energy savings (GWh)	11%
First-Year Unit Cost ($/kWh)	0.66
Lifetime Unit Cost ($/kWh)	0.05
Demand Response	
Available Capacity (DR) Split (RES/BNI)	13/87
Levelized Unit Cost ($/kW-year)	240.1
Solar-PV	

Insights	2027–2031
Installed Capacity (MW)	2
Generation Split (RES/BNI)	100/0
Installed Capacity Split (RES/BNI)	100/0
First-Year Unit Cost ($/kWh)	1.63
Lifetime Unit Cost ($/kWh)	0.05
Total Preferred Plan	
Lifetime Benefits ($ million)	682.5
Program Administrator Cost (PAC) Test	2.4
Investment ($ million)	318.75
First Year Energy Savings (GWh)	435.4
Lifetime Energy Savings (GWh)	5,335.1
Peak Demand Savings (MW)	85.0
Available Capacity (MW)	29.3
First Year Solar-PV Generation (GWh)	1.7
Lifetime Solar-PV Generation (GWh)	52.2
First-Year CO_2e Savings (kt)	68.2
Lifetime CO2e Savings (kt)	380.8

Energy efficiency first-year and lifetime unit cost includes Enabling Strategies investment.
Levelized unit cost of demand response is calculated by taking the net present value of investment and available capacity for the total Demand Response program over the 2027–2031 timeframe.
Lifetime benefits for energy efficiency, demand response and solar-PV are expressed as the net present value of the avoided costs, including energy, capacity, transmission, distribution over the life of the program measures, using utility WACC.
Low-Income & Equity Energy Savings are first-year energy savings from dedicated energy efficiency program components (Affordable Multifamily Housing, Affordable Single-Family Homes, Mi'kmaw Home Energy Efficiency Project, Mi'kmaw New Home Construction).
PAC is a benefit/cost ratio comparing lifetime benefits to DSM investment. For DR, upfront costs are levelized over ten years.

4.2 PORTFOLIO KEY OBSERVATIONS

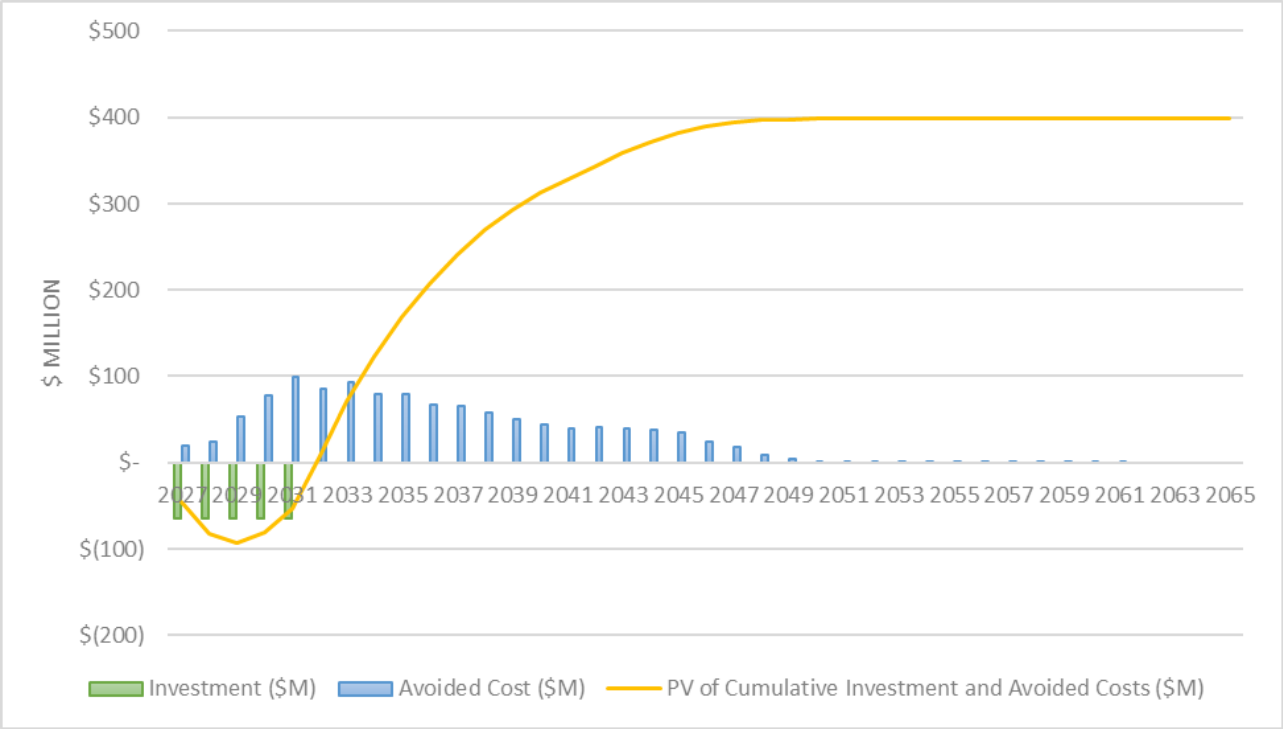
Key observations of the Preferred Plan include:

- annual investment for the Preferred Plan is maintained at the 2026 DSM Extension approved investment level of $63.75 million, with no annual inflationary increases to the investment, to support short-term affordability and maintain responsiveness to rising costs-of-living pressures in the current economic environment;
- energy savings have decreased compared to the 2023–2026 Plan related to market evolution (i.e., permanent shift towards non-lighting measures in its residential program components due to the residential LED baseline adopted in 2025, the decline in participation and savings in the Home Energy Assessment program component with the closure of the Canada Greener Homes Grant program, which drove both participation and savings in Home Energy Assessment in 2023, 2024, and to a lesser extent, in 2025, and the transition in the BNI lighting market with the end of LED

fixtures in the Instant Rebate service starting in mid-2026. Savings further decline beginning in 2029, related to the removal of BNI lighting after 2028;

- the Preferred Plan continues to provide dedicated support to Mi'kmaw communities similar to the 2023–2026 DSM Plan including the Mi'kmaw Home Energy Efficiency Project until mid-2027, when all eligible homes will have upgrades completed, heat pump cleaning, and the introduction of the Mi'kmaw New Home Construction program, including solar-PV incentives;
- weighted-average measure life over the 2027–2031 period remains strong at 12.3 years for energy efficiency, higher than the 11.4 energy efficiency weighted average measure life for the approved 2023–2026 DSM Plan. The weighted average measure life for solar-PV is 30 years;
- the return on investment using the formula (Lifetime Benefits – Costs)/(Costs), is 114 percent for the Preferred Plan;
- energy efficiency lifetime unit cost of the Preferred Plan is $0.05/kWh, significantly lower than NS Power's 2025 average cost of fuel ($0.093/kWh);
- lifetime benefits of $682.5 million. These are costs that ratepayers would otherwise have to pay for the generation, transmission and distribution of these same savings;
- payback period is under 6 years, occurring in early 2032, as shown in Figure 1, below;
- remains highly cost-effective with a portfolio PAC result of 2.4, (>1.0 threshold); comparable to the approved 2023–2026 Plan PAC of 2.7;
- demand response portfolio PAC result of 1.7 with results improving significantly from the approved 2026 DSM Extension;
- Solar-PV is cost-effective with a PAC result of 1.1; and
- some residential sector program components do not pass PAC including Affordable Single-family Homes, Mi'kmaw Home Energy Efficiency Project, and Mi'kmaw New Home Construction. These dedicated program components exclusively serve low-income and equity communities and are expected to have lower PAC values when compared to market-rate DSM programs.

Figure 1: 2027–2031 DSM Preferred Plan – Payback



DSM investment includes EE, DR, Solar-PV and Enabling Strategies.

Green bars are nominal investment. Blue bars are nominal avoided cost. Yellow line is a 2027 net present value (NPV) of the difference between avoided cost and investment calculated using NS Power's Weighted Average Cost of Capital (WACC).

4.3 WHAT'S NEW IN 2027–2031

A summary of 2027–2031 program changes and enhancements is provided in Table 6, below.

Table 6: Summary of Changes and Enhancements in the 2027–2031 DSM Preferred Plan

Area of Change	Change/New Element	Rationale and Context
Energy Efficiency Program Adjustments	• Green Heat ended in 2025	• Green Heat ended due to declining participation
	• Appliance Retirement ended in 2025	• Appliance Retirement ended due to rising delivery costs, and limited appliance recycling partners in Canada
	• Conclusion of Mi'kmaw Home Energy Efficiency Project in mid-2027	• Mi'kmaw Home Energy Efficiency Project has operated since 2018 and is expected to serve all eligible existing homes by mid-2027
	• Residential Behaviour removed for 2027–2031	• In the 2026 DSM Extension, the Energy Board directed E1 to determine if the Residential Behaviour program '"can be improved as a marketing and promotional program, or if it should be discontinued in favour of more

Area of Change	Change/New Element	Rationale and Context
		beneficial initiatives in its upcoming five-year DSM Plan"[12] • E1 evaluated whether Residential Behaviour could be repurposed as a marketing tool and determined that it is not appropriate for this purpose
	• Introduction of new program component: Mi'kmaw New Home Construction	• Mi'kmaw community engagement identified strong support for new home construction, community building retrofits, and solar-PV
Market Evolution and Baseline Changes	• Removal of residential lighting from Instant Savings and Efficient Product Installation	• LED lamps and fixtures became the residential baseline in 2025
	• Removal of BNI lighting beginning in mid-2026 until the end of 2028	• Transition in the BNI lighting market starting in mid-2026 until 2029 as LED fixtures and lamps become the BNI baseline
Incentive Level Changes	• Increased incentives across residential and BNI energy efficiency programs, for example: o Increased incentives for Affordable Multifamily Housing o Increased incentives for Home Energy Assessment and elimination of the customer co-pay for "D" audits o Increased incentives for Small Business Energy Solutions	• Affordable Multifamily Housing: Incentive levels increased following conclusion of provincial DSM top-up funding in 2025 that reduced participation • Home Energy Assessment: Higher customer rebates and elimination of customer co-pay for "D" audits to help address the rising cost of home retrofits • E1 has increased incentives to an average of 71% compared to 66% in the 2026 DSM Extension
Program Delivery	• Introduction of heating system rebates in Instant Savings delivered mid-stream (i.e., contractors deliver incentives directly to customers)	• Heat pumps remain one of the most popular and impactful residential measures • Customers have been participating less in post-purchase application rebate programs for several years • Mid-stream delivery approach with contractors delivering incentives directly to customers would be minimal administrative burden for contractors and simplifies approach for customers encouraging higher participation

[12] M12249, NSEB Decision, 2026 DSM Extension, December 22, 2025, page 25, para 62.

Area of Change	Change/New Element	Rationale and Context
Demand Response	• Growth of BNI Demand Response through Smart Synergy pathway • Maintenance of residential Demand Response pathway (Eco Shift) with focus on existing device optimization (i.e., devices already enrolled in Eco Shift)	• Addresses achievability and cost-effectiveness concerns raised by the Energy Board and DSMAG • The BNI Demand Response program component (Smart Synergy pathway) will achieve modest growth in available capacity over the five years • Residential Demand Response (Eco Shift pathway) will remain constant at the 2026 DSM Extension levels with no new installations. E1 does not intend to enroll new customers in 2027–2031 for Residential Demand Response but will continue to leverage existing equipment assets by encouraging participants to continue to participate in demand response events, with the expectation that the residential program will be cost-effective in the future
Solar-PV	• Introduction of solar-PV as a new DSM resource	• Tied to Mi'kmaw New Home Construction • Engagement with Mi'kmaw communities and Kwilmu'kw Maw-klusuaqn Negotiation Office identified strong support for solar-PV as part of new home construction • E1's SolarHomes program (provincially funded; ended in 2025) was very successful but largely helped customers with greater financial means

4.4 PORTFOLIO SAVINGS AND INVESTMENT

Table 7 provides portfolio-level savings and investment by year and in aggregate, inclusive of all proposed DSM resources for the 2027–2031 DSM Preferred Plan.

Table 7: 2027–2031 DSM Preferred Plan Portfolio Savings and Investment

2027-2031 Portfolio												
Year	Investment ($M)	Lifetime Benefits ($ million)	First-Year Energy Savings (GWh)	Peak Demand Savings (MW)	Lifetime Energy Savings (GWh)	Low-Income & Equity Energy Savings (GWh)	Available Demand Response Capacity (MW)	Solar-PV Generation (GWh)	Energy Efficiency Weighted Average Measure Life (years)	Demand Response Weighted Average Measure Life (years)	Solar-PV Weighted Average Measure Life (years)	Program Administrator Cost Test (PAC)
2027	63.75	175.9	121.5	19.7	1,540.6	2.7	21.1	0.0	12.7	1.0	30.0	2.7
2028	63.75	160.3	100.8	18.7	1,214.2	3.1	23.2	0.5	12.0	1.0	30.0	2.5
2029	63.75	150.5	77.7	16.6	937.9	2.9	25.2	0.5	12.1	1.0	30.0	2.3
2030	63.75	144.8	70.3	15.8	855.3	2.7	27.3	0.4	12.2	1.0	30.0	2.3
2031	63.75	135.4	65.2	14.2	787.1	2.5	29.3	0.3	12.1	1.0	30.0	2.1
Total	318.75	682.5	435.4	85.0	5,335.1	14.0	29.3	1.7	12.3	1.0	30.0	2.4

Lifetime benefits for energy efficiency, demand response and solar-PV are expressed as the net present value of the avoided costs, including energy, capacity, transmission, distribution over the life of the program measures, using utility WACC.
Low-Income & Equity Energy Savings are first-year energy savings from dedicated energy efficiency program components (Affordable Multifamily Housing, Affordable Single-family Homes, Mi'kmaw Home Energy Efficiency Project, Mi'kmaw New Home Construction).
PAC is a benefit/cost ratio comparing lifetime benefits to DSM investment. For Demand Response, upfront costs are levelized over ten years.

4.5 PROGRAM SAVINGS AND INVESTMENT

Table 8, below, provides the five-year savings and investment details by program component for the 2027–2031 Preferred Plan.

Table 8: 2027–2031 DSM Preferred Plan Savings and Investment by Program Component

2027-2031	Investment ($ million)	Lifetime Benefits ($ million)	First Year Energy Savings (GWh)	Lifetime Energy Savings (GWh)	Peak Demand Savings (MW)	Available Demand Response Capacity (MW)	Solar-PV Generation (GWh)	Weighted Average Measure Life (years)	Program Administrator Cost Test (PAC)
Energy Efficiency (EE) Programs									
Residential EE Programs									
Efficient Product Rebates	20.6	111.1	63.4	691.1	18.7	-	-	10.9	6.3
Instant Savings	*20.6*	*111.1*	*63.4*	*691.1*	*18.7*			*10.9*	*6.3*
Existing Residential	119.3	115.1	61.6	777.5	18.2	-	-	12.6	1.1
Affordable Multifamily Housing	*11.3*	*12.7*	*4.6*	*79.0*	*2.1*			*17.2*	*1.3*
Affordable Single-family Homes	*43.7*	*30.2*	*8.3*	*157.4*	*6.0*			*19.0*	*0.8*
Efficient Product Installation	*39.5*	*33.4*	*39.6*	*362.4*	*2.6*			*9.2*	*1.0*
Home Energy Assessment	*24.3*	*38.3*	*9.1*	*177.3*	*7.5*			*19.4*	*1.8*
Mi'kmaw Home Energy Efficiency Project	*0.6*	*0.5*	*0.1*	*1.3*	*0.1*			*18.6*	*0.9*
New Residential	5.0	3.2	1.1	32.8	0.4	-	-	30.8	0.8
Mi'kmaw New Home Construction	5.0	3.2	1.1	32.8	0.4			30.8	0.8
Residential Total (Incidental + Dedicated) Low-Income & Equity Impacts	*73.9*	*59.0*	*28.6*	*404.7*	*9.6*			*14.1*	*0.9*
Residential EE Programs Subtotal	144.9	229.5	126.1	1,501.5	37.3	-	-	11.9	1.8
Business, Non-Profit & Institutional (BNI) EE Programs									
Efficient Product Rebates	18.1	67.4	50.2	578.7	9.4	-	-	11.5	4.2
Business Energy Rebates	*18.1*	*67.4*	*50.2*	*578.7*	*9.4*			*11.5*	*4.2*
Custom Incentives	67.5	297.3	237.5	2,973.1	32.4	-	-	12.5	4.9
Custom	*62.1*	*285.2*	*218.7*	*2,863.6*	*30.1*			*13.1*	*5.1*
Strategic Energy Management	*5.4*	*12.1*	*18.8*	*109.5*	*2.3*			*5.8*	*2.5*
Direct Installation	27.3	38.0	21.6	281.8	5.9	-	-	13.0	1.6
Small Business Energy Solutions	*27.3*	*38.0*	*21.6*	*281.8*	*5.9*			*13.0*	*1.6*
BNI Low-Income & Equity (EE)	*0.6*	*2.0*	*1.0*	*18.5*	*0.1*			*19.2*	*3.7*
BNI EE Programs Subtotal	112.8	402.6	309.4	3,833.6	47.7	-	-	12.4	4.0
EE Programs Total (Residential + BNI)	257.7	632.1	435.4	5,335.1	85.0	-	-	12.3	2.8
Enabling Strategies (ES)									
Education and Outreach	6.5								
Development and Research	7.1								
Other Enabling Strategies	11.7								
Market Transformation	3.8								
Enabling Strategies Subtotal	29.1								
EE Portfolio Total (EE + ES)	286.8	632.1	435.4	5,335.1	85.0	-	-	12.3	2.5
Demand Response (DR) Program									
Residential Demand Response	10.3	7.2	-	-	-	3.8	-	1.0	0.7
BNI Demand Response	18.8	40.5	-	-	-	25.5	-	1.0	2.4
DR Program Total	29.1	47.7	-	-	-	29.3	-	1.0	1.7
Solar-PV Program									
Residential Solar-PV	*2.8*	*2.8*	-	-	-	-	*1.7*	*30.0*	*1.1*
Solar-PV Program Total	2.8	2.8	-	-	-	-	1.7	30.0	1.1
DSM Portfolio Total (EE + ES + DR +Solar-PV)	318.75	682.5	435.4	5,335.1	85.0	29.3	1.7	-	2.4

Columns may not add correctly due to rounding.
Currency is expressed in nominal dollars. For the five-year total row, currency is a straight sum of 5 years of nominal values.
Lifetime benefits for energy efficiency, demand response and solar-PV are expressed as the net present value of the avoided costs, including energy, capacity, transmission, distribution over the life of the program measures, using utility WACC.
Low-income and equity impacts reflects planned participation by low-income and equity customers. Impacts are from dedicated low-income and equity programs and incidental low-income and equity impacts from non-targeted programs. Numbers are a subset of Existing Residential, New Residential, BNI Efficient Product Rebates, Custom Incentives, and Direct Installation.
PAC is a benefit/cost ratio comparing lifetime benefits to DSM investment. For Demand Response, upfront costs are levelized over ten years.

Program savings and investment for 2027, 2028, 2029, 2030, and 2031 are provided in Tables 9-Table 13, below.

Table 9: 2027 DSM Preferred Plan Savings and Investment by Program Component

2027	Investment ($ million)	Lifetime Benefits ($ million)	First Year Energy Savings (GWh)	Lifetime Energy Savings (GWh)	Peak Demand Savings (MW)	Available Demand Response Capacity (MW)	Solar-PV Generation (GWh)	Weighted Average Measure Life (years)	Program Administrator Cost Test (PAC)
Energy Efficiency (EE) Programs									
Residential EE Programs									
Efficient Product Rebates	2.2	10.4	11.5	111.3	1.0	-	-	9.7	4.7
Instant Savings	*2.2*	*10.4*	*11.5*	*111.3*	*1.0*			*9.7*	*4.7*
Existing Residential	22.0	22.2	11.8	145.5	3.3	-	-	12.3	1.0
Affordable Multifamily Housing	*1.9*	*2.3*	*0.8*	*12.9*	*0.3*			*15.8*	*1.2*
Affordable Single-family Homes	*9.0*	*7.5*	*1.8*	*35.3*	*1.3*			*19.1*	*0.8*
Efficient Product Installation	*7.3*	*6.0*	*7.8*	*72.0*	*0.5*			*9.2*	*0.8*
Home Energy Assessment	*3.3*	*5.9*	*1.2*	*24.0*	*1.0*			*19.4*	*1.8*
Mi'kmaw Home Energy Efficiency Project	*0.5*	*0.5*	*0.1*	*1.3*	*0.1*			*18.6*	*1.0*
New Residential	0.2	0.0	0.0	0.0	0.0	-	-	N/A	0.0
Mi'kmaw New Home Construction	0.2	0.0	0.0	0.0	0.0			N/A	0.0
Residential Total (Incidental + Dedicated) Low-Income & Equity Impacts	*14.1*	*12.5*	*5.6*	*76.1*	*2.0*			*13.5*	*0.9*
Residential EE Programs Subtotal	24.4	32.6	23.3	256.7	4.3	-	-	11.0	1.3
Business, Non-Profit & Institutional (BNI) EE Programs									
Efficient Product Rebates	4.1	16.8	14.4	146.7	2.6	-	-	10.2	4.1
Business Energy Rebates	*4.1*	*16.8*	*14.4*	*146.7*	*2.6*			*10.2*	*4.1*
Custom Incentives	18.2	105.9	77.4	1,070.4	11.3	-	-	13.8	5.8
Custom	*17.1*	*103.6*	*73.2*	*1,046.1*	*10.7*			*14.3*	*6.0*
Strategic Energy Management	*1.1*	*2.3*	*4.2*	*24.3*	*0.5*			*5.8*	*2.0*
Direct Installation	6.7	9.2	6.4	66.7	1.6	-	-	10.4	1.4
Small Business Energy Solutions	*6.7*	*9.2*	*6.4*	*66.7*	*1.6*			*10.4*	*1.4*
BNI Low-Income & Equity (EE)	*0.2*	*0.6*	*0.3*	*6.3*	*0.0*			*20.2*	*4.2*
BNI EE Programs Subtotal	29.0	131.9	98.2	1,283.8	15.4	-	-	13.1	4.5
EE Programs Total (Residential + BNI)	53.4	164.5	121.5	1,540.6	19.7	-	-	12.7	3.1
Enabling Strategies (ES)									
Education and Outreach	1.2								
Development and Research	1.5								
Other Enabling Strategies	1.5								
Market Transformation	0.8								
Enabling Strategies Subtotal	5.0								
EE Portfolio Total (EE + ES)	58.4	164.5	121.5	1,540.6	19.7	-	-	12.7	2.8
Demand Response (DR) Program									
Residential Demand Response	2.2	2.1	-	-	-	4.2	-	1.0	0.9
BNI Demand Response	3.1	9.3	-	-	-	17.0	-	1.0	2.9
DR Program Total	5.3	11.4	-	-	-	21.1	-	1.0	2.0
Solar-PV Program									
Residential Solar-PV	0.0	0.0	-	-	-	-	0.0	N/A	N/A
Solar-PV Program Total	0.0	0.0	-	-	-	-	0.0	N/A	N/A
DSM Portfolio Total (EE + ES + DR +Solar-PV)	63.75	175.9	121.5	1,540.6	19.7	21.1	0.0	-	2.7

Columns may not add correctly due to rounding.
Currency is expressed in nominal dollars. For the five-year total row, currency is a straight sum of 5 years of nominal values.
Lifetime benefits for energy efficiency, demand response and solar-PV are expressed as the net present value of the avoided costs, including energy, capacity, transmission, distribution over the life of the program measures, using utility WACC.
Low-income and equity impacts reflects planned participation by low-income and equity customers. Impacts are from dedicated low-income and equity programs and incidental low-income and equity impacts from non-targeted programs. Numbers are a subset of Existing Residential, New Residential, BNI Efficient Product Rebates, Custom Incentives, and Direct Installation.
PAC is a benefit/cost ratio comparing lifetime benefits to DSM investment. For Demand Response, upfront costs are levelized over ten years.

Table 10: 2028 DSM Preferred Plan Savings and Investment by Program Component

2028	Investment ($ million)	Lifetime Benefits ($ million)	First Year Energy Savings (GWh)	Lifetime Energy Savings (GWh)	Peak Demand Savings (MW)	Available Demand Response Capacity (MW)	Solar-PV Generation (GWh)	Weighted Average Measure Life (years)	Program Administrator Cost Test (PAC)
Energy Efficiency (EE) Programs									
Residential EE Programs									
Efficient Product Rebates	3.3	21.3	12.2	129.4	3.0	-	-	10.6	6.5
Instant Savings	*3.3*	*21.3*	*12.2*	*129.4*	*3.0*			*10.6*	*6.5*
Existing Residential	22.6	26.2	12.7	160.7	3.8	-	-	12.7	1.2
Affordable Multifamily Housing	*2.5*	*3.2*	*1.2*	*18.3*	*0.5*			*15.6*	*1.3*
Affordable Single-family Homes	*8.6*	*6.8*	*1.7*	*32.4*	*1.2*			*19.0*	*0.8*
Efficient Product Installation	*7.5*	*6.8*	*7.8*	*71.7*	*0.5*			*9.2*	*0.9*
Home Energy Assessment	*3.9*	*9.3*	*2.0*	*38.3*	*1.6*			*19.4*	*2.4*
Mi'kmaw Home Energy Efficiency Project	*0.1*	*0.0*	*0.0*	*0.0*	*0.0*			*N/A*	*0.0*
New Residential	1.2	0.9	0.3	8.2	0.1	-	-	30.8	0.8
Mi'kmaw New Home Construction	1.2	0.9	0.3	8.2	0.1			30.8	0.8
Residential Total (Incidental + Dedicated) Low-Income & Equity Impacts	*14.9*	*13.5*	*6.0*	*85.4*	*2.0*			*14.2*	*0.9*
Residential EE Programs Subtotal	27.0	48.4	25.1	298.3	7.0	-	-	11.9	1.8
Business, Non-Profit & Institutional (BNI) EE Programs									
Efficient Product Rebates	4.2	18.4	14.3	146.7	2.6	-	-	10.2	4.4
Business Energy Rebates	*4.2*	*18.4*	*14.3*	*146.7*	*2.6*			*10.2*	*4.4*
Custom Incentives	14.4	75.9	54.9	702.5	7.6	-	-	12.8	5.3
Custom	*13.3*	*73.1*	*50.7*	*678.2*	*7.1*			*13.4*	*5.5*
Strategic Energy Management	*1.1*	*2.9*	*4.2*	*24.3*	*0.5*			*5.8*	*2.5*
Direct Installation	6.8	9.8	6.4	66.8	1.6	-	-	10.4	1.4
Small Business Energy Solutions	*6.8*	*9.8*	*6.4*	*66.8*	*1.6*			*10.4*	*1.4*
BNI Low-Income & Equity (EE)	*0.1*	*0.5*	*0.2*	*4.4*	*0.0*			*18.4*	*3.8*
BNI EE Programs Subtotal	25.4	104.2	75.6	916.0	11.7	-	-	12.1	4.1
EE Programs Total (Residential + BNI)	52.4	152.6	100.8	1,214.2	18.7	-	-	12.0	2.9
Enabling Strategies (ES)									
Education and Outreach	1.2								
Development and Research	1.6								
Other Enabling Strategies	1.5								
Market Transformation	0.8								
Enabling Strategies Subtotal	5.1								
EE Portfolio Total (EE + ES)	57.5	152.6	100.8	1,214.2	18.7	-	-	12.0	2.7
Demand Response (DR) Program									
Residential Demand Response	2.0	1.1	-	-	-	4.1	-	1.0	0.5
BNI Demand Response	3.5	5.7	-	-	-	19.1	-	1.0	1.6
DR Program Total	5.5	6.8	-	-	-	23.2	-	1.0	1.2
Solar-PV Program									
Residential Solar-PV	*0.8*	*0.8*	-	-	-	-	*0.5*	*30.0*	*1.1*
Solar-PV Program Total	0.8	0.8	-	-	-	-	0.5	30.0	1.1
DSM Portfolio Total (EE + ES + DR +Solar-PV)	63.75	160.3	100.8	1,214.2	18.7	23.2	0.5	-	2.5

Columns may not add correctly due to rounding.
Currency is expressed in nominal dollars. For the five-year total row, currency is a straight sum of 5 years of nominal values.
Lifetime benefits for energy efficiency, demand response and solar-PV are expressed as the net present value of the avoided costs, including energy, capacity, transmission, distribution over the life of the program measures, using utility WACC.
Low-income and equity impacts reflects planned participation by low-income and equity customers. Impacts are from dedicated low-income and equity programs and incidental low-income and equity impacts from non-targeted programs. Numbers are a subset of Existing Residential, New Residential, BNI Efficient Product Rebates, Custom Incentives, and Direct Installation.
PAC is a benefit/cost ratio comparing lifetime benefits to DSM investment. For Demand Response, upfront costs are levelized over ten years.

Table 11: 2029 DSM Preferred Plan Savings and Investment by Program Component

2029	Investment ($ million)	Lifetime Benefits ($ million)	First Year Energy Savings (GWh)	Lifetime Energy Savings (GWh)	Peak Demand Savings (MW)	Available Demand Response Capacity (MW)	Solar-PV Generation (GWh)	Weighted Average Measure Life (years)	Program Administrator Cost Test (PAC)
Energy Efficiency (EE) Programs									
Residential EE Programs									
Efficient Product Rebates	4.8	32.5	13.5	152.4	4.9			11.3	6.8
Instant Savings	*4.8*	*32.5*	*13.5*	*152.4*	*4.9*	-	-	*11.3*	*6.8*
Existing Residential	24.5	27.6	12.4	158.9	3.8			12.8	1.1
Affordable Multifamily Housing	*2.3*	*3.1*	*0.9*	*16.8*	*0.4*	-	-	*18.5*	*1.3*
Affordable Single-family Homes	*9.0*	*7.1*	*1.7*	*32.4*	*1.2*			*19.0*	*0.8*
Efficient Product Installation	*7.8*	*7.7*	*7.8*	*71.4*	*0.5*			*9.2*	*1.0*
Home Energy Assessment	*5.4*	*9.6*	*2.0*	*38.3*	*1.6*			*19.4*	*1.8*
Mi'kmaw Home Energy Efficiency Project	*0.0*	*0.0*	*0.0*	*0.0*	*0.0*			*N/A*	*N/A*
New Residential	1.2	0.9	0.3	8.2	0.1			30.8	0.8
Mi'kmaw New Home Construction	1.2	0.9	0.3	8.2	0.1	-	-	30.8	0.8
Residential Total (Incidental + Dedicated) Low-Income & Equity Impacts	*15.1*	*14.0*	*5.8*	*83.8*	*2.0*			*14.5*	*0.9*
Residential EE Programs Subtotal	30.5	61.0	26.2	319.6	8.8			12.2	2.0
Business, Non-Profit & Institutional (BNI) EE Programs									
Efficient Product Rebates	3.4	15.5	9.2	115.1	1.7			12.6	4.5
Business Energy Rebates	*3.4*	*15.5*	*9.2*	*115.1*	*1.7*	-	-	*12.6*	*4.5*
Custom Incentives	12.3	52.8	39.2	452.5	5.1			11.6	4.3
Custom	*11.1*	*49.6*	*35.0*	*428.2*	*4.6*	-	-	*12.2*	*4.5*
Strategic Energy Management	*1.1*	*3.3*	*4.2*	*24.3*	*0.5*			*5.8*	*2.9*
Direct Installation	4.7	8.0	3.2	50.7	1.0			16.0	1.7
Small Business Energy Solutions	*4.7*	*8.0*	*3.2*	*50.7*	*1.0*	-	-	*16.0*	*1.7*
BNI Low-Income & Equity (EE)	*0.1*	*0.4*	*0.2*	*2.9*	*0.0*			*18.9*	*3.5*
BNI EE Programs Subtotal	20.4	76.4	51.5	618.4	7.8			12.0	3.7
EE Programs Total (Residential + BNI)	50.9	137.4	77.7	937.9	16.6	-	-	12.1	2.7
Enabling Strategies (ES)						-	-		
Education and Outreach	1.3								
Development and Research	1.4								
Other Enabling Strategies	2.9								
Market Transformation	0.7								
Enabling Strategies Subtotal	6.3								
EE Portfolio Total (EE + ES)	57.2	137.4	77.7	937.9	16.6			12.1	2.4
Demand Response (DR) Program									
Residential Demand Response	2.0	1.8	-	-	-	4.0	-	1.0	0.8
BNI Demand Response	3.8	10.5	-	-	-	21.2	-	1.0	2.7
DR Program Total	5.8	12.3	-	-	-	25.2	-	1.0	2.0
Solar-PV Program									
Residential Solar-PV	*0.8*	*0.9*	-	-	-	-	*0.5*	*30.0*	*1.2*
Solar-PV Program Total	0.8	0.9	-	-	-	-	0.5	30.0	1.2
DSM Portfolio Total (EE + ES + DR +Solar-PV)	63.75	150.5	77.7	937.9	16.6	25.2	0.5	-	2.3

Columns may not add correctly due to rounding.
Currency is expressed in nominal dollars. For the five-year total row, currency is a straight sum of 5 years of nominal values.
Lifetime benefits for energy efficiency, demand response and solar-PV are expressed as the net present value of the avoided costs, including energy, capacity, transmission, distribution over the life of the program measures, using utility WACC.
Low-income and equity impacts reflects planned participation by low-income and equity customers. Impacts are from dedicated low-income and equity programs and incidental low-income and equity impacts from non-targeted programs. Numbers are a subset of Existing Residential, New Residential, BNI Efficient Product Rebates, Custom Incentives, and Direct Installation.
PAC is a benefit/cost ratio comparing lifetime benefits to DSM investment. For Demand Response, upfront costs are levelized over ten years.

Table 12: 2030 DSM Preferred Plan Savings and Investment by Program Component

2030	Investment ($ million)	Lifetime Benefits ($ million)	First Year Energy Savings (GWh)	Lifetime Energy Savings (GWh)	Peak Demand Savings (MW)	Available Demand Response Capacity (MW)	Solar-PV Generation (GWh)	Weighted Average Measure Life (years)	Program Administrator Cost Test (PAC)
Energy Efficiency (EE) Programs									
Residential EE Programs									
Efficient Product Rebates	5.1	34.4	13.3	153.0	5.3	-	-	11.5	6.8
Instant Savings	*5.1*	*34.4*	*13.3*	*153.0*	*5.3*			*11.5*	*6.8*
Existing Residential	24.8	27.8	12.5	158.3	3.7	-	-	12.7	1.1
Affordable Multifamily Housing	*2.4*	*3.1*	*0.9*	*16.8*	*0.4*			*18.5*	*1.3*
Affordable Single-family Homes	*8.6*	*6.4*	*1.6*	*29.4*	*1.1*			*19.0*	*0.8*
Efficient Product Installation	*8.3*	*8.7*	*8.1*	*73.7*	*0.5*			*9.1*	*1.0*
Home Energy Assessment	*5.6*	*9.5*	*2.0*	*38.3*	*1.6*			*19.4*	*1.7*
Mi'kmaw Home Energy Efficiency Project	*0.0*	*0.0*	*0.0*	*0.0*	*0.0*			*N/A*	*N/A*
New Residential	1.2	1.0	0.3	8.2	0.1	-	-	30.8	0.8
Mi'kmaw New Home Construction	1.2	1.0	0.3	8.2	0.1			30.8	0.8
Residential Total (Incidental + Dedicated) Low-Income & Equity Impacts	*14.9*	*13.8*	*5.7*	*81.7*	*1.9*			*14.3*	*0.9*
Residential EE Programs Subtotal	31.1	63.2	26.1	319.6	9.1	-	-	12.3	2.0
Business, Non-Profit & Institutional (BNI) EE Programs									
Efficient Product Rebates	3.1	12.3	6.2	85.7	1.3	-	-	13.7	4.0
Business Energy Rebates	*3.1*	*12.3*	*6.2*	*85.7*	*1.3*			*13.7*	*4.0*
Custom Incentives	11.6	49.1	35.2	401.2	4.5	-	-	11.4	4.2
Custom	*10.6*	*46.5*	*32.1*	*382.9*	*4.1*			*11.9*	*4.4*
Strategic Energy Management	*1.0*	*2.7*	*3.1*	*18.3*	*0.4*			*5.8*	*2.7*
Direct Installation	4.5	7.8	2.8	48.8	0.9	-	-	17.4	1.7
Small Business Energy Solutions	*4.5*	*7.8*	*2.8*	*48.8*	*0.9*			*17.4*	*1.7*
BNI Low-Income & Equity (EE)	*0.1*	*0.3*	*0.1*	*2.6*	*0.0*			*19.1*	*3.4*
BNI EE Programs Subtotal	19.2	69.2	44.3	535.7	6.7	-	-	12.1	3.6
EE Programs Total (Residential + BNI)	50.3	132.5	70.3	855.3	15.8	-	-	12.2	2.6
Enabling Strategies (ES)									
Education and Outreach	1.4								
Development and Research	1.3								
Other Enabling Strategies	3.2								
Market Transformation	0.7								
Enabling Strategies Subtotal	6.6								
EE Portfolio Total (EE + ES)	56.9	132.5	70.3	855.3	15.8	-	-	12.2	2.3
Demand Response (DR) Program									
Residential Demand Response	2.0	1.5	-	-	-	3.9	-	1.0	0.7
BNI Demand Response	4.1	10.0	-	-	-	23.3	-	1.0	2.3
DR Program Total	6.1	11.5	-	-	-	27.3	-	1.0	1.7
Solar-PV Program									
Residential Solar-PV	*0.7*	*0.8*	-	-	-	-	*0.4*	*30.0*	*1.2*
Solar-PV Program Total	0.7	0.8	-	-	-	-	0.4	30.0	1.2
DSM Portfolio Total (EE + ES + DR +Solar-PV)	63.7	144.8	70.3	855.3	15.8	27.3	0.4	-	2.3

Columns may not add correctly due to rounding.
Currency is expressed in nominal dollars. For the five-year total row, currency is a straight sum of 5 years of nominal values.
Lifetime benefits for energy efficiency, demand response and solar-PV are expressed as the net present value of the avoided costs, including energy, capacity, transmission, distribution over the life of the program measures, using utility WACC.
Low-income and equity impacts reflects planned participation by low-income and equity customers. Impacts are from dedicated low-income and equity programs and incidental low-income and equity impacts from non-targeted programs. Numbers are a subset of Existing Residential, New Residential, BNI Efficient Product Rebates, Custom Incentives, and Direct Installation.
PAC is a benefit/cost ratio comparing lifetime benefits to DSM investment. For Demand Response, upfront costs are levelized over ten years.

Table 13: 2031 DSM Preferred Plan Savings and Investment by Program Component

2031	Investment ($ million)	Lifetime Benefits ($ million)	First Year Energy Savings (GWh)	Lifetime Energy Savings (GWh)	Peak Demand Savings (MW)	Available Demand Response Capacity (MW)	Solar-PV Generation (GWh)	Weighted Average Measure Life (years)	Program Administrator Cost Test (PAC)
Energy Efficiency (EE) Programs									
Residential EE Programs									
Efficient Product Rebates	5.2	30.7	12.9	145.0	4.5	-	-	11.3	5.9
Instant Savings	*5.2*	*30.7*	*12.9*	*145.0*	*4.5*			*11.3*	*5.9*
Existing Residential	25.4	27.5	12.3	154.1	3.6	-	-	12.6	1.1
Affordable Multifamily Housing	*2.2*	*2.8*	*0.8*	*14.2*	*0.4*			*18.4*	*1.3*
Affordable Single-family Homes	*8.6*	*6.1*	*1.5*	*28.0*	*1.1*			*18.9*	*0.7*
Efficient Product Installation	*8.6*	*9.2*	*8.1*	*73.5*	*0.5*			*9.1*	*1.1*
Home Energy Assessment	*6.1*	*9.4*	*2.0*	*38.3*	*1.6*			*19.4*	*1.5*
Mi'kmaw Home Energy Efficiency Project	*0.0*	*0.0*	*0.0*	*0.0*	*0.0*			*N/A*	*N/A*
New Residential	1.2	1.0	0.3	8.2	0.1	-	-	30.8	0.8
Mi'kmaw New Home Construction	1.2	1.0	0.3	8.2	0.1			30.8	0.8
Residential Total (Incidental + Dedicated) Low-Income & Equity Impacts	*14.8*	*13.2*	*5.5*	*77.6*	*1.8*			*14.1*	*0.9*
Residential EE Programs Subtotal	31.8	59.1	25.4	307.4	8.2	-	-	12.1	1.9
Business, Non-Profit & Institutional (BNI) EE Programs									
Efficient Product Rebates	3.2	12.3	6.1	84.5	1.3	-	-	13.7	3.8
Business Energy Rebates	*3.2*	*12.3*	*6.1*	*84.5*	*1.3*			*13.7*	*3.8*
Custom Incentives	11.0	43.0	30.8	346.5	3.9	-	-	11.2	3.9
Custom	*10.0*	*40.3*	*27.7*	*328.2*	*3.6*			*11.9*	*4.0*
Strategic Energy Management	*1.0*	*2.7*	*3.1*	*18.3*	*0.4*			*5.8*	*2.7*
Direct Installation	4.6	7.9	2.8	48.8	0.9	-	-	17.4	1.7
Small Business Energy Solutions	*4.6*	*7.9*	*2.8*	*48.8*	*0.9*			*17.4*	*1.7*
BNI Low-Income & Equity (EE)	*0.1*	*0.3*	*0.1*	*2.3*	*0.0*			*19.0*	*3.1*
BNI EE Programs Subtotal	18.8	63.2	39.8	479.7	6.1	-	-	12.1	3.4
EE Programs Total (Residential + BNI)	50.6	122.3	65.2	787.1	14.2	-	-	12.1	2.4
Enabling Strategies (ES)									
Education and Outreach	1.4								
Development and Research	1.4								
Other Enabling Strategies	2.5								
Market Transformation	0.8								
Enabling Strategies Subtotal	6.1								
EE Portfolio Total (EE + ES)	56.7	122.3	65.2	787.1	14.2	-	-	12.1	2.2
Demand Response (DR) Program									
Residential Demand Response	2.0	1.5	-	-	-	3.8	-	1.0	0.6
BNI Demand Response	4.4	10.9	-	-	-	25.5	-	1.0	2.4
DR Program Total	6.4	12.4	-	-	-	29.3	-	1.0	1.8
Solar-PV Program									
Residential Solar-PV	*0.6*	*0.7*	-	-	-	-	*0.3*	*30.0*	*1.1*
Solar-PV Program Total	0.6	0.7	-	-	-	-	0.3	30.0	1.1
DSM Portfolio Total (EE + ES + DR +Solar-PV)	63.75	135.4	65.2	787.1	14.2	29.3	0.3	-	2.1

Columns may not add correctly due to rounding.
Currency is expressed in nominal dollars. For the five-year total row, currency is a straight sum of 5 years of nominal values.
Lifetime benefits for energy efficiency, demand response and solar-PV are expressed as the net present value of the avoided costs, including energy, capacity, transmission, distribution over the life of the program measures, using utility WACC.
Low-income and equity impacts reflects planned participation by low-income and equity customers. Impacts are from dedicated low-income and equity programs and incidental low-income and equity impacts from non-targeted programs. Numbers are a subset of Existing Residential, New Residential, BNI Efficient Product Rebates, Custom Incentives, and Direct Installation.
PAC is a benefit/cost ratio comparing lifetime benefits to DSM investment. For Demand Response, upfront costs are levelized over ten years.

4.5.1 LOW-INCOME AND EQUITY INVESTMENT AND SAVINGS

E1's 2027–2031 DSM Preferred Plan includes dedicated program components that exclusively serve low-income and equity communities. These program components include Affordable Multifamily Housing Affordable Single-family Homes, the Mi'kmaw Home Energy Efficiency Project, Mi'kmaw New Home Construction. Together, these dedicated low-income and equity energy efficiency programs account for 11 percent of total residential energy savings.

The proposed Solar-PV program is also a dedicated low-income and equity offering and forms part of E1's overall portfolio of dedicated program components that exclusively serve low-income and equity communities. As a new DSM resource, it has a proposed standalone performance target with impacts reported separately alongside the low-income and equity energy savings from dedicated energy efficiency program components.

As in prior Plans, E1 has also assumed that customers from low-income and equity communities participate in other E1 programs in varying proportions. These are "incidental" low-income and equity impacts from non-targeted programs. Program components with assumed incidental low-income and equity impacts include Efficient Product Installation, Business Energy Rebates, Custom, and Small Business Energy Solutions. Please refer to Attachment 1 for the assumptions and calculations for how low-income and equity impacts were estimated for the 2027–2031 DSM Preferred Plan.

Table 14, below, summarizes the 2027–2031 low-income and equity impacts from E1's dedicated program components and incidental impacts from its non-targeted programs. The impacts represent a subset of the total program investment and savings shown in Table 8, above, for the Existing Residential, New Residential, BNI Efficient Product Rebates, Custom Incentives, Direct Installation and Solar-PV program. Low-income and equity impacts are further detailed by program and Plan year in the program descriptions that follow.

Table 14: 2027–2031 DSM Preferred Plan Low-income and Equity Savings and Investment by Program Component

2027-2031 Dedicated and Incidental Low-income and Equity	Investment ($ million)	Lifetime Benefits ($ million)	First Year Energy Savings (GWh)	Lifetime Energy Savings (GWh)	Peak Demand Savings (MW)	Solar-PV Generation (GWh)	Program Administrator Cost Test (PAC)
Energy Efficiency (EE) Programs							
Residential EE Programs							
Existing Residential	69.0	55.8	27.6	371.9	9.2	-	*0.9*
Affordable Multifamily Housing	*11.3*	*12.7*	*4.6*	*79.0*	*2.1*	-	*1.3*
Affordable Single-family Homes	*43.7*	*30.2*	*8.3*	*157.4*	*6.0*	-	*0.8*
Efficient Product Installation	*13.4*	*12.4*	*14.6*	*134.1*	*1.1*	-	*1.0*
Mi'kmaw Home Energy Efficiency Project	*0.6*	*0.5*	*0.1*	*1.3*	*0.1*	-	*0.9*
New Residential	5.0	3.2	1.1	32.8	0.4	-	*0.8*
Mi'kmaw New Home Construction	*5.0*	*3.2*	*1.1*	*32.8*	*0.4*	-	*0.8*
Residential Low-Income & Equity (EE)	*73.9*	*59.0*	*28.6*	*404.7*	*9.6*	-	*0.9*
Business, Non-Profit & Institutional (BNI) EE Programs							
Efficient Product Rebates	0.0036	0.2	0.1	1.8	0.0	-	*4.2*
Business Energy Rebates	*0.0036*	*0.2*	*0.1*	*1.8*	*0.0*	-	*4.2*
Custom Incentives	0.3	1.4	0.7	14.5	0.0	-	*5.1*
Custom	*0.3*	*1.4*	*0.7*	*14.5*	*0.0*	-	*5.1*
Direct Installation	0.3	0.3	0.2	2.3	0.1	-	*1.6*
Small Business Energy Solutions	*0.3*	*0.3*	*0.2*	*2.3*	*0.1*	-	*1.6*
BNI Low-Income & Equity (EE)	*0.6*	*2.0*	*1.0*	*18.5*	*0.1*	-	*3.7*
Solar-PV Program							
Residential Solar-PV	2.8	2.8	-	-	-	1.7	1.1
Residential Low-Income & Equity (Solar-PV)	2.8	2.8	-	-	-	1.7	1.1
Portfolio Low-income & Equity Total (EE + Solar-PV)	77.4	63.8	29.6	423.2	9.7	1.7	1.1

Columns may not add correctly due to rounding.
Currency is expressed in nominal dollars. For the five-year total row, currency is a straight sum of 5 years of nominal values.

4.6 2027–2031 DSM PREFERRED PLAN INVESTMENT OVERVIEW

E1's total investment for the 2027–2031 DSM Preferred Plan is $318.75 million.

Energy Efficiency

The investment for energy efficiency is reflective of the costs E1 expects to incur to achieve the savings with the suite of programs included in the Preferred Plan. Investment levels in Residential sector programs represent approximately 56 percent of the energy efficiency portfolio and BNI sector programs at 44 percent. At the same time, residential sector programs will generate approximately 29 percent of the portfolio savings and BNI sector programs providing 71 percent of the energy efficiency portfolio savings. This reflects the evolution of the Nova Scotia electricity efficiency market with the adoption of a residential LED baseline in January 2025, and a permanent shift towards non-lighting measures in its residential program components, such as Instant Savings and Efficient Product Installation. Residential savings have also declined over 2027–2031 due to the expected decline in savings and participation in Home Energy Assessment with the closure of the Canada Greener Homes Grant program and removal of Residential Behaviour from the 2027–2031 portfolio. Several residential program components also continue to see reduced energy savings, resulting from two billing analyses conducted during the 2024

DSM evaluation. The Home Energy Assessment billing analysis updated the HOT2000 modelling software overestimation ratio with a new adjustment ratio, resulting in lower energy savings for heat pumps, impacting Home Energy Assessment, Affordable Single-family Homes, and Mi'kmaw Home Energy Efficiency Project (as all programs use the HOT2000 modelling software). The Green Heat billing analysis updated unitary savings for heat pumps in fully electrically heated homes or mainly electrically heated (i.e., they have a secondary heating system) homes, resulting in lower unitary savings for heat pumps, impacting Green Heat (which closed at the end of 2025), and Affordable Single-family Homes and Affordable Multifamily Homes for non-modelled heat pumps.

Demand Response

E1 shifted the proportion of its investment to the BNI Demand Response program component (Smart Synergy pathway) which will achieve modest growth in available capacity over the five years.

Residential Demand Response (Eco Shift pathway) will remain constant at the 2026 DSM Extension levels with no new installations. E1 does not intend to enroll new customers in 2027–2031 for Residential Demand Response but will continue to leverage existing equipment assets by encouraging participants to continue to participate in demand response events, with the expectation that the residential program will be cost-effective in the future.

Solar-PV

The Residential Solar-PV program component provides direct support to Nova Scotia's Mi'kmaw communities participating in the energy efficiency Mi'kmaw New Home Construction program.

Enabling Strategies

2027–2031 investment in Enabling Strategies ($29.1 million) supports education and outreach initiatives, development and research initiatives, market transformation, and regulatory initiatives, including development of the 2032-2036 DSM Plan and work with the Nova Scotia Independent Energy System Operator and its first IRP, including the initiation of an updated Potential Study.

4.6.1 DSM EXPENDITURES BY EXPENSE CATEGORY

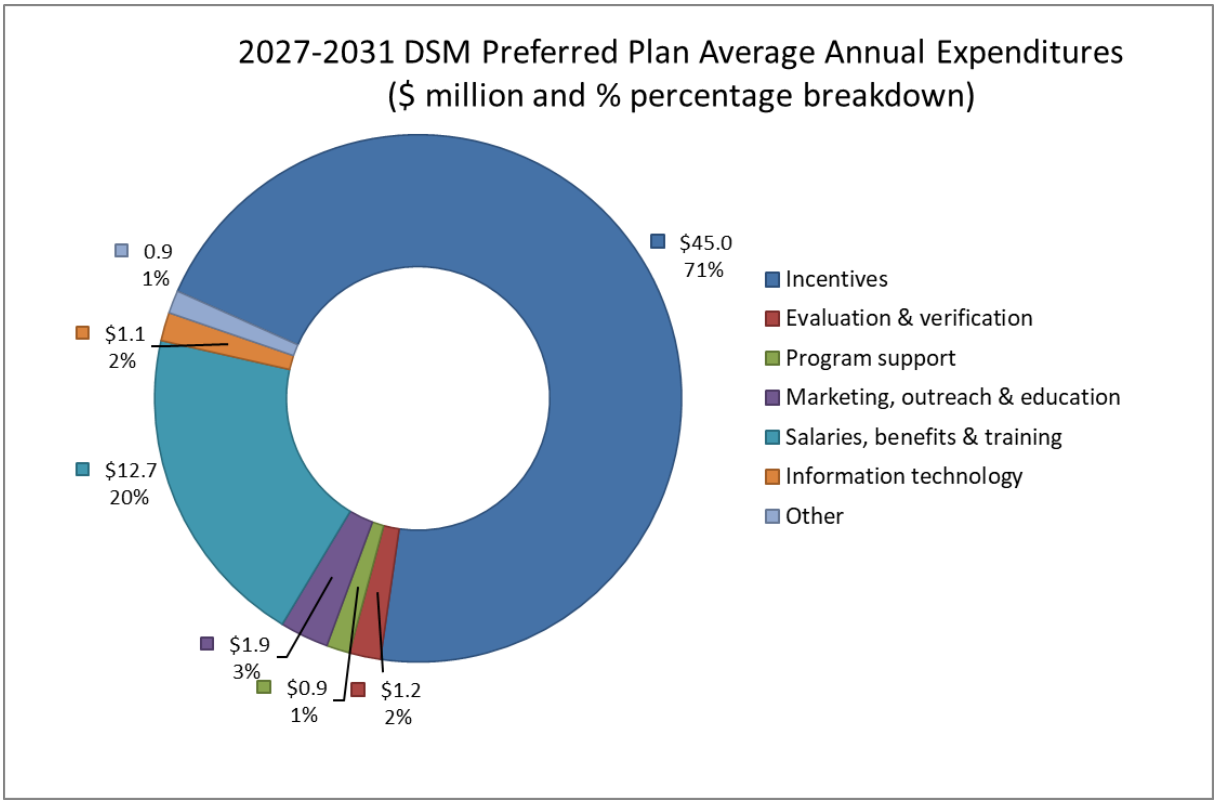
The 2027–2031 average annual expenditures by expense category are provided in Figure 2, below. In the 2027–2031 DSM Preferred Plan, to be responsive to customers, E1 has increased the investment in

customer incentives which continues to be the largest expense category and at approximately 71 percent of total expenditures higher than 66 percent in the 2026 DSM Extension. Additionally, the Preferred Plan includes a reduction in total full time equivalent employees from 114.3 in the 2026 DSM Extension to an average of 106.7 for the 2027–2031 period.

E1 notes that incentives provide direct support to Nova Scotians participating in DSM programs and are directly linked to the DSM resource savings targets. Incentive types for E1's DSM programs include the following:

- rebates paid directly to customers (e.g., Home Energy Assessment, Demand Response, Solar-PV);
- rebates that flow through to customers (e.g., Business Energy Rebates, Instant Savings);
- total costs of customer upgrades which may include energy audit costs, materials, installation and labour (e.g., Affordable Single-family Homes);
- energy audit and feasibility study costs (e.g., Home Energy Assessment, Custom); and
- third-party delivery agent costs (e.g., Instant Savings, Demand Response, Affordable Single-family Homes).

Figure 2: 2027–2031 DSM Preferred Plan Average Annual Expenditures by Expense Category



4.6.2 UNIT COST

Unit cost is a calculated output of E1's investment and savings over a defined time period. Factors that influence unit cost results typically include:

- the level of participation in a program or program component;
- the mix of products in the programs (measure mix);
- changes to savings in programs (e.g., changes to evaluated unitary savings, free-ridership levels, adjustment ratios, etc.); and
- changes to costs in programs (e.g., changes to delivery agent costs, marketing efforts, number of program full-time equivalents, incentives, etc.).

At the portfolio level, the projected 2027–2031 first-year unit cost (cost of energy efficiency per kWh) is $0.66/kWh, reflecting the mix of program components and the projected costs and savings associated with these program components. By comparison, the portfolio unit cost for the 2026 DSM Extension was $0.49/kWh.

The increase in portfolio unit cost over the 2027–2031 period is largely attributable to changes within the residential sector consistent with the unit cost factors described above. The primary contributors to this increase are (a) the mix of products in the programs; (b) changes to savings in programs; and (c) changes to costs in programs.

Changes to the mix of products in the programs

The transition away from low-cost, high-volume lighting measures (LEDs), which historically provided significant savings at very low unit costs, has shifted the portfolio toward deeper, more complex measures such as building envelope upgrades, heat pump installations, and custom commercial projects. These measures deliver greater long-term savings and higher lifetime value per dollar invested, but at a higher first-year unit cost.

Changes to savings in programs

The 2027–2031 energy efficiency portfolio is challenged with downward changes in unitary savings for several measures (e.g., heat pumps) which are having a substantial impact on the unit cost (i.e. less savings

achieved per measure). The 2024 DSM Evaluation results for residential heat pumps, established through a billing analysis, reduced savings for this measure by approximately 50%[13].

Changes to costs in programs (program delivery costs)

The conclusion of the federal government's Canada Greener Homes Grant program in 2025 which provided incentive top ups and subsidized energy audit costs directly impacted costs for the Home Energy Assessment program component. Customers have signaled that greater financial support is required to influence their decision making in whether to invest in efficiency measures and providing this support through modest increases in residential customer rebates is increasingly important in the current economic context.

Additionally, incentive top ups for the Affordable Multifamily Housing program component are no longer provided by the Province, as this provincial funding has been fully allocated as of May 2025.[14] E1 has increased incentive levels to maintain participation following the end of this funding, directly increasing per-unit delivery costs attributable to the DSM Plan.

Broader inflationary pressures across the Nova Scotia economy-including rising labour costs, supply chain constraints, and increased material costs for energy efficiency equipment have also increased the cost of program delivery across the DSM industry, not solely for E1.

E1 continues to be committed to prudent management of all costs in the Preferred Plan, including ensuring that these costs reflect current market conditions through competitive procurements. Additional detail on cost management strategies is provided in section 5.2. of the Evidence.

Importantly, while first-year unit costs have increased for the reasons described above, the Preferred Plan's lifetime unit cost of $0.05/kWh reflects the strong long-term value delivered by the portfolio. Further, E1's energy efficiency portfolio continues to be highly cost effective, demonstrating that energy efficiency remains a lower cost option as compared to supply side options.

[13] M12186, E1 2024 DSM Programs Evaluation Reports, Final DSM Reports, Existing Residential Program, March 26, 2025, page 145.

[14] The supplemental provincial funding utilized the Green Fund to top up DSM rebates to lower project costs for participants. This supplemental provincial funding was in place from 2021 to 2025.

4.7 RATE CLASS ALLOCATIONS

E1 has committed to improve the accuracy of the estimates used for the rate class allocation of expenditures in the DSM Plan. For the 2027–2031 DSM Preferred Plan, E1 largely followed its approach taken for the 2026 DSM Extension, and established the rate class allocation of expenditures by considering the following factors: reliance on three years of historical data to inform the rate class allocations for both energy efficiency and demand response (i.e., reflective of 2022, 2023, 2024 allocators); completed a review of customer commitments for projects within programs; and incorporated assumptions for any program changes that may impact specific rate classes. 2027–2031 rate class estimates are based on the methodology of using the past three years of available data (2022, 2023, and 2024) to determine the spending by rate class percentages and applying those to the 2027–2031 years.

Planned rate class savings and expenditures for the 2027–2031 DSM Preferred Plan are provided in Table 15, below. E1 has also provided rate class expenditures and savings by program in Attachment 2.

Table 15: 2027–2031 DSM Preferred Plan Rate Class Savings and Expenditures

2027–2031							
Rate Class	Year	First-Year Energy Savings (GWh)	Lifetime Energy Savings (GWh)	Peak Demand Savings (MW)	Available Demand Response Capacity (MW)	Generation (GWh)	Expenditures ($ million)
Residential/Charitable (2,3,4)*	2027	26.1	304.2	4.8	4.2	0.0	30.1
	2028	27.2	328.4	7.3	4.1	0.5	33.2
	2029	27.1	334.9	8.9	4.0	0.5	37.3
	2030	26.6	330.5	9.1	3.9	0.4	38.0
	2031	25.9	317.4	8.2	3.8	0.3	38.5
	2027-2031	132.9	1,615.5	38.3	3.8	1.7	177.0
Small General (10)	2027	6.1	91.3	0.8	0.0	0.0	2.8
	2028	5.2	72.3	0.8	0.0	0.0	2.8
	2029	3.5	52.5	0.6	0.0	0.0	2.4
	2030	2.9	46.2	0.5	0.0	0.0	2.3
	2031	2.7	42.3	0.5	0.0	0.0	2.2
	2027-2031	20.4	304.6	3.3	0.0	0.0	12.5
General (11)	2027	42.8	694.7	8.6	3.0	0.0	18.4
	2028	33.5	496.2	6.5	3.6	0.0	16.5
	2029	22.0	333.0	4.3	4.2	0.0	13.6
	2030	18.9	291.2	3.7	4.7	0.0	13.1

2027–2031							
Rate Class	Year	First-Year Energy Savings (GWh)	Lifetime Energy Savings (GWh)	Peak Demand Savings (MW)	Available Demand Response Capacity (MW)	Generation (GWh)	Expenditures ($ million)
	2031	17.0	260.3	3.4	5.3	0.0	12.8
	2027-2031	134.2	2,075.4	26.6	5.3	0.0	74.5
Large General (12)	2027	6.9	93.9	0.7	4.3	0.0	2.5
	2028	5.0	63.5	0.5	4.6	0.0	2.2
	2029	3.4	41.2	0.3	4.9	0.0	2.0
	2030	3.0	36.0	0.3	5.2	0.0	2.0
	2031	2.7	31.4	0.3	5.6	0.0	2.0
	2027-2031	21.0	266.0	2.2	5.6	0.0	10.8
Small Industrial (21)	2027	5.3	77.2	0.4	1.2	0.0	1.8
	2028	4.0	54.5	0.3	1.3	0.0	1.6
	2029	2.6	36.3	0.2	1.4	0.0	1.3
	2030	2.3	31.7	0.2	1.4	0.0	1.3
	2031	2.1	28.3	0.2	1.5	0.0	1.3
	2027-2031	16.3	228.0	1.3	1.5	0.0	7.2
Medium Industrial (22)	2027	6.0	61.6	0.8	8.4	0.0	2.9
	2028	4.6	43.4	0.6	9.5	0.0	2.9
	2029	3.4	29.9	0.4	10.6	0.0	3.0
	2030	2.9	25.5	0.4	11.7	0.0	3.1
	2031	2.6	22.8	0.3	12.9	0.0	3.2
	2027-2031	19.4	183.2	2.6	12.9	0.0	15.0
Large Industrial (23, 25)	2027	27.5	211.2	3.3	0.1	0.0	4.8
	2028	20.5	148.7	2.4	0.1	0.0	4.0
	2029	15.1	103.2	1.7	0.1	0.0	3.6
	2030	13.1	87.9	1.4	0.2	0.0	3.3
	2031	11.7	78.4	1.3	0.2	0.0	3.2
	2027-2031	87.9	629.4	10.0	0.2	0.0	18.8
Municipal (24)	2027	0.7	6.0	0.1	0.0	0.0	0.5
	2028	0.7	6.7	0.1	0.0	0.0	0.6
	2029	0.6	6.5	0.2	0.0	0.0	0.6
	2030	0.6	6.1	0.1	0.0	0.0	0.6
	2031	0.6	5.8	0.1	0.0	0.0	0.6
	2027-2031	3.2	31.2	0.7	0.0	0.0	2.8
Unmetered (999)	2027	0.0	0.5	0.0	0.0	0.0	0.0
	2028	0.0	0.5	0.0	0.0	0.0	0.0
	2029	0.0	0.4	0.0	0.0	0.0	0.0
	2030	0.0	0.3	0.0	0.0	0.0	0.0

2027–2031							
Rate Class	Year	First-Year Energy Savings (GWh)	Lifetime Energy Savings (GWh)	Peak Demand Savings (MW)	Available Demand Response Capacity (MW)	Generation (GWh)	Expenditures ($ million)
	2031	0.0	0.3	0.0	0.0	0.0	0.0
	2027-2031	0.1	1.9	0.0	0.0	0.0	0.1
Total		435.4	5,335.1	85.0	29.3	1.7	318.75

5. 2027–2031 DSM PROGRAMS

DSM programs included in the 2027–2031 DSM Preferred Plan portfolio include Residential and BNI energy efficiency programs, a demand response program, and a solar-PV program. Sections 5-10 describe the programs for the 2027–2031 DSM Preferred Plan.

Program measure level details for these DSM programs are provided in the following attachments:

- Attachment 3: 2027–2031 Preferred Plan Measure-level Energy Efficiency and Solar-PV Technical Tables; and
- Attachment 4: 2027–2031 Preferred Plan Demand Response Technical Tables.

5.1 2027–2031 DSM PROGRAM MARKETING

Marketing plans and strategies are essential to DSM Plan implementation. Effective marketing drives customer participation in programs and supports the communication and implementation aspects of DSM Plan delivery. These efforts also build recognition of E1 and Efficiency Nova Scotia brands while supporting and educating Nova Scotians on the benefits of program participation. E1 has outlined its overarching marketing objectives for the 2027–2031 DSM Preferred Plan that will guide each program's marketing strategy.

5.1.1 2027–2031 MARKETING OBJECTIVES

Awareness, Education and Participation

- Driving education of and participation in E1's energy efficiency, demand response, and solar-PV programs.
- Increasing awareness of the E1 and Efficiency Nova Scotia brands as a trusted organization.

- Ensuring marketing campaigns have a comprehensive reach using a variety of tactics (e.g., digital, radio, TV, billboard, out of home, social and digital media, email, search engine optimization, outreach and engagement, word-of-mouth, success stories, etc.).
- Promotion and marketing for all customer sectors and markets (e.g., residential, small business, commercial and industrial, low-income and equity). This may include marketing to differentiated customer types and communities using data and analytics or data-driven marketing.
- Increasing qualified membership and ongoing education of the Efficiency Preferred Partner membership.

Data Analytics and Insights

- Leveraging data analytic tools including segmentation data, website user behaviour insights, and advanced metering infrastructure (AMI) data. Marketing tactics that leverage data analytic tools include personalized email messaging, customized website offers, geo-targeting emails based on customer proximity to retailers, automated co-program marketing techniques (e.g., when customers complete Efficient Product Installation, eligible customers will be presented information on Home Energy Assessment and HomeWarming to continue their journey), and targeted Residential and BNI email campaigns based on electricity use patterns;
- Continuous optimization of marketing tactics, messaging, media and campaign strategies, using a data driven approach. This includes internal tracking and measurement to assess how well the marketing creative resonates with customers (e.g., number of email click-opens, real time feedback such as opinions and reactions from customers, and A/B testing, which compares two versions of content or messaging to determine which resonates with customers); and
- Continue to leverage data-driven research and testing to provide insight into improving participation and education through marketing channels.

Customer-Centric Approach

- Continue E1's marketing strategy that aims to provide a customer-centric approach and personalized experience for customers. This strategy focuses on delivering consistent branding and messaging across all channels, including paid media, social media, website and email. It focuses on the customer and delivers personalized content that caters to the customer's preferences and leads them to an E1 program or service, leading to increased customer satisfaction, participation and engagement.

- Streamline information on the E1 website and providing clear, and simple messaging, as well as refinement and development of self-serve tools. This includes increasing customer awareness of E1's programs and the specific programs they may be eligible for (e.g., search-tool feature on E1's website, "Program Rebate Finder", that highlights a customer's eligibility for specific programs to ensure customers are introduced to all eligible E1 programs). The web experience will be tailored to target and promote relevant programs and products by leveraging data analytics and user behavior insights, delivering customized content, offers, and recommendations.
- Improve the customer journey into programs by simplifying the application process and standardizing terms and conditions and eligibility requirements.

Continuous Measurement, Learning and Optimization

- Continue internal tracking and measurement of marketing campaigns to allow E1 to understand return of efforts and budgets and best allocate future marketing resources.

6. ENERGY EFFICIENCY

DSM energy efficiency refers to delivering the same or improved level of service using less energy, resulting in measurable reductions in energy consumption while maintaining or improving performance. Natural Resources Canada defines energy efficiency as "…how effectively energy is being used for a given purpose," noting that providing a similar or better level of service with less energy consumption per unit is considered an improvement in energy efficiency.[15]

Energy efficiency programs have formed the core of E1's DSM Plans since 2010 and played a central role in transforming Nova Scotia's electricity efficiency market. Key market changes include the adoption of a heat pump baseline for new homes in 2023, residential LED lighting baseline in 2025, and transition in the BNI lighting market starting in mid-2026 with discontinuation of rebates for LED lighting fixtures.

Energy efficiency programs in the 2027–2031 DSM Preferred Plan focus on maintaining established offerings with enhancements. Enhancements to E1's energy-efficiency offerings for the 2027–2031 Plan period include:

[15] Glossary and Abbreviations | Natural Resources Canada

- introduction of a new program component, Mi'kmaw New Home Construction, supporting the construction of close to net-zero new homes in Mi'kmaw communities and integrated delivery of the Solar-PV program (also new in 2027–2031);
- increased incentives, including Affordable Multifamily Housing, Home Energy Assessment, and Small Business Energy Solutions to offset the rising product and labour costs that have occurred over 2023-2026;
- updates and expansion of program measures to reflect evolving market conditions and customer needs, such as:
    - expansion of rebate categories in Instant Savings to include space heating equipment, delivered to customers mid-stream when purchasing from select installers;
    - addition of heat pump cleanings for Affordable Single-family Homes and Mi'kmaw Home Energy Efficiency Project;
    - elimination of customer co-pay for "D" audits in Home Energy Assessment to help address the rising cost of home retrofits; and
    - expansion of BNI measures eligible for instant rebates via Business Energy Rebates such as commercial kitchen and laundry equipment.

In the 2027–2031 DSM Preferred Plan, Residential and BNI sector energy efficiency programs include:

- Residential Efficient Product Rebates;
- Existing Residential;
- New Residential;
- BNI Efficient Product Rebates;
- Custom Incentives; and
- Direct Installation.

6.1 RESIDENTIAL EFFICIENT PRODUCT REBATES PROGRAM

6.1.1 OVERVIEW, OBJECTIVES, OPPORTUNITY

Table 16 provides a description of the Residential Efficient Product Rebates program for 2027–2031.

Table 16: Residential Efficient Product Rebates - Overview, Objectives, Opportunity

Residential Efficient Product Rebates	
Overview	• Provides customers access to financial incentives for various products through retailers and heating systems through installers. • Program includes one component: Instant Savings.
Objectives	• make energy-efficient products more accessible to Nova Scotians; • increase customer and retailer awareness of opportunities to increase their energy efficiency and benefits of energy efficient products; • increase demand for energy efficient products; • increase the availability of energy-efficient products at retailers; • help customers achieve energy savings and power bill reductions through the adoption of energy-efficient technologies; • make the rebate process simple and accessible for customers; and • expand program offerings through online retail to increase accessibility and convenience for customers.
Opportunity	
Target market	• homeowners and renters; • partnerships with major retailers, including Costco, Home Depot, Kent, Home Hardware, Rona, and smaller local retailers; and • partnerships with heating system contractors.
Barriers	• Affordability: the higher cost of energy-efficient products compared to less efficient alternatives. • Awareness and lack of information: potential participants may not be aware of the benefits of energy-efficient products or lack information on how to select and install. • Accessibility & short decision period: when products or equipment fail, replacements may occur quickly, leading to missed opportunities for choosing energy-efficient options. Without widely available discounted energy efficient products, consumers may opt for less efficient alternatives. • Retailer/contractor participation: Retailers and heating system contractors may not be aware of the program or the benefits of participation which may limit availability and access for customers.
Program History	• 2010 – program became part of E1's portfolio • 2011–2025 – program included Appliance Retirement. E1 ended Appliance Retirement in January 2025, influenced by rising delivery costs, declining savings and few appliance retirement service providers in Canada • refer to Table 17 for history of the Instant Savings program component

6.1.2 PROGRAM DESIGN

Table 17 summarizes the five-year investment and savings for the Instant Savings program component, including design and implementation strategy details.

Table 17: 2027–2031 Instant Savings Program Component

Instant Savings				
Annual Plan	Investment ($M)	Energy Savings (GWh)	Demand Savings (MW)	Participation (products)
2027 Total	2.2	11.5	1.0	38,260
2028 Total	3.3	12.2	3.0	38,960
2029 Total	4.8	13.5	4.9	40,535
2030 Total	5.1	13.3	5.3	39,935
2031 Total	5.2	12.9	4.5	39,435
2027–2031 Total	20.6	63.4	18.7	197,125
Overview	• Year-round point-of-sale rebates on eligible energy efficient products purchased through participating retailers and heating system contractors.			
Program Component History	• 2009–2012 – first pilot launched (Efficient Lighting Products) followed by Power Down (2010), Plug into Savings (2011) and Retail Markdown (2012), and offered rebates primarily during seasonal campaigns in the spring and fall. Pilots had a heavy focus on lighting, specifically compact fluorescent lamps (CFLs) with shift to LEDs in 2011 • 2012 – establishment of full-scale program component known as Instant Savings • 2014–2018 – began offering year-round rebates on various products (e.g., refrigerators, clothes washers, programmable thermostats, and dehumidifiers) • 2019 – eligible products shifted due to gradual market evolution, including discontinuation of rebates on A-series LED lamps. Online retailers were introduced • 2020–2024 – continued to expand eligible products due to market evolution (e.g., smart thermostats, air purifiers, air conditioners, and outdoor timers) • 2025 – transitioned to year-round rebates on all qualifying products and discontinued remaining LED lamps and fixtures due to further market evolution			
Measures Promoted	• ENERGY STAR® certified heat pump water heaters • ENERGY STAR® certified ventilating fans • ENERGY STAR® certified variable speed pool pumps • ENERGY STAR® certified room air purifiers and room air conditioners • select ENERGY STAR® certified combination washer/dryer units • select ENERGY STAR® certified clothes washers • select ENERGY STAR® certified heat pump clothes dryers • select ENERGY STAR® certified solar LED fixtures • select smart thermostats for electric heating (e.g., mini-split heat pumps, in-floor heat, and electric baseboards) • programmable thermostats for electric heating • outdoor clothesline kits and outdoor drying racks • outdoor heavy-duty timers • mini-split and centrally ducted heat-pumps (new for 2027–2031, starting in 2028) • electric thermal storage units (new for 2027–2031, starting in 2028)			

Instant Savings	
Enhancements in 2027–2031	• Expansion of rebate categories to include space heating equipment, which is expected to be delivered to customers mid-stream when purchasing from select installers. • Securing additional retailer partnerships. This may include recruiting online-exclusive marketplaces (e.g., Amazon), online storefronts (e.g., Shopify), and expanding online rebate options through existing in-store retailers.
Implementation Strategy	**Delivery** • E1 hires a delivery agent to recruit and manage retailer/contractor partnerships. **Marketing** • Tactics may include paid media campaigns (radio, digital, social), out-of-home and in-store signage, cross-promotion with other E1 programs, social media influencer marketing, education videos and materials, website, search engine marketing, and newsletters. • Tactics may also include supporting the delivery agent in the recruitment of contracted heating system installer partners to offer point-of-purchase rebates to their customers on eligible equipment. This may include awareness campaigns on social media platforms, and outreach to target installers with the support of E1's Business Development Managers and the Efficiency Preferred Partner network. **Quality Assurance** • The program has an established quality assurance framework which includes retailer site visits, review of retailer sale submissions, and customer satisfaction surveys.

6.1.3 PERFORMANCE INDICATORS

Table 18 provides the program performance indicators.

Table 18: 2027–2031 Residential Efficient Product Rebates Performance Indicators

Year	Investment ($ million)	First-Year Energy Savings (GWh)	Lifetime Energy Savings (GWh)	Peak Demand Savings (MW)	Participation (products)	Lifetime Unit Cost ($/kWh)	Program Administrator Cost Test (PAC)
2027	2.2	11.5	111.3	1.0	38,260	0.02	4.7
2028	3.3	12.2	129.4	3.0	38,960	0.03	6.5
2029	4.8	13.5	152.4	4.9	40,535	0.03	6.8
2030	5.1	13.3	153.0	5.3	39,935	0.03	6.8
2031	5.2	12.9	145.0	4.5	39,435	0.04	5.9
Total	20.6	63.4	691.1	18.7	197,125	0.03	6.3

PAC is a benefit/cost ratio comparing lifetime benefits to DSM investment.

6.1.4 PROGRAM ALTERNATIVES

The Residential Efficient Product Rebates program shows no difference in the Alternate Scenario when compared to the Preferred Plan. Therefore, there is no variance between the Preferred Plan and Alternate Scenario in the program. Table 18, above, represents results for both the Preferred Plan and Alternate Scenario.

6.2 EXISTING RESIDENTIAL PROGRAM

6.2.1 OVERVIEW, OBJECTIVES, OPPORTUNITY

Table 19 provides a description of the Existing Residential program for 2027–2031.

Table 19: Existing Residential - Overview, Objectives, Opportunity

Existing Residential	

Overview	• The program has five components:
	  ○ Affordable Multifamily Housing;
	  ○ Affordable Single-family Homes;
	  ○ Efficient Product Installation;
	  ○ Home Energy Assessment; and
	  ○ Mi'kmaw Home Energy Efficiency Project.

Objectives	• improve customer understanding of their home's energy efficiency and performance; • increase customer awareness of cost-effective energy efficiency options; • improve the energy performance of residential dwellings; • help property owners improve the efficiency of affordable housing stock to reduce energy costs and maintain affordable housing; • reduce the burden of energy costs for low-income Nova Scotians and equity deserving communities; • significantly reduce energy use in homes across all Mi'kmaw communities; and • achieve lasting energy and system-peak demand savings.
Opportunity	
Target market	• homeowners and renters; • low-income households; • equity deserving communities; and • property owners that provide affordable housing or non-profit organizations that provide support services (e.g., shelters, transition houses, community hubs).
Barriers	• Affordability: lack of financial resources to cover upfront costs (energy assessments, product/equipment, installation). Cost difference between efficient products and less efficient products can create a participation barrier.

Existing Residential	
	• Awareness & Information: lack of information and familiarity with energy efficient technologies, upgrades, energy savings, and benefits and how to select and install energy efficient products. Customers may also be reluctant to enroll if they do not understand the costs, benefits, and appropriateness of efficiency measures for their home or property. • Resources: lack of time and human resources for project management, contractor management, and upgrade implementation. Property owners/housing managers often face competing priorities and limited financial resources to implement energy efficiency upgrades to building stock and/or equipment. • Lack of trust: some participants do not trust a free service (e.g., services offered by Efficient Product Installation, Affordable Single-family Homes, Mi'kmaw Home Energy Efficiency Project). • Split incentive: when landlords or renters are not paying for utilities they are often not motivated to implement energy efficiency upgrades. • Inconvenience: landlords/housing managers may not wish to disrupt tenants with potential building upgrades. Residential customers may perceive efficient product installation, equipment or other upgrades as an inconvenience. • Industry Capacity Challenges: recent growth in Nova Scotia's construction industry has contributed to a shortage of skilled trades professionals including electricians.
Program History	• part of E1's portfolio since 2010 • program components have been added or removed as determined by market need and evolution. Most recently, Green Heat ended in 2025 due to a continued decline in savings and participation • several components originated as pilot offerings including Efficient Product Installation, Mi'kmaw Home Energy Efficiency Project, and Affordable Multifamily Housing • refer to Table 20–Table 25 for program component history

6.2.2 PROGRAM DESIGN

Existing Residential leverages a variety of design and delivery approaches to help customers implement energy efficiency improvements in their homes. These strategies include:

- project management support;
- turn-key direct installation service; and
- whole building energy modelling and upgrade incentives.

Tables 20–Table 25 summarize the five-year investment and savings for each of Existing Residential's program components, including design and implementation strategy details.

Table 20: 2027–2031 Affordable Multifamily Housing

Affordable Multifamily Housing				
Year	Investment ($M)	Energy Savings (GWh)	Demand Savings (MW)	Participation (projects)
2027 Total	1.9	0.8	0.3	100
2028 Total	2.5	1.2	0.5	155
2029 Total	2.3	0.9	0.4	125
2030 Total	2.4	0.9	0.4	125
2031 Total	2.2	0.8	0.4	90
2027–2031 Total	11.3	4.6	2.1	595
Overview	• Assists affordable housing owners and non-profit organizations (e.g., shelters, transition houses, community hubs, etc.) with financial incentives, technical guidance, and project management support for energy efficient building retrofit projects. • Designed to reduce utility bills and stabilize rent for low-income renters and non-profits that provide shelter.			
Program Component History	• 2016 – pilot launched using similar framework as Small Business Energy Solutions and targeted landlords renting affordable housing units • 2017 – initial pilot did not generate strong participation results, leading to support from the Province of Nova Scotia to build on the DSM pilot and help overcome barriers • 2018 – continued as a pilot through Small Business Energy Solutions and introduced higher incentives, more time to complete projects, and additional project management support in response to feedback • 2019 to 2020 – launched as a standalone program component (2019) and expanded to include non-profit organizations (2020) • 2021 – pilot launched to test prescriptive rebates for smaller buildings (1-3 units), which was subsequently opened to all project types • 2025 – Province of Nova Scotia supplemental funding support was fully allocated for certain project types (i.e., top-up incentives for DSM projects), which reduced customer enrollment			
Measures Promoted	• heating systems (e.g., heat pumps) • domestic hot water heating systems (e.g., heat pump hot water heaters) • fenestration (e.g., windows) • building envelope (e.g., insulation and air sealing) • ventilation (e.g., heat recovery ventilators and bathroom fans) • common-area and exterior lighting (offered to end of 2028 to reflect baseline change) • other custom upgrades (e.g., appliances, equipment rental, or electrical work required to install efficiency upgrades)			

Affordable Multifamily Housing	
Enhancements in 2027–2031	• Higher customer incentives to help offset the supplemental provincial government funding that has been fully allocated as of May 2025.[16]
Implementation Strategy	**Delivery** • Delivered in partnership with contracted energy auditors. • Projects are completed through a prescriptive or comprehensive stream. For comprehensive stream projects, an energy audit is performed on the building to identify energy efficiency opportunities (Note: Prescriptive stream projects do not require an audit). Participants receive rebates based on their implemented upgrades. **Marketing and Quality Assurance** • Marketing and Quality Assurance activities for all five Existing Residential program components are detailed in Table 25, below.

1

2 Table 21: 2027–2031 Affordable Single-family Homes Program Component

Affordable Single-family Homes				
Annual Plan	Investment ($M)	Energy Savings (GWh)	Demand Savings (MW)	Participation (homes)
2027 Total	9.0	1.8	1.3	600
2028 Total	8.6	1.7	1.2	550
2029 Total	9.0	1.7	1.2	550
2030 Total	8.6	1.6	1.1	500
2031 Total	8.6	1.5	1.1	475
2027–2031 Total	43.7	8.3	6.0	2,675
Overview	• Provides a fully project-managed, whole-home retrofit service at no cost to income-qualified Nova Scotians[17] (marketed as HomeWarming).[18]			
Program Component History	• 2000s – programming offered through funding from the federal and provincial governments and NS Power to provide building envelope upgrades and no-cost direct install measures for low-income households through the Residential Energy Affordability Program or Low-Income Households program • 2010 – E1 inherits the existing service as DSM administrator • 2011 – introduced no-cost replacements of refrigerators and freezers			

[16] The supplemental provincial funding utilized the Green Fund to top up DSM rebates to lower project costs for participants. This supplemental provincial funding was in place from 2021 to 2025.

[17] Income-qualified residential homeowners based on the Statistics Canada Low-Income Cut-Off (LICO) + 35 percent threshold. Statistics Canada. Table 11-10-0241-01 Low income cut-offs (LICOs) before and after tax by community size and family size, in current dollars. LICO is regularly updated by Statistics Canada.

[18] HomeWarming is marketed to all Nova Scotians (both electric and non-electric homes). Provincial government and Natural Resources Canada funds are utilized for non-electrically heated homes. DSM funds are utilized for electrically heated homes and projects that generate electric savings.

Affordable Single-family Homes	
	• 2012 – decoupled direct install of efficient products (instead delivered through the Residential Direct Installation component) and expanded scope of appliance replacement service • 2015 – implementation of new funding and management structure resulted in transition of administration for electric homes to a third party; the program was rebranded to HomeWarming and E1 continued its administration of the service for non-electrically heated homes only • 2020 – program administration of HomeWarming service for both electric and non-electric low-income households transitioned back to E1. Continued to utilize the existing third-party for delivering this service to electric homes • 2023 – E1 re-introduced Affordable Single-family Homes. Heat pump installations were added as an eligible space heating upgrade. Natural Resources Canada (NRCan) also launched the Oil to Heat Pump Affordability grant, with E1 co-delivery through the Affordable Single-family Homes program component, which is targeted at converting whole home oil heating systems to heat pumps. Although the Oil to Heat Pump Affordability grant is primarily targeted at non-electrically heated homes, electric savings are realized in cases where homes have both electric and non-electric heating systems. • 2024 - Automated customer journey emails were initiated to enhance customer satisfaction • 2025 – Appliance replacement service concluded with ending of the Appliance Retirement program component. Service Delivery partners began managing building envelope upgrades and heat pump installations as distinct projects, accelerating the completion of projects • 2026 – Oil to Heat Pump Affordability funding was fully allocated in Q1 and is expected to be completely disbursed in Q1 2027
Measures Promoted	• building envelope (e.g., insulation and air sealing) • heat pumps including no-cost heat pump cleanings (heat pump cleanings new for 2027–2031) • moisture management (e.g., bathroom fans, dehumidifiers, dirt floor coverings)
Enhancements in 2027–2031	• Heat pump cleanings to ensure that equipment installed through the program over the years continues to perform well and provide lasting energy savings. Also includes management of heat pump cleanings for past participants of the Mi'kmaw Home Energy Efficiency Project, which is expected to reach all eligible homes by mid-2027. • Website updates to enhance customer experience (e.g., portal to check application status) and improve communication throughout the customer journey (communication on application status, next steps, eligible upgrades, and preparing the home for upgrades).
Implementation Strategy	**Delivery** • E1 contracts delivery agents to manage projects for homeowners. • Each project begins with an energy efficiency assessment to identify upgrade opportunities. Eligible upgrades are then installed where appropriate and a final energy efficiency assessment is conducted to measure the energy savings improvements. **Marketing and Quality Assurance**

Affordable Single-family Homes	
	• Marketing and Quality Assurance activities for all five Existing Residential program components are detailed in Table 25, below.

Table 22: 2027–2031 Efficient Product Installation Program Component

Efficient Product Installation				
Annual Plan	Investment ($M)	Energy Savings (GWh)	Demand Savings (MW)	Participation (products)
2027 Total	7.3	7.8	0.5	40,060
2028 Total	7.5	7.8	0.5	39,672
2029 Total	7.8	7.8	0.5	39,340
2030 Total	8.3	8.1	0.5	40,454
2031 Total	8.6	8.1	0.5	40,214
2027–2031 Total	39.5	39.6	2.6	199,740
Overview	• Provides direct installation of no-cost energy efficiency upgrades to homeowners and renters.			
Program Component History	• 2011 – pilot launched providing a no-cost service under several other program components, primarily replacing incandescent bulbs with screw-in CFLs • 2012 – established standalone program component, Residential Direct Install, targeting communities with a high percentage of lower-income residents, and participants of other program components. Also launched a pilot to better serve Mi'kmaw communities • 2014 – expanded province-wide, known as the "light exchange program" and shifted from installation of CFLs to LEDs to replace incandescent bulbs • 2017 – merged with former program component Rental Properties and Condominiums, to serve all home types and sizes and renamed Efficient Product Installation • 2018 – introduced annual season-based promotional product installations, exchanging incandescent holiday lights with LEDs (continuation of community-based Holiday Light Exchange efforts conducted through Enabling Strategies), followed by several adjustments to measure offerings in response to market transformation in the lighting sector • 2019 – added a second seasonal promotion period, offering clotheslines in spring and summer to drive interest and participation; expanded to provide direct installation of draft proofing measures such as door sweeps, weatherstripping, and foam gaskets • 2024 – introduced electrician-installed measures that save energy and/or enable participation in demand response events via the Eco Shift pathway within the Residential Demand Response program component • 2025 – lighting measures were discontinued as the program evaluation baseline changed to LEDs.			
Measures Promoted	• pipe insulation			

Efficient Product Installation	
	• hot water tank wrap • kitchen and bathroom faucet aerators • low-flow showerheads and thermostatic shower valves • light switch and electrical outlet insulators (participant installed/leave behind) • window film kits (participant installed/leave behind) • smart thermostats for electric heating systems (e.g., electric baseboard and mini-split heat pumps) • indoor and outdoor motion sensors • bathroom fan humidity sensor • solar-powered outdoor security light fixtures
Enhancements in 2027–2031	• Continued support
Implementation Strategy	**Delivery** • Delivered in partnership with service providers who book appointments with customers, install and demonstrate products for residents, talk about their benefits, and promote the value of more comprehensive assessments and upgrades. **Marketing and Quality Assurance** • Marketing and Quality Assurance activities for all five Existing Residential program components are detailed in Table 25, below.

1

2 Table 23: 2027–2031 Home Energy Assessment Program Component

Home Energy Assessment				
Annual Plan	Investment ($M)	Energy Savings (GWh)	Demand Savings (MW)	Participation (homes)
2027 Total	3.3	1.2	1.0	1,000
2028 Total	3.9	2.0	1.6	1,600
2029 Total	5.4	2.0	1.6	1,600
2030 Total	5.6	2.0	1.6	1,600
2031 Total	6.1	2.0	1.6	1,600
2027–2031 Total	24.3	9.1	7.5	7,400
Overview	• Offers subsidized energy efficiency assessments and post-installation rebates on eligible upgrades.			
Program Component History	• 2000s – incentives offered through the federal government for building envelope upgrades in the EnerGuide for Existing Homes program • 2010 – E1 inherits the Existing Homes program as DSM administrator • 2012 – significant adjustments to newly titled Home Energy Assessment component including scaling back eligible measures to building envelope upgrades (this component included an optional stream providing no-cost direct-install of efficient products until 2012 when the Residential Direct Installation component was established)			

	• 2013 – introduced a financing option which provided the option between rebates or low-interest financing of home upgrades • 2015 – re-introduced space and water heating equipment rebates and restructured rebates to encourage participants to achieve deeper energy savings through rebate top-ups for bundled upgrades • 2017 – NRCan implemented a revised EnerGuide rating system which rated home efficiency on its energy use in gigajoules (GJ) with 0 GJ being the highest efficiency rating • 2018 – in response to customer feedback, the component underwent a redesign to simplify the navigation of its delivery model and rebates • 2020 – piloted a virtual audit stream. Also launched new system peak demand measures like electric thermal storage and topped up rebates for the locational DSM pilot in Kentville (Klondike pilot) • 2021–2024 – NRCan launched its Canada Greener Homes Grant program, which provided rebates for eligible home energy efficiency retrofits. In 2022, E1 began co-delivering the federal program as part of Home Energy Assessment. In March 2023, E1 began distributing Canada Greener Homes Grant rebates. Customer interest and participation in the program was very strong. In February 2024, the Canada Greener Homes Grant closed to new applications • 2023 – Two new government initiatives launched: Provincial government funded top-up rebates for homeowners on moderate incomes and NRCan funded Oil to Heat Pump Affordability grants. Although these initiatives primarily target non-electrically heated homes, electric savings are realized in cases where homes have both electric and non-electric heating systems • 2026 – Canada Greener Homes Grant funding was fully disbursed in Q1. Oil to Heat Pump Affordability funding was fully allocated in Q1 and is expected to be completely disbursed in Q1 2027
Measures Promoted	• building envelope (e.g., insulation and air sealing) • heat pumps (e.g., air-to-air, air-to-water, and geothermal systems) • wood and pellet stoves • heat pump water heaters • heat recovery ventilation systems • windows and doors
Enhancements in 2027–2031	• Higher customer rebates and elimination of customer co-pay for “D” audits to help address the rising costs of home retrofits
Implementation Strategy	**Delivery** • Subsidized home energy assessments are completed by NRCan Registered Energy Advisors, who provide homeowners with prioritized, tailored recommendations, which helps to educate and inform them about their home’s upgrade potential. Homeowners then select which upgrades they wish to complete and once finished, schedule a final energy efficiency assessment to measure the energy savings improvements. Rebates provided to participants are based on the implemented upgrades. **Marketing and Quality Assurance** • Marketing and Quality Assurance activities for all five Existing Residential program components are detailed in Table 25, below.

Table 24: 2027–2031 Mi'kmaw Home Energy Efficiency Project Program Component

Mi'kmaw Home Energy Efficiency Project				
Annual Plan	Investment ($M)	Energy Savings (GWh)	Demand Savings (MW)	Participation (homes)
2027 Total	0.5	0.1	0.1	60
2028 Total	0.1	0.0	0.0	n/a
2029 Total	n/a	n/a	n/a	n/a
2030 Total	n/a	n/a	n/a	n/a
2031 Total	n/a	n/a	n/a	n/a
2027–2031 Total	0.6	0.1	0.1	60
Overview	• A whole-home retrofit service provided at no-cost to all homes in Mi'kmaw communities in Nova Scotia.			
Program Component History	• 2018 – the First Nations Home Energy Efficiency pilot launched as phase 1 of a multi-phase pilot aimed at Band-owned homes across all Mi'kmaw communities • 2019 – phase 2 of the pilot commenced with the start of upgrades in participant homes • 2020 – with the approval of the 2020–2022 DSM Resource Plan, the pilot became a standalone program component and was renamed Mi'kmaw Home Energy Efficiency Project • 2024 – eligibility was extended to private homes in Mi'kmaw communities, reflecting community feedback received through ongoing engagement • 2026 – final program participants are being selected by Mi'kmaw communities for completion by mid-2027			
Measures Promoted	• building envelope (e.g., insulation and air sealing) • heat pumps (including heat pump cleanings)			
Enhancements in 2027–2031	• Homes that received heat pump installations via the program to date will be offered no-cost heat pump cleanings in the following years to ensure any equipment installed through the program continues to perform well. This maintenance service will be managed through the Affordable Single-Family Homes program component, which is also offering heat pump cleanings.			
Implementation Strategy	**Delivery** • Delivered in partnership with Mi'kmaw communities and delivery agents. Eligible homes are provided with energy efficiency assessments to identify upgrade opportunities. Eligible upgrades are then discussed and agreed upon with community housing managers and residents. Mi'kmaw community preferred contractors are used where possible. Once upgrades are completed, a final energy efficiency assessment is conducted to measure the energy savings improvements. • Mi'kmaw Home Energy Efficient Project is expected to reach all eligible homes by mid-2027. E1 anticipates that the program component will conclude by the end of 2028. **Marketing and Quality Assurance**			

Mi'kmaw Home Energy Efficiency Project	
	• Marketing and Quality Assurance activities for all five Existing Residential program components are detailed in Table 25, below.

Table 25 provides marketing and quality assurance details for the Existing Residential program.

Table 25: 2027–2031 Existing Residential Marketing and Quality Assurance

Existing Residential: Marketing and Quality Assurance	
Marketing Strategy	• Tactics may include paid media campaigns (radio, billboards, digital, social media), cross-promotion with other E1 programs, social media influencer marketing, website, education videos and materials, search engine marketing, newsletters, community blitzes, outreach including events and presentations, sponsorships, promotion and support with Efficiency Preferred Partners and contractors, and targeted email campaigns.
Quality Assurance	• E1 implemented a centralized Quality Assurance framework in 2025 to provide consistent oversight, measurement, and quality assurance processes across programs. This framework applies to all program components within Existing Residential. • The framework measures both compliance (e.g., operational standards, safety) and performance (e.g., customer satisfaction and installation accuracy) of E1's contracted service partners through project audits. Performance monitoring is conducted monthly in areas such as customer experience, quality of work, certificate compliance, and documentation review. Corrective actions and mitigation plans are created if issues arise and monitored to ensure adherence. Additionally, customer satisfaction is assessed through regular surveys conducted by phone and email.

6.2.3 PERFORMANCE INDICATORS

Table 26 provides the program performance indicators. Table 27 provides the low-income and equity performance indicators, including both dedicated and incidental low-income and equity impacts.

Table 26: 2027–2031 Existing Residential Performance Indicators

Year	Investment ($ million)	First-Year Energy Savings (GWh)	Lifetime Energy Savings (GWh)	Peak Demand Savings (MW)	Participation (homes)	Participation (products)	Participation (projects)	Lifetime Unit Cost ($/kWh)	Program Administrator Cost Test (PAC)
2027	22.0	11.8	145.5	3.3	1660	40,060	100	0.15	1.0
2028	22.6	12.7	160.7	3.8	2150	39,672	155	0.14	1.2
2029	24.5	12.4	158.9	3.8	2150	39,340	125	0.15	1.1
2030	24.8	12.5	158.3	3.7	2100	40,454	125	0.16	1.1
2031	25.4	12.3	154.1	3.6	2,075	40,214	90	0.16	1.1
Total	119.3	61.6	777.5	18.2	10,135	199,740	595	0.15	1.1

PAC is a benefit/cost ratio comparing lifetime benefits to DSM investment.
Participation is the number of homes in Affordable Single-family Homes, Home Energy Assessment and Mi'kmaw Home Energy Efficiency Project; the number of products in Efficient Product Installation; and the number of projects in Affordable Multifamily Housing.

Table 27: 2027–2031 Existing Residential Low-Income and Equity Performance Indicators

Year	Investment ($ million)	First-Year Energy Savings (GWh)	Lifetime Energy Savings (GWh)	Peak Demand Savings (MW)	Participation (homes)	Participation (products)	Participation (projects)
2027	13.9	5.6	76.1	1.9	660	14,822	100
2028	13.8	5.8	77.2	1.9	550	14,679	155
2029	14.0	5.5	75.6	1.8	550	14,556	125
2030	13.8	5.5	73.5	1.7	500	14,968	125
2031	13.7	5.3	69.4	1.7	475	14,879	90
Total	69.1	27.6	371.9	9.1	2,735	73,904	595

Participation is the number of homes in Affordable Single-family Homes, Home Energy Assessment and Mi'kmaw Home Energy Efficiency Project; the number of products in Efficient Product Installation; and the number of projects in Affordable Multifamily Housing.

6.2.4 PROGRAM ALTERNATIVES

The Existing Residential program shows no difference in the Alternate Scenario when compared to the Preferred Plan. Therefore, there is no variance between the Preferred Plan and Alternate Scenario in the program. Table 26, above, represents results for both the Preferred Plan and Alternate Scenario.

6.3 NEW RESIDENTIAL

6.3.1 OVERVIEW, OBJECTIVES, OPPORTUNITY

Table 28 provides a description of the New Residential program.

Table 28: New Residential - Overview, Objectives, Opportunity

New Residential	
Overview	• Delivered in partnership with Mi'kmaw communities, the program offers subsidized energy efficiency assessments, home design support, and post-construction rebates to offset the incremental costs of building homes that operate at close to net zero energy performance levels. • The program consists of one component: Mi'kmaw New Home Construction.
Objectives	• encourage construction of new homes that operate at close to net zero energy performance levels; • increase familiarity with higher energy performance home design construction techniques (e.g., air tightness and insulation, high-efficiency mechanicals, solar-PV, etc.); • encourage adoption of higher energy performance baselines, with the Nova Scotia Building Code moving toward higher energy performance and adoption of the National Building Code 2020; • develop sustainable, in-community capacity and technical expertise to consistently construct high-performance homes that provide long-term resilience and benefits for residents and community; and

New Residential	
	• increase adoption of products that support E1's residential solar-PV program.
Opportunity	
Target market	• Mi'kmaw communities
Barriers	• Upfront Costs: higher incremental construction costs to build higher performing houses. • Lack of Information: Mi'kmaw communities and builders may lack familiarity with higher performing energy efficient upgrades and equipment. • Competing interests: Mi'kmaw communities are balancing the urgent need to add housing units with limited budgets against the opportunity to incorporate above-Code energy efficiency at a higher cost, which comes with benefits like lower operating expenses and improved comfort, resilience and positive health outcomes. Communities may have competing budget priorities or financial constraints resulting from internal competition for capital.
Program History	• 2009–2010 – "EnerGuide for New Houses and Performance Plus" program initiated and re-launched as "Performance Plus" in 2010 • 2014 – program became "New Residential" with "New Home Construction" program component; maintained a simple incentive structure to reflect available funding and a continuously evolving market • 2016 – initiated a pilot with incentives for homes reaching Passive House requirements • 2018 – higher incentives were added to encourage more top performance homes such as Passive Home, net zero ready homes and net zero homes • 2023 – E1 ended the New Home Construction program component due to the increased popularity of heat pump installations and the adoption of a heat pump baseline for new homes • 2023 to present – E1 designed the provincially funded EnergyForward New Homes program, launched in March 2025, to help builders prepare for significant planned changes to the Nova Scotia Building Code that will require near net zero performance

6.3.2 PROGRAM DESIGN

Table 29 summarizes the five-year investment and savings for the Mi'kmaw New Home Construction program component, including design and implementation strategy details.

Table 29: 2027–2031 Summary of the Mi'kmaw New Home Construction Program Component

Mi'kmaw New Home Construction				
Annual Plan	Investment ($M)	Energy Savings (GWh)	Demand Savings (MW)	Participation (homes)
2027 Total	0.2	0.0	0.0	0
2028 Total	1.2	0.3	0.1	50
2029 Total	1.2	0.3	0.1	50
2030 Total	1.2	0.3	0.1	50
2031 Total	1.2	0.3	0.1	50
2027–2031 Total	5.0	1.1	0.4	200
Overview	• Delivered in partnership with Mi'kmaw communities. • Offers home design support and post-construction rebates to offset the incremental costs of building homes that operate at close to net zero energy performance levels.			
Program Component History	• n/a			
Measures Promoted	• high performing building envelopes (air tightness, insulation, ventilation, windows/doors) • high efficiency space and water heating systems (heat pumps and heat pump water heaters) • solar-PV systems (via the residential Solar-PV program component)			
Enhancements in 2027–2031	• Introduced as a new DSM program component in the 2027–2031 Plan.			
Implementation Strategy	**Delivery** • Delivered in partnership with Mi'kmaw communities and offers subsidized energy efficiency assessments, home design support, and post-construction energy evaluations and rebates. • E1 works with contracted service organizations to support Mi'kmaw communities in understanding and considering different options but communities ultimately determine which recommendations they employ. • Incentives are performance-based to encourage Mi'kmaw communities to achieve close to net zero energy consumption/performance. • E1 intends to integrate the delivery of its proposed residential Solar-PV program component with Mi'kmaw New Home Construction. **Marketing** • Tactics may include education and outreach activities (community events, presentations and information sessions), support with Efficiency Preferred Partners and contractors, website, success stories and targeted email campaigns. **Quality Assurance** • The centralized Quality Assurance framework will apply to Mi'kmaw New Home Construction under the New Residential program. • The framework measures both compliance (e.g., operational standards, safety) and performance (e.g., customer satisfaction and installation accuracy) of E1's			

Mi'kmaw New Home Construction	
	contracted service partners through project audits. Performance monitoring is conducted monthly in areas such as customer experience, quality of work, certificate compliance, and documentation review. Corrective actions and mitigation plans are created if issues arise and monitored to ensure adherence. Additionally, customer satisfaction is assessed through regular surveys conducted by phone and email.

6.3.3 PERFORMANCE INDICATORS

Table 30 provides the program performance indicators. New Residential is a dedicated low-income and equity program therefore, the low-income and equity performance indicators are the same as the program's performance indicators.

Table 30: 2027–2031 New Residential Performance Indicators

Year	Investment ($ million)	First-Year Energy Savings (GWh)	Lifetime Energy Savings (GWh)	Peak Demand Savings (MW)	Participation (homes)	Lifetime Unit Cost ($/kWh)	Program Administrator Cost Test (PAC)
2027	0.2	0	0	0	0	-	0
2028	1.2	0.3	8.2	0.1	50	0.15	0.8
2029	1.2	0.3	8.2	0.1	50	0.15	0.8
2030	1.2	0.3	8.2	0.1	50	0.15	0.8
2031	1.2	0.3	8.2	0.1	50	0.15	0.8
Total	5.0	1.1	32.8	0.4	200	0.15	0.8

PAC is a benefit/cost ratio comparing lifetime benefits to DSM investment.

6.3.4 PROGRAM ALTERNATIVES

The New Residential program shows no difference in the Alternate Scenario when compared to the Preferred Plan. Therefore, there is no variance between the Preferred Plan and Alternate Scenario in the program. Table 30, above, represents results for both the Preferred Plan and Alternate Scenario.

6.4 BNI EFFICIENT PRODUCT REBATES PROGRAM

6.4.1 OVERVIEW, OBJECTIVES, OPPORTUNITY

Table 31 provides a description of the BNI Efficient Product Rebates program for 2027–2031.

Table 31: BNI Efficient Product Rebates - Overview, Objectives, Opportunity

BNI Efficient Product Rebates	
Overview	• BNI customers can access prescriptive rebates or financing on eligible equipment with predictable savings and applicability across different sectors. • The program consists of one component: Business Energy Rebates.
Objectives	• encourage businesses to use efficient products in a variety of facilities; • increase the market penetration of supported technologies; and • transform the market by raising the efficiency of standard practices.
Opportunity	
Target market	• Business, non-profit, and institutional customers (includes multi-unit residential buildings).
Barriers	• Upfront costs & project return: the higher priced energy efficient equipment is a barrier for many customers who often face competing priorities for capital investment. • Lack of knowledge & technical expertise: many customers are not familiar with high efficiency options. • Time & internal capacity constraints: some businesses may not have the internal capacity to consider energy efficiency options in purchasing decisions.
Program History	• Launched in 2010. Program was initially modelled after successful prescriptive programs offered in other markets (e.g., Efficiency Vermont) • Refer to Table 32 for program component history

6.4.2 PROGRAM DESIGN

Table 32 summarizes the five-year investment and savings for the Business Energy Rebates program component, including design and implementation strategy details.

Table 32: 2027–2031 Business Energy Rebates Program Component

Business Energy Rebates				
Annual Plan	Investment ($M)	Energy Savings (GWh)	Demand Savings (MW)	Participation (products)
2027 Total	4.1	14.4	2.6	19,063
2028 Total	4.2	14.3	2.6	19,064
2029 Total	3.4	9.2	1.7	10,859
2030 Total	3.1	6.2	1.3	7,836
2031 Total	3.2	6.1	1.3	7,829
2027–2031 Total	18.1	50.2	9.4	64,651

Business Energy Rebates	
Overview	• The Business Energy Rebates program component offers two services – Instant Rebates and Application Rebates.
Program Component History	• 2010 – program component launched • 2019 – program component success led to an increase in the adoption of LED products in existing buildings and new construction projects. Along with E1 incentives, decreasing prices and widespread availability removed many of the barriers for businesses to be able to access and incorporate some of these LED products. As such, several lighting categories were removed in 2019. Rebates were also adjusted on other measures to help drive the market towards other energy efficient alternatives • 2020 – launched new system peak demand measures, electric thermal storage, and topped up rebates for the locational DSM pilot in Kentville (Klondike pilot). Introduced a Rooftop Unit Fan Speed Control pilot to help retrofit existing buildings to have demand control ventilation via occupancy sensors or C02 sensors • 2021–2025 – new measure categories added due to market evolution including commercial kitchen equipment, agricultural equipment, circulator pumps, packaged terminal heat pumps, pool pumps, heat pump water heaters, high efficiency booster pump systems, horticultural lighting, LED roadway lighting and solar-PV measures • 2026 – transition in the BNI lighting market starting mid-2026 with adoption of BNI LED fixtures baseline
Measures Promoted	**Application Rebates** • agriculture • compressed air • HVAC (heat pumps, electric thermal storage) • Information technology and datacenters • commercial kitchen and laundry (ovens, dishwashers, refrigeration, washers and dryers) • lighting (fixtures, lamps, controls and roadway lighting - fixture and lamp projects are expected to be accepted until December 31, 2028 to align with BNI lighting baseline changes) • refrigeration • pool equipment • pumping • variable frequency drive • smart thermostats (mini-split heat pumps, in-floor heat, electric baseboards) **Instant Rebates:** • commercial kitchen and laundry (ovens, dishwashers, refrigeration, washers and dryers) • lighting (fixtures, lamps, and controls – fixtures will be accepted until June 30, 2026 and lamps will be accepted until December 31, 2028 to align with BNI lighting baseline changes) • pumping • smart thermostats (mini-split heat pumps, in-floor heat, electric baseboards)

Business Energy Rebates	
Enhancements in 2027–2031	• Expansion of measure categories offered in Instant Rebates (commercial kitchen and laundry and smart thermostats).
Implementation Strategy	**Delivery** • Instant Rebates: customers have access to prescriptive rebates[19] on a limited suite of energy efficiency equipment through point-of-purchase discounts across a province-wide network of distribution partners. • Application Rebates: customers have access to prescriptive rebates on a larger suite of energy efficiency equipment through a project application to E1. Customers may choose to submit a Before-You-Buy or After-You-Buy application. • Program partners, such as distributors and contractors, play a key role in promoting the program, sharing product expertise with customers, and assisting customers with completing applications. Many of these partners are also active participants in the Efficiency Preferred Partner network, which provides marketing support and training to its members. • E1's Business Development and Onsite Energy Manager teams also support program delivery and work directly with businesses in target markets to identify and develop project opportunities, with the support of Efficiency Preferred Partners. **Marketing** • Tactics may include paid media campaigns, success stories and business cases, outreach to current distributors and recruitment of new distributor partners, signage, trade show and industry events, targeted email campaigns, cross-promotion with other E1 programs, promotion with partners, social media, search engine marketing, website and newsletters. **Quality Assurance** • Business Energy Rebates has an established quality assurance framework which includes random and targeted site visits, documentation review, and customer surveys. E1 expects to integrate its BNI programs into its centralized Quality Assurance framework to provide consistency of quality assurance processes across programs by 2028.

6.4.3 PERFORMANCE INDICATORS

Table 33 provides the program performance indicators and Table 34 provides the provides the low-income and equity performance indicators.

[19] The term 'prescriptive rebate' refers to a particular rebate value that is calculated prior to a participant purchasing or submitting a proposal for an eligible measure. If a given measure or technology demonstrates energy savings potential and meets all eligibility requirements, a corresponding rebate value is applied to the purchase of said measure or technology.

Table 33: 2027–2031 BNI Efficient Product Rebates Performance Indicators

Year	Investment ($ million)	First-Year Energy Savings (GWh)	Lifetime Energy Savings (GWh)	Peak Demand Savings (MW)	Participation (products)	Lifetime Unit Cost ($/kWh)	Program Administrator Cost Test (PAC)
2027	4.1	14.4	146.7	2.6	19,063	0.03	4.1
2028	4.2	14.3	146.7	2.6	19,064	0.03	4.4
2029	3.4	9.2	115.1	1.7	10,859	0.03	4.5
2030	3.1	6.2	85.7	1.3	7,836	0.04	4.0
2031	3.2	6.1	84.5	1.3	7,829	0.04	3.8
Total	18.1	50.2	578.7	9.4	64,651	0.03	4.2

PAC is a benefit/cost ratio comparing lifetime benefits to DSM investment.

Table 34: 2027–2031 BNI Efficient Product Rebates Low-Income and Equity Performance Indicators

Year	Investment ($ million)	First-Year Energy Savings (GWh)	Lifetime Energy Savings (GWh)	Peak Demand Savings (MW)	Participation (products)
2027	0.0008	0.03	0.5	0.01	46
2028	0.0008	0.03	0.5	0.01	46
2029	0.0007	0.02	0.4	0.01	26
2030	0.0006	0.02	0.3	0.01	19
2031	0.0006	0.01	0.3	0.01	19
Total	0.004	0.1	1.8	0.04	157

6.4.4 PROGRAM ALTERNATIVES

The BNI Efficient Product Rebates program shows no difference in the Alternate Scenario when compared to the Preferred Plan. Therefore, there is no variance between the Preferred Plan and Alternate Scenario in the program. Table 33, above, represents results for both the Preferred Plan and Alternate Scenario.

6.5 CUSTOM INCENTIVES PROGRAM

6.5.1 OVERVIEW, OBJECTIVES, OPPORTUNITY

Table 35 provides a description of the Custom Incentives program for 2027–2031.

Table 35: Custom Incentives - Overview, Objectives, Opportunity

Custom Incentives	
Overview	• Provides financial incentives and technical assistance to help non-profit, institutional, commercial, and industrial customers reduce their electrical energy consumption and system-peak demand. Support is customized based upon consideration of project-specific savings. E1 collaborates directly with customers to accommodate projects that are not supported by other E1 programs.

Custom Incentives	
	• Consists of two program components: Custom and Strategic Energy Management.
Objectives	• influence electrical energy efficiency and system-peak demand reduction projects; • build awareness around cost-effective energy efficiency options and the benefits of energy efficiency to program participants, developers, and builders; • reduce barriers to implementing complex, custom energy efficiency projects by providing technical and financial support; • educate energy modelers and building designers on energy code changes in Nova Scotia; • promote the use of energy modelling as a design tool for building owners and developers; • increase the number of new buildings adopting high efficiency design techniques; • provide customers with the knowledge and tools required to enable better energy management; • promote long-term relationships with customers to achieve energy sustainability, and cost reduction objectives; and • further diversify E1's other program offerings based on technologies and methods successfully trialed in the Custom Incentives program.
Opportunity	
Target market	• Business, non-profit, and institutional customers. Despite its broad customer eligibility criteria, the program typically targets larger energy users.
Barriers	• Upfront costs and internal competition for capital: upfront cost requirements for feasibility studies and audits, before energy savings potential is known can be challenging for customers to justify. Customers may also face competing budget priorities or financial constraints resulting from internal competition for capital. • Payback periods: customers often require short paybacks on investments making it challenging for custom energy efficiency projects to compete against other capital investments. • Time and internal capacity constraints: customers may not have internal capacity to consider energy efficiency options in purchasing decisions, or there may be limited resources to implement. • Lack of internal commitment and technical expertise: customers may be unfamiliar with, or face challenges with internal commitment to new efficient technologies or processes. • Industry awareness: Third-party consultants may be unfamiliar with or not understand Custom's offerings and processes which can lead to a hesitation to promote the program to potential customers.
Program History	• 2008 – began as a single component (custom retrofit) called the Commercial and Industrial (C&I) Custom program • 2010 – added a New Construction component to help streamline offerings for large BNI participants • 2012 – launched Energy Management Information Systems as a pilot in 2012, which became a standalone program component in 2013

Custom Incentives	
	• 2015 – program renamed to Custom Incentives, comprised of five components: Custom Retrofit, New Construction, Existing Building Commissioning, Energy Management and Information Systems and Strategic Energy Management • 2016 – program revamped to three components: (1) Custom; (2) Energy Management Information Systems; and (3) Strategic Energy Management, with the Custom component providing Retrofit, New Construction and Building Optimization services • 2020 – introduced Industrial Energy Managers to support the identification of Custom projects among key accounts and guide them through program processes • 2023 – program was reconfigured to two components: Custom and Strategic Energy Management • Refer to Table 36 and Table 37 for additional program component history

6.5.2 PROGRAM DESIGN

Table 36 and Table 37 summarizes the five-year investment and savings for the Custom and Strategic Energy Management program components, including design and implementation strategy details.

Table 36: 2027–2031 Custom Program Component

Custom				
Annual Plan	Investment ($M)	Energy Savings (GWh)	Demand Savings (MW)	Participation (projects)
2027 Total	17.1	73.2	10.7	191
2028 Total	13.3	50.7	7.1	132
2029 Total	11.1	35.0	4.6	91
2030 Total	10.6	32.1	4.1	84
2031 Total	10.0	27.7	3.6	72
2027–2031 Total	62.1	218.7	30.1	570
Overview	Custom offers the following four separate services: • New Construction: offers technical support and incentives for the construction of new BNI buildings, as well as major renovations to existing buildings. • Retrofit: offers technical support and incentives for retrofits to existing systems, such as refrigeration, compressed air optimization, lighting, and specialized industrial equipment. • Pay-for-Performance: offers upfront partial incentives for retrofit projects, with the balance paid following energy savings evaluation, measurement, and verification. • Building Optimization: involves the implementation of low-cost energy efficiency measures identified through a recommissioning process, such as schedule changes in the operations or changes to the operation parameters of key mechanical systems.			

Custom	
Program Component History	• 2013 – introduced a compressed air optimization offering in 2013 under the Retrofit service • 2014 – introduced a building optimization offering in 2014 (previously called Existing Building Commissioning) • 2018–2020 – several pilots introduced including new construction commissioning (2018); new construction for small commercial buildings (2019); and demand-based incentives (2020) • 2022 – introduced the Pay for Performance service
Measures Promoted	A variety of technical and financial assistance is available which is designed to consider projects individually. This approach allows support to be customized based on case specific energy and system-peak demand savings. Key areas of support include: • financial incentives for initial scoping and feasibility studies to evaluate energy and system-peak demand savings opportunities; • financial incentives for energy modelling of new building designs and deep energy retrofits to identify and evaluate energy efficiency upgrades; • financial incentives for implementing cost-effective electrical energy efficiency and system-peak demand reduction projects; • financial and/or technical assistance for improvements to compressed air systems; • financial and/or technical assistance to optimize building performance; and • financial and technical support to assess and implement energy management opportunities, specifically in the areas of operations, maintenance, and behavioural savings
Enhancements in 2027–2031	• Better support for E1's BNI Demand Response program component by encouraging customers to install demand response event compatible equipment and participate in events.
Implementation Strategy	**Delivery** • Custom is delivered through a combination of E1 staff, contracted partners, and third parties to identify, define, assess, and implement energy saving opportunities. External resources include consulting engineering firms, efficiency contractors and service providers, and heating, ventilation, and air conditioning automation companies. • Program delivery is supported by E1's Business Development team, who directly engage clients to build long-term relationships and identify and develop project opportunities. Onsite and Roving Energy Managers help their customers identify projects and build compelling business cases for them to proceed. **Marketing** • Tactics may include collateral and sales support materials, success stories and business cases, trade shows and industry events, website, newsletters, targeted email campaigns, engagement with contractors and consultants, recruitment of professionals and contractors to the Efficiency Preferred Partner network, signage, and cross-promotion with other E1 programs. **Quality Assurance** • Custom has an established quality assurance framework which includes pre and post measurement of energy consumption (e.g., direct, modelled, expert review), random and targeted site visits, documentation review and customer surveys.

Custom	
	• E1 expects to integrate its BNI programs into its centralized Quality Assurance framework to provide consistency of quality assurance processes across programs by 2028.

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2 Table 37: 2027–2031 Strategic Energy Management Program Component

Strategic Energy Management				
Annual Plan	Investment ($M)	Energy Savings (GWh)	Demand Savings (MW)	Participation (participants)
2027 Total	1.1	4.2	0.5	7
2028 Total	1.1	4.2	0.5	7
2029 Total	1.1	4.2	0.5	7
2030 Total	1.0	3.1	0.4	5
2031 Total	1.0	3.1	0.4	5
2027–2031 Total	5.4	18.8	2.3	31
Overview	• Strategic Energy Management offers qualifying industrial organizations a comprehensive approach to energy management. • Participants save energy by making changes to operations, maintenance, and behaviours. Assistance is also provided to customers for energy efficiency projects that may be eligible for financial support through E1's other BNI programs (e.g., Custom Retrofit or Business Energy Rebates).			
Program Component History	• 2014 – launched as a cohort delivery approach • 2016 – integrated into the Custom Incentives program • 2018 – switched from a cohort delivery to individual customer recruitment approach • 2023 – Energy Management Information Systems is offered as a tool to Strategic Energy Management customers			
Measures Promoted	Technical and financial assistance is available through the program, which is designed to support customers. Key areas of support include: • financial incentives for service provider facilitation; • expertise to evaluate energy and system-peak demand savings opportunities; and • performance-based incentives for measures implemented.			
Enhancements in 2027–2031	• Continued support			
Implementation Strategy	**Delivery** • Participants work with a service provider to identify energy saving opportunities and execute an action plan using a 12-month, staged approach. **Marketing** • Tactics may include collateral and sales support materials, success stories and business cases, trade shows and industry events, engagement with contractors and consultants, cross-promotion with other E1 programs.			

Strategic Energy Management	
	Quality Assurance • Strategic Energy Management has an established quality assurance framework which includes pre and post measurement of energy consumption (e.g., direct, modelled, expert review), random and targeted site visits, documentation review and customer surveys. • E1 expects to integrate its BNI programs into its centralized Quality Assurance framework to provide consistency of quality assurance processes across programs by 2028.

6.5.3 PERFORMANCE INDICATORS

Table 38 provides the program performance indicators. Table 39 provides the low-income and equity performance indicators.

Table 38: 2027–2031 Custom Incentives Performance Indicators

Year	Investment ($ million)	First-Year Energy Savings (GWh)	Lifetime Energy Savings (GWh)	Peak Demand Savings (MW)	Participation (participants)	Participation (projects)	Lifetime Unit Cost ($/kWh)	Program Administrator Cost Test (PAC)
2027	18.2	77.4	1,070.4	11.3	7	191	0.02	5.8
2028	14.4	54.9	702.5	7.6	7	132	0.02	5.3
2029	12.3	39.2	452.5	5.1	7	91	0.03	4.3
2030	11.6	35.2	401.2	4.5	5	84	0.03	4.2
2031	11	30.8	346.5	3.9	5	72	0.03	3.9
Total	67.5	237.5	2,973.1	32.4	31	570	0.02	4.9

PAC is a benefit/cost ratio comparing lifetime benefits to DSM investment.
Participation is the number of participants in Strategic Energy Management and the number of projects in Custom.

Table 39: 2027–2031 Custom Incentives Low-income and Equity Performance Indicators

Year	Investment ($ million)	First-Year Energy Savings (GWh)	Lifetime Energy Savings (GWh)	Peak Demand Savings (MW)	Participation (participants)	Participation (projects)
2027	0.08	0.2	5.3	0.004	0	1
2028	0.06	0.2	3.4	0.002	0	0.4
2029	0.05	0.1	2.2	0.002	0	0.3
2030	0.05	0.1	1.9	0.001	0	0.3
2031	0.05	0.1	1.7	0.001	0	0.2
Total	0.3	0.7	14.5	0.01	0	2

PAC is a benefit/cost ratio comparing lifetime benefits to DSM investment.
Participation is the number of participants in Strategic Energy Management and the number of projects in Custom.

6.5.4 PROGRAM ALTERNATIVES

The Custom Incentives program shows no difference in the Alternate Scenario when compared to the Preferred Plan. Therefore, there is no variance in the program between the Preferred Plan and Alternate Scenario in the program. Table 38, above, represents results for both the Preferred Plan and Alternate Scenario.

6.6 DIRECT INSTALLATION PROGRAM

6.6.1 OVERVIEW, OBJECTIVES, OPPORTUNITY

Table 40 provides a description of the Direct Installation program for 2027–2031.

Table 40: Direct Installation – Overview, Objectives, Opportunity

Direct Installation	
Overview	• Provides small businesses with access to financial incentives and technical assistance for the installation of energy efficient equipment upgrades in their facilities. • The program consists of one program component: Small Business Energy Solutions.
Objectives	• identify energy savings opportunities for small businesses; • help small businesses make informed decisions about energy upgrades; • help small businesses overcome financial barriers to completing energy upgrades by offering incentives; and • improve small business profitability through energy efficiency.
Opportunity	
Target market	• Commercial businesses, non-profits, multi-unit residential buildings and small industrials with annual electrical consumption of 600,000 kWh or less.
Barriers	• Affordability: the cost of upgrades and lack of access to affordable capital. • Awareness: potential participants may not understand the costs, benefits, and appropriateness of various projects for their business. • Resources: participants may not have the time and capacity to manage energy efficiency projects.
Program History	• 2008–2009 – launched the Small Business Direct Install program, also referred to as "Small Business Lighting Solutions" limited to Dartmouth and Pictou County, with incentives for energy efficient lighting upgrades. In 2009, a recycling component was added to ensure all materials removed during lighting retrofits were recycled • 2010–2011 – expanded province-wide; eligible measures included lighting and lighting controls such as occupancy sensors. Renamed Business Energy Solutions in 2011 • 2012–2014 – Direct Installation program consists of Business Energy Solutions and Rental Properties and Condos Common Area services. Business Energy Solutions was delivered by contracted delivery agents responsible for all aspects of program

Direct Installation	
	delivery including administration, marketing, equipment procurement and product installation • Refer to Table 41 for program component history

6.6.2 PROGRAM DESIGN

Table 41 summarizes the five-year investment and savings for the Small Business Energy Solutions program component, including design and implementation strategy details.

Table 41: 2027–2031 Small Business Energy Solutions Program Component

Small Business Energy Solutions				
Annual Plan	Investment ($M)	Energy Savings (GWh)	Demand Savings (MW)	Participation (products)
2027 Total	6.7	6.4	1.6	509
2028 Total	6.8	6.4	1.6	519
2029 Total	4.7	3.2	1.0	378
2030 Total	4.5	2.8	0.9	363
2031 Total	4.6	2.8	0.9	363
2027–2031 Total	27.3	21.6	5.9	2,132
Overview	• Provides small business customers with access to technical assistance and financial incentives for the installation of energy efficient and system-peak demand reduction equipment. Customers access the program through self-directed or facilitated pathways.			
Program Component History	• 2015 – launched Small Business Energy Solutions. Program delivery was restructured to a participant-directed model to increase participation, enabling customers to select their own contractors for approved energy efficiency upgrades. This change aligned with the introduction of the Efficiency Preferred Partner network, where participants could find qualified contractors for their projects. No-cost energy audits were also introduced for eligible small businesses • 2020 – introduced dedicated support through a Small Business Development Manager to strengthen awareness and participation in the energy audit path where the participant receives additional support from the Small Business Energy Auditor. Increased incentives for select lighting and heating measures to help small business impacted by the COVID-19 pandemic • 2021–2024 – delivered a Commercial Direct Installation pilot for eligible small businesses providing free installation of LED light bulbs, showerheads, faucet aerators, pipe wrap, and tank wrap for electric hot water tanks • 2024 – expanded program eligibility by increasing the annual electricity consumption eligibility cap from 350,000 kWh to 600,000 kWh and extended the project pre-approval period from 120 days to 180 days to offer customers more flexibility			

Small Business Energy Solutions	
Measures Promoted	Measure categories promoted include: • HVAC • motors • refrigeration • indoor/outdoor lighting (lamps and fixtures are expected to be offered until the end of 2028 to reflect BNI lighting baseline changes) • lighting controls • commercial kitchen • agriculture
Enhancements in 2027–2031	• Higher customer rebates to help address the rising costs of retrofits.
Implementation Strategy	**Delivery** • Self-directed: prescriptive rebates are available to customers who have already identified and selected energy efficiency opportunities. • Facilitated: prescriptive or customized incentives may be available to customers who receive a no-charge energy audit from a Small Business Energy Auditor to help them identify energy efficiency opportunities. • Program delivery is supported by E1's Business Development team, including engagement with industry associations, service provider and contractor training and business development activities. **Marketing** • Marketing tactics may include integrated media plans, search engine marketing, email marketing, trade publications, promotion in the BNI newsletter, and developing and maintaining marketing assets to support trade shows and industry events. **Quality Assurance** • The program has an established quality assurance framework which includes random and targeted site visits, documentation review, and customer surveys. E1 expects to integrate its BNI programs into its centralized quality assurance framework to provide consistency of quality assurance processes across programs by 2028.

6.6.3 PERFORMANCE INDICATORS

Table 42 provides the program performance indicators. Table 43 provides the low-income and equity performance indicators.

Table 42: 2027–2031 Direct Installation Performance Indicators

Year	Investment ($ million)	First-Year Energy Savings (GWh)	Lifetime Energy Savings (GWh)	Peak Demand Savings (MW)	Participation (projects)	Lifetime Unit Cost ($/kWh)	Program Administrator Cost Test (PAC)
2027	6.7	6.4	66.7	1.6	509	0.10	1.4
2028	6.8	6.4	66.8	1.6	519	0.10	1.4
2029	4.7	3.2	50.7	1.0	378	0.09	1.7
2030	4.5	2.8	48.8	0.9	363	0.09	1.7
2031	4.6	2.8	48.8	0.9	363	0.09	1.7
Total	27.3	21.6	281.8	5.9	2,132	0.10	1.6

PAC is a benefit/cost ratio comparing lifetime benefits to DSM investment.

Table 43: 2027–2031 Direct Installation Low-Income and Equity Performance Indicators

Year	Investment ($ million)	First-Year Energy Savings (GWh)	Lifetime Energy Savings (GWh)	Peak Demand Savings (MW)	Participation (projects)
2027	0.08	0.05	0.5	0.03	4
2028	0.08	0.05	0.5	0.03	4
2029	0.05	0.02	0.4	0.02	3
2030	0.05	0.02	0.4	0.02	3
2031	0.05	0.02	0.4	0.02	3
Total	0.3	0.2	2.3	0.1	13

6.6.4 PROGRAM ALTERNATIVES

The Direct Installation program shows no difference in the Alternate Scenario when compared to the Preferred Plan. Therefore, there is no variance in the program between the Preferred Plan and Alternate Scenario in the program. Table 42, above, represents results for both the Preferred Plan and Alternate Scenario.

7. DEMAND RESPONSE

Demand response is an important resource for supporting Nova Scotia's electricity system by reducing or shifting customer load during periods of peak demand. The Federal Energy Regulatory Commission defines demand response as "changes in electric usage by demand-side resources from their normal consumption patterns in response to changes in the price of electricity over time, or to incentive payments

designed to induce lower electricity use at times of high wholesale market prices or when system reliability is jeopardized."[20]

While peak demand reductions from energy efficiency are achieved through the installation of energy-efficient measures, available demand response capacity represents the amount of load reduction that can be achieved during peak periods by temporarily reducing or shifting electricity usage in response to grid signals or incentives. This capacity is made available to the utility to help manage peak demand and maintain grid stability.

E1 launched its Demand Response program in 2023, an initiative outlined in the 2023–2025 DSM Plan, delivered through the Residential and BNI Demand Response program components.

As a new offering in the 2023–2025 DSM Plan, program ramp and implementation progressed more slowly than E1 anticipated, with underachievement of targets over 2023 through 2025. In 2026, E1 anticipates growth over 2025 performance, leveraging the demand response infrastructure that has been built to date, in addition to program ramp-up.

In developing the 2027–2031 DSM Preferred Plan, E1 placed emphasis on establishing a performance target that is achievable and reasonable. The level of available demand response capacity proposed for 2027–2031 remains within, not exceeding, the optimal level identified in NS Power's 2022 IRP.

In addition to achievability considerations, E1 carefully considered feedback from the Energy Board and DSMAG regarding the program's cost-effectiveness results as raised in the 2026 DSM Extension proceeding and 2027–2031 DSM Resource Plan development phases, to ensure the program met the cost-effectiveness threshold (PAC ≥ 1.0).

In the 2027–2031 Preferred Plan, the BNI Demand Response program component (Smart Synergy pathway) will achieve modest growth in available capacity over the five years. Residential Demand Response (Eco Shift pathway) will remain constant at the 2026 DSM Extension levels with no new installations. E1 does not intend to enroll new customers in 2027–2031 for Residential Demand Response

[20] Federal Energy Regulatory Commission, Reports on Demand Response and Advanced Metering https://www.ferc.gov/industries-data/electric/power-sales-and-markets/demand-response/reports-demand-response-and

but will continue to leverage existing equipment assets by encouraging participants to continue to participate in demand response events, with the expectation that the residential program will be cost-effective in the future.

Note: Demand response targets for the 2027–2031 DSM Preferred Plan are set to be achieved during NS Power's utility peak period, which runs from December to February. As this peak period spans two calendar years, each Plan year's target reflects activity from December of the preceding year through February of the applicable Plan year (for example, the 2027 Plan year covers December 2026 to February 2027). This differs from energy efficiency savings targets, which are measured on a full calendar-year basis from January to December. Following the conclusion of the peak period in February, E1 focuses on preparation for the subsequent season, including participant recruitment and marketing.

7.1 LOCATIONAL DEMAND RESPONSE

The value of demand response is not uniform across the electricity system. Deploying resources in areas where the distribution or transmission network is constrained can help defer or avoid capital infrastructure investments.

Collaboration with NS Power to identify constrained regions provides an opportunity to better align demand response deployment with areas of highest system value, establish distribution-level avoided capacity cost data for specific constrained regions, and coordinate on implementation.

E1 understands that NS Power is currently developing a Distributed Energy Resource (DER) Integration Roadmap, expected to be filed in early 2026, which will outline locational planning strategies for the 2027–2031 period. E1 has been engaged as a stakeholder in this work, contributing demand response program experience and customer program design expertise to support alignment between distributed resources and system planning. E1 understands the DER Integration Roadmap is expected to provide timing of initiatives, including those related to customer programs and include ongoing coordination across planning, program design and system capabilities. E1 is expected to remain a key stakeholder as the roadmap evolves.

Access to more granular locational data will allow for further or expanded assessment of E1's demand response program's value and for E1 to fully support the deployment of demand response resources to

the specific constrained areas during peak events. E1 has requested that the AMI data feeds provided to E1 by NS Power be expanded to include the feeder ID fields and that NS Power also provide the list of feeder IDs that should be prioritized. Having this data is critical for E1 to target enrollment of E1's demand response programs for these constrained areas. E1 expects that assessment of the data and appropriate solutions for priority constrained areas will be further explored with NS Power and through their work with stakeholders on the DER Integration Roadmap.

7.2 CRITICAL PEAK PRICING OVERLAP

As part of ongoing collaboration on demand response, E1 and NS Power met in late 2024 to identify opportunities to strengthen coordination across demand response initiatives, including rate-based approaches delivered by NS Power and incentive-based programs delivered by E1. A key objective of the discussion was to examine how Time-Varying Pricing (TVP) rates may interact with E1's demand response program, given that both initiatives primarily target the same customer base and seek to reduce demand during the same peak periods.

E1 and NS Power explored whether these approaches could operate in a complementary manner or create potential overlap in customer participation. At the time of the discussion, enrollment in the TVP pilot was distributed across several rate designs. Under these rate structures, customers respond to price signals by shifting or reducing electricity use during peak periods, or alternatively pay higher rates for energy consumed during those times.

In 2025, a cybersecurity incident affecting NS Power, combined with the absence of AMI data required to evaluate pilot outcomes, resulted in the TVP pilot being paused. Participants were subsequently returned to the standard residential rate.

Looking ahead to the 2027–2031 DSM Plan period, significant overlap between E1's demand response programs and NS Power's TVP is not expected. The timeline for restoring the TVP pilot remains uncertain, and its anticipated scale is modest relative to the broader system demand for demand response capacity. E1's demand response programs are expected to continue excluding customers enrolled in TVP, maintaining program clarity while supporting stable program performance and evaluation.

E1 has initiated discussions with NS Power to further collaborate on both locational demand response and the stacking of E1's demand response with rate signals. While there is not currently double counting of savings between E1's demand response program and NS Power's rate signals, E1 and NS Power recognize this requires ongoing efforts to determine if and how these two programs should work together. E1 expects these discussions to continue with the outcome being a proposed resolution agreed upon by both organizations. E1 is committed to continue to work through a solution that remains in the best interest of ratepayers. To support work on both locational demand response and the interplay between E1's demand response program and NS Power's TVP, E1 has included these areas of exploration and collaboration in its Innovation Framework, Process and Plan for 2027–2031, provided as Attachment 5 to Appendix A.

7.3 DEMAND RESPONSE PROGRAM

7.3.1 OVERVIEW, OBJECTIVES, OPPORTUNITY

Table 44 provides a description of the Demand Response program for 2027–2031.

Table 44: Demand Response - Overview, Objectives, Opportunity

Demand Response	
Overview	• The program provides financial incentives to customers who reduce their load during peak times when there is value to the utility to shift load. • The program consists of two program components: Residential and BNI Demand Response.
Objectives	• assemble available demand response capacity for NS Power to utilize during peak demand periods; • provide customers with the support and tools required to confidently participate in demand response events; • diversify E1's program offerings by supporting control and storage technologies; • provide customers with new opportunities to earn incentives; and • increase customer awareness for demand response technologies in Nova Scotia.
Opportunity	
Target market	• Enrolled residential and BNI customers for the Eco Shift pathway and larger BNI energy users for the BNI Smart Synergy pathway. E1 notes that interruptible customers have not been eligible to participate in the past. The potential for them to be eligible in the 2027–2031 DSM Plan period was raised through DSMAG discussions and E1 is committed to further discussions to fully assess incremental value and appropriateness with the members.
Barriers	• Awareness: some customers may lack information on demand response and may not understand the costs, benefits, suitability of devices, and appropriateness of adjusting energy use for their residences or business.

Demand Response	
	• Lack of Resources: some participants may not have the resources, such as time and human capital, to install devices and participate in NS Power demand response call events. • Hassle factor: demand response can require customers to make choices that inconvenience them temporarily. This may include reduced comfort, reduced productivity, and services/products being unavailable during demand response events.
Program History	• 2019 – joint E1 and NS Power Demand Response Working Group established to develop demand response pilots • 2020–2022 – launched pilots including a residential Domestic Hot Water Direct Load Control pilot and a commercial Demand Response pilot for BNI customers • 2023 – introduced a Demand Response program in the 2023–2025 DSM Plan

7.3.2 PROGRAM DESIGN

Table 45 summarizes the five-year investment and savings for the Residential Demand Response program component, including design and implementation strategy details.

Table 45: 2027–2031 Residential Demand Response Program Component

Residential Demand Response			
Annual Plan	Investment ($M)	Available Demand Response Capacity (MW)	Participation (participants)
2027 Total	2.2	4.2	22,940
2028 Total	2.0	4.1	22,483
2029 Total	2.0	4.0	22,034
2030 Total	2.0	3.9	21,593
2031 Total	2.0	3.8	21,160
2027–2031 Total	10.3	3.8	21,160
Overview	• Provides incentives to customers to shift or curtail loads during peak events when there is value to the utility (Eco Shift pathway). • E1 does not intend to enroll new customers in 2027–2031. E1 will continue to leverage existing equipment assets by encouraging participants to continue to participate in demand response events.		
Program Component History	• 2023 – launched the Residential Demand Response program component		
Measures Promoted	Supported technologies include: • smart thermostats for electric baseboards, mini-split heat pumps, and central heat pumps • domestic hot water smart controllers and connected water heaters		

Enhancements in 2027–2031	Continued support by maintaining existing assets.
Implementation Strategy	**Delivery** • Delivered in partnership with a Distributed Energy Resources Management System (DERMS) provider who controls participating devices via software during demand response events triggered by NS Power. **Marketing** • Marketing for Eco Shift will focus on continued engagement with existing customers to encourage participation in events through targeted email strategies. **Quality Assurance** • The quality assurance framework for Eco Shift includes reviewing reports, validating calculations and gathering feedback and insights following demand response events. Customer satisfaction is assessed through post-season surveys.

Table 46 summarizes the five-year investment and savings for the BNI Demand Response program component, including design and implementation strategy details.

Table 46: 2027–2031 BNI Demand Response Program Component

BNI Demand Response			
Annual Plan	Investment ($M)	Available Demand Response Capacity (MW)	Participation (participants)
2027 Total	3.1	17.0	169
2028 Total	3.5	19.1	173
2029 Total	3.8	21.2	173
2030 Total	4.1	23.3	175
2031 Total	4.4	25.5	175
2027–2031 Total	18.8	25.5	175
Overview	• Encourages businesses to reduce their load during peak events called by NS Power by providing financial incentives for the available demand response capacity made available for those events (Smart Synergy pathway)		
Program Component History	• 2022 – launch of the demand response aggregator pilot in the fall of 2022 • 2023 – pilot is considered a pathway in the BNI Demand Response program component • 2024 to 2025 – participation grew from 9 participants in 2023 to 76 in 2024 to 143 in 2025		
Measures Promoted	• customized control systems for curtailable loads such as HVAC systems, standard or advanced (networked) lighting controls, water heating systems, or total industrial facility loads		

BNI Demand Response	
Enhancements in 2027–2031	• Continued support.
Implementation Strategy	**Delivery** • Delivered in partnership with a third-party aggregator. • Smart Synergy pathway: enrolled customers make a capacity reduction commitment and receive an annual $/kW payment based on their performance in reducing load during demand response events called by NS Power. A third-party aggregator remotely controls energy systems or instructs participants to implement predefined load reduction plans (typical actions include turning off systems like heating or cooling ventilation, water heating, or lighting). • Program delivery is supported by E1's Business Development team, who directly engage customers (i.e., leveraging AMI data for BNI potential customers, site visits to identify potential savings, supporting test events) and providing one-on-one support for customers. **Marketing** • Marketing for Smart Synergy may include collateral and sales support materials, targeted emails, success stories and business cases, trade shows and industry events, social media, websites and newsletters. **Quality Assurance** • The quality assurance framework for Smart Synergy includes reviewing customer reports, validating calculations and following up directly with key customers to gather feedback and insights following demand response events. Customer satisfaction is assessed through post-season surveys.

7.3.3 PERFORMANCE INDICATORS

Table 47 provides the program performance indicators.

Table 47: 2027–2031 Demand Response Performance Indicators

Year	Investment ($ million)	Available Capacity (MW)	Participation (devices)	Participation (participants)	Levelized Cost ($/kW-year)	Program Administrator Cost Test (PAC)
2027	5.3	21.1	22,940	169	-	2.0
2028	5.5	23.2	22,483	173	-	1.2
2029	5.8	25.2	22,034	173	-	2.0
2030	6.1	27.3	21,593	175	-	1.7
2031	6.4	29.3	21,160	175	-	1.8
Total	29.1	29.3	21,160	175	240.1	1.7

PAC is a benefit/cost ratio comparing lifetime benefits to DSM investment. For DR, upfront costs are levelized over ten years. Levelized cost is calculated by taking the net present value of investment and available capacity for the total DR program over the 2027–2031 timeframe.

7.3.4 PROGRAM ALTERNATIVES

The Demand Response program features one difference in the Alternate Scenario when compared to the Preferred Plan, that being that the Residential Demand Response program component is not included in the Alternate Scenario. Table 48, below, presents this difference for the Demand Response program.

Table 48: 2027–2031 Demand Response Performance Indicators - Comparison of Preferred Plan and Alternate Scenario

Scenario	Year	Investment ($ million)	Available Capacity (MW)	Participation (devices)	Participation (participants)	Levelized Cost ($/kW-year)	Program Administrator Cost Test (PAC)
Preferred	2027	5.3	21.1	22,940	169	-	2.0
	2028	5.5	23.2	22,483	173	-	1.2
	2029	5.8	25.2	22,034	173	-	2.0
	2030	6.1	27.3	21,593	175	-	1.7
	2031	6.4	29.3	21,160	175	-	1.8
	Total	29.1	29.3	21,160	175	240.1	1.7
Alternate	2027	3.1	17	-	169	-	2.9
	2028	3.5	19.1	-	173	-	1.6
	2029	3.8	21.2	-	173	-	2.7
	2030	4.1	23.3	-	175	-	2.3
	2031	4.4	25.5	-	175	-	2.4
	Total	18.8	25.5	-	175	188.7	2.4
Variance from Preferred	2027	-2.2	-4.2	-22,940	0	-	0.8
	2028	-2.0	-4.1	-22,483	0	-	0.4
	2029	-2.0	-4.0	-22,034	0	-	0.7
	2030	-2.0	-3.9	-21,593	0	-	0.6
	2031	-2.0	-3.8	-21,160	0	-	0.6
	Total	-10.3	-3.8	-21,160	0	-51.4	0.6

PAC is a benefit/cost ratio comparing lifetime benefits to DSM investment. For DR, upfront costs are levelized over ten years. Levelized cost is calculated by taking the net present value of investment and available capacity for the total DR program over the 2027–2031 timeframe.

8. SOLAR-PV

E1 is proposing the introduction of a new Solar-PV program in the 2027–2031 DSM Preferred Plan. Solar-PV refers to technology that converts sunlight directly into electricity. Solar-PV can produce electricity that supplies the electricity grid, thereby reducing the amount of electricity that NS Power would otherwise need to generate for its customers.

E1's proposed solar-PV program is focused on equity to deliver meaningful benefits to Mi'kmaw communities facing high energy burdens. The proposed delivery approach adopts a targeted, small-scale launch focused on residential new home construction in Mi'kmaw communities.

The proposed Solar-PV program includes one residential program component. This component will be available to Mi'kmaw communities through participation in the Mi'kmaw New Home Construction energy efficiency program component.

This approach expands the range of DSM offerings available to Mi'kmaw communities beyond traditional energy efficiency measures, supports high performance new home construction in Mi'kmaw communities, and reduces barriers to solar-PV adoption. The proposed design leverages existing energy efficiency program frameworks and delivery mechanisms, simplifies program design and delivery, utilizes established administrative structures, and minimizes incremental program costs.

The phased introduction of solar-PV will enable E1 to continue supporting Mi'kmaw communities after all eligible existing homes have been served through the Mi'kmaw Home Energy Efficiency Project, which E1 anticipates will be completed by mid-2027.

E1 brings extensive prior experience delivering solar initiatives across both residential and BNI sectors, funded by DSM investments and through provincial and federal programs (e.g., E1's provincially funded SolarHomes program and NRCan's Canada Greener Homes Grant program. Refer to Table 49, below, for program history). This experience provides E1 with established delivery frameworks, contractor oversight, quality assurance processes, and stakeholder relationships that reduce implementation risk and support the introduction of solar-PV programming.

The proposed investment of $2.8 million over the five-year DSM Plan period, represents a modest level of Solar-PV within the DSM portfolio, reflecting stakeholder concerns regarding affordability, the focus on equity communities, and the need to introduce new DSM resources in a phased approach.

8.1 SOLAR-PV PROGRAM

8.1.1 OVERVIEW, OBJECTIVES, OPPORTUNITY

Table 49 provides a description of the Solar-PV program for 2027–2031.

Table 49: Overview, Objectives, Opportunity

Solar-PV	
Overview	• Post-installation incentives are provided for solar-PV systems installed on new homes in Mi'kmaw communities. • The program consists of one component: Residential Solar-PV.
Objectives	• increase the adoption of solar-PV systems among equity deserving groups within Nova Scotia by reducing upfront costs; • build awareness around renewable energy options, technologies, and associated benefits; • support continued growth of the solar industry in Nova Scotia; • manage quality and compliance of solar industry with registered installers; and • diversify E1's program offerings with solar-PV as a DSM resource.
Opportunity	
Target market	• Residential new home construction projects in Mi'kmaw communities.
Barriers	• Affordability and upfront costs: lack of financial resources to cover high upfront costs of equipment and installation. • Awareness & lack of knowledge: customers may not be familiar with solar-PV technology and/or understand the costs, benefits, and appropriateness of solar-PV for homes or community facilities. • Uncertainty: rapid evolution of solar-PV technology may cause some customer uncertainty; customers may also be uncertain about contractor availability and the qualifications required to provide solar-PV installations. • Payback periods/project return: organizations often have competing priorities for capital investments and require short paybacks on investments.

Program History	• The Solar-PV program is new for 2027–2031 Plan; although, E1 has prior experience delivering solar programs. These have been supported by both DSM, provincial and federal funds, outlined below.
	• DSM funds:
	  ○ 2011–2025 – Offered rebates for residential and commercial solar thermal. Rebates were offered through various programs including EnerGuide for Houses, Performance Plus, a stand-alone Residential Solar program, Green Heat, and Business Energy Rebates
	  ○ 2021–2025 – Solar-PV was included in the Custom and Business Energy Rebates program components
	• Provincial or federal government funds:
	  ○ 2018–2026 – administered the SolarHomes program for residential Solar-PV installations. This was funded by the Province (with flow-through funds from the Low Carbon Economy Fund to 2024)
	  ○ 2019–2023 – administered a provincially funded Solar for Affordable Multifamily Buildings pilot (2 multi-unit rental and 2 shelters)
	  ○ 2021–2026 – co-delivered the Canada Greener Homes Grant with NRCan, which provided rebates to homeowners who installed solar-PV systems

Solar-PV	
	○ 2022–present – administering the Solar-PV for Non-Profit Organizations program, funded by the Province through the Green Fund. Eligible organizations receive a rebate based on the size of the system installed ○ 2023–present – administering the Solar Navigator program that is funded through the Climate Change Plan Contribution Agreement with the Province. An Energy Manager provides support to farmers/agri-business to access clean technology funding and install equipment such as solar-PV ○ 2025–present – administering the EnergyForward New Homes program funded by the Province, which encourages the inclusion of solar-PV systems on new homes. Homes that achieve the program's low annual energy bill targets receive rebates to offset the incremental costs of building to a near net-zero performance standard

8.1.2 PROGRAM DESIGN

Table 50 summarizes the five-year investment and savings for the Residential Solar-PV program component, including design and implementation strategy details.

Table 50: 2027–2031 Residential Solar-PV Program Component

Residential Solar-PV				
Annual Plan	Investment ($M)	Generation (GWh)	Installed Capacity (MW)	Participation (participants)
2027 Total	0.0	0.0	0.00	0
2028 Total	0.8	0.5	0.55	55
2029 Total	0.8	0.5	0.55	55
2030 Total	0.7	0.4	0.50	50
2031 Total	0.6	0.3	0.40	40
2027–2031 Total	2.8	1.7	2.0	200
Overview	• Provides post-installation financial incentives to support the installation of residential solar-PV systems in Mi'kmaw communities participating in the Mi'kmaw New Home Construction energy efficiency program component.			
Program Component History	• n/a			
Measures Promoted	• Solar-PV residential systems (approximately 10 kW nominal)			
Enhancements in 2027–2031	• Residential Solar-PV is a new program component in 2027–2031.			
Implementation Strategy	**Delivery** • The Mi'kmaw New Home Construction program component (New Residential program) will provide post-installation rebates to participants.			

Residential Solar-PV	
	• Systems must be designed and installed by registered solar providers who are members of the Efficiency NS Preferred Partner network. • Customers must receive project approval from E1 prior to project start and systems must be grid-connected to be rebate eligible. **Marketing** • Outreach and engagement with Mi'kmaw communities to build awareness of the solar-PV offering. • Leverage existing relationships between these communities and E1's Business Development Manager and E1's Energy Manager - First Nations. • Marketing efforts are supported through collaboration with the Efficiency Preferred Partner solar installer network which plays a key role in promoting solar-PV offerings and supporting communities with developing and executing solar-PV projects. • Other tactics may include website, success stories, cross-promotion with other E1 programs, and targeted email campaigns. **Quality Assurance** • The centralized Quality Assurance framework will apply to Residential Solar-PV completed as part of Mi'kmaw New Home Construction quality assurance activities. • The framework measures both compliance (e.g., operational standards, safety) and performance (e.g., customer satisfaction and installation accuracy) of E1's contracted service partners through project audits. Performance monitoring is conducted monthly in areas such as customer experience, quality of work, certificate compliance, and documentation review. Corrective actions and mitigation plans are created if issues arise and monitored to ensure adherence. Additionally, customer satisfaction is assessed through regular surveys conducted by phone and email. • Efficiency Preferred Partner network has a quality management system that all approved installers must adhere to, to ensure installers provide consistent high quality customer service and workmanship.

8.1.3 PERFORMANCE INDICATORS

Table 51, below, provides the program performance indicators. Solar-PV is a dedicated low-income and equity program therefore, the low-income and equity performance indicators are the same as the program's performance indicators.

Table 51: 2027–2031 Solar-PV Performance Indicators

Year	Investment ($ million)	Solar-PV Generation (GWh)	Solar-PV Lifetime Generation (GWh)	Installed Capacity (MW)	Participation (products)	Lifetime Unit Cost ($/kWh)	Program Administrator Cost Test (PAC)
2027	0.0	0.0	0.0	0	0	-	-
2028	0.8	0.5	14.4	0.55	55	0.06	1.1
2029	0.8	0.5	14.4	0.55	55	0.06	1.2
2030	0.7	0.4	13.0	0.5	50	0.05	1.2
2031	0.6	0.3	10.4	0.4	40	0.06	1.1
Total	2.8	1.7	52.2	2	200	0.05	1.1

PAC is a benefit/cost ratio comparing lifetime benefits to DSM investment.

8.1.4 PROGRAM ALTERNATIVES

The Solar-PV program shows no difference in the Alternate Scenario when compared to the Preferred Plan. Therefore, there is no variance in the program between the Preferred Plan and Alternate Scenario.

9. ENABLING STRATEGIES

9.1 OVERVIEW

Enabling Strategies are initiatives that support the development, delivery, and growth of E1's DSM programs as well as the efforts required to plan for future DSM plans.

For the 2027–2031 period, E1 proposes to invest nine percent of the total DSM Portfolio in Enabling Strategies across the following four categories:

- Education and Outreach;
- Development and Research;
- Other Enabling Strategies; and
- Market Transformation.

The total investment of $29.1 million includes expenditures of $13.6 million (47 percent) for Education and Outreach and Development and Research activities and $3.8 million (13 percent) for the Market Transformation program. Of the total Enabling Strategies expenditures, $11.7 million (40 percent) is for Other Enabling which captures all regulatory costs including regulatory compliance.

E1 has responded to DSMAG member comments regarding Enabling Strategies. Specifically, E1 heard that there was a desire to better understand the goals and objectives of Education and Outreach activities. In response E1 has introduced measures of success for these activities. E1 also heard that there was a need for more structured plans and processes for development and research activities. In response to these past comments and the NSUARB's (as it then was) decision in the 2023–2025 DSM Plan, E1 has introduced its Innovation Framework, Process and Plan for 2027–2031 in Attachment 5.

Table 52, below, summarizes the Enabling Strategies investment by category.

Table 52: 2027–2031 Enabling Strategies Investment by Category

Investment $(M)						
Enabling Strategy Category	2027	2028	2029	2030	2031	2027–2031
Education and Outreach	1.2	1.2	1.3	1.4	1.4	6.5
Development & Research	1.5	1.6	1.4	1.3	1.4	7.1
Other Enabling Strategies	1.5	1.5	2.9	3.2	2.5	11.7
Market Transformation	0.8	0.8	0.7	0.7	0.8	3.8
Total	5.0	5.1	6.3	6.6	6.1	29.1

Details of the initiatives and activities within each Enabling Strategies category are provided in section 9.4.

9.2 HISTORY

Enabling Strategies activities have been a component of E1's DSM Plans since the first Plan was developed in 2012 and they have played a pivotal role in supporting the development, delivery, and growth of E1 programs including organizational evolution and maturity, building capacity in Nova's Scotia's energy efficiency industry, and enabling Nova Scotians to make informed energy choices through education and tools.

In early years, Enabling Strategies focused on education and outreach, which played a vital role in increasing awareness and strengthening the organization's market presence. In its 2020–2022 DSM Plan, E1 began to shift focus to support future programming through innovation, research and development. In the 2023–2026 Plan, E1's Enabling Strategies focused on meeting the challenges of a rapidly changing energy landscape, including market maturity and transformation, innovation, and emerging technologies.

9.3 OBJECTIVES

In 2027–2031, Enabling Strategies will continue to build on those initiatives that have historically proven successful by delivering focused education and outreach, and development and research activities; market transformation activities for the heat pump water heater pilot will continue, and the scope and costs associated with regulatory activities will increase.

The key objectives of Enabling Strategies in 2027–2031 are to:

- facilitate participation in DSM programs, including newly introduced DSM programs, by engaging with Nova Scotians through a broad range of in-person and online education, awareness, outreach, and support initiatives;
- ensure E1 is responsive to changing technologies, products, trends, and attitudes in the marketplace throughout this DSM Plan and in future DSM Plans, by conducting research and developing and delivering pilot projects that inform the organization's short-term and long-term planning;
- continue market transformation programming that was introduced in the 2023–2026 DSM Plan by continuing to deliver the heat pump water heater pilot; and
- respond to all regulatory requirements and directives over the course of the five-year Plan, including regular reporting on the 2027–2031 DSM Plan, 2032–2036 DSM Plan development and DSMAG consultations, and planning and studies required of E1 to support Nova Scotia's Independent Energy System Operator.

9.4 ENABLING STRATEGIES – CATEGORY DESCRIPTIONS

The investment and activity descriptions for each Enabling Strategy category are detailed in this section.

9.4.1 EDUCATION AND OUTREACH

The total investment for Education and Outreach activities during the 2027–2031 Plan is $6.5 million. Table 53 provides a breakdown, by year and area of focus, of the five-year investment and an overview of activities.

Table 53: 2027–2031 Education and Outreach Activities

Education and Outreach				
Year	Areas of Focus			Total Investment ($)
	Outreach ($)	Education ($)	Support for Mi'kmaw Communities ($)	
2027 Total	0.4	0.3	0.5	1.2
2028 Total	0.4	0.3	0.5	1.2
2029 Total	0.4	0.3	0.6	1.3
2030 Total	0.4	0.3	0.6	1.4
2031 Total	0.5	0.3	0.6	1.4
2027–2031 Total	2.1	1.6	2.8	6.5
Overview	Education and Outreach activities are designed to drive awareness of, and participation in, E1's DSM programs; and to ensure energy efficiency and conservation considerations are top of mind for residents, businesses, and communities.			
Areas of Focus & Key Activities	Outreach	• Home shows • Partnerships • Staff costs		
	Education	• Website • Efficiency Preferred Partner support • Staff costs		
	Support for Mi'kmaw communities	• Community engagement • Energy management services • Staff costs		

A description of key activities, and expected outcomes, are detailed in Table 54.

Table 54: 2027–2031 Outreach Activities

OUTREACH
1. Participate in home shows By participating in existing, reputable, and popular home shows in communities across the province, E1 is able to reach large numbers of Nova Scotians to increase public awareness about E1's DSM programs and to provide information about how to access those programs. **2. Partner with organizations with aligned missions** By entering into partnerships with organizations that share aspects of E1's mission to inform and motivate Nova Scotians to use less energy, E1 is able to leverage the knowledge and resources of those organizations, conserve resources, and reach targeted audiences, including underserved communities. Together with these partners, E1 takes part in a range of events including information sessions and programming, conferences, trade shows, training events, career fairs, and camps. Each partnership agreement has specific targets related to reach and engagement. **Measures of success:**

OUTREACH
• E1 achieves its annual participation targets set out in the 2027–2031 DSM Plan. • E1 and its partner organizations achieve the goals set out in their respective partnership agreements.
EDUCATION
1. Educate and inform via online content Continually improving the tools and content available on E1's website and social media platforms is critical for educating and engaging with Nova Scotians, as those channels are the first point of access to E1 and its programs for many Nova Scotians. **2. Support E1's Efficiency Preferred Partner network** As part of ongoing efforts to recruit and retain members to the Efficiency Preferred Partner network, E1 will continue to organize training and other professional development opportunities for network members, host networking events, and provide a range of other supports to members in an effort to continually improve Nova Scotia's green building sector. **Measures of success:** • E1's total awareness score is 80 percent or higher, annually. • E1 Efficiency Preferred Partner membership remains steady or grows, and 75 percent of members participate in specialized training or networking opportunities provided by E1 each year.
SUPPORT FOR MI'KMAW COMMUNITIES
1. Support Mi'kmaw communities in engaging with E1 programs E1's Mi'kmaw Community Engagement Lead will work with representatives and leaders of Nova Scotia's 13 Mi'kmaw communities to promote E1's programs and support participation. **2. Provide energy management services to Mi'kmaw communities** E1's Roving Energy Manager for Mi'kmaw communities will work with Nova Scotia's 13 Mi'kmaw communities to identify new DSM projects and coordinate building energy audits in an effort to maximize Mi'kmaw participation in E1's DSM programs. **Measures of success:** • E1 achieves its annual participation targets for the Mi'kmaw New Home Construction program component set out in the 2027–2031 DSM Plan. • The Roving Energy Manager facilitates Mi'kmaw participation in E1's BNI programs throughout the 2027–2031 DSM Plan period.

9.4.2 DEVELOPMENT AND RESEARCH

The total investment for Development and Research activities during the 2027–2031 Plan is $7.1 million. Table 55 provides a breakdown, by year and area of focus, of the five-year investment, and an overview of activities.

Table 55: 2027–2031 Development and Research Activities

Development and Research			
Year	Areas of Focus		Total Investment ($)
	Information & Analytics ($)	Innovation ($)	

Development and Research			
2027 Total	0.4	1.1	1.5
2028 Total	0.4	1.2	1.6
2029 Total	0.2	1.2	1.4
2030 Total	0.2	1.1	1.3
2031 Total	0.2	1.2	1.4
2027–2031 Total	1.4	5.7	7.1
Overview	Development and Research activities are aimed at ensuring E1 is responsive to changing or emerging technologies, products, trends, and attitudes in the marketplace. The insights from development and research activities will be used to make any necessary program or service delivery adjustments throughout the implementation of this five-year Plan, and to inform E1's program offerings in the next DSM Plan (2032-2036).		
Areas of Focus & Key Activities	Information & Analytics	• Research • Data and analytic support costs • Program harmonization • Staff costs	
	Innovation	• Implement innovation plan • Codes and Standards • Staff costs	

A description of key activities, and expected outcomes, are detailed in Table 56.

Table 56: 2027–2031 Information and Analytics Activities

INFORMATION & ANALYTICS
1. Conduct research By consistently tracking quality assurance, participant satisfaction, and other attitudinal metrics among Nova Scotia households, E1 gains insights into how its programs are being received in the marketplace and can respond to changing market conditions. Wider research and studies will also be undertaken to assess the current DSM market and future potential DSM market opportunities, and to better understand participant motivations and barriers. **2. Data and analytics support costs** Data and analytics support costs come in the form of engaging and partnering with third parties, where needed, to support E1 staff in the areas of data science and data engineering, as well as expected costs to support ongoing feeds of customer data from NS Power. E1's information ecosystem is the foundation of the research and development work that the organization undertakes. **3. Complete program harmonization initiative** E1 will complete a program harmonization initiative to streamline and modernize E1 operations, aimed at improving the customer experience by simplifying the requirements and processes customers must navigate when participating in E1 programs. The initiative involves the use of technology, process engineering, and data integration (across customer touch points and channels). **Measures of success:**

INFORMATION & ANALYTICS

- E1's customer satisfaction and total awareness of Efficiency Nova Scotia scores will be reported as performance indicators in each DSM Annual Progress Report during the five-year Plan.
- Study findings and data and analytics insights will inform program decisions and how E1 engages with Nova Scotians throughout the Plan period.
- The program harmonization initiative is expected to result in reduced wait times for customers and less inquiries to E1's customer care team.

INNOVATION

1. Implement E1's annual Innovation Plans

E1's Innovation team will plan, develop, and deliver research projects and pilot projects in key potential growth areas including strategic electrification, demand response, demand flexibility, locational DSM, and market transformation. Some projects will be conducted in collaboration with consultants.

Research projects are limited to research only and findings are designed to inform possible changes, updates, or improvements to existing or new E1 programs. Pilot projects typically have a larger scope and involve small-scale testing of new ideas, measures, or technologies in the marketplace to determine whether they make sense for full-scale integration into E1's existing programs or as a new program.

Each research project or pilot project must meet one or more of the following criteria:

- improve the cost-effectiveness of existing measures and programs;
- advance market, performance, and program readiness for new DSM measures;
- advance market, performance, and program readiness for new DSM programs;
- leverage electricity system and distribution planning insights to identify and evaluate new DSM programs and services; and/or
- leverage other funding sources to advance emerging DSM activities.

Each year, an Innovation Plan will be developed to guide the team's work. The results and findings from research and pilot projects conducted in the early years of the 2027–2031 DSM Plan will inform the scope and type of projects that are run in later years of the 2027–2031 DSM Plan.

For more details, please refer to Attachment 5 for E1's Innovation Framework, Process and Plan for 2027–2031.

2. Participate and contribute to national Codes and Standards organization

E1's participation in the Canadian Standards Association's Steering Committee on Performance, Energy Efficiency and Renewables, which sets equipment performance standards, allows for the organization to contribute to those decisions that could positively impact energy efficiency and demand response outcomes in Nova Scotia. Participation also enables E1 to communicate coming changes to its partners and stakeholders, who may be impacted by them.

Measures of success:

- Annual Innovation Plans are developed and implemented throughout the five-year Plan period, with individual research and pilot projects being evaluated according to the goals and metrics detailed in E1's Innovation Framework, Process and Plan for 2027–2031 document (Attachment 5).
- A representative from E1 participates in the Canadian Standards Association's Steering Committee on Performance, Energy Efficiency and Renewables throughout the five-year Plan.

9.4.3 OTHER ENABLING STRATEGIES

The total investment for Other Enabling Strategies activities during the 2027–2031 Plan is $11.7 million. Table 57 provides a breakdown, by year and area of focus, of the five-year investment and overview of activities.

Table 57: 2027–2031 Other Enabling Strategies

Other Enabling Strategies				
Year	Areas of Focus			Total Investment ($)
	DSM Planning ($)	Regular DSM Matters ($)	Other Regulatory Matters ($)	
2027 Total	0.0	1.4	0.2	1.5
2028 Total	0.0	1.4	0.1	1.5
2029 Total	1.5	0.7	0.7	2.9
2030 Total	2.2	0.8	0.2	3.2
2031 Total	1.6	0.8	0.1	2.5
2027–2031 Total	5.3	5.1	1.3	11.7
Overview	Other Enabling Strategies activities are designed to manage all DSM-related filings, including reporting on the progress of all aspects of the 2027–2031 DSM Plan, the development of E1's next DSM Plan (2032–2036), responding to other regulatory directives, and participating in various other matters. Throughout these activities, E1 also consults and engages with DSM stakeholders, and incorporates feedback from them.			
Areas of Focus & Key Activities	DSM Planning	• DSM consultants, professional fees, and staff costs for 2032–2036 DSM Plan development (E1 costs) • Energy Board and stakeholder consultant costs (Flow-through costs)		
	Regular DSM Matters	• DSM consultants, professional fees, and staff costs for filing all reports due throughout the five-year Plan and for responding to other directives (E1 costs) • Engage, update, and consult with stakeholders throughout Plan period (E1 costs) • Energy Board and stakeholder consultant costs (Flow-through costs)		
	Other Regulatory Matters	• DSM consultants, professional fees, and staff costs for updating the potential study, and contributing in additional ways to the Nova Scotia Independent Energy System Operator Integrated Resource Plan Evergreen (E1 costs)		

A description of key activities, and expected outcomes, are detailed in Table 58.

Table 58: 2027–2031 DSM Planning

DSM PLANNING
1. Develop and file the 2032–2036 DSM Plan E1 staff will develop the 2032-2036 DSM Plan through research, consultations with experts, internal planning, and working and consulting with all stakeholders to gain support for the Plan. After filing its 2032–2036 DSM Plan application, E1 will participate in the subsequent regulatory approval process. **2. Energy Board and stakeholder consultant costs** In addition to E1's directly incurred costs, flow-through costs related to the Energy Board and its consultants, the Consumer Advocate and its consultants, and the Small Business Advocate and its consultants, are part of the Other Enabling Strategies category investment. **Measures of success:** • E1 will file its 2032–2036 DSM Plan application in Q1 2031, and participate in the subsequent regulatory approval process.
REGULAR DSM MATTERS
1. File all required reports, statements, and responses E1 will file all required reporting on the 2027–2031 DSM Plan including quarterly reports, Annual Progress Reports, Evaluation Reports, Audited Financial Statements, Information Request responses, as well as other studies, reports, and updates, where applicable. E1 will also respond to any directives from the Energy Board arising from the 2027–2031 DSM Plan Decision or other matters. **2. Engage with stakeholders throughout Plan period** E1 will consult with stakeholders through regular and technical DSM Advisory Group sessions, preparing materials and briefings for distribution to the group, and responding to and incorporating their feedback. **3. Energy Board and stakeholder consultant costs** In addition to E1's directly incurred costs, flow-through costs related to the Energy Board and its consultants, the Consumer Advocate and its consultants, and the Small Business Advocate and its consultants, are part of the Other Enabling Strategies category investment. **Measures of success:** • E1 will file all required reports, statements, and responses to directives with the Energy Board. • E1 will update, and consult with, the DSM Advisory Group regularly throughout the Plan period, on Plan progress and other regulatory matters.
OTHER REGULATORY MATTERS
1. Update E1's 2026 potential study Together with its consultants, E1 will complete an update of its 2026 potential study during the 2027–2031 Plan period, both to inform its 2032-2036 DSM Plan and to contribute to an expected Integrated Resource Plan Evergreen process by the Nova Scotia Independent Energy System Operator during the 2027–2031 Plan period. **2. Support Integrated Resource Plan Evergreen process as required** E1 will support, as required and requested, an expected Integrated Resource Plan Evergreen process by the Nova Scotia Independent Energy System Operator during the 2027–2031 Plan period. **Measures of success:** • E1 will complete an update of its 2026 potential study near the midway point of the 2027–2031 Plan period. • E1 will provide support to Nova Scotia Independent Energy System Operator as required and requested.

9.4.4 MARKET TRANSFORMATION

The total investment for Market Transformation activities during the 2027–2031 Plan is $3.8 million. Table 59 provides a breakdown, by year and area of focus, of the five-year investment and an overview of activities.

Table 59: 2027–2031 Market Transformation Activities

Market Transformation		
Year	Areas of Focus Heat pump water heater pilot ($)	Total Investment ($)
2027 Total	0.8	0.8
2028 Total	0.8	0.8
2029 Total	0.7	0.7
2030 Total	0.7	0.7
2031 Total	0.8	0.8
2027–2031 Total	3.8	3.8
Overview	Market Transformation activities are designed to pursue opportunities presented by products that offer savings potential but face significant barriers to widespread adoption in the market. By intervening in the market and working with the industry, E1's Market Transformation activities aim to overcome those barriers and realize savings. These efforts are critical to long-term growth in energy efficiency in Nova Scotia, as the savings potential of traditional resource acquisition programs are expected to decline in the future. Additionally, research shows that market transformation can offer considerable cost savings compared to resource acquisition programs, as market transformation programs are not driven by customer incentives, which is the most significant cost for resource acquisition programs.	
Areas of Focus & Key Activities	Heat pump water heater pilot	• Pilot delivery • Evaluation process development • Plan for future market transformation measures • Staff costs

A description of key activities, and expected outcomes, are detailed in Table 60.

Table 60: 2027–2031 Market Transformation Key Activities

HEAT PUMP WATER HEATER PILOT
1. Continue implementation of Heat Pump Water Heater pilot The delivery of the Heat Pump Water Heater pilot continues, following the design and launch activities being completed during the 2023–2026 DSM Plan period. **2. Further develop the evaluation process** With its evaluator, E1 will develop the approach for the division of funds, savings, and projections between Plan periods and establish a standard process for future Market Transformation programs. The Heat Pump Water Heater pilot will undergo at least one evaluation during the 2027–2031 Plan period to understand the evaluated savings potential as well as process improvements for intervention activities carried out to date. (Note: Market

Transformation programs require a much longer planning horizon and it can take several years before results can be measured).

3. Plan for future market transformation measures

Using insights gained from the heat pump water heater pilot, the Market Transformation team will collaborate with E1's Innovation team on research into measures that could be delivered using the market transformation delivery approach in future DSM Plans.

Measures of success:

- The Heat Pump Water Heater program component generates measurable savings during the 2027–2031 DSM Plan.
- A standard process for evaluating Market Transformation programs is established.

10. PERFORMANCE REQUIREMENTS

For the 2027–2031 Plan period, E1 proposes the following definitions and requirements for performance targets and thresholds. These definitions and requirements are consistent with those outlined in the Standardized Filing Framework which was updated by E1 and the DSMAG in 2026 as part of 2027–2031 Plan development and provided as Appendix F to this application.

10.1 PERFORMANCE DEFINITIONS

To provide clarity, the following definitions are used:

- **Performance metric:** a quantifiable measure that is used to track and assess the status of a specific achievement;
- **Performance indicators:** a set of particular performance metrics used to indicate or monitor progress toward performance targets. Performance Indicators are management tools that provide information to allow an organization to take action to help it deliver on performance targets;
- **Performance target:** a performance metric expressed as a specific quantified goal that identifies the desired outcome of an activity at a specific point in time. In this Application, Performance Targets refer to Energy Board-approved targets; and
- **Performance threshold:** a predefined quantity, percentage, or range which identifies the allowable deviation from a Performance Target within which the actual outcome is considered to have achieved success. In this Application, Performance Thresholds refer to Energy Board-approved thresholds.

10.2 PERFORMANCE TARGETS AND THRESHOLDS

- Performance targets[21] apply over the Plan period as reflected in the Energy Board-approved DSM Purchase Agreement or as ordered by the Energy Board; and
- E1 is in substantial compliance if it achieves 90 percent or greater on each approved performance target. If less than 90 percent of any performance target is achieved, E1 understands that the Energy Board would use its discretion to determine appropriate action.

For the 2027–2031 DSM Preferred Plan, E1 has proposed five performance targets to be achieved over the five-year period, reflective of the DSM resources included in the overall portfolio. Table 61 summarizes the proposed 2027–2031 performance targets.

Table 61: Proposed 2027–2031 DSM Preferred Plan Performance Targets

2027–2031 Performance Targets					
DSM Resource	Energy Savings (GWh)	Peak Demand Savings (MW)	Low-Income & Equity Energy Savings (GWh)	Available Demand Response Capacity (MW)	Solar-PV Generation (GWh)
Energy Efficiency	435.4	85.0	14.0	-	-
Demand Response	-	-	-	29.3	-
Solar-PV	-	-	-	-	1.7
Total	435.4	85.0	14.0	29.3	1.7

Table 62 summarizes the proposed 2027–2031 performance indicators.

Table 62: 2027–2031 DSM Preferred Plan Performance Indicators

DSM Resource	Performance Indicators
Energy Efficiency	Annual incremental energy savings (reported by program and rate class) (GWh)
	Cumulative energy savings (reported by program and rate class) (GWh)
	Annual lifetime energy savings (reported by program and rate class) (GWh)
	Cumulative lifetime energy savings (reported by program and rate class) (GWh)
	Annual incremental system peak demand savings (reported by program and rate class) (MW)
	Cumulative system-peak demand savings (reported by program and rate class) (MW)
	Annual incremental and cumulative energy savings from Low Income & Equity (includes Affordable Multifamily Housing, Affordable Single-Family Homes, Mi'kmaw Home Energy Efficiency Project, and Mi'kmaw New Home Construction); and

[21] Performance targets are at the portfolio level.

DSM Resource	Performance Indicators
	Incidental annual and cumulative energy savings (GWh) from E1's non-targeted programs applicable to low-income and equity customers (reporting also includes incidental low-income and equity participation and expenditure results)
Demand Response	Available demand response capacity during the winter peak period (annually) (reported by program and rate class) (MW)
Solar-PV	Annual incremental and cumulative estimated generation (reported by program and rate class) (GWh)
	Annual incremental and cumulative installed capacity (reported by program and rate class) (MW)
Other	Total lifetime ratepayer benefits ($)
	Total spending (reported by program and rate class)
	Customer satisfaction (%)
	Actual Program Administrator Cost test results

11. EVALUATION

E1's measurement and evaluation activities are a crucial component of its Regulatory Affairs functions. Through independent, third-party measurement and evaluation processes, E1 is held accountable to its tracked performance metrics, program results, and DSM portfolio outcomes. These processes are vital to improve the operations of energy efficiency, demand response, solar-PV and market transformation programs, measure their impacts, and attribute energy savings, demand savings, solar-PV generation, and available capacity to E1's efforts and ratepayer investments. Evaluation activities provide E1 with timely, tailored feedback through annual recommendations. These recommendations provide E1 with essential insights on the opportunities, barriers, and areas for improvement within existing programs, pilots, and new initiatives.

In 2027–2031, E1 proposes to take a similar approach to evaluation as in the 2023–2026 DSM Resource Plan, where evaluation activities are conducted to ensure accurate determination of net electrical energy, net system-peak demand savings and available capacity and generation (as outlined in Table 61). Evaluation activities will be condensed where appropriate, in recognition of the maturity level that some E1 program components have reached. Evaluation activities will include an annual impact evaluation for each program in each of the five years. The Evaluation Framework further described below, outlines the types of evaluations that can be undertaken to ensure the accurate determination of net electrical energy, net system-peak demand savings, available capacity, and generation, and to provide opportunities for continuous improvement.

11.1 EVALUATION FRAMEWORK

E1's independent evaluation consultant is engaged to develop an Evaluation Framework that defines the policies, priorities, and methodologies used to conduct the DSM evaluation. It provides a common understanding of evaluation best practices and includes:

- Evaluation definitions;
- Evaluation goals, principles and priorities;
- Evaluated metrics;
- Evaluation deliverables; and
- Roles and responsibilities.

The Evaluation Framework establishes evaluation principles, provides explanations on the various types of evaluations, and outlines prioritization criteria to be used when developing annual evaluation plans. The different types of evaluations are described below.

11.1.1 IMPACT EVALUATIONS

Annual impact evaluations will provide E1, stakeholders, and the Energy Board with up-to-date impacts on net electrical energy, net system-peak demand savings and available capacity as progress indicators towards the approved 2027–2031 DSM Plan Performance Targets. E1 will work with the Evaluator to determine if a program component requires a comprehensive or a condensed impact evaluation.

A condensed impact evaluation involves using key elements such as evaluation parameters, methodologies and related calculations referenced in previous comprehensive evaluation reports. Condensed impact evaluations are expected to consist of energy (annual and lifetime), system-peak demand savings, and available capacity results. This means that for stable, mature program components, the Evaluator will use unitary savings values, realization rates, and/or installation rates previously determined.

A comprehensive impact evaluation involves reviewing key elements to help establish the baseline definitions, savings calculation methodologies and the values of the parameters used to calculate savings. Comprehensive impact evaluations are expected for newer program components and those with recent changes or more variable savings parameters. The Evaluator will design and conduct a full scope of evaluation activities for program components that require a comprehensive impact evaluation.

11.2 PROCESS AND MARKET EVALUATIONS

Program component process and market evaluations will remain consistent with the 2023–2026 DSM Resource Plan. Process evaluations identify and recommend improvements to increase the program component's efficiency or effectiveness, while maintaining high levels of participant satisfaction. Market evaluation studies can analyze key market indicators and present technology diffusion curves to illustrate market adoption of energy efficiency products , and how they have been affected by the DSM program(s). E1 will work with the Evaluator to determine what program components should be evaluated based on the following criteria:

- newly created program components that have not yet been evaluated;
- program components that have incurred major changes;
- program components that received many recommendations from the evaluator; and
- program components that have a variance of energy savings larger than 25 percent of Plan year target.

12. EVALUATION APPROACH BY RESOURCE

12.1.1 ENERGY EFFICIENCY EVALUATION APPROACH

E1 will engage a third-party Evaluator to develop and perform an evaluation of E1's portfolio of energy-efficiency, demand response and solar-PV programs for the 2027–2031 DSM Plan period. Each year the Evaluator will work with E1 to develop an annual DSM Evaluation plan which will further define the evaluation scope to ensure the evaluation is providing all the necessary metrics for performance target and indicator reporting. The Evaluator is responsible for designing annual evaluation plans that meet the evaluation principles identified in the Evaluation Framework and for conducting a third-party independent review of E1 program results. The Evaluator must perform annual impact evaluations that accurately determine net electrical energy and net system peak demand savings, available capacity and generation, as well as process and market evaluations, the results of which are then filed with the Energy Board. The Evaluator is responsible for planning, coordinating, and supervising all evaluation activities. The Evaluator is also responsible for establishing E1 documentation needs and other requirements related to evaluation, preparing evaluation reports, and identifying opportunities for continuous improvement. The Evaluator is responsible for open and transparent communication with E1. Transparent communication includes ensuring that research questions, methodologies, and outputs are clearly outlined and documented in the evaluation plan and reports. Specifically for energy efficiency, the program evaluation is aimed at

determining the net electrical energy and system peak demand savings for the calendar year being assessed.

12.1.2 DEMAND RESPONSE EVALUATION APPROACH

Demand response program evaluation is aimed at verifying and quantifying the available capacity to the utility during the winter peak period.

The Evaluator will present total available capacity, defined as the total demand response capacity that was available during the evaluated period. Available capacity from demand response differs from peak demand savings since the former considers the load reduction that was made available by participating devices during the events called for the demand response season instead of the load reduction that coincided with the utility peak period. This distinction was made since E1 does not control the calling of events and, thus, does not control how the resources made available to NS Power are used to reduce peak demand.

Available demand response capacity is evaluated based on events called from December to February. Events called at any time during the day (morning or evening) are included. Available demand response capacity is measured over the four-hour demand response event and is evaluated on a per-participant basis, based on the average demand reduction observed for each event in which the participant was scheduled to participate in. E1's total available demand response capacity is the sum of each participant's available demand response capacity with a 50/50 weighting of morning and evening event results applied. In addition, reported demand response available capacity corresponds to events that occurred during the winter and that ended during the evaluated year, e.g., the 2027 available demand response capacity corresponds to the demand response capacity made available between December 2026 and February 2027 inclusively.

12.1.3 SOLAR-PV EVALUATION APPROACH

E1 has proposed a new solar-PV program in the 2027–2031 DSM Preferred Plan. Evaluation of estimated generation (kWh) and installed capacity (MW) will be determined by the Evaluator on an annual basis through an impact evaluation. To determine installed capacity (MW) the Evaluator will perform a desk review to verify nameplate capacity of the installed PV systems. To determine estimated installed generation (kWh), the Evaluator will determine a calibration factor to be applied to modelled results, the

calibration factor will be determined every 3-5 years by comparing modelled generation with actual generation.

12.1.4 MARKET TRANSFORMATION EVALUATION APPROACH

Market transformation programs aim to transform the entire market, typically including multiple points along the supply chain as well as the end-use customer — and to do so in a lasting (long-term, sustained) manner. Transformations may be reflected, for example, in changes in market actors' and consumers' awareness and attitudes, consumers' intentions to purchase, suppliers' stocking practices, product availability and pricing, adoption rates, and updated codes and standards. The success of market transformation programs is therefore measured using market-wide indicators (called market progress indicators) that systematically track progress in multiple ways throughout the entire course of the Market transformation program's implementation. Regularly examining product, market actor, and market changes, and making mid-course program design and delivery corrections as needed, helps ensure the program remains on track to realize its long-term goals.

The Evaluation will use a theory-based evaluation approach to evaluate market transformation programs (the continuation of the heat pump water heat market transformation pilot has been included in the 2027–2031 DSM Plan). This approach is considered best practice for market transformation evaluation.[22]

Theory based evaluation starts by examining documentation of the program's theory in the form of a logic model and associated market progress indicators. The program theory identifies the barriers and opportunities to transforming the market, and describes how the program's interventions are expected to change the market over time from the baseline condition to the desired end state (i.e., accelerated and increased adoption of the targeted energy-efficient product or practice). The market progress indicators represent measurements of change in the market that come as a result of each intervention. Examples include the percentage of the general population who is aware of an energy efficient measure, the number of retailers that offer the energy efficient measure or the percent of the time installers recommend the energy efficient measure to customers. They are typically obtained using surveys and interview with various market actors (distributors, installers, retailers, consumers), web scraping (i.e., collecting

[22] Theory-based evaluation is used by leading market transformation administrators and governance organizations in several jurisdictions in the United States including the Northwest Energy Efficiency Alliance (Idaho, Montana, Oregon, and Washington), the Illinois Stakeholder Advisory Group, and the California market transformation administrator

information on available product through an automated online search) and sales data (as available). The theory based evaluation of E1's market transformation programs will entail:

- assessing whether the logic model accurately captures the implemented program's activities;
- establishing if the market characteristics and dynamics are evolving according to the program theory (based on assessment of market progress indicator evolution); and
- determining if the changes are due to the market transformation program's interventions.

The Evaluator will gather evidence to determine whether these three elements can be answered positively. The conclusions for the market progress indicator assessment will be based on a preponderance of the evidence from a variety of sources and not the results of any single analysis or indicator. If all three of the elements can be answered positively, the Evaluator can measure and claim savings from market transformation, because it is established that the observed market changes are the result of the program.

13. REPORTING AND REVIEW

This section describes E1's DSM reporting framework for the 2027–2031 DSM Resource Plan period, including routine filings, stakeholder review mechanisms, a proposed process for mid-course adjustments and a proposed mid-term review.

13.1 OVERVIEW OF DSM REPORTING 2027–2031

E1 will file the following six reports each year with the Energy Board, for a total of thirty DSM reports over the 2027-2031 Plan period:

- Quarterly Reports (Q1-Q3);
- Annual Progress Reports (APR);
- annual DSM Program Evaluation Reports; and
- annual Financial Statements.

In addition, the Energy Board's savings verification consultant conducts an independent review of E1's annual DSM program evaluation reports and evaluated savings to confirm the accuracy of the reported evaluated results, which is filed with the Energy Board annually.

13.2 OVERSIGHT AND DSMAG REVIEW

Each report filed with the NSEB provides opportunities for DSMAG stakeholder questions and comments, either directly to E1 or through an Energy Board-initiated regulatory process. Additionally, the NSEB provides ongoing oversight of E1 throughout Plan implementation and can initiate a review process at any time as it deems appropriate.

Following the 2022 amendment to the *PUA* extending DSM Plans from three years to five years, DSMAG members expressed concerns regarding performance risk and oversight over the longer plan term. In response to stakeholder feedback, E1 has proposed a structured mid-term check-in process to provide transparency and opportunities for meaningful review and discussion of implementation progress, results, and trends as well as opportunities for additional DSMAG engagement throughout the five-year Plan period.

13.2.1 MID-TERM CHECK-IN

E1 proposes a structured mid-term check-in process for the 2027–2031 Plan. This process is intended to provide transparency and opportunities for meaningful review and discussion of Plan implementation progress, results, and trends.

E1 proposes to hold a mid-term session with the DSMAG at the mid-point of Plan implementation during the first quarter of 2029. The purpose of this session is to provide stakeholders with a comprehensive review of:

- cumulative progress toward approved performance targets;
- rate class spending trends and variances;
- evaluation findings and lessons learned;
- market conditions affecting plan delivery; and
- any implementation challenges or opportunities.

E1 will provide materials in advance of the session and will invite written stakeholder comments either in advance or following the session, similar to the DSMAG consideration approach used by the NSEB for DSM Annual Progress Reports and Evaluation Reports. E1 will also offer one-on-one meetings with interested stakeholders as part of this mid-term process.

13.2.2 ADDITIONAL DSMAG ENGAGEMENT

E1 is also proposing the following opportunities for additional DSMAG engagement and enhancements to its current annual reporting:

- Annual DSMAG sessions: Each year, following the filing of the APR and Evaluation Reports, E1 will hold an annual session with the DSMAG to review and discuss progress towards Plan implementation, mid-course adjustments (if applicable), rate class spending and related matters. These sessions will occur in Q2 of each year and may include opportunities for the DSMAG to provide written feedback. E1 will proactively convene these sessions recognizing that the Energy Board may also initiate a DSMAG consideration process for these reports at its discretion.
- Annual one-on-one stakeholder meetings: After filing the APR and Evaluation Report each year, E1 will meet with stakeholders individually to address questions and discuss results. These meetings will be held in Q2 of each Plan year.
- Expanded content in E1's reporting: To support stakeholder understanding of annual and cumulative performance against the five-year Plan targets, E1 intends to include year-to-date and cumulative progress towards the approved five-year performance targets in its Quarterly Reports (E1 provides this currently in its APRs).

13.3 MID-COURSE ADJUSTMENTS

Mid-course adjustments (MCAs) provide the DSM administrator limited flexibility to adjust annual program-level budgets and savings from those set out in the original approved DSM Plan, in order to respond to market conditions and program performance changes that were not known at the time of Plan development. MCAs do not change approved overall savings or performance targets and are not a mechanism to revise Energy Board-approved Performance Targets.

MCAs are intended to reflect adjustments within a given Plan year only and to provide information to the Energy Board and the DSM Advisory Group of where E1 is projecting the program spending and savings for the year.

In the 2026 DSM Extension, the NSEB directed E1 to discuss mid-course adjustments (MCAs) with the DSMAG and "include a revised process for making mid-course adjustments in its upcoming DSM Plan application,"[23] following concerns raised by the Industrial Group.

E1 understands these concerns to be:

- E1 should spend DSM funding in the rate classes as it was approved by the NSEB; and
- E1 should manage spending at the rate class level in addition to at the program level, to mitigate the unanticipated cost impacts arising from variances in E1's planned DSM expenditures as compared to the actual DSM expenditures by customer class noting that these variances could result in unexpected and significant impacts on customer classes where these costs have shifted by rate class.

E1 notes that the above concerns are driven by actual rate-class spending outcomes relative to Plan projections, rather than the MCA mechanism itself; however, E1 recognizes that MCAs may influence the actual rate-class spending. To that end, E1 is proposing enhancements to the MCA process that explicitly incorporate rate-class spending considerations.

In the 2026 DSM Extension matter, E1 agreed to provide the following enhancements:

- Improve the accuracy of estimates used for the rate class allocation of expenditures in the DSM Plan by using a minimum of three years of historical data;
- Provide enhanced rate class reporting to address concerns, for example, year-end forecast and Plan period forecast to provide an outlook on projected rate class expenditures for the entire Plan period and the anticipated variances from the approved DSM Plan; and
- Monitor program spending against the DSM Plan and to clarify any variances within the approved thresholds.

These enhancements have been implemented and are included in the proposed mid-course adjustment process.

E1 is also proposing further MCA enhancements including:

[23] M12249, NSEB Decision, 2026 DSM Extension, December 22, 2025, page 33, para 90.

- Reducing the threshold from 25 percent to 20 percent for program changes both spending and savings that require explanations;
- Introducing a spending threshold of 15 percent for rate class spending changes that require explanations;
- Prior to filing the MCAs in E1's Q1 Report, the DSMAG will be provided the draft mid-course adjustments with explanations and given a two-week comment period. E1 will respond to the comments prior to E1 including the mid-course adjustment in the Q1 Report;
- MCAs will be added as an agenda topic to the annual DSMAG session; and
- the MCA process will be included in the Standardized Filing Framework.

13.4 ROUTINE REPORTING

This section describes E1's DSM reporting over 2027-2031, including proposed content.

13.4.1 QUARTERLY REPORTING

Quarterly reports provide regular updates on DSM implementation, performance, and expenditures during each Plan year. These reports support ongoing monitoring and early identification of emerging trends or variances.

E1 will file quarterly reports with the Energy Board for quarters one through three of each Plan year (i.e., 2027, 2028, 2029, 2030, 2031).[24] The reports will provide quarterly status updates and service highlights and communicate course adjustments (i.e., mid-course adjustments – see section 13.3 on mid-course adjustments) within the current approved DSM Resource Plan.

E1 proposes to report on the following metrics, including:

- quarterly and year-to-date (YTD) highlights (comparison of approved Plan savings targets, mid-course adjustments, results and discussion of 20 percent or greater variances in savings or investment results at the program level, discussion of 10 percent or greater variances in incentive levels at the measure level);
- updated year-end forecast information for savings targets and spending;

[24] E1 will file its quarterly reports in accordance with the NSUARB's Revised Filing Dates letter issued January 9, 2018, as follows: Q1 – May 25; Q2 – August 25; Q3 – November 25.

- program and sector highlights (results, participation, and items of interest by program, as well as low-income and equity results);
- rate class reporting, including:
  - YTD investment by rate class compared to the approved Plan, with percent of expenditures by rate class relative to the approved Plan;
  - discussion on variances to the approved Plan (YTD results to the approved Plan, 15 percent or greater variances);
  - discussion on rate class spending to date, including participation results, program activity and participating customer classes; and
  - year-end forecast by rate class to provide insight on the expected rate class expenditures by year-end, along with discussion on variances to the approved Plan (forecast and/or YTD results to the approved Plan, 15 percent or greater variances).
- status updates on the annual Evaluator and Verification recommendations;
- highlights of Enabling Strategies activities;
- updates on the Solar-PV program, including progress towards the five-year Performance Target and spending to date; and
- YTD and cumulative results relative to the approved five-year Plan investment and savings, expressed as a percent cumulative to date of approved targets. This provides greater insight into E1's progress towards the approved five-year targets).

13.4.2 ANNUAL PROGRESS REPORTS

The APR provides reporting on DSM performance, expenditures, and progress toward approved Plan targets. In the first quarter of each calendar year, E1 will file an APR with the Energy Board, which will include the following information:

- a summary of the context, activities and milestones achieved in the prior year, including the status of the annual performance indicators;
- a management discussion and analysis of any discrepancies (20 percent or greater variance) relative to the original Plan's intent and approved targets;
- a summary of expenditures, energy, and system-peak demand savings, available capacity, and other metrics for each program (as applicable to the DSM resources offered);
- a summary of the cumulative progress achieved to date on the approved Plan's performance targets (e.g., percent progress towards approved performance targets);

- Plan period forecast (savings and expenditures) for the five-year Plan period;
- Plan period forecast by rate class for an outlook on projected rate class expenditures for the entire Plan period and discussion on anticipated variances from the approved Plan (15 percent or greater);
- status updates on all annual Evaluator and Verification recommendations;
- actual PAC results; and
- written advance notice of its intent to implement mid-course adjustments. Refer to section 13.3 above on the MCA process.

13.4.3 ADVANCE NOTICE OF SIGNIFICANT CHANGES

In the event that E1 proposes significant changes to elements within an approved Plan, advance notice will be provided to the Energy Board and the DSMAG. Significant changes include:

- Adding a new program; and
- Terminating an existing program.

Should circumstances arise during plan implementation that, in E1's reasonable assessment, may necessitate changes to approved investment levels, performance targets, or other material plan elements requiring NSEB approval, E1 will provide advance notice to the DSMAG and file an appropriate application with the NSEB in accordance with the *PUA*. Such circumstances might include, for example, significant and unforeseen changes in avoided costs, material shifts in market conditions or technology availability, legislative or regulatory changes affecting DSM delivery, or other extraordinary events materially impacting plan feasibility or ratepayer value.

13.4.4 AUDITED FINANCIAL STATEMENTS

E1 will retain the services of an external financial auditor to prepare audited annual financial statements. These will be filed with the Energy Board in the second quarter of the following year, no later than April 28.[25] The filing provides an independent auditor's report, an annual statement of operations, changes in fund balances, statement of financial position, statement of cash flows, among other items.

[25] In accordance with the NSUARB's Revised Filing Dates letter issued January 9, 2018.

13.4.5 RATE AND BILL IMPACT ANALYSIS

E1 files its historical Rate and Bill Impact Analysis (RBIA) and forward-looking RBIA as part of each DSM Resource Plan.[26] The historical RBIA estimates the high-level, long-term impact to rates and bills of all DSM activities up to and including those of the previous calendar year, as well as any future DSM investments that have been approved by the Energy Board. The forward-looking RBIA estimates the high-level, long-term impact to rates and bills of all DSM activities conducted as part of the proposed DSM Resource Plan.

E1's historical and forward-looking RBIA for the 2027–2031 DSM Resource Plan is provided in Appendix B.

14. CONCLUSION

The 2027–2031 DSM Preferred Plan delivers cost-effective DSM resources in accordance with the requirements of the *PUA*, which directs that DSM be undertaken in the best interests of NS Power customers. With a portfolio level PAC cost-effectiveness result of 2.4, the 2027-2031 DSM Preferred Plan meets the Energy Board-approved cost-effectiveness threshold and delivers significant benefits to ratepayers while maintaining a strong focus on affordability. The Preferred Plan delivers $682.5 million in lifetime benefits to ratepayers, a return approximately two times greater than the investment of $318.75 million with a payback in under 6 years.

The 2027–2031 DSM Preferred Plan is not a growth Plan. It represents a continuation and refinement of DSM delivery at investment levels consistent with the 2026 Extension, reflecting the unique economic and affordability circumstances facing Nova Scotians at this time, with a focus on maintaining short-term affordability and delivering E1's proven, cost-effective DSM programs with targeted program updates to reflect market evolution, including the introduction of solar-PV to support residential customers in Mi'kmaw communities. By maintaining investment levels consistent with the 2026 DSM Extension, the 2027-2031 DSM Preferred Plan balances unique near-term affordability concerns with long-term system benefits. These investment levels reflect the particular conditions of the current planning period and are not intended to establish a ceiling or benchmark for future DSM Plan investment levels.

[26] M10830, NSUARB letter to E1 2022 Rate and Bill Impact Analysis, February 24, 2023, page 5. "The Board accepts the proposal to file historical RBIA reports with future DSM Plan applications."

Appendix A

Attachment 1: 2027-2031 Modelling Assumptions

Appendix A

Attachment 2: Program Savings
and Investment by Rate Class

Table 1: Residential Efficient Product Rebates

2027-2031 Residential Efficient Product Rebates					
Rate Class	Year	First-Year Energy Savings (GWh)	Lifetime Energy Savings (GWh)	Peak Demand Savings (MW)	Expenditures ($ million)
Residential/Charitable (2,3,4)*	2027	11.0	106.3	0.9	2.1
	2028	11.7	123.6	2.9	3.1
	2029	13.0	145.6	4.7	4.6
	2030	12.7	146.2	5.1	4.9
	2031	12.3	138.6	4.3	5.0
	2027-2031	60.8	660.2	17.9	19.7
Small General (10)	2027	0.2	1.6	0.0	0.0
	2028	0.2	1.8	0.0	0.0
	2029	0.2	2.2	0.1	0.1
	2030	0.2	2.2	0.1	0.1
	2031	0.2	2.1	0.1	0.1
	2027-2031	0.8	9.8	0.3	0.3
General (11)	2027	0.1	1.6	0.0	0.0
	2028	0.2	1.9	0.0	0.0
	2029	0.2	2.2	0.1	0.1
	2030	0.2	2.2	0.1	0.1
	2031	0.2	2.1	0.1	0.1
	2027-2031	0.8	10.0	0.2	0.2
Large General (12)	2027	0.0	0.0	0.0	0.0
	2028	0.0	0.0	0.0	0.0
	2029	0.0	0.0	0.0	0.0
	2030	0.0	0.0	0.0	0.0
	2031	0.0	0.0	0.0	0.0
	2027-2031	0.0	0.0	0.0	0.0
Small Industrial (21)	2027	0.0	0.0	0.0	0.0
	2028	0.0	0.0	0.0	0.0
	2029	0.0	0.0	0.0	0.0
	2030	0.0	0.0	0.0	0.0
	2031	0.0	0.0	0.0	0.0
	2027-2031	0.0	0.1	0.0	0.0
Medium Industrial (22)	2027	0.0	0.0	0.0	0.0
	2028	0.0	0.0	0.0	0.0
	2029	0.0	0.0	0.0	0.0
	2030	0.0	0.0	0.0	0.0
	2031	0.0	0.0	0.0	0.0
	2027-2031	0.0	0.0	0.0	0.0
Large Industrial (23, 25)	2027	0.0	0.0	0.0	0.0
	2028	0.0	0.0	0.0	0.0
	2029	0.0	0.0	0.0	0.0
	2030	0.0	0.0	0.0	0.0
	2031	0.0	0.0	0.0	0.0
	2027-2031	0.0	0.0	0.0	0.0
Municipal (24)	2027	0.2	1.8	0.0	0.0
	2028	0.2	2.1	0.0	0.0
	2029	0.2	2.4	0.1	0.1
	2030	0.2	2.4	0.1	0.1
	2031	0.2	2.3	0.1	0.1
	2027-2031	1.0	11.0	0.3	0.3
Unmetered (999)	2027	0.0	0.0	0.0	0.0
	2028	0.0	0.0	0.0	0.0
	2029	0.0	0.0	0.0	0.0
	2030	0.0	0.0	0.0	0.0
	2031	0.0	0.0	0.0	0.0
	2027-2031	0.0	0.0	0.0	0.0
Total		63.4	691.1	18.7	20.6

Table 2: Existing Residential

2027-2031 Existing Residential					
Rate Class	Year	First-Year Energy Savings (GWh)	Lifetime Energy Savings (GWh)	Peak Demand Savings (MW)	Expenditures ($ million)
Residential/Charitable (2,3,4)*	2027	11.3	136.9	3.1	21.0
	2028	12.0	149.9	3.6	21.4
	2029	11.8	148.7	3.6	23.3
	2030	11.9	148.0	3.5	23.7
	2031	11.8	144.8	3.4	24.3
	2027-2031	58.8	728.2	17.3	113.7
Small General (10)	2027	0.2	5.1	0.1	0.4
	2028	0.3	6.3	0.1	0.5
	2029	0.2	5.9	0.1	0.5
	2030	0.2	6.0	0.1	0.5
	2031	0.2	5.4	0.1	0.5
	2027-2031	1.1	28.7	0.5	2.5
General (11)	2027	0.2	2.1	0.1	0.3
	2028	0.2	2.9	0.1	0.4
	2029	0.2	2.7	0.1	0.4
	2030	0.2	2.7	0.1	0.4
	2031	0.2	2.3	0.1	0.4
	2027-2031	0.9	12.7	0.3	1.9
Large General (12)	2027	0.0	0.0	0.0	0.0
	2028	0.0	0.0	0.0	0.0
	2029	0.0	0.0	0.0	0.0
	2030	0.0	0.0	0.0	0.0
	2031	0.0	0.0	0.0	0.0
	2027-2031	0.0	0.0	0.0	0.0
Small Industrial (21)	2027	0.0	0.0	0.0	0.0
	2028	0.0	0.0	0.0	0.0
	2029	0.0	0.0	0.0	0.0
	2030	0.0	0.0	0.0	0.0
	2031	0.0	0.0	0.0	0.0
	2027-2031	0.0	0.0	0.0	0.0
Medium Industrial (22)	2027	0.0	0.0	0.0	0.0
	2028	0.0	0.0	0.0	0.0
	2029	0.0	0.0	0.0	0.0
	2030	0.0	0.0	0.0	0.0
	2031	0.0	0.0	0.0	0.0
	2027-2031	0.0	0.0	0.0	0.0
Large Industrial (23, 25)	2027	0.0	0.0	0.0	0.0
	2028	0.0	0.0	0.0	0.0
	2029	0.0	0.0	0.0	0.0
	2030	0.0	0.0	0.0	0.0
	2031	0.0	0.0	0.0	0.0
	2027-2031	0.0	0.0	0.0	0.0
Municipal (24)	2027	0.2	1.4	0.0	0.2
	2028	0.2	1.7	0.0	0.3
	2029	0.2	1.7	0.0	0.3
	2030	0.2	1.6	0.0	0.3
	2031	0.2	1.5	0.0	0.3
	2027-2031	0.8	7.9	0.1	1.3
Unmetered (999)	2027	0.0	0.0	0.0	0.0
	2028	0.0	0.0	0.0	0.0
	2029	0.0	0.0	0.0	0.0
	2030	0.0	0.0	0.0	0.0
	2031	0.0	0.0	0.0	0.0
	2027-2031	0.0	0.0	0.0	0.0
Total		61.6	777.5	18.2	119.3

Table 3: New Residential

2027-2031 New Residential					
Rate Class	Year	First-Year Energy Savings (GWh)	Lifetime Energy Savings (GWh)	Peak Demand Savings (MW)	Expenditures ($ million)
Residential/Charitable (2,3,4)*	2027	0.0	0.0	0.0	0.2
	2028	0.3	8.1	0.1	1.2
	2029	0.3	8.1	0.1	1.2
	2030	0.3	8.1	0.1	1.2
	2031	0.3	8.1	0.1	1.2
	2027-2031	1.1	32.3	0.4	4.9
Small General (10)	2027	0.0	0.0	0.0	0.0
	2028	0.0	0.0	0.0	0.0
	2029	0.0	0.0	0.0	0.0
	2030	0.0	0.0	0.0	0.0
	2031	0.0	0.0	0.0	0.0
	2027-2031	0.0	0.0	0.0	0.0
General (11)	2027	0.0	0.0	0.0	0.0
	2028	0.0	0.0	0.0	0.0
	2029	0.0	0.0	0.0	0.0
	2030	0.0	0.0	0.0	0.0
	2031	0.0	0.0	0.0	0.0
	2027-2031	0.0	0.0	0.0	0.0
Large General (12)	2027	0.0	0.0	0.0	0.0
	2028	0.0	0.0	0.0	0.0
	2029	0.0	0.0	0.0	0.0
	2030	0.0	0.0	0.0	0.0
	2031	0.0	0.0	0.0	0.0
	2027-2031	0.0	0.0	0.0	0.0
Small Industrial (21)	2027	0.0	0.0	0.0	0.0
	2028	0.0	0.0	0.0	0.0
	2029	0.0	0.0	0.0	0.0
	2030	0.0	0.0	0.0	0.0
	2031	0.0	0.0	0.0	0.0
	2027-2031	0.0	0.0	0.0	0.0
Medium Industrial (22)	2027	0.0	0.0	0.0	0.0
	2028	0.0	0.0	0.0	0.0
	2029	0.0	0.0	0.0	0.0
	2030	0.0	0.0	0.0	0.0
	2031	0.0	0.0	0.0	0.0
	2027-2031	0.0	0.0	0.0	0.0
Large Industrial (23, 25)	2027	0.0	0.0	0.0	0.0
	2028	0.0	0.0	0.0	0.0
	2029	0.0	0.0	0.0	0.0
	2030	0.0	0.0	0.0	0.0
	2031	0.0	0.0	0.0	0.0
	2027-2031	0.0	0.0	0.0	0.0
Municipal (24)	2027	0.0	0.0	0.0	0.0
	2028	0.0	0.1	0.0	0.0
	2029	0.0	0.1	0.0	0.0
	2030	0.0	0.1	0.0	0.0
	2031	0.0	0.1	0.0	0.0
	2027-2031	0.0	0.5	0.0	0.0
Unmetered (999)	2027	0.0	0.0	0.0	0.0
	2028	0.0	0.0	0.0	0.0
	2029	0.0	0.0	0.0	0.0
	2030	0.0	0.0	0.0	0.0
	2031	0.0	0.0	0.0	0.0
	2027-2031	0.0	0.0	0.0	0.0
Total		1.1	32.8	0.4	5.0

Table 4: BNI Efficient Product Rebates

2027-2031 BNI Efficient Product Rebates					
Rate Class	Year	First-Year Energy Savings (GWh)	Lifetime Energy Savings (GWh)	Peak Demand Savings (MW)	Expenditures ($ million)
Residential/Charitable (2,3,4)*	2027	1.1	11.8	0.2	0.3
	2028	1.1	11.8	0.2	0.3
	2029	0.7	9.3	0.1	0.3
	2030	0.5	6.9	0.1	0.2
	2031	0.5	6.8	0.1	0.3
	2027-2031	3.9	46.7	0.8	1.4
Small General (10)	2027	1.8	18.4	0.3	0.5
	2028	1.8	18.4	0.3	0.5
	2029	1.1	14.5	0.2	0.4
	2030	0.8	10.8	0.2	0.4
	2031	0.8	10.6	0.2	0.4
	2027-2031	6.2	72.8	1.2	2.1
General (11)	2027	7.9	80.0	1.4	2.3
	2028	7.9	80.0	1.4	2.3
	2029	5.1	62.8	1.0	1.9
	2030	3.4	46.7	0.7	1.7
	2031	3.4	46.0	0.7	1.8
	2027-2031	27.8	315.4	5.1	10.1
Large General (12)	2027	0.7	7.4	0.1	0.2
	2028	0.7	7.4	0.1	0.2
	2029	0.5	5.8	0.1	0.2
	2030	0.3	4.3	0.1	0.1
	2031	0.3	4.2	0.1	0.1
	2027-2031	2.5	29.1	0.4	0.8
Small Industrial (21)	2027	0.7	8.2	0.1	0.2
	2028	0.7	8.2	0.1	0.2
	2029	0.5	6.4	0.1	0.2
	2030	0.3	4.8	0.1	0.2
	2031	0.3	4.7	0.1	0.2
	2027-2031	2.6	32.2	0.5	0.9
Medium Industrial (22)	2027	0.5	5.1	0.1	0.2
	2028	0.5	5.1	0.1	0.2
	2029	0.3	4.0	0.1	0.1
	2030	0.2	3.0	0.1	0.1
	2031	0.2	2.9	0.1	0.1
	2027-2031	1.9	20.1	0.4	0.7
Large Industrial (23, 25)	2027	1.4	14.4	0.2	0.4
	2028	1.4	14.4	0.2	0.4
	2029	0.9	11.3	0.2	0.3
	2030	0.6	8.4	0.1	0.3
	2031	0.6	8.3	0.1	0.3
	2027-2031	4.9	56.9	0.9	1.8
Municipal (24)	2027	0.1	1.2	0.0	0.0
	2028	0.1	1.2	0.0	0.0
	2029	0.1	0.9	0.0	0.0
	2030	0.1	0.7	0.0	0.0
	2031	0.1	0.7	0.0	0.0
	2027-2031	0.4	4.7	0.1	0.2
Unmetered (999)	2027	0.0	0.2	0.0	0.0
	2028	0.0	0.2	0.0	0.0
	2029	0.0	0.1	0.0	0.0
	2030	0.0	0.1	0.0	0.0
	2031	0.0	0.1	0.0	0.0
	2027-2031	0.1	0.7	0.0	0.0
Total		50.2	578.7	9.4	18.1

Table 5: Custom Incentives

2027-2031 Custom Incentives					
Rate Class	Year	First-Year Energy Savings (GWh)	Lifetime Energy Savings (GWh)	Peak Demand Savings (MW)	Expenditures ($ million)
Residential/Charitable (2,3,4)*	2027	1.9	40.3	0.2	0.6
	2028	1.3	26.2	0.1	0.4
	2029	0.9	16.5	0.1	0.4
	2030	0.8	14.8	0.1	0.3
	2031	0.7	12.7	0.1	0.3
	2027-2031	5.7	110.4	0.5	2.0
Small General (10)	2027	3.2	58.0	0.2	0.9
	2028	2.2	37.6	0.1	0.7
	2029	1.5	23.8	0.1	0.6
	2030	1.4	21.2	0.1	0.6
	2031	1.2	18.2	0.1	0.5
	2027-2031	9.7	158.9	0.5	3.3
General (11)	2027	30.2	567.4	6.3	9.3
	2028	20.9	367.8	4.2	7.2
	2029	14.4	232.3	2.7	6.1
	2030	13.2	207.7	2.4	5.8
	2031	11.4	178.0	2.1	5.4
	2027-2031	90.1	1,553.2	17.7	33.8
Large General (12)	2027	6.2	86.5	0.6	1.4
	2028	4.3	56.1	0.4	1.1
	2029	3.0	35.4	0.3	0.9
	2030	2.7	31.7	0.2	0.9
	2031	2.3	27.1	0.2	0.8
	2027-2031	18.5	236.9	1.8	5.0
Small Industrial (21)	2027	4.2	64.6	0.2	0.9
	2028	2.9	41.9	0.1	0.7
	2029	2.0	26.4	0.1	0.6
	2030	1.8	23.6	0.1	0.5
	2031	1.6	20.3	0.1	0.5
	2027-2031	12.4	176.8	0.5	3.1
Medium Industrial (22)	2027	5.4	56.2	0.7	1.1
	2028	4.0	38.1	0.5	0.9
	2029	3.0	25.7	0.4	0.8
	2030	2.6	22.4	0.3	0.8
	2031	2.3	19.7	0.3	0.7
	2027-2031	17.4	162.1	2.2	4.4
Large Industrial (23, 25)	2027	26.1	196.7	3.0	4.1
	2028	19.1	134.3	2.1	3.3
	2029	14.2	91.9	1.5	2.9
	2030	12.5	79.4	1.3	2.7
	2031	11.1	70.1	1.2	2.6
	2027-2031	83.0	572.5	9.1	15.7
Municipal (24)	2027	0.1	0.5	0.0	0.0
	2028	0.1	0.5	0.0	0.0
	2029	0.1	0.5	0.0	0.0
	2030	0.1	0.4	0.0	0.0
	2031	0.1	0.4	0.0	0.0
	2027-2031	0.6	2.3	0.1	0.2
Unmetered (999)	2027	0.0	0.0	0.0	0.0
	2028	0.0	0.0	0.0	0.0
	2029	0.0	0.0	0.0	0.0
	2030	0.0	0.0	0.0	0.0
	2031	0.0	0.0	0.0	0.0
	2027-2031	0.0	0.0	0.0	0.0
Total		237.5	2,973.1	32.4	67.5

Table 6: Direct Installation

2027-2031 Direct Installation					
Rate Class	Year	First-Year Energy Savings (GWh)	Lifetime Energy Savings (GWh)	Peak Demand Savings (MW)	Expenditures ($ million)
Residential/Charitable (2,3,4)*	2027	0.8	8.9	0.4	0.8
	2028	0.8	8.9	0.4	0.9
	2029	0.4	6.8	0.2	0.6
	2030	0.4	6.5	0.2	0.6
	2031	0.4	6.5	0.2	0.6
	2027-2031	2.7	37.5	1.4	3.4
Small General (10)	2027	0.8	8.1	0.2	0.8
	2028	0.8	8.1	0.2	0.8
	2029	0.4	6.2	0.1	0.6
	2030	0.3	5.9	0.1	0.5
	2031	0.3	5.9	0.1	0.5
	2027-2031	2.6	34.4	0.8	3.2
General (11)	2027	4.3	43.6	0.9	4.5
	2028	4.3	43.6	0.9	4.6
	2029	2.1	33.1	0.5	3.2
	2030	1.9	31.9	0.5	3.0
	2031	1.9	31.9	0.5	3.1
	2027-2031	14.6	184.0	3.2	18.4
Large General (12)	2027	0.0	0.0	0.0	0.0
	2028	0.0	0.0	0.0	0.0
	2029	0.0	0.0	0.0	0.0
	2030	0.0	0.0	0.0	0.0
	2031	0.0	0.0	0.0	0.0
	2027-2031	0.0	0.0	0.0	0.0
Small Industrial (21)	2027	0.4	4.5	0.1	0.4
	2028	0.4	4.5	0.1	0.4
	2029	0.2	3.4	0.0	0.3
	2030	0.2	3.3	0.0	0.3
	2031	0.2	3.3	0.0	0.3
	2027-2031	1.2	18.9	0.3	1.5
Medium Industrial (22)	2027	0.0	0.3	0.0	0.0
	2028	0.0	0.3	0.0	0.0
	2029	0.0	0.2	0.0	0.0
	2030	0.0	0.2	0.0	0.0
	2031	0.0	0.2	0.0	0.0
	2027-2031	0.1	1.1	0.0	0.1
Large Industrial (23, 25)	2027	0.0	0.0	0.0	0.0
	2028	0.0	0.0	0.0	0.0
	2029	0.0	0.0	0.0	0.0
	2030	0.0	0.0	0.0	0.0
	2031	0.0	0.0	0.0	0.0
	2027-2031	0.0	0.0	0.0	0.0
Municipal (24)	2027	0.1	1.1	0.0	0.1
	2028	0.1	1.1	0.0	0.1
	2029	0.1	0.9	0.0	0.1
	2030	0.0	0.8	0.0	0.1
	2031	0.0	0.8	0.0	0.1
	2027-2031	0.4	4.8	0.1	0.5
Unmetered (999)	2027	0.0	0.3	0.0	0.0
	2028	0.0	0.3	0.0	0.0
	2029	0.0	0.2	0.0	0.0
	2030	0.0	0.2	0.0	0.0
	2031	0.0	0.2	0.0	0.0
	2027-2031	0.1	1.2	0.0	0.1
Total		21.6	281.8	5.9	27.3

Table 7: Demand Response

2027-2031 Demand Response			
Rate Class	Year	Available Demand Response Capacity (MW)	Expenditures ($ million)
Residential/Charitable (2,3,4)*	2027	4.2	2.2
	2028	4.1	2.0
	2029	4.0	2.0
	2030	3.9	2.0
	2031	3.8	2.0
	2027-2031	3.8	10.3
Small General (10)	2027	0.0	0.0
	2028	0.0	0.0
	2029	0.0	0.0
	2030	0.0	0.0
	2031	0.0	0.0
	2027-2031	0.0	0.0
General (11)	2027	3.0	0.5
	2028	3.6	0.6
	2029	4.2	0.7
	2030	4.7	0.8
	2031	5.3	0.9
	2027-2031	5.3	3.6
Large General (12)	2027	4.3	0.8
	2028	4.6	0.8
	2029	4.9	0.9
	2030	5.2	0.9
	2031	5.6	1.0
	2027-2031	5.6	4.4
Small Industrial (21)	2027	1.2	0.2
	2028	1.3	0.2
	2029	1.4	0.2
	2030	1.4	0.3
	2031	1.5	0.3
	2027-2031	1.5	1.2
Medium Industrial (22)	2027	8.4	1.6
	2028	9.5	1.7
	2029	10.6	1.9
	2030	11.7	2.1
	2031	12.9	2.2
	2027-2031	12.9	9.5
Large Industrial (23, 25)	2027	0.1	0.0
	2028	0.1	0.0
	2029	0.1	0.0
	2030	0.2	0.0
	2031	0.2	0.0
	2027-2031	0.2	0.1
Municipal (24)	2027	0.0	0.0
	2028	0.0	0.0
	2029	0.0	0.0
	2030	0.0	0.0
	2031	0.0	0.0
	2027-2031	0.0	0.0
Unmetered (999)	2027	0.0	0.0
	2028	0.0	0.0
	2029	0.0	0.0
	2030	0.0	0.0
	2031	0.0	0.0
	2027-2031	0.0	0.0
Total		29.3	29.1

Table 8: Solar-PV

2027-2031 Solar-PV			
Rate Class	Year	Generation (GWh)	Expenditures ($ million)
Residential/Charitable (2,3,4)*	2027	0.0	0.0
	2028	0.5	0.8
	2029	0.5	0.8
	2030	0.4	0.7
	2031	0.3	0.6
	2027-2031	1.7	2.8
Small General (10)	2027	0.0	0.0
	2028	0.0	0.0
	2029	0.0	0.0
	2030	0.0	0.0
	2031	0.0	0.0
	2027-2031	0.0	0.0
General (11)	2027	0.0	0.0
	2028	0.0	0.0
	2029	0.0	0.0
	2030	0.0	0.0
	2031	0.0	0.0
	2027-2031	0.0	0.0
Large General (12)	2027	0.0	0.0
	2028	0.0	0.0
	2029	0.0	0.0
	2030	0.0	0.0
	2031	0.0	0.0
	2027-2031	0.0	0.0
Small Industrial (21)	2027	0.0	0.0
	2028	0.0	0.0
	2029	0.0	0.0
	2030	0.0	0.0
	2031	0.0	0.0
	2027-2031	0.0	0.0
Medium Industrial (22)	2027	0.0	0.0
	2028	0.0	0.0
	2029	0.0	0.0
	2030	0.0	0.0
	2031	0.0	0.0
	2027-2031	0.0	0.0
Large Industrial (23, 25)	2027	0.0	0.0
	2028	0.0	0.0
	2029	0.0	0.0
	2030	0.0	0.0
	2031	0.0	0.0
	2027-2031	0.0	0.0
Municipal (24)	2027	0.0	0.0
	2028	0.0	0.0
	2029	0.0	0.0
	2030	0.0	0.0
	2031	0.0	0.0
	2027-2031	0.0	0.0
Unmetered (999)	2027	0.0	0.0
	2028	0.0	0.0
	2029	0.0	0.0
	2030	0.0	0.0
	2031	0.0	0.0
	2027-2031	0.0	0.0
Total		1.7	2.8

Table 9: Enabling Strategies

2027-2031 Enabling Strategies		
Rate Class	Year	Expenditures ($ million)
Residential/Charitable (2,3,4)*	2027	2.8
	2028	3.1
	2029	4.1
	2030	4.4
	2031	4.2
	2027-2031	18.7
Small General (10)	2027	0.2
	2028	0.2
	2029	0.2
	2030	0.2
	2031	0.2
	2027-2031	1.1
General (11)	2027	1.4
	2028	1.3
	2029	1.3
	2030	1.3
	2031	1.2
	2027-2031	6.4
Large General (12)	2027	0.1
	2028	0.1
	2029	0.1
	2030	0.1
	2031	0.1
	2027-2031	0.6
Small Industrial (21)	2027	0.1
	2028	0.1
	2029	0.1
	2030	0.1
	2031	0.1
	2027-2031	0.4
Medium Industrial (22)	2027	0.1
	2028	0.1
	2029	0.1
	2030	0.1
	2031	0.1
	2027-2031	0.4
Large Industrial (23, 25)	2027	0.3
	2028	0.2
	2029	0.3
	2030	0.3
	2031	0.2
	2027-2031	1.3
Municipal (24)	2027	0.0
	2028	0.0
	2029	0.1
	2030	0.1
	2031	0.1
	2027-2031	0.3
Unmetered (999)	2027	0.0
	2028	0.0
	2029	0.0
	2030	0.0
	2031	0.0
	2027-2031	0.0
Total		29.1

Appendix A

Attachment 3: 2027-2031

Energy Efficiency and Solar-PV Technical Tables

Appendix A

Attachment 4: 2027-2031 Demand Response Technical Tables

Appendix A

Attachment 5: Innovation Framework,
Process and Plan for 2027-2031

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1. INTRODUCTION

EfficiencyOne's (E1) Innovation activities generate insights through research and pilot testing of emerging technologies and delivery approaches to strengthen market readiness and delivery capacity, supporting the long-term effectiveness of DSM programs. These activities support long-term economic benefits, improved energy affordability, and efforts to combat climate change. However, this overview focuses on innovation activities of strategic importance to the DSM mandate as defined in the *Public Utilities Act*. During the 2027-2031 DSM Plan period, innovation investments will fund research, expert consultation, and pilot delivery in five focus areas of emerging importance to the electricity system and anticipated to deliver economic value for ratepayers over the long-term. These five focus areas for innovation are:

- Demand response (DR);
- Demand flexibility or load flexibility;
- Market transformation;
- Locational DSM; and
- Strategic electrification.

These five focus areas were identified through an assessment of gaps and opportunities in E1's existing portfolio and electricity system planning. Nova Scotia's electricity system is entering a period of significant transformation. By 2030, the planned closure of coal-fired generation and the transition to 80% renewable energy, in alignment with government policy goals, reshape how electricity is generated. The latest 10-year load forecast (2025–2035) projects continued load growth, driven primarily by the electrification of space and water heating, the electrification of transportation, and population growth, placing increased stress on the electricity system. The combination of a reshaped supply-side and increased demand introduces increased risks, costs, and uncertainties for the operation and planning of the electricity system. While this transition is expected to stabilize long-term renewable energy prices, supply-side challenges present new opportunities for DSM programs to respond. In this context, Innovation within these five focus areas will support a DSM portfolio that supports balance between supply-side capacity and demand-side needs.

The following overview describes E1's Innovation framework, including the processes and governance used to prioritize, evaluate, and manage innovation initiatives.

1.1 Innovation within DSM Enabling Strategies

E1 allocates funding for research and development within the Enabling Strategies component of its DSM Resource Plans. Innovation is a core element of the Enabling Strategies portfolio, supporting the ongoing evolution and long-term effectiveness of DSM programs. These activities advance understanding and develop solutions for DSM opportunities not yet demonstrated in the Nova Scotia market.

Innovation activities include:

- Researching market potential for emerging technologies and delivery models;
- Developing program components and services for current and future DSM portfolios;
- Improving existing DSM programs and offerings;
- Conducting pilots to evaluate new initiatives, enhancements, measures, and delivery approaches; and
- Supporting market conditions that enable greater adoption of energy-efficient products and services, including demand response strategies.

1.1.1 Innovation Goals

E1's Innovation team uses established Innovation Goals to define the long-term outcomes of all projects from concept, planning to close. Innovation Goals ensure that long-term outcomes align with the DSM mandate. Across one or more of the Focus Areas, at least one of the following Innovation Goals must be met:

1. Improve the cost-effectiveness of existing measures and programs;
2. Advance market, performance, and program readiness for new DSM measures;
3. Advance market, performance, and program readiness for new DSM programs;
4. Leverage electricity system and distribution planning insights to identify and evaluate new DSM programs and services; and/or
5. Leverage other funding sources to advance emerging DSM activities.

2. GOVERNANCE

2.1 Innovation Oversight

The Executive Leadership Team oversees E1's innovation activities, providing strategic direction, approvals, and compliance oversight.

Responsibilities include:

- Reviewing and approving innovation projects;
- Deciding which projects proceed, based on:
  - Alignment with Innovation Goals;
  - Alignment with 2027–2031 DSM priorities (Focus Areas); and
  - Available budget, risk, and internal capacity.
- Allocating resources to projects and managing competing priorities; and
- Monitoring performance by reviewing reporting on measures of success.

2.2 Annual Innovation Plan

Each year, E1 establishes an Innovation Plan that summarizes all ongoing and newly committed projects. It includes project descriptions, scope, timelines, and estimated resource requirements, serving as the basis for internal commitments and guidance between the Executive Leadership

Team and staff. The Innovation Plan also provides a roadmap and narrative of current and planned projects, which are regularly updated. Though this serves E1's internal planning, the reporting of on-going activities, insights, and measures of success are reported as part of E1's DSM Quarterly and Annual Progress Reports.

3. PROJECT DEVELOPMENT

3.1 Project Classification

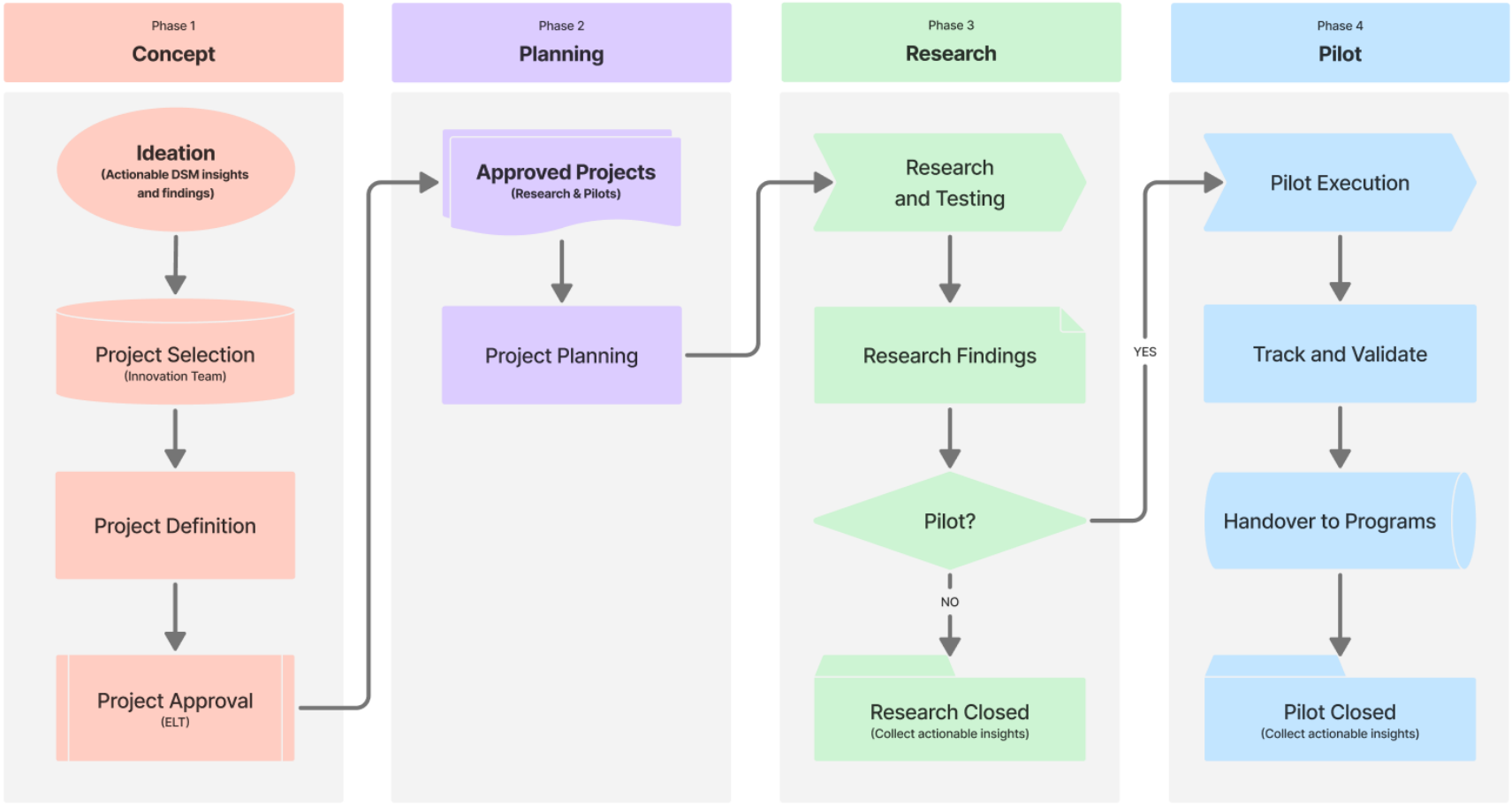
There are two types of innovation projects:

- **Research projects** focus solely on the research phase. They typically require smaller resources and are completed within one year. Research projects generate insights on feasibility and potential, informing whether a concept should move to program delivery or a pilot project.
- **Pilot projects** test solutions in real-world conditions and, if successful, result in recommendations for program adoption. They generally require larger resources and may span multiple years. Pilot projects validate DSM program readiness before full-scale deployment.

3.2 Project Workflow

The following project workflow in Figure 1 illustrates how Innovation activities move from concept and planning through to project close. The concept phase captures the selection, scoping and submission of projects for review and approval by the Executive Leadership Team. Once approved, detailed project planning is completed in consideration of available resources and an assessment of implementation approaches. Finally, after the research or pilot is closed, key insights are actioned to be implemented within the following calendar year or used to develop new project ideas. If a pilot project was completed, a recommendation is delivered to the programs team for full-scale launch.

Figure 1: Project development workflow



3.3 Project Ideation

Ideation for new projects can come from various sources but is fundamentally focused on developing solutions that address challenges and explore new opportunities. Examples of sources for insights and findings include:

- Integrated Resource Planning
- Distribution Planning
- DSM potential studies
- E1's Program Delivery
- Market Research
- Program Evaluation Reports
- Jurisdictional Scans
- E1's Data and Analytics Insights
- Emerging technology trends
- National working groups E1 is a member of
- Canadian Standards Association Technical Committees

3.4 Project Selection and Overview of Investment by Focus Area

Project ideas are screened using **Focus Areas** as a primary screen and **Innovation Goals** to establish direction for Innovation projects and establish evaluation metrics – how success is measured. The Focus Areas and Innovation Goals remain static during the 2027-2031 DSM plan.

3.4.1 Focus Areas

The primary screening criteria for project selection are Focus Areas. For the 2027-2031 DSM plan, there are five areas which are of emerging importance to the electricity system, or are of economic benefit to rate-payers in the long-term. The following table provides a projected expenditure by Focus Area.

Table 1: Projected Direct Expenditures by Focus Area

Focus Area	DSM Direct Expenditure ($)					
	2027	2028	2029	2030	2031	Total ($)
Demand Response	160,650	178,815	123,175	110,250	111,500	684,390
Demand Flexibility	183,600	204,360	221,715	198,450	200,700	1,008,825
Strategic Electrification	45,900	51,090	24,635	22,050	22,300	165,975
Market Transformation	22,950	25,545	24,635	22,050	22,300	117,480
Locational DSM	45,900	51,090	98,540	88,200	89,200	372,930
Total Direct ($)	**459,000**	**510,900**	**492,700**	**441,000**	**446,000**	**2,349,600**

3.5 Key Activities by Focus Area

The Innovation Goals, justification and key activities for each of the Focus Areas are shown below in Table 2.

Table 2: Key Activities by Focus Area

Focus Area	Innovation Goal(s)	Justification	Key Activities
Demand Response	1. Improve cost-effectiveness of E1's residential DR program.	E1's residential DR program is currently not cost-effective. Similar jurisdictions have shown positive results from:	• Optimize asset dispatch to improve performance. • Test & revise Original Equipment Manufacturer (OEM) portfolio to reduce administrative costs and improve performance.

Focus Area	Innovation Goal(s)	Justification	Key Activities
		program design alignment with grid needs, operations optimization, grid-responsive event dispatch, event response predictability and performance-based models.	• Evaluate untapped customer segments to improve participation and performance. • Evaluate emerging technologies and control strategies to improve visibility of available resources and verify performance. • Build automation throughout the customer journey, device validation and event initiation processes.
Demand Flexibility or Load Flexibility	1. Improve cost-effectiveness of residential & commercial DR programs. 2. Enable grid flexibility via Distributed Energy Resources (DER) orchestration to support new DR and Virtual Power Plant (VPP) programming. 3. Leverage system & distribution planning insights to enable flexibility use cases.	The most recent Integrated Resource Planning points to a rapidly changing electricity system, facing growing challenges in system balancing beyond peak mitigation.	• Develop implementation strategies for flexible events outside of peak shaving (e.g. renewable following, price-based signals, ancillary services). • Develop capacity-building and customer engagement pathways for distributed energy resources as flexible loads. • Coordinate with stakeholders to develop orchestration requirements for new DR use cases. • Develop solutions for flexible load control of DERs using load management technologies. • Evaluate the improvements to direct-load control DR program cost-effectiveness through small-scale pilots. E1 will need NS Power, and NSIESO cooperation to establish Nova Scotia specific benefits by new use case (e.g. renewable following, ancillary services).

Focus Area	Innovation Goal(s)	Justification	Key Activities
Strategic Electrification	1. Improve cost-effectiveness of strategic electrification programming. 2. Advance market, performance, and DSM program readiness of strategic electrification measures. 3. Leverage system and distribution planning insights to evaluate emerging programs & services.	The electricity system is transitioning to clean resources (80% renewables by 2030). Strategic electrification of heating, transport, and industry provides a major decarbonization pathway as the grid becomes cleaner.	• Develop solutions to increase energy savings of heat pumps and electric-heating technologies. • Identify and develop hybrid-heating solutions for households with high retrofit costs or structural barriers.
Market Transformation	1. Advance market readiness of heat pump water heaters to enable DSM measures. 2. Build a long-term market transformation strategy for new DSM programming. 3. Leverage other funding sources to advance market transformation, including future measure characterizations.	Market transformation provides long-term, persistent savings and addresses diminishing returns from mature measures (e.g. LEDs). It emphasizes cross-jurisdiction coordination, supply-chain engagement, and scalable industry activation.	• Integrate market transformation measures and evaluation results into long-term planning. • Enhance EM&V to include market indicators (availability, supply chain maturity, customer adoption). • Develop a long-term market transformation strategy to increase savings, build capacity, and support DSM planning.
Locational DSM	1. Improve cost-effectiveness of E1's residential DR program.	Aligning DSM programs with system planning	• Collaborate with distribution and system planning to define grid needs and orchestration requirements.

Focus Area	Innovation Goal(s)	Justification	Key Activities
	2. Advance performance & DSM readiness of DERs for emerging DSM programming. 3. Use system & distribution planning insights to enable new locational DSM services.	reduces grid strain, supports non-wires alternatives, and addresses gaps such as weak DERMS alignment, limited targeting granularity, and insufficient collaboration between planning, operations, and DSM teams.	Ongoing coordination with NS Power and the Nova Scotia Independent Energy System Operator to ensure customer programs reflect emerging distribution-level constraints and opportunities • E1 will coordinate with NS Power should a utility Distributed Energy Resources Management System (DERMS) be procured to ensure visibility into dispatch models, data-sharing protocols, and how E1-enabled resources may be integrated operationally • Build capacity around DSM, DR, and customer engagement requirements for DER integration. • Adapt DERMs for use within DR programming with key stakeholder involvement. • Pilot the execution of local DR solutions. • Based on stakeholder engagement in NS Power's Distributed Energy Resource Integration Roadmap project, E1 anticipates customer engagement and education around Time Varying Pricing Rates. Should this proceed, E1 will coordinate with NS Power to ensure rate design and E1 programs reinforce (not conflict with) each other, including supporting customer education and aligning program participation with evolving rate signals.

1

3.6 Evaluation Metrics

Each project is evaluated annually based on its Innovation Goal(s) and the corresponding set of metrics, shown below in Table 3. These evaluation metrics are a measure of success for the project, whether it is research or pilot-oriented.

Table 3: Evaluation metrics by Innovation Goal

Innovation Goal	Evaluation Metric(s)
1. Improve cost-effectiveness of existing measures and programs.	Evaluation will be conducted relative to a defined baseline, with the primary reference being the 2027–2031 DSM Plan cost-effectiveness modelling. Where applicable, comparisons will also be made against prior-year evaluated performance for unitary savings, administrative cost, and participation metrics.
2. Advance market, performance, and program readiness for new DSM measures.	Market and performance readiness of new measures is evaluated using Table 4. Program readiness of new measures is evaluated using Table 5.
3. Advance market, performance, and program readiness for new DSM programs.	Shown in Table 5.
4. Leverage system and distribution planning insights to identify and evaluate new DSM programs and services.	Shown in Table 5.
5. Leverage other funding sources to advance emerging DSM activities.	Total funding ($) from non-DSM sources that have added value to DSM Innovation activities.

The metrics used to evaluate the market and performance readiness of new measures are shown below in Table 4.

Table 4: Evaluation metrics for readiness of new DSM measures

MARKET READINESS					
	Level 1: Pre-commercial	**Level 2: Limited**	**Level 3: Niche**	**Level 4: Growing**	**Level 5: Wide**
Supply Chain Maturity & Market Demand	Not commercially available or limited pre-commercial availability	Commercially available outside of Atlantic Canada; requires special order; limited market awareness	Commercially available in Atlantic Canada from one manufacturer through standard channels; niche market demand	Commercially available in Atlantic Canada from at least two manufacturers; growing market demand	Commercially available from 2+ manufacturers with a well-developed supply chain; wide market demand
PERFORMANCE READINESS					
	Level 1: Unvalidated	**Level 2: Engineering Validation**	**Level 3: Lab Validation**	**Level 4: Limited Field Validation**	**Level 5: Confirmed**
Savings Reliability & Fitness for Use	Manufacturer claims savings but there is no independent expert validation	Concept validated through expert technical review and engineering calculations	Independent lab-testing of product features and energy use with clear baseline established	Lab & small-scale field testing across a range of applications and system conditions	Reliable performance across intended applications; fully evaluable savings via established protocols by regional or national bodies

The metrics used to evaluate the readiness of new DSM programs and services are shown below in Table 5.

Table 5: Evaluation metrics for readiness of new DSM programs and services

DSM PROGRAM READINESS					
	Level 1: None	**Level 2: Exploratory**	**Level 3: Preliminary Pilots**	**Level 4: Full-scale Pilots**	**Level 5: Ready**
Cost-Effectiveness Knowledge	No cost-effectiveness knowledge or very limited understanding	Performance readiness at Level 2; initial market size estimated	Performance readiness at Level 3; estimated product cost at scale	Performance readiness at Level 4; product costs trending toward scale; preliminary non-energy benefit estimates	Performance readiness at Level 5; cost-effectiveness calculations based on solid or proven values
Market & Program Knowledge	No market or program knowledge	Early research reveals barriers or parallels to other transformed markets	Market research identifies barriers/opportunities; preliminary logic model; small-scale pilots	Formal market characterization; larger pilots test program design and barrier removal	Formal logic model; robust market characterization; large pilots confirm program design and barrier removal
Risk Assessment (Market, Program, Regulatory)	No risk assessment completed	Limited assessment of risks	Preliminary assessment complete; major categories of risk identified	Comprehensive assessment with no major unresolved risks	Periodic, ongoing risk assessment process in place

4. PILOT OVERVIEW

4.1 Pilot Definition

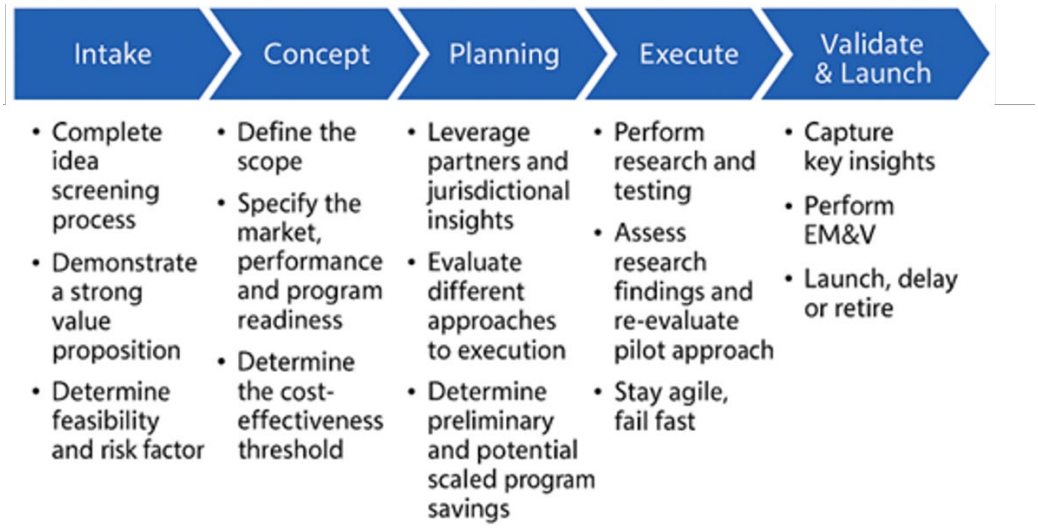
Pilots involve small-scale experiments meant to test new measures or program delivery approaches and prepare for full scale, permanent implementation. The objective of a pilot is to:

- validate that the idea works, i.e. conduct an impact and/or process evaluation as appropriate;
- identify any gaps or flaws in the idea;
- confirm or correct assumptions, e.g., resource requirements;
- collect customer feedback;
- assess industry capacity for delivery; and
- prepare for full implementation.

4.2 Pilot Lifecycle

The pilot lifecycle for developing new initiatives and launching them as programs is shown in Figure 2 below.

Figure 2: Pilot lifecycle process flow



The pilot lifecycle begins with evaluating ideas for feasibility, value, and risk. After approval, ideas in the concept phase are further refined by performing an initial evaluation of the metrics associated with the defined Innovation Goals, described in 1.1.

The planning phase focuses on incorporating partner and jurisdictional input, assessing execution approaches and estimating potential savings.

Pilot execution involves conducting research and testing, iterating quickly and pivoting as needed based on insights developed. Pilot performance is tracked and evaluated on an ongoing basis using the metrics associated with the defined Innovation Goals, described in 1.1. The pilot lifecycle concludes by preparing a recommendation package for the programs team with validated solutions for a full-scale launch.

Appendix B

Rate and Bill Impact Analysis of the 2027–2031 DSM Resource Plan

and

2026 Historical

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1. EXECUTIVE SUMMARY

EfficiencyOne (E1) delivers demand side management (DSM) programs that offer benefits to customers and the electric utility. While DSM is a key resource option for delivering clean, affordable, reliable and safe energy services to Nova Scotian customers, concerns about possible rate impacts often represent a significant barrier to expanding investments in DSM.

In general, DSM programs result in reductions in customer bills that more than offset any increase in rates, if they do occur. These rate and bill effects impact customers in different ways. Those customers that participate in DSM programs may experience higher rates but lower bills, while those customers that do not participate in DSM programs may only experience the higher rates. Thus, rate and bill impact concerns are effectively an issue of customer equity. Understanding the degree to which rates may increase over the long-term, together with the expected bill reductions and the level of participation in DSM programs can help inform how ratepayers fare overall from investments in DSM.

E1's Rate and Bill Impact Analysis (RBIA) provides insight on the questions above through an assessment of the rate and bill impacts of DSM in Nova Scotia. The forward-looking and historical RBIA is filed by E1 in conjunction with each DSM Plan Application. The forward-looking RBIA is used to provide understanding of the impact on future rates and bills associated with the DSM Plan activities proposed under the current Application. The historical RBIA provides insight into the rate and bill impacts resulting from DSM activities that were carried out over 2011-2024, as well as future DSM investments that have been approved by the Nova Scotia Energy Board (NSEB or "Board") (to the end of 2026).

E1's 2027–2031 DSM Plan RBIA, provides a broad trend-based assessment of the rate and bill impacts associated with the proposed DSM activities for 2027–2031 period. The analysis extends to 2046, when the modelled impacts of energy efficiency measures expire. These results provide an important frame of reference for evaluating how the benefits and costs of DSM are distributed across customers.

E1's 2026 historical RBIA considers the rate and bill impacts of DSM activity from 2011–2026. This retrospective analysis offers valuable context on the long-standing role of DSM in Nova Scotia and illustrates how past DSM investments continue to influence customer rates and bills today and into the future. This analysis extends to 2041 when the modelled impacts of energy efficiency measures expire.

Two DSM plans have been modelled within E1's 2027–2031 DSM Plan RBIA – E1's Preferred 2027–2031 DSM Plan (Preferred Plan) and its Alternate Scenario – each with different levels of DSM investment and savings. For each of these plans the RBIA compares the differences between two scenarios – a no-DSM scenario that does not include 2027–2031 DSM impacts, and a DSM scenario that allocates program investments, avoided costs, and recovery of lost revenues arising from 2027–2031 DSM activities to each participating rate class. It is important to note that the RBIA examines DSM effects in isolation of utility effects, such as timing of infrastructure upgrades or general rate applications. As such, it provides insight into the average pressure of the proposed DSM Plan investment on rates and bills and is not intended to estimate the actual rates or bills experienced by customers in a particular rate class or year. The RBIA is intended to provide insight into average long-term trends of rate and bill impacts on rate classes, comparing a scenario with DSM and a counter-factual scenario of no-DSM. Key outputs of the analysis are how much more non-participants will pay due to DSM (non-participant bill impacts), and how many non-participants there are. Cost effectiveness testing of DSM Plans demonstrates whether the investment is beneficial for customers as a whole; while the RBIA looks more closely at the worst-case scenario (a non-participant in each rate class) to see how much higher their bills are due to DSM. This information is critical in addressing issues of DSM affordability.

Over the years the RBIA has evolved based on DSMAG feedback, Board directives and expert advice. These changes have been described in each subsequent RBIA filing. Since the filing of E1's 2026 DSM Extension RBIA, additional changes were made. For the 2027–2031 RBIA and the 2026 historical RBIA, the most significant changes are:

- use of updated avoided costs received from NS Power on December 22, 2025; and
- implementation of participation expiry in the historical RBIA (previously implemented in the 2026 DSM Extension RBIA).

Key highlights of the 2027–2031 Preferred Plan forward-looking RBIA[1] include:

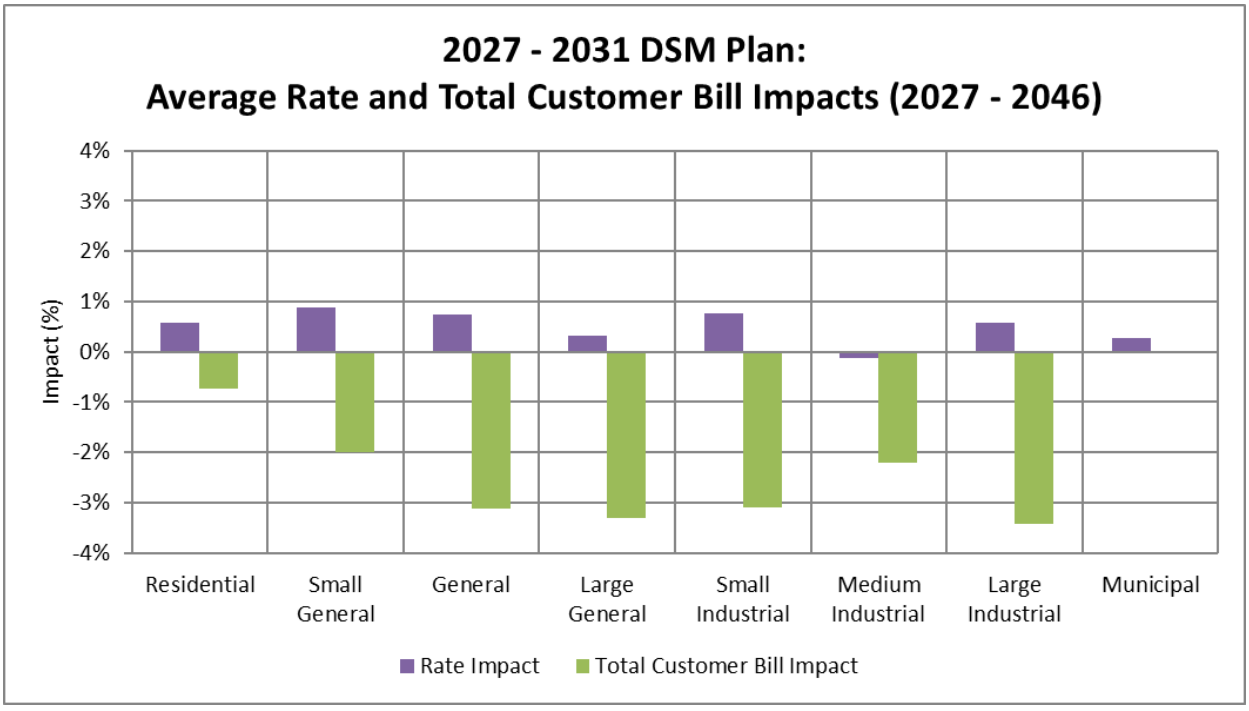
- Over the 20-year study period, participants in DSM programs see average annual bill reductions ranging from a low of 0.04 percent (average Municipal participant) to a high of 37 percent (average Small General participant).

[1] Includes energy efficiency, demand response and solar-PV activities

- Over the 20-year study period, the average bill impacts to non-participants (by rate class) range from -0.1 to 0.8 percent.
- Over the 20-year study period, the average upward rate pressure of DSM varies from a low of -0.1 to a high of +0.9 percent across all rate classes.
- Nova Scotian ratepayers will save $0.4 billion[2] as a result of energy and demand reductions achieved by 2027–2031 DSM programs.
- Maximizing customer participation in DSM programs mitigates rate impacts by increasing the number of customers who experience net bill reductions.

Average rate and bill impacts of DSM for total ratepayers (forward looking) are shown below in Figure 1.

Figure 1: Average Rate and Total Customer Bill Impacts (2027-2046) as a Result of DSM Activities in 2027-2031



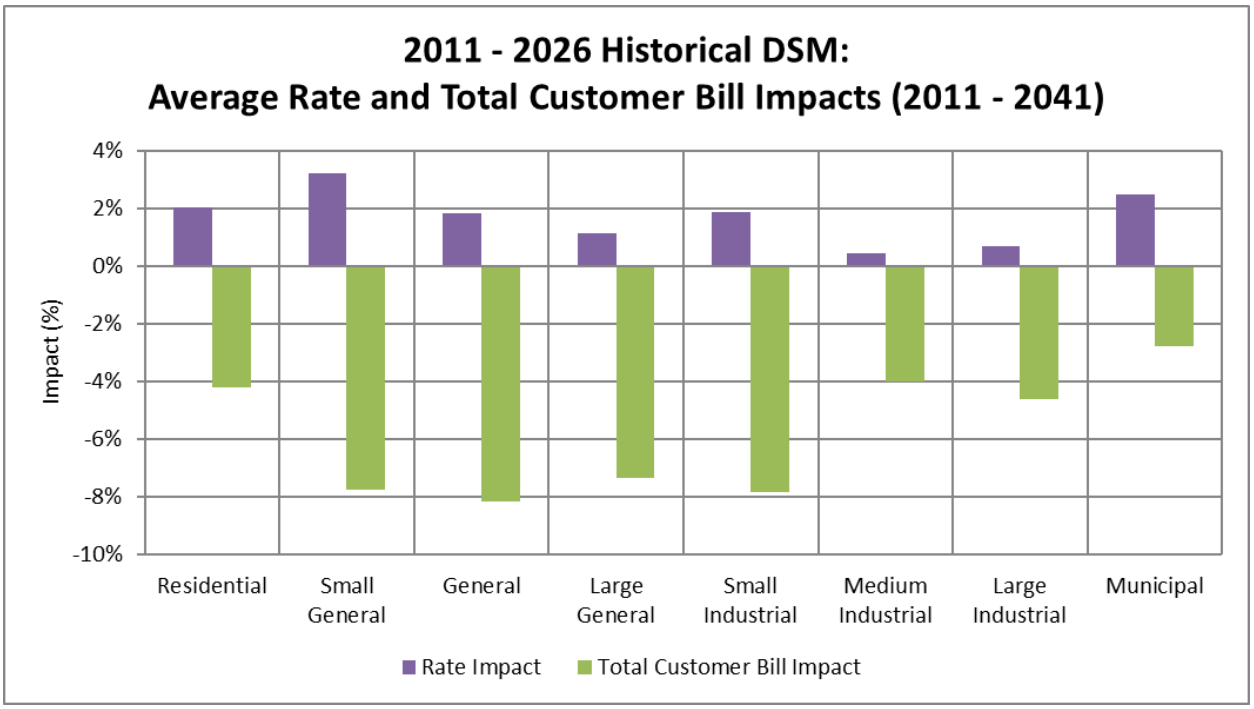
[2] PAC net lifetime benefits of the DSM Portfolio. Discounted using WACC.

Key highlights of the 2026 historical RBIA include:

- Over the 31 years of the study period, participants in DSM programs see average annual bill reductions ranging from a low of 2.8 percent (typical Municipal participant) to a high of 12.7 percent (typical Small General participant).
- Over the 31 years of the study period, the average bill impacts to non-participants (by rate class) range from 0.5 to 2.9 percent.
- Over the 31 years of the study period, the average upward rate pressure of DSM varies from a low of 0.5 to a high of 3.2 percent across all rate classes.
- Nova Scotian ratepayers will save over $3.2 billion on their electricity bills between 2011 and 2041 as a result of energy and demand reductions caused by 2011–2026 DSM programs.
- Maximizing customer participation in DSM programs mitigates rate impacts by increasing the number of customers who experience net bill reductions

Average rate and bill impacts of DSM for total ratepayers (historical) are shown below in Figure 2.

Figure 2: Average Rate and Total Customer Bill Impacts (2011-2041) as a Result of DSM Activities in 2011-2026



2. INTRODUCTION

The forward-looking RBIA is an analysis of the rate and bill impacts associated with the proposed DSM investment only. It compares the impacts of the proposed DSM investment to a scenario where there is no DSM investment. It does not assess the rate pressure of the incremental investment amount proposed, compared to what is currently being collected by ratepayers for DSM. E1, the regulator, and other stakeholders use this forward-looking RBIA to inform their consideration of the proposed DSM investment levels; in particular, it augments cost effectiveness test results by estimating the effects of DSM on non-participants.

The historical RBIA provides insights into the rate and bill impacts resulting from DSM activities that have been carried out since 2011, as well as those that have been approved by the NSEB in the current plan period (2023–2026). E1's most recent historical RBIA was filed on October 31, 2022. In the 2023–2025 DSM Resource Plan, E1 proposed to eliminate the filing of the historical RBIA in any year other than a DSM Plan Application year. In its decision letter on the 2022 RBIA report dated February 23, 2024, the Nova Scotia Utility and Review Board (NSUARB), predecessor to the NSEB, stated that, *"The Board accepts the proposal to file historical RBIA reports with future DSM Plan applications. The next historical RBIA will be filed as part of the next DSM Resource Plan application."*[3] Following this decision, E1 has included a historical RBIA as part of the 2027–2031 DSM Resource Plan Application.

The analysis provides the reader with a picture of rate and bill impacts for the following groups of ratepayers by rate class:

- Non-participants – those ratepayers that do not participate in DSM program activities;
- Participants – those ratepayers that do participate in DSM program activities and achieve statistically 'average' savings for a given rate class; and
- Total Customers – a perspective that does not consider participation and allocates DSM savings equally among all class members.

Both the historical and forward-looking RBIA analyses allow stakeholders to obtain an understanding of how DSM investment may impact participating and non-participating ratepayers. Broadly speaking, this is primarily a question of customer equity, given that participants see lower bills, while non-participants may

[3] M10830, NSUARB Letter, E1 2022 RBIA, February 24, 2023, page 5.

experience higher bills. The results of the RBIA can be used by stakeholders as one frame of reference to assess any trade-offs between investment in DSM that is cost-effective for customers overall, and the potential upward bill impacts for customers that do not see any direct benefits from DSM (those who do not participate). According to the National Standard Practice Manual for Assessing Cost-Effectiveness of Energy Efficiency Resources, "*there is no bright line to determine how to balance these different impacts. Instead, this balance will need to be drawn by efficiency planners, ultimately with guidance and final approval of regulators.*"[4]

The original RBIA model, filed on 14 November 2013, along with a detailed methodology report, was designed to show the average, long-term effect of DSM on rates and bills. The model was developed by Efficiency Nova Scotia Corporation and Elenchus Research Associates (Elenchus) and built on a sample framework provided by the NSUARB's consultant on this Matter, Synapse Energy Economics (Synapse). Prior to the 2013 filing, it was reviewed several times by Synapse and subsequently revised to ensure it served its required purposes. It has been further revised several times since then, based on feedback from past filings and discussions with the DSMAG. The current RBIA model includes enhancements made to the version used for the 2026 DSM Extension RBIA[5], which are described in Section 5.

Results are discussed in Section 3 with overall trends followed by individual rate class impacts. Section 4 provides historical RBIA results (2026 Historical RBIA) with overall trends followed by individual rate class impacts. Section 5 provides an update on model evolution and Section 6 provides methodology and key assumptions. Section 7 provides an outlook on future work that will influence the next application of the RBIA. Concluding remarks are made in Section 8.

Attachment 1 provides summary results for the 2027–2031 DSM Plan and 2026 Historical. Attachment 2 provides results for each rate class for the 2027–2031 DSM Preferred Plan, Attachment 3 provides results for each rate class for the 2027–2031 Alternate Scenario and Attachment 4 provides results for each rate class for the 2026 Historical RBIA. Assumptions are provided in Attachment 5. Attachment 6 provides NS Power's pricing methodology. Attachment 7 and 8 include NS Power's Rate Model for the 2027–2031 Preferred Plan and 2026 Historical and 2027–2031 Alternate Scenario and 2026 Historical, respectively.

[4] National Efficiency Screening Project (NESP), National Standard Practice Manual for Assessing Cost-Effectiveness of Energy Efficiency Resources, May 18, 2017, page 126.
[5] M10830, E1 2022 RBIA, October 31, 2022.

E1's RBIA Model is included as Attachment 9 and 10 for the 2027–2031 Preferred and 2026 Historical and 2027–2031 Alternate Scenario and 2026 Historical, respectively.

3. 2027–2031 DSM PLAN RBIA RESULTS

The results in this section are for the 2027–2031 DSM Preferred Plan. All impacts are calculated relative to a scenario where no DSM is conducted in 2027–2031. Results are summarized in Attachment 1, and have been presented for energy efficiency, demand response and solar-PV separately, as well as combined. Summary sheets for rate, and bill impacts for each applicable rate class are included in Attachment 2. The graphs presented on the summary sheets have been selected based on representative outputs from the model.

3.1 OVERALL RATE IMPACTS

DSM can lower rates by avoiding electricity system costs (avoided energy, capacity, transmission and distribution). DSM may also increase rates, a result of recovering program costs as well as lost revenues due to reduced sales. These upward and downward pressures on rates are examined in the 2027–2031 DSM Plan RBIA to identify the overall impact on rates to each rate class over the long-term. The impacts presented in the analysis should not be read to be the actual rate increases or decreases that are experienced by customers in any year; the important takeaway is the percentage variance between the with DSM and no DSM scenarios.

The RBIA for the 2027–2031 DSM Preferred Plan demonstrates the following rate impacts associated with DSM activities:

- average rate impacts (by rate class) over the study period (2027–2046) range from -0.1 to +0.9 percent (shown in Figure 3);
- average rate impacts (by rate class) over those years where DSM program costs are recovered (2027–2031) range from +1.6 to +4.7 percent; and
- average rate impacts (by rate class) over the study period following DSM program cost recovery (2032–2046) range from -0.8 to -0.1 percent.

Figure 3: Average Rate Impacts (2027-2046) as a Result of 2027-2031 DSM Preferred Plan Activities

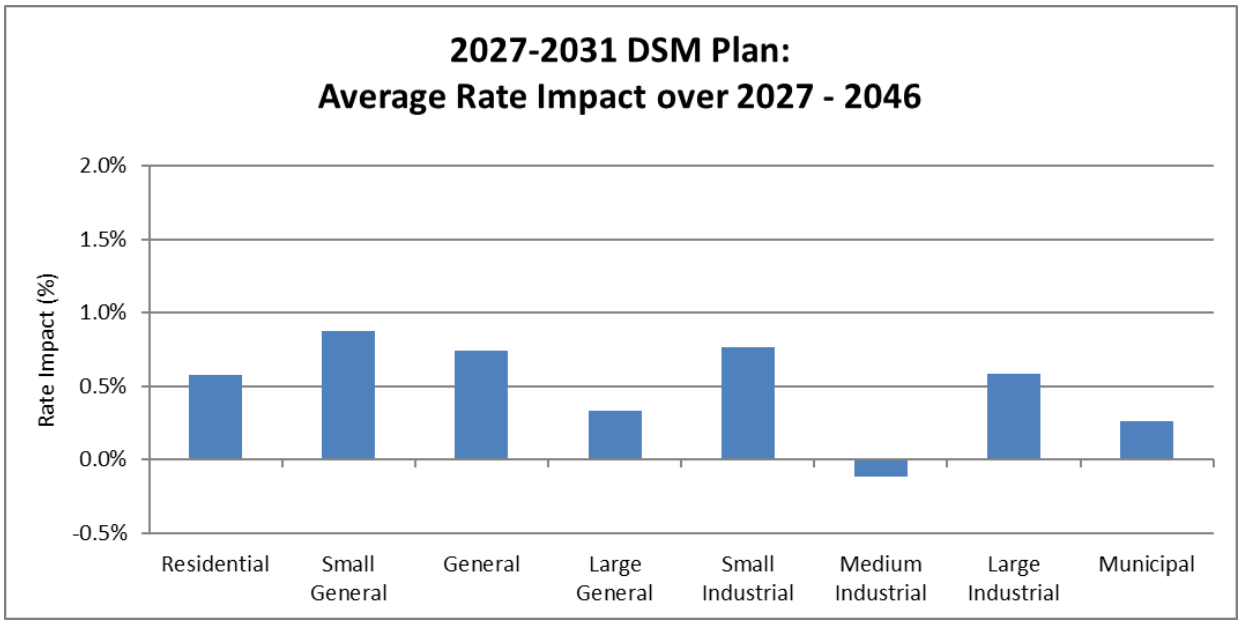
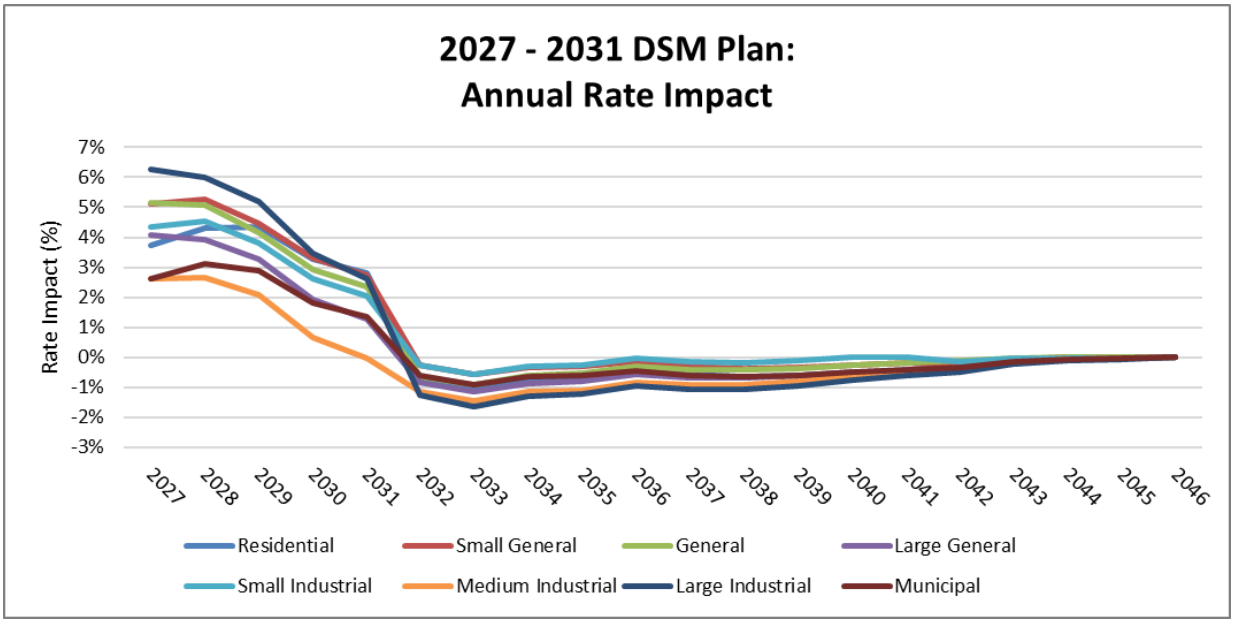


Figure 4, below, illustrates the annual rate effects (difference between the no-DSM scenario and the DSM scenario for each year), assuming that rates change every year. Annual changes in rate impacts are driven by two main factors: whether DSM program costs are being recovered, and fluctuations in annual avoided costs. The annual impacts depicted in Figure 4 should not be interpreted to be the actual rate changes that will occur in these years as experienced by customers.

Figure 4: Annual Rate Impacts (2027-2046) as a Result of 2027-2031 DSM Preferred Plan Activities



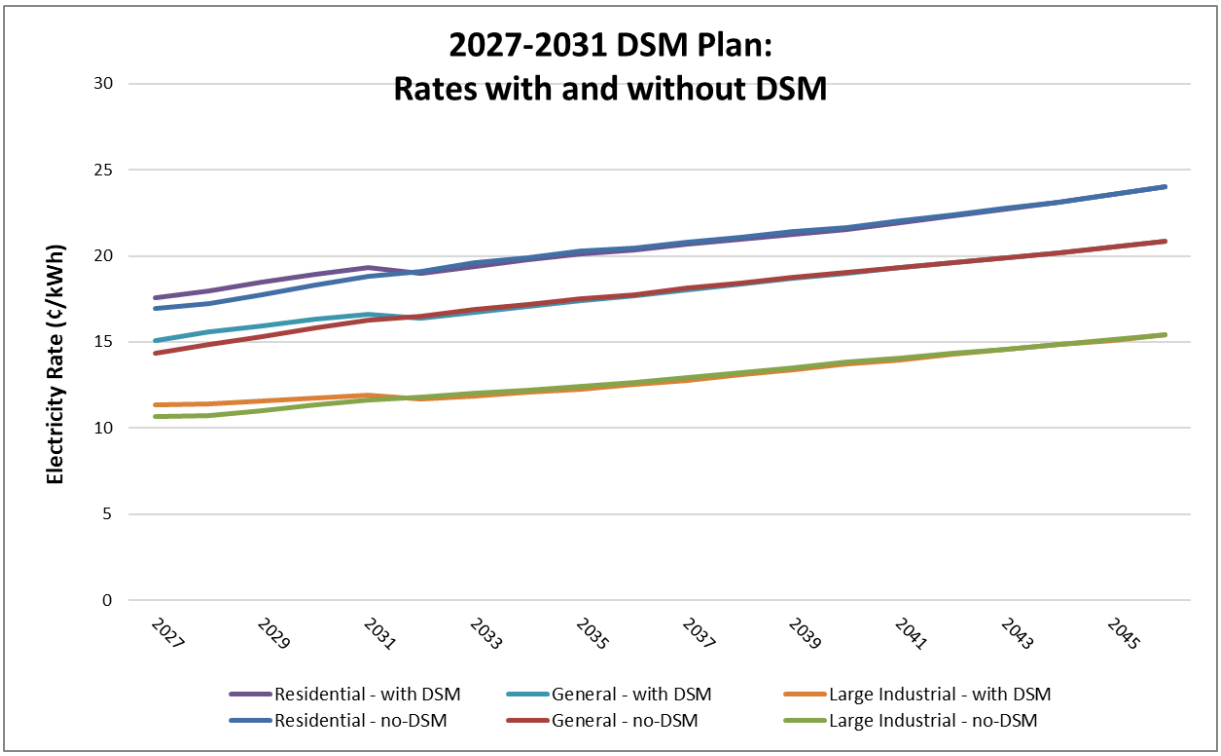
NS Power's RBIA Pricing Methodology (Attachment 6) discusses the generic cost of service results, including why there are different rate impacts over time and why rate impacts differ between rate classes. Notably, NS Power explains that "*classes whose total cost of service bear a relatively higher share of fuel costs, such as the Large Industrial, Municipal, Medium Industrial, and Large General, see higher reduction rate benefits due to the DSM-induced reduction in system costs because more of the utility cost savings come from the reduced fuel consumption than lower utilization of its fixed cost infrastructure. The opposite holds true for rate classes with higher responsibility for the fixed infrastructure costs such as the Domestic and Small General classes.*"[6]

Another factor in the variation of rate impacts over time is the simplification of lifetime savings to a single weighted-average measure life within each class, and again for the system total, which introduces discontinuous jumps in savings, and which would not be experienced in reality. For example, the model assumes that all Residential measures installed in 2027 have a lifespan of exactly 11.6 years, after which the annual load reduction caused by those measures reappears. In actuality, the lifespan of measures within that class varies widely, and the load reduction will most often never reappear (although it would no longer be accredited to E1's resource acquisition activities, which is the context of this analysis).

[6] Attachment 4, NS Power, Methodology for determination of changes in NS Power's base cost rates as a result of DSM-induced changes in class usage and total system costs, November 27, 2020, page 8

Figure 5 places the rate impacts of 2027–2031 DSM into the broader context of electricity rates over the full study period. Electricity rates, with and without DSM, are calculated in NS Power's rate model using the 2022 General Rate Application cost of service information, assuming 2% annual cost inflation. Over the study period (2027–2046), rates for the Residential class are projected to increase by 42% due to factors unrelated to DSM. Figure 5 shows both the DSM and no-DSM rate trajectories for three representative customer classes – Residential, General, and Large Industrial – with similar patterns observed across the remaining classes.

Figure 5: Rates with and without 2027-2031 Preferred DSM Plan Activities for three classes



3.2 OVERALL BILL IMPACTS

Generally speaking, ratepayers that participate in DSM programs directly benefit by reducing their electricity consumption and thereby lowering their electricity bills. Together, the level of reduced consumption (or lack thereof in the case of non-participants) and the rate impacts, determine the bill impacts of DSM on customers.

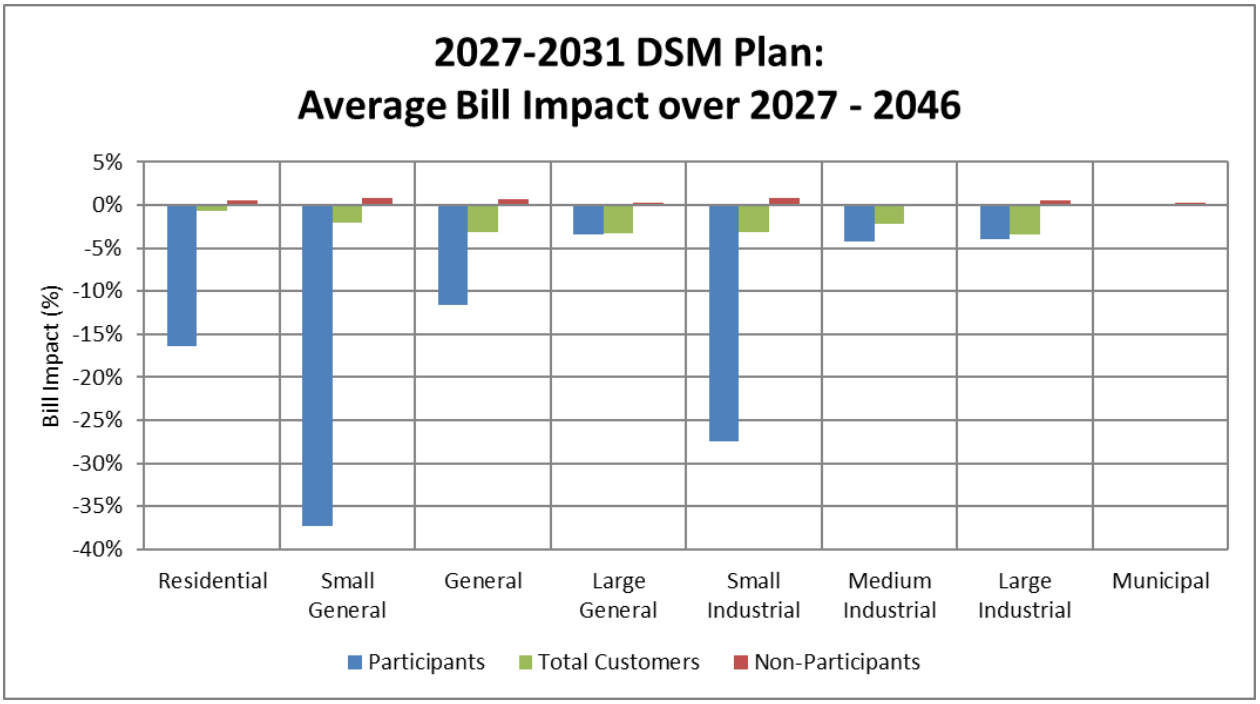
The 2027–2031 DSM Preferred Plan RBIA demonstrates the following bill impacts associated with DSM activities:

- average participant bill impacts (by rate class) over the study period (2027–2046) range from -0.04 to -37 percent;
- average non-participant bill impacts (by rate class) over the study period (2027–2046) range from -0.1 to +0.8 percent;
- average total customers bill impacts (by rate class) over the study period (2027–2046) range from -0.04 to -3.4 percent; and
- net impacts to Nova Scotia ratepayers are $0.4 billion[7] in savings as a result of a reduction in revenue requirement from DSM programs implemented in 2027–2031.

Average bill impacts for participants, non-participants and total customers are presented in Figure 6 by rate class. Variations in average participant savings between classes reflect the ability of a typical energy efficiency project (i.e., a project with a statistically average level of savings) to impact a customer's total bill. Generally, participants in lower-consumption classes can lower their bills by a significant amount through installation of relatively simple lighting, heating, and hot water measures. Implementing these same simple measures for participants in higher-consumption classes, particularly medium and large industrial, typically lowers the bill by a smaller proportion, as a significant portion of their electricity consumption is tied to industrial processes that are more complex in nature.

[7] PAC net lifetime benefits of the DSM Portfolio. Discounted using WACC.

Figure 6: Average Bill Impact (2027-2046) as a Result of 2027-2031 DSM Preferred Plan Activities



3.3 RESULTS BY RATE CLASS

Table 1 highlights results in more detail by individual rate class for the 2027–2031 forward looking RBIA.

Table 1: Rate and Bill Impacts by Rate Class as a Result of 2027-2031 DSM Preferred Plan Activities Preferred Plan DSM Activities

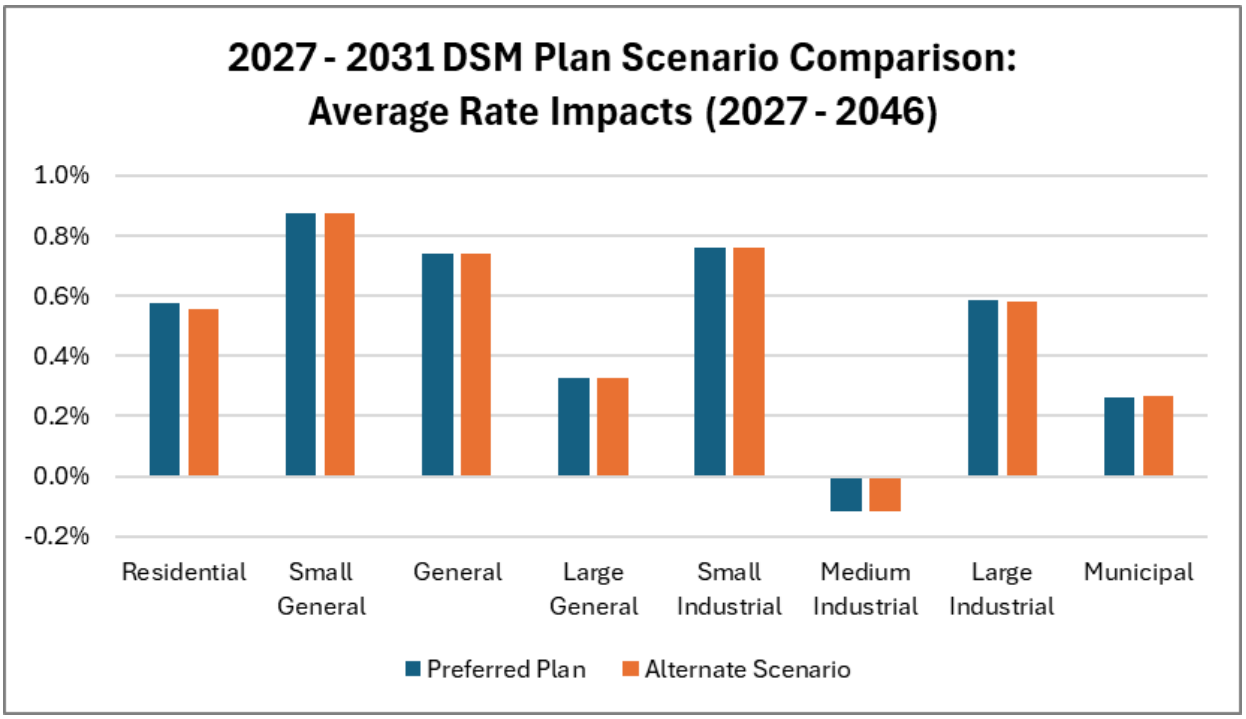
Rate Class	Rate Codes	Average Rate Impact (%)	Average Rate Impact (cents/kWh)	Participant Average Bill Impact	Non-Participant Average Bill Impact	Total Class Average Bill Impact
Residential	2, 3, 6, 9, 16 (Domestic)	0.6%	0.09	-16.3%	0.5%	-0.7%
Small General	10	0.9%	0.14	-37.3%	0.8%	-2.0%
General	11	0.7%	0.11	-11.6%	0.7%	-3.1%
Large General	12	0.3%	0.04	-3.5%	0.3%	-3.3%
Small Industrial	21	0.8%	0.11	-27.5%	0.8%	-3.1%
Medium Industrial	22	-0.1%	-0.03	-4.3%	-0.1%	-2.2%
Large Industrial	23, 25, one-part high voltage real time pricing tariff	0.6%	0.05	-4.0%	0.6%	-3.4%
Municipal	24	0.3%	0.05	0.0%	0.3%	0.0%

3.4 COMPARISON OF 2027-2031 PREFERRED PLAN AND ALTERNATE SCENARIO RBIA RESULTS

Full results, by rate class, are provided in Attachments 2 and 3 for the 2027–2031 DSM Preferred Plan and Alternate Scenario, respectively. This section compares key outputs between the two.

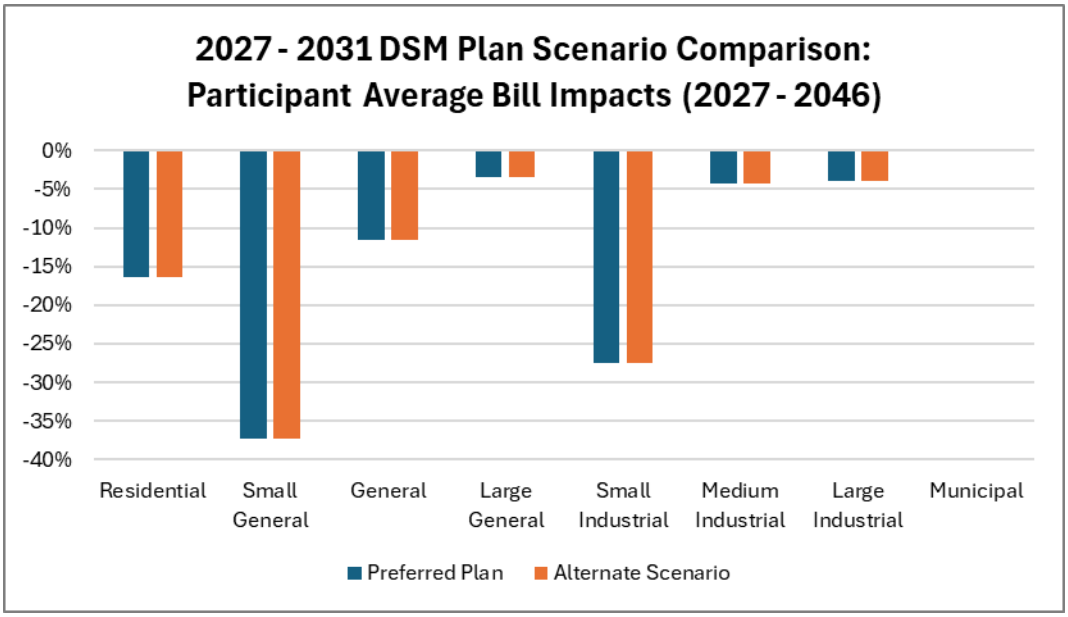
Rate impacts for both the Preferred Plan and Alternate Scenario are very similar. The addition of residential demand response in the Preferred Plan adds 0.02% rate impacts in the Residential rate class and 0.01% rate impacts in the Large Industrial rate class over the study period. The impact on all other rate classes is negligible. A comparison of the Preferred Plan and Alternate Scenario average rate impacts is shown in Figure 7.

Figure 7: Average Rate Impacts (2027-2046) as a Result of DSM Activities in 2027-2031 (Preferred Plan vs. Alternate Scenario)



Average participant bill impacts are presented in Figure 8 for both the Preferred Plan and Alternate Scenario. Any bill impact differences between scenarios are small. The largest difference is 0.04% lower Residential participant bills in the Preferred Plan.

Figure 8: Participant Average Bill Impact (2027-2046) as a Result of DSM Activities in 2027-2031 (Preferred Plan vs. Alternate Scenario)



4. 2026 HISTORICAL DSM RBIA RESULTS

The results in this section are for DSM activities that have occurred from 2011–2024 and are approved for 2025–2026. All impacts are calculated relative to a scenario where no DSM is conducted in 2011–2026. Results are summarized in Attachment 4, and have been presented for energy efficiency and demand response separately (as well as combined). Summary sheets for rate and bill impacts for each applicable rate class are included in Attachment 1. The graphs presented on the summary sheets have been selected based on representative outputs from the model.

4.1 OVERALL RATE IMPACTS

The RBIA for the 2011–2026 historical DSM Activities demonstrates the following rate impacts associated with DSM activities:

- average rate impacts (by rate class) over the study period (2011–2041) range from 0.5 to 3.2 percent (shown in Figure 9);
- average rate impacts (by rate class) over those years where DSM program costs are recovered (2011-2026) range from 1.4 to 5.5 percent; and
- average rate impacts (by rate class) over the study period following DSM program cost recovery (2027-2041) range from -0.6 to +0.9 percent.

Figure 9: Average Rate Impacts (2011-2041) as a Result of 2011-2026 Historical DSM Activities

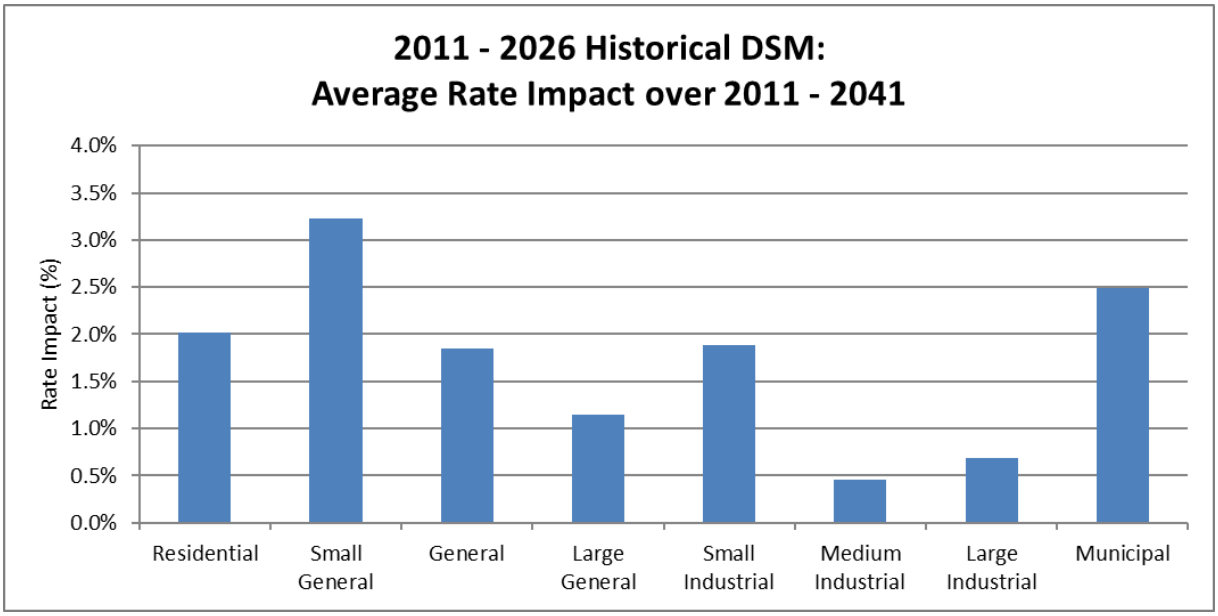


Figure 10, below, illustrates the annual rate effects (difference between the no-DSM scenario and the DSM scenario for each year), assuming that rates change every year. Changes in rate impacts are driven by two main factors: whether DSM program costs are being recovered, and fluctuations in annual avoided costs. The annual impacts depicted in Figure 10 should not be interpreted to be the actual rate changes that occurred in these years as experienced by customers.

Figure 10: Annual Rate Impacts (2011-2041) as a Result of 2011-2026 Historical DSM Activities

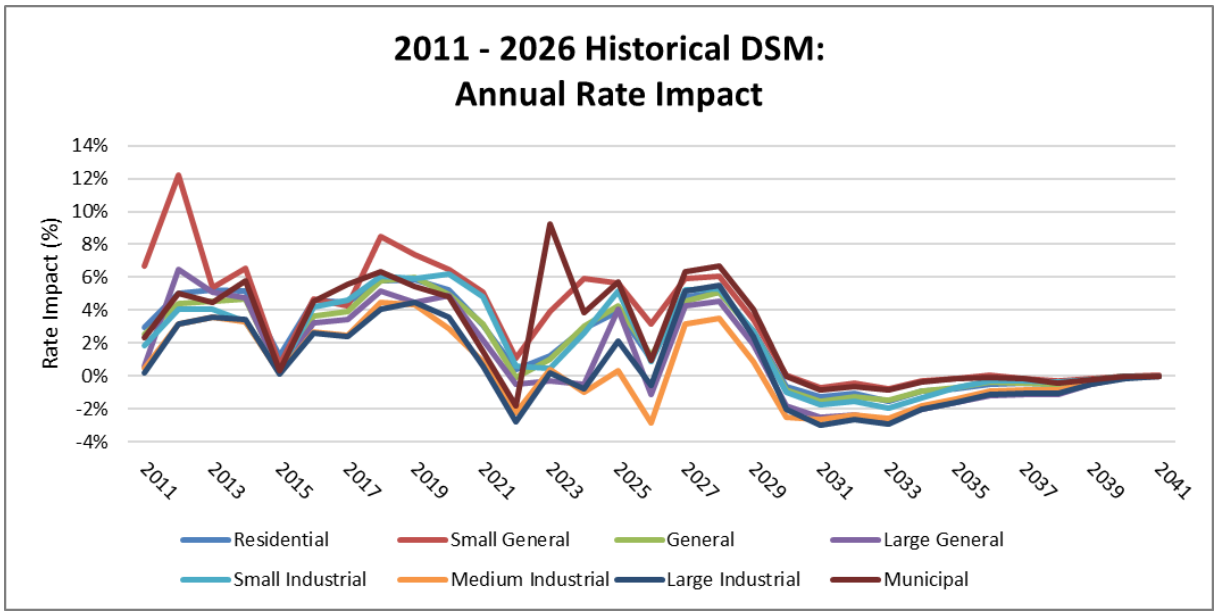
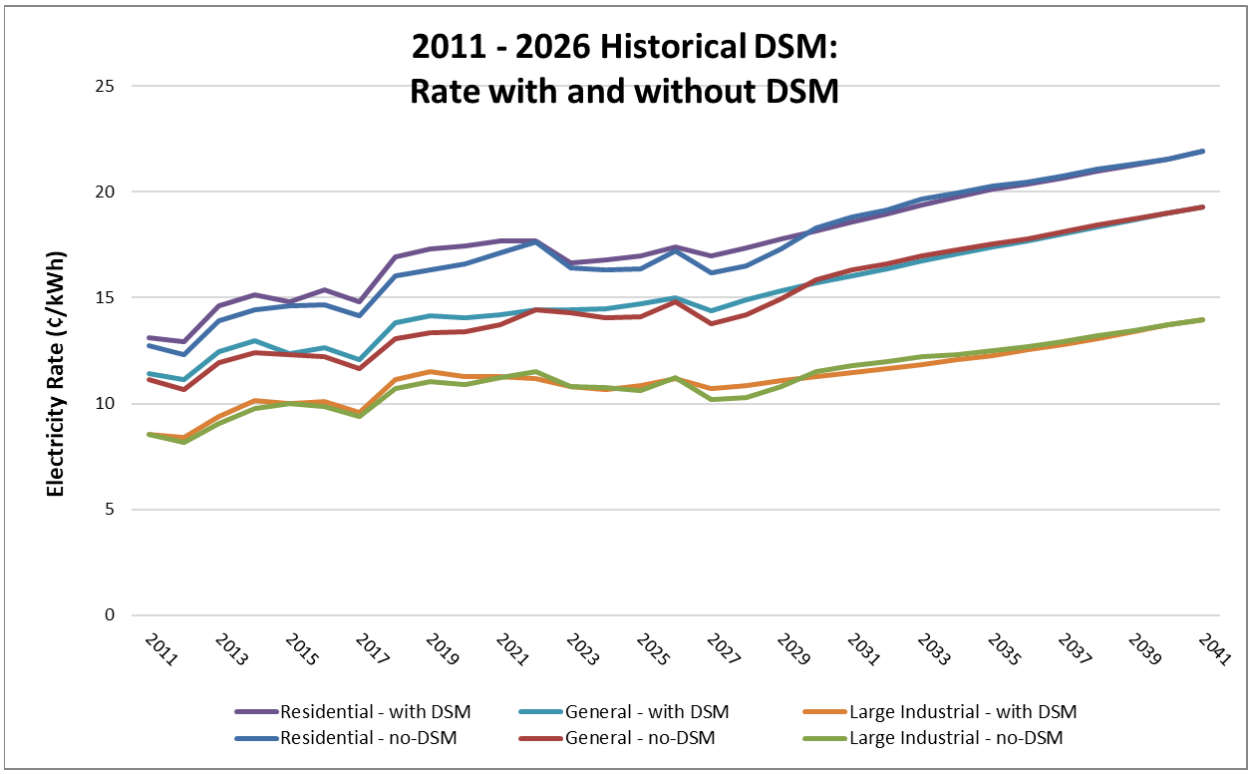


Figure 11 places the rate impacts of 2011–2026 historical DSM into the broader context of electricity rates over the full study period. Electricity rates, with and without DSM, are calculated in NS Power's rate model using the 2022 General Rate Application cost of service information, assuming 2% annual cost inflation. Over the study period (2011–2041), rates for the Residential class are projected to increase by 72% due to factors unrelated to DSM. Figure 11 shows both the DSM and no-DSM rate trajectories for three representative customer classes – Residential, General, and Large Industrial – with similar patterns observed across the remaining classes.

Figure 11: Rates with and without 2011-2026 Historical DSM Activities for three classes



4.2 OVERALL BILL IMPACTS

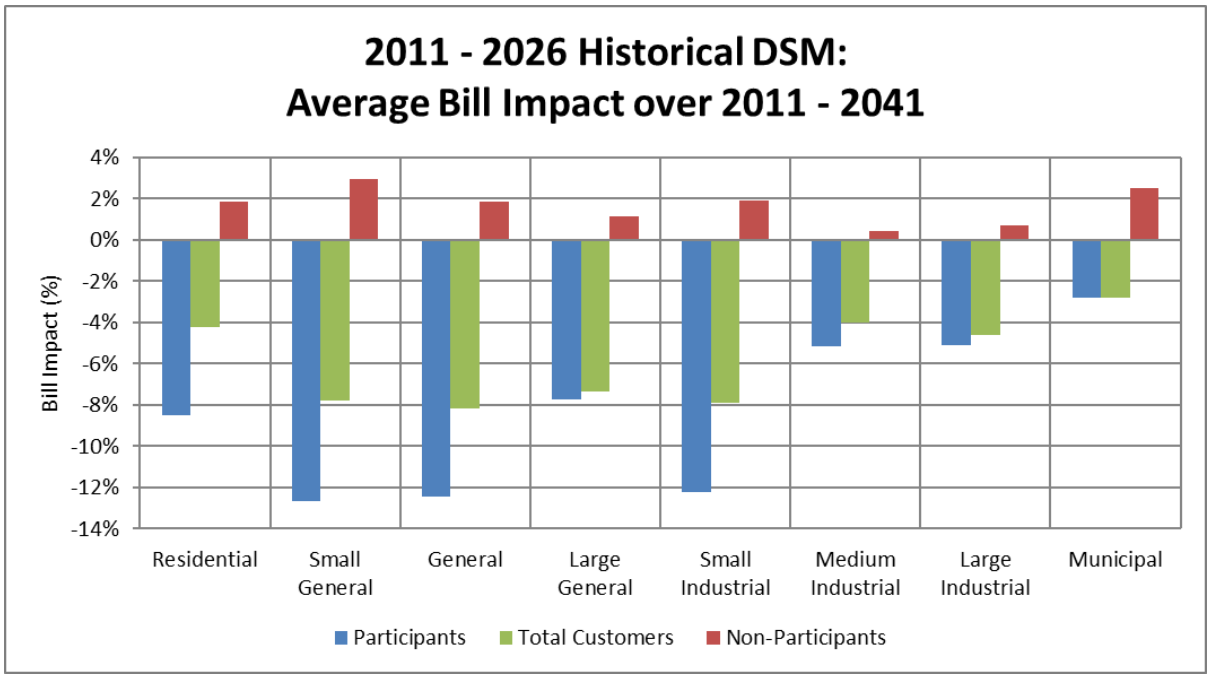
The 2026 Historical RBIA demonstrates the following bill impacts associated with DSM activities:

- average participant bill impacts (by rate class) over the study period (2011–2041) range from -12.7 to -2.8 percent;
- average non-participant bill impacts (by rate class) over the study period (2011–2041) range from +0.5 to +2.9 percent;
- average total customers bill impacts (by rate class) over the study period (2011–2041) range from -8.2 to -2.8 percent; and

- net impacts to Nova Scotia ratepayers are $3.2 billion[8] in savings as a result of a reduction in revenue requirement from DSM programs implemented in 2011–2026.

Average bill impacts for participants, non-participants and total customers are presented in Figure 12 by rate class.

Figure 12: Average Bill Impact (2011-2041) as a Result of 2011-2026 Historical DSM Activities



4.3 RESULTS BY RATE CLASS

Table 2, below, highlights results in more detail by individual rate class for the 2026 Historical RBIA.

Table 2: Rate and Bill Impacts by Rate Class over the study period (2011–2041) from 2011-2026 Historical DSM Activities

Rate Class	Rate Codes	Average Rate Impact (%)	Average Rate Impact (cents/kWh)	Participant Average Bill Impact	Non-Participant Average Bill Impact	Total Class Average Bill Impact
Residential	2, 3, 6, 9, 16 (Domestic)	2.0%	0.30	-8.5%	1.8%	-4.2%
Small General	10	3.2%	0.45	-12.7%	2.9%	-7.8%

[8] Customer bill savings 2011 – 2041. Discount rate of WACC used.

Rate Class	Rate Codes	Average Rate Impact (%)	Average Rate Impact (cents/kWh)	Participant Average Bill Impact	Non-Participant Average Bill Impact	Total Class Average Bill Impact
General	11	1.9%	0.23	-12.4%	1.9%	-8.2%
Large General	12	1.2%	0.11	-7.7%	1.2%	-7.4%
Small Industrial	21	1.9%	0.24	-12.2%	1.9%	-7.9%
Medium Industrial	22	0.5%	0.03	-5.2%	0.5%	-4.0%
Large Industrial	23, 25, one-part high voltage real time pricing tariff	0.7%	0.06	-5.1%	0.7%	-4.6%
Municipal	24	2.5%	0.34	-2.8%	2.5%	-2.8%

5. UPDATE ON MODEL EVOLUTION

In 2024–2025, E1 worked with Elenchus, its RBIA consultant, to update the E1 RBIA model and NS Power rate model. Updates include the following:

- Integration of historical and forward-looking RBIA models. Both the NS Power and E1 models were adjusted so each has the functionality to provide results from either DSM delivered since 2011, or from DSM Plan years only.
- Expansion of the existing resource options (energy efficiency and demand response) in the NS Power rate model and E1 RBIA model to allow up to three additional resources (e.g., strategic electrification, solar-PV, batteries) to be assessed;
- Refinement of the RBIA participation methodology to more accurately reflect the total active participants who are achieving savings;
- Revision to how participation data is displayed; data will be organized by rate class participation for all resources: Energy Efficiency participation will no longer be provided by rate class and program level;
- Addition of a change log within the E1 RBIA model and NS Power rate model; and
- Addition of new tabs in the NS Power rate model to provide additional transparency with respect to how the No-DSM and DSM scenarios work in the model.

These changes were further described in the 2026 DSM Extension RBIA. Since the filing of the 2026 DSM Extension RBIA the following subsequent updates were made:

- The active participation methodology previously implemented in the 2026 DSM Extension RBIA has been implemented in the Historical RBIA for the first time;

- A Renewable to Retail adjustment was applied to the NS Power rate model;
- Solar-PV was introduced as a resource for the first time as part of the 2027–2031 DSM RBIA;
- The RBIA study period was defined as the year where all rate-class level energy efficiency measures expired; and
- Use of updated avoided costs received from NS Power on December 22, 2025 (described in Attachment 5 – Assumptions).

5.1 ACTIVE PARTICIPATION METHODOLOGY

Previously, participant estimates were calculated using a 'cumulative' methodology. This did not account for the measure life of savings, resulting in the potential for the number of cumulative participants to be overestimated in later years of the analysis, and the bill savings per participant to be underestimated.

The previous participation methodology counted any customer who has participated once as a participant indefinitely, regardless of whether their associated savings had expired. For example, under the previous methodology, 2027 savings for the Residential class would be modelled as continuing until 2038 and then drop to zero; however, 2027 participants would contribute to the cumulative participant count through the end of the study period.

For the 2026 DSM Extension forward-looking RBIA, E1 implemented a systematic approach for analyzing 'annual' and 'active' participation separately, considering each year a customer participates along with the weighted-average measure life for class savings in each year they participate. This creates a distinction between active and expired participation and will minimize overestimation of the total number of participants, particularly in later years of the RBIA model.

The same approach has been implemented as part of the 2026 Historical RBIA.

5.2 RENEWABLE TO RETAIL

Adjustments were made to address two issues caused by the addition of the Renewable to Retail program within the rate and bill impact analysis.

First, the DSM rate rider is applied to total class volumes including Renewable to Retail volumes. The load data provided by NS Power excludes Renewable to Retail GWh energy requirement volumes, but continues to include demand volumes and customer counts for those customers. This is consistent with its approach in its Cost of Service Study. The GWh energy requirement volumes provided by NS Power are lower than the total billing determinants applicable to the DSM rider. Without an adjustment, this produces an artificially high rate impact.

The second issue is that DSM programs reduce the energy requirements of Renewable to Retail customers, but the existing calculation of bill impacts considered only cost savings of NS Power-supplied energy and not savings from retailers. A Renewable to Retail customer will see total bill savings from participating in DSM programs but the bill impact analysis, without adjustments, would not account for energy cost savings if the cost was not incurred by NS Power.

To resolve these two issues, Renewable to Retail GWh volumes were added to the load data provided by NS Power for the purposes of producing rate and bill impacts. The adjustments are made to the 'COSS DSM Simulated' and 'COSS DSM Benchmark' tabs within the NS Power Rate Model, and no adjustments were required in the E1 RBIA model. Energy volumes of Renewable to Retail customers are added to energy requirement volumes beginning in 2026 according to NS Power's most recent load forecast. The volumes are removed for the purposes of calculating the system coincident load factor that is used to classify costs between energy and demand-related, such that the system load factor continues to be calculated on the same basis it would in NS Power's Cost of Service Study. For simplicity, these adjustments rely on an assumption that the avoided cost of Renewable to Retail energy is equal to the avoided cost of NS Power-supplied energy.

5.3 RBIA STUDY PERIOD

A solar-PV resource was modelled for the first time as part of the 2027–2031 DSM Plan. With a 30-year measure life, solar-PV installations in 2031 would generate DSM impacts through 2060. However, the NS Power rate model and the E1 RBIA model are currently configured through 2055. E1 and Elenchus considered extending the modelling and study period to 2060 to fully capture solar-PV impacts. Ultimately, the decision was made to retain the existing 2055 model configuration and to maintain the study period ending when energy efficiency measures expire, for the following reasons:

- Extending the model to 2060 would have been time-consuming and NS Power indicated load forecast data was not available beyond 2055.
- Solar-PV represents a relatively small portion of both the Preferred Plan and Alternate Scenario. Extending the study period to capture the tail-end solar-PV impacts would place undue emphasis on these impacts and distort the broader DSM results, which are dominated by energy efficiency measures expiring in 2046.
- The rate and bill impacts of solar-PV at the end of the study period (2046) remain broadly representative of the impacts through 2060, and are small relative to the full DSM impacts captured during the study period.

E1 considers this to be a reasonable approach that balances simplicity and clarity with the level of precision needed for decision-making. Readers should note the following:

- A portion of solar-PV rate and bill impacts occur outside the study period (2047–2060). These impacts represent an extremely small share of total DSM impacts.
- While average study-period results are presented for 2027–2046, annual impacts through 2055 are also available in the E1 and NS Power Rate models, as well as in Attachment 1.

6. METHODOLOGY AND ASSUMPTIONS

Attachment 5 describes the overall modelling and key assumptions that apply to the 2027–2031 DSM Plan and 2026 Historical RBIA.

7. FUTURE CONSIDERATIONS

E1 understands that NS Power has developed an updated Cost of Service Study (COSS) which has been filed with the NSEB as part of NS Power's 2026–2027 General Rate Application (M12451). Once concluded, E1 will work with stakeholders to consider any potential implications to the RBIA as a result of this update, and how best to reasonably address in the RBIA. As an open matter before the NSEB at the time of modelling the 2027–2031 DSM Plan and 2026 Historical RBIA, neither reflect the updated COSS included in NS Power's 2026–2027 General Rate Application.

The next application of the RBIA model will be for the 2032–2036 forward looking RBIA and the historical 2035 RBIA, as part of E1's 2032–2036 DSM Resource Plan, expected to be filed in early 2035. E1 looks forward to working with stakeholders in advance of that filing.

8. CONCLUSION

Highlights from the 2027–2031 DSM Preferred Plan RBIA analysis include:

- Over the 20 years of the study period, participants in DSM programs see average annual bill reductions ranging from a low of 0.04 percent (average Municipal participant) to a high of 37.3 percent (average Small General participant).
- Over the 20 years of the study period, the average bill impacts to non-participants (by rate class) range from -0.1 to 0.8 percent.
- Over the 20 years of the study period, the average upward rate pressure of DSM varies from a low of -0.1 to a high of 0.9 percent across all rate classes.
- Nova Scotian ratepayers will save $0.4 billion[9] as a result of energy and demand reductions caused by 2027–2031 DSM programs.
- Maximizing customer participation in DSM programs mitigates rate impacts by increasing the number of customers who experience net bill reductions.

The RBIA for the 2027–2031 DSM Preferred Plan estimates the effects of 2027-2031 DSM programs on customer rates and bills throughout the full lifetime of the DSM impacts as compared to a no-DSM scenario, all else being equal. Over the lifetime of measures installed in this period, after accounting for DSM program costs, utility avoided costs, and the reallocation of 'lost' fixed revenues, NS Power customers will save $0.4 billion on electricity bills.

It is important to recognize that the RBIA is not intended to represent a comprehensive evaluation of total DSM impacts. The model excludes benefits that do not directly impact electricity rates or bills, such as the societal benefits of reduced greenhouse gas emissions, reduction of energy poverty, investment in local businesses that deliver efficiency services instead of investment in foreign fuel supplies, increased productivity in businesses, and increased occupant comfort in homes and businesses, among others.

[9] PAC net lifetime benefits of the DSM Portfolio. Discounted using WACC.

DSM investments produce net benefits for Nova Scotian ratepayers over the long term, as demonstrated through cost-effectiveness testing using the Program Administrator Cost (PAC) test. However, this test looks at ratepayers as a whole and does not examine to what degree non-participants may be subsidizing programs that mainly benefit participants. This RBIA subdivides each rate class into groups of participants and non-participants to examine impacts to their rates and more importantly to their total electricity bills, respectively.

DSM resources can impact both electricity rates and bills. All ratepayers experience the rate impacts from DSM for their applicable rate class as described in Section 3. However, ratepayers will experience different bill impacts depending on whether they participate in E1's DSM programs, in which programs they participate, and how often they participate. One of the main benefits of DSM programs, the reduction of customer energy and demand consumption (i.e., lower bills), are only realized by participants in DSM programs. The analysis shows that on average, their reductions in consumption drive bill decreases that far outweigh the increases caused by higher rates. Thus, achieving higher participation rates limits the number of customers that may only experience higher rates and who do not benefit from lower bills due to reduced consumption.

Appendix B

Attachment 1: RBIA Summary Results –
2027–2031 DSM Plan
and 2026 Historical

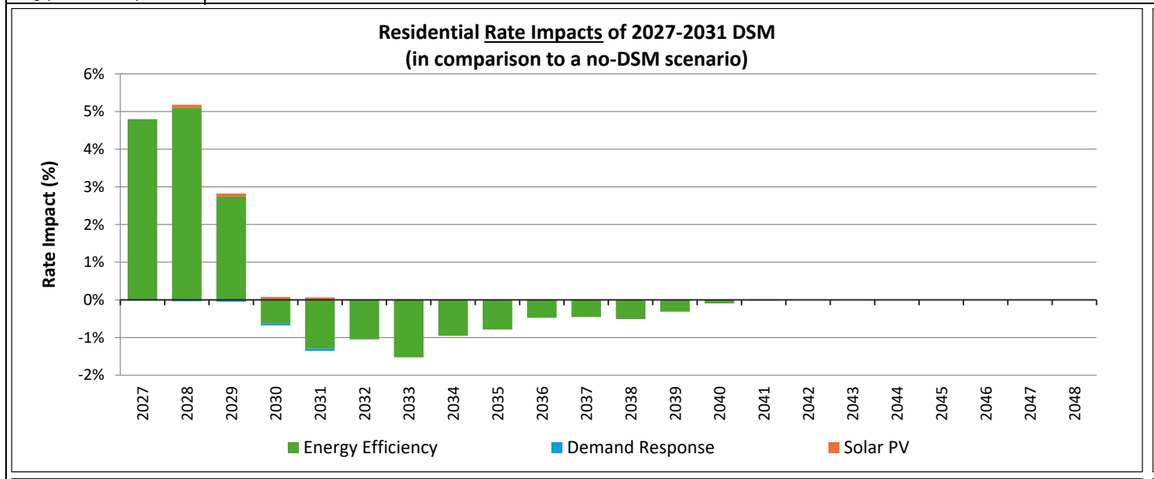
Appendix B

Attachment 2: Results by Rate Class

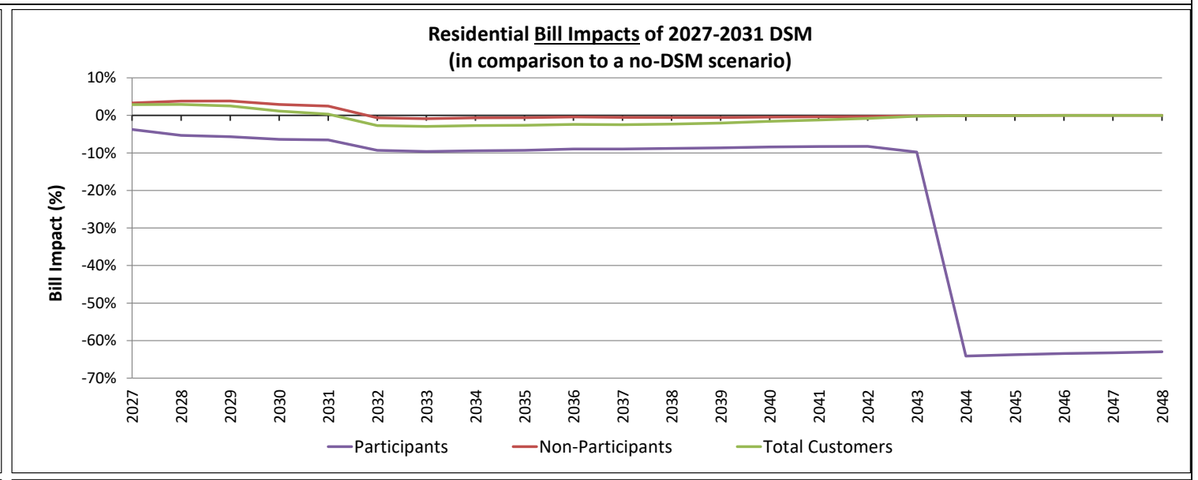
2027-2031 DSM Preferred Plan

Rate and Bill Impacts of DSM on the Residential Class

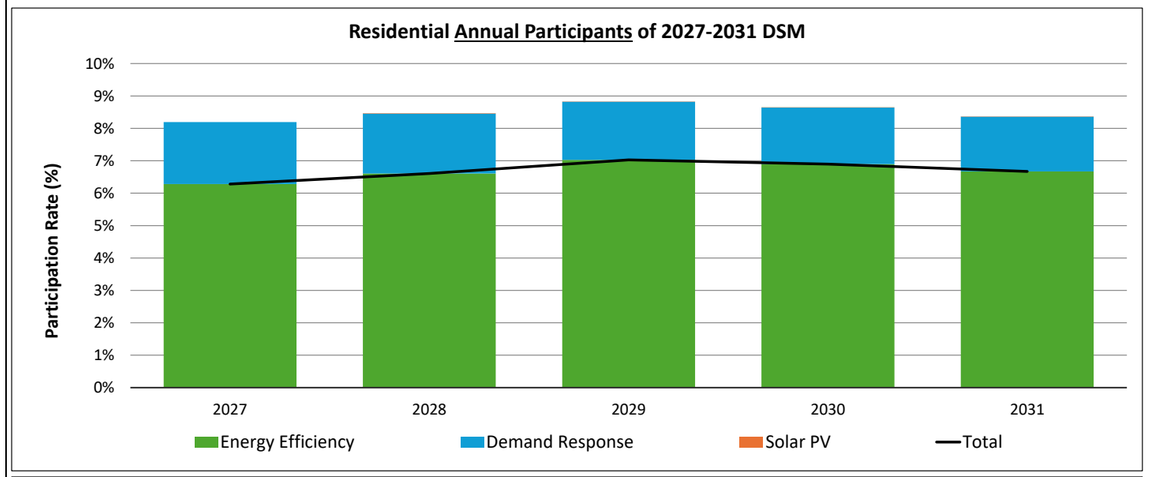
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045	2046	2047	2048	2049	2050	2051	2052	2053	2054	2055	Units
Net Incremental Energy Savings	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	26.1	27.7	27.5	27.0	26.3	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	GWh@gen
Net Total Annual Energy Savings	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	26.1	53.8	81.4	108.4	134.7	134.7	134.7	134.7	134.7	134.7	134.7	125.4	108.5	83.2	64.4	38.9	8.1	1.7	1.7	1.7	1.7	1.7	1.7	1.7	1.7	1.7	1.7	1.7	1.7	GWh@gen
DSM Expenditures	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	30.1	33.2	37.3	38.0	38.5	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	$ (millions)
Active Participants	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	33	52	75	102	131	131	131	131	131	131	131	122	105	80	62	37	6	0	0	0	0	0	0	0	0	0	0	0	0	0	# NSPI accounts (thousands)
Average Net Total Annual Energy Savings per Active Participant	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	726	957	995	971	944	944	944	944	944	944	944	945	947	952	957	975	1,185	7,973	7,973	7,973	7,973	7,973	7,973	7,973	7,973	7,973	7,973	7,973	7,973	kWh@meter
Annual Number of Participants	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	33	35	38	37	36	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	# NSPI accounts (thousands)
Average Net Incremental Energy Savings per Annual Participant	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	793	789	729	723	720	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	kWh@meter



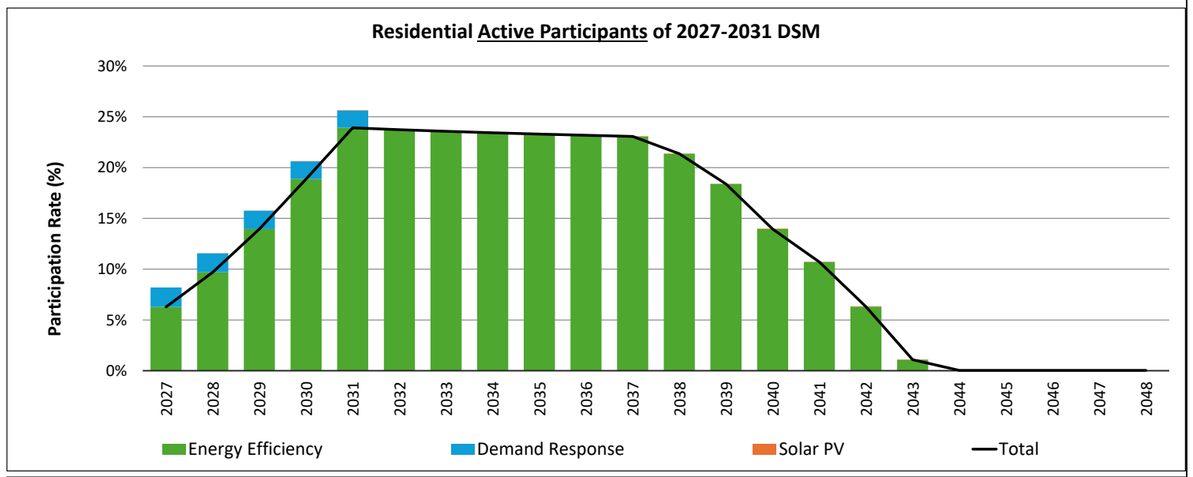
This graph shows estimated rate impacts of DSM by individual DSM resource, all relative to the no-DSM scenario.



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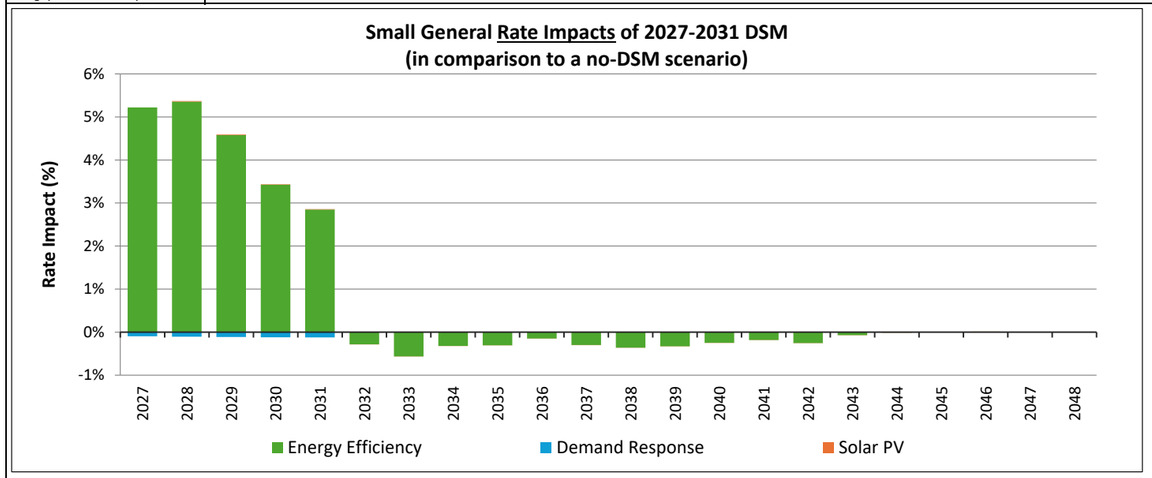
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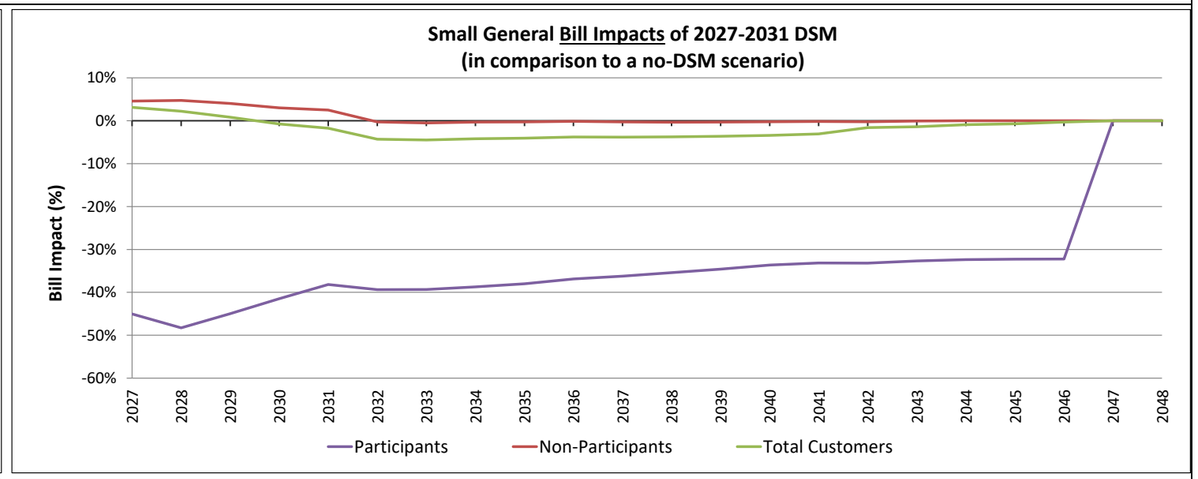
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Rate and Bill Impacts of DSM on the Small General Class

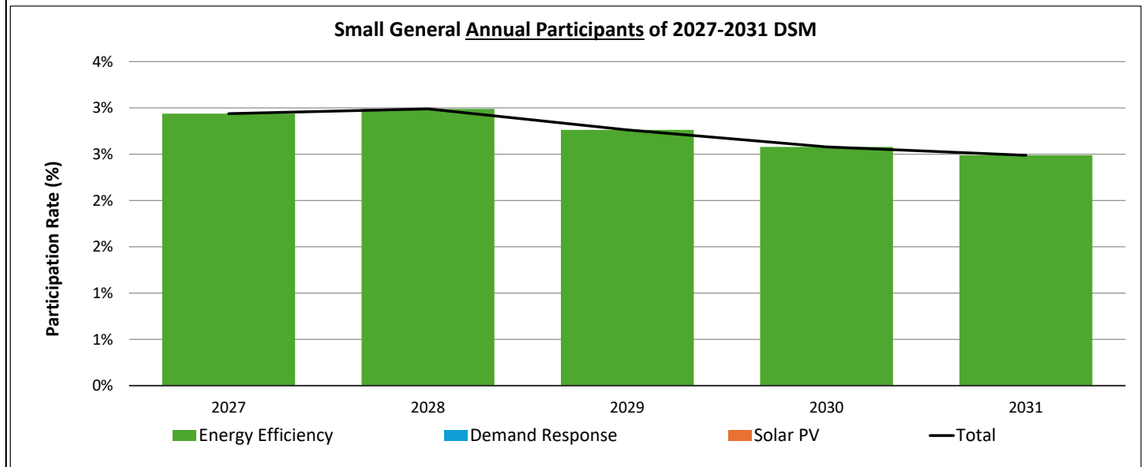
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045	2046	2047	2048	2049	2050	2051	2052	2053	2054	2055	Units
Net Incremental Energy Savings	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	6.1	5.2	3.5	2.9	2.7	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	GWh@gen
Net Total Annual Energy Savings	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	6.1	11.3	14.8	17.7	20.4	20.4	20.4	20.4	20.4	20.4	20.4	20.4	20.4	20.4	19.0	9.0	9.0	6.3	5.1	2.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	GWh@gen
DSM Expenditures	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	2.8	2.8	2.4	2.3	2.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	$ (millions)
Active Participants	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1	1	2	2	3	3	3	3	3	3	3	3	3	3	3	1	1	1	1	0	0	0	0	0	0	0	0	0	0	0	# NSPI accounts (thousands)
Average Net Total Annual Energy Savings per Active Participant	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	6,988	7,903	7,368	6,798	6,294	6,294	6,294	6,294	6,294	6,294	6,294	6,294	6,294	6,294	6,294	6,294	6,294	6,294	6,294	6,294	0	0	0	0	0	0	0	0	0	kWh@meter
Annual Number of Participants	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1	1	1	1	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	# NSPI accounts (thousands)
Average Net Incremental Energy Savings per Annual Participant	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	7,580	6,279	4,455	3,990	3,758	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	kWh@meter



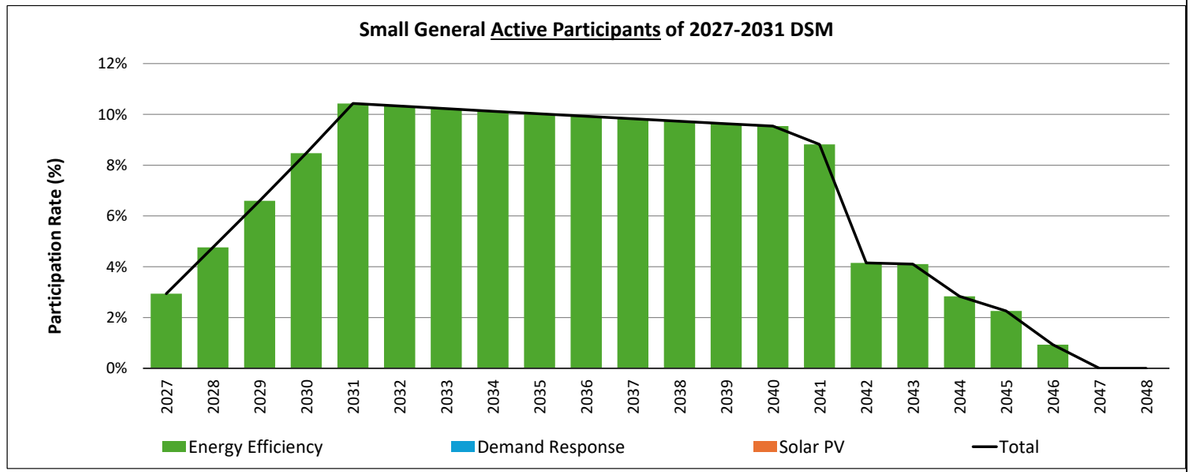
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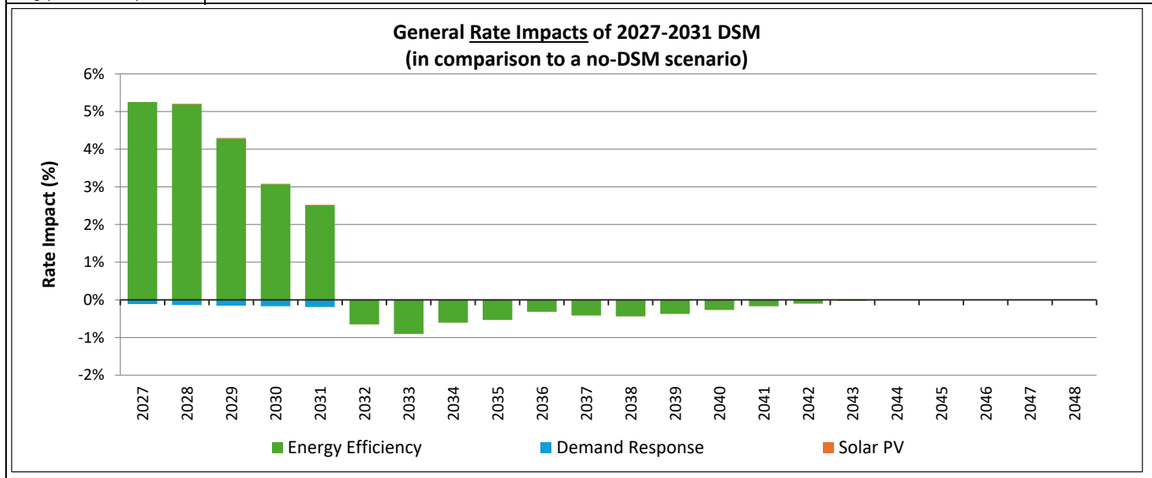
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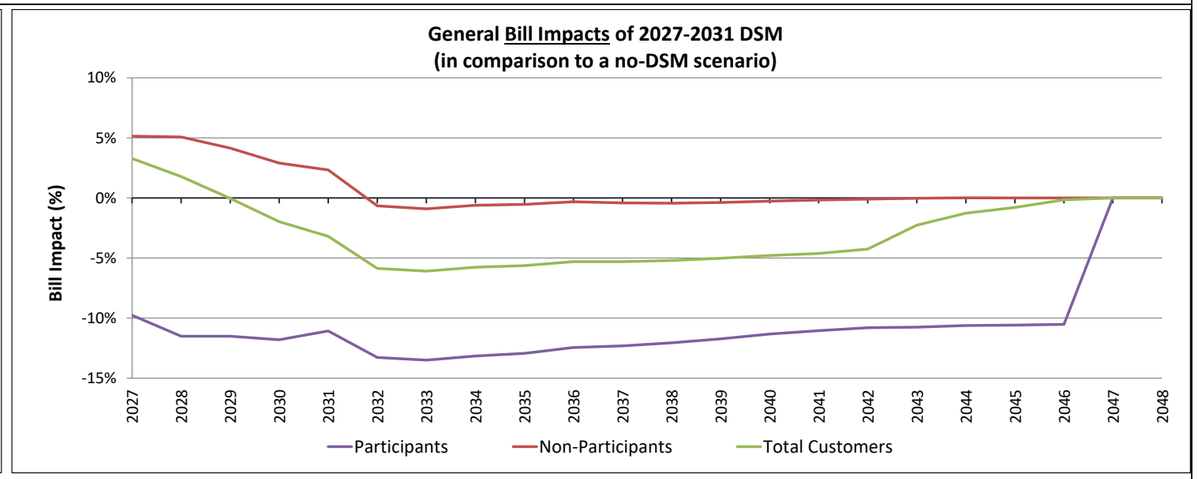
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Rate and Bill Impacts of DSM on the General Class

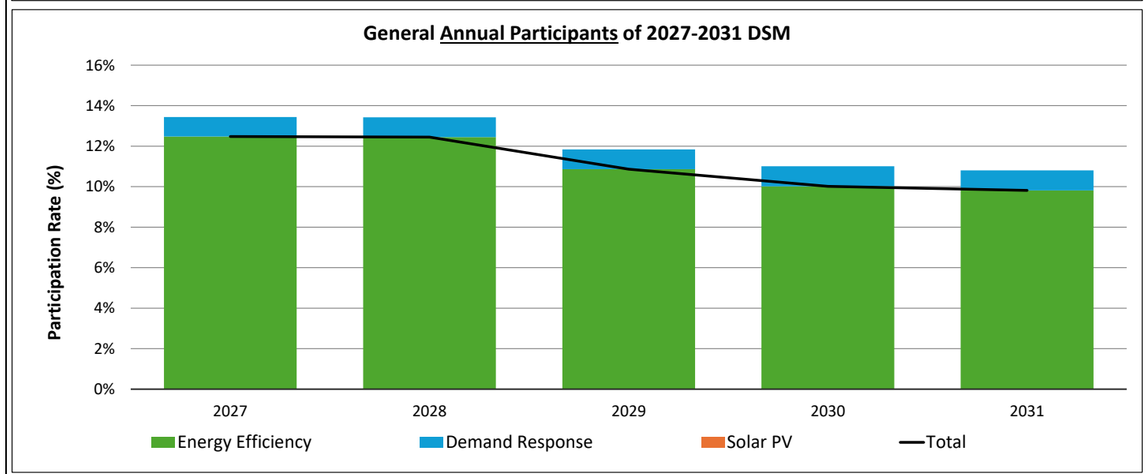
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045	2046	2047	2048	2049	2050	2051	2052	2053	2054	2055	Units
Net Incremental Energy Savings	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	42.8	33.5	22.0	18.9	17.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	GWh@gen
Net Total Annual Energy Savings	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	42.8	76.3	98.3	117.2	134.2	134.2	134.2	134.2	134.2	134.2	134.2	134.2	134.2	134.2	134.2	127.4	68.5	39.4	24.5	5.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	GWh@gen
DSM Expenditures	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	18.4	16.5	13.6	13.1	12.8	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	$ (millions)
Active Participants	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1	2	3	4	5	5	5	5	5	5	5	5	5	5	5	4	2	1	1	0	0	0	0	0	0	0	0	0	0	0	# NSPI accounts (thousands)
Average Net Total Annual Energy Savings per Active Participant	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	28,782	32,352	30,916	29,571	27,232	27,232	27,232	27,232	27,232	27,232	27,232	27,232	27,232	27,232	27,232	27,232	27,232	27,232	27,232	0	0	0	0	0	0	0	0	0	kWh@meter
Annual Number of Participants	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1	1	1	1	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	# NSPI accounts
Average Net Incremental Energy Savings per Annual Participant	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	30,447	23,922	17,950	16,735	15,360	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	kWh@meter



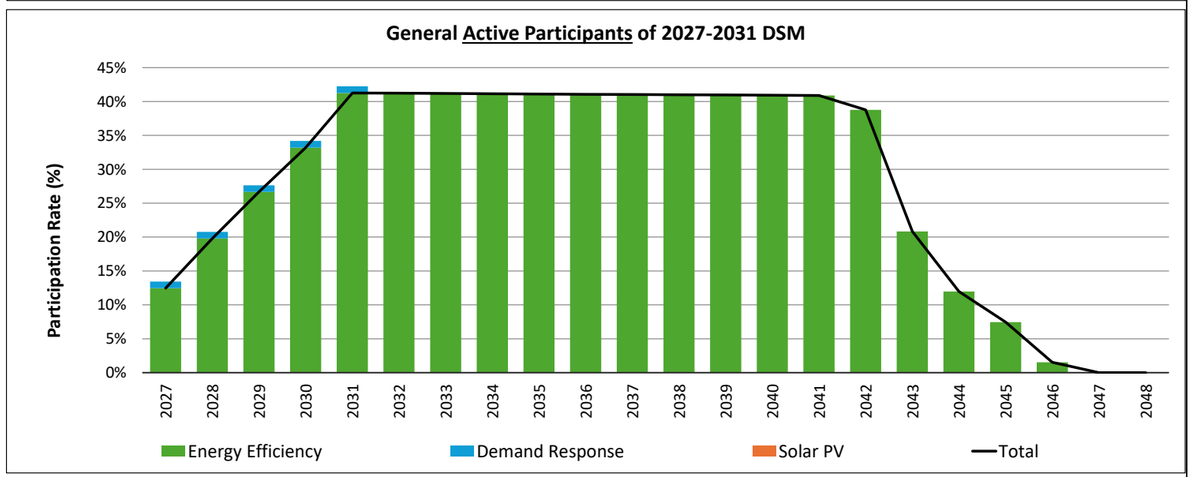
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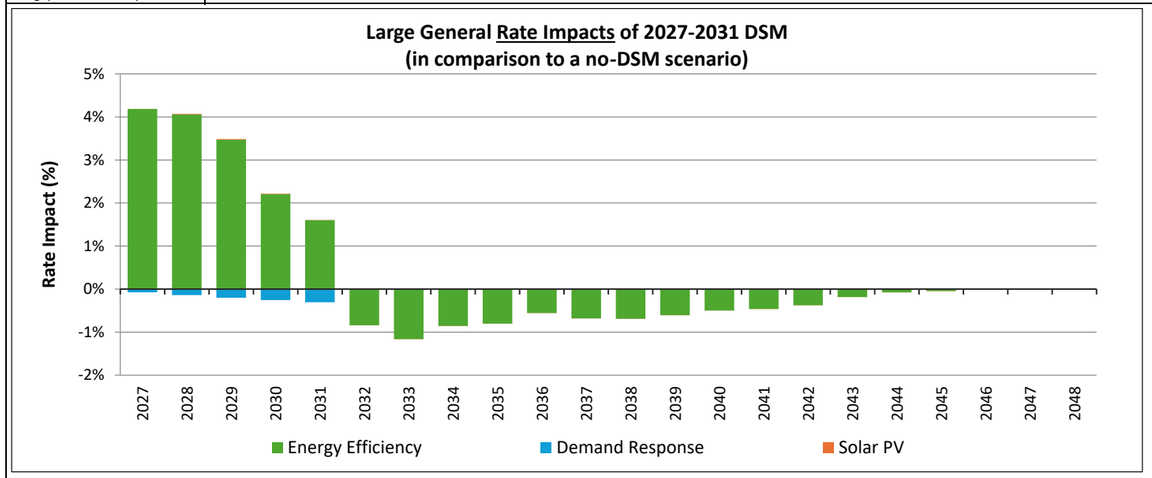
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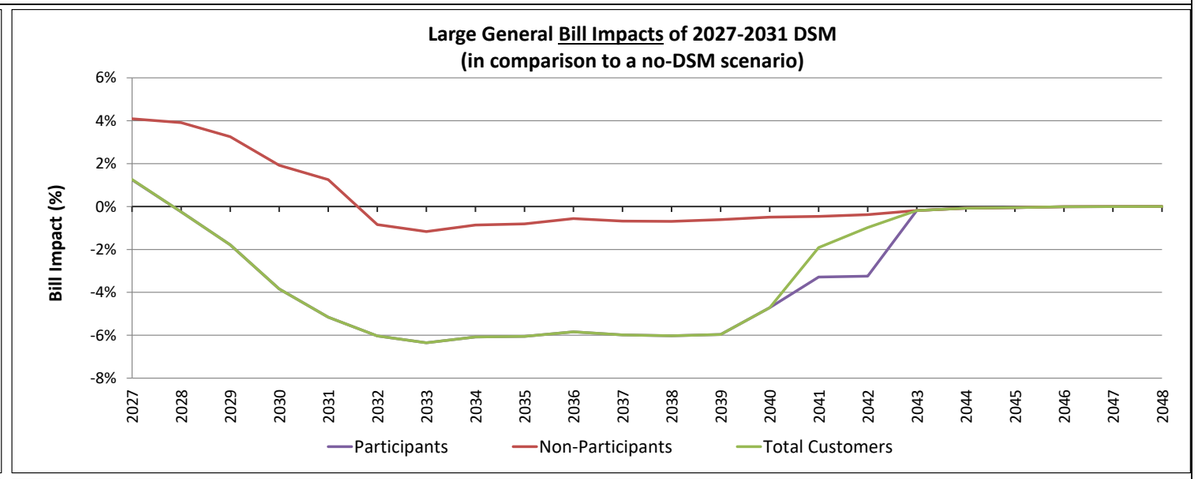
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Rate and Bill Impacts of DSM on the Large General Class

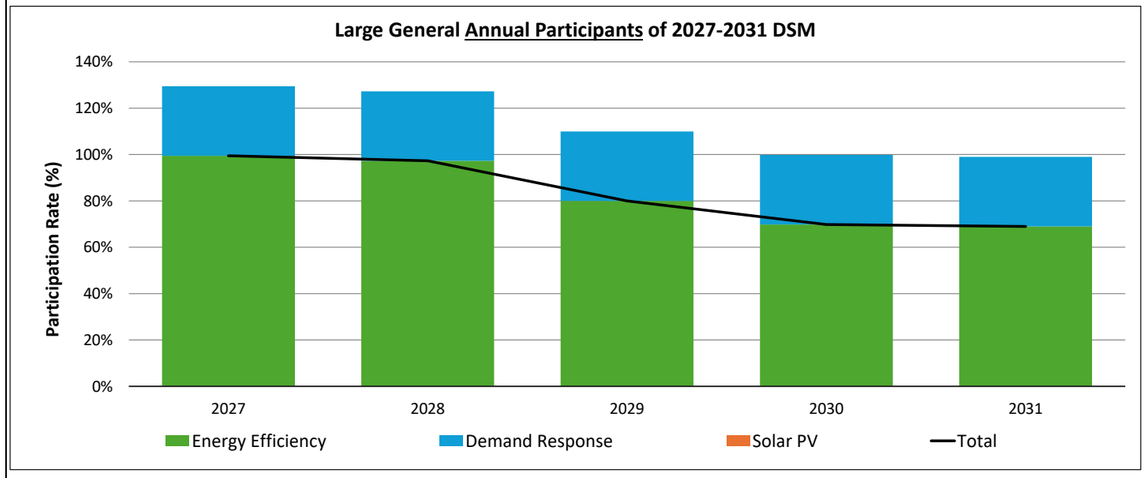
Line#		2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045	2046	2047	2048	2049	2050	2051	2052	2053	2054	2055	Units
1	Net Incremental Energy Savings	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	6.9	5.0	3.4	3.0	2.7	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	GWh@gen
2	Net Total Annual Energy Savings	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	6.9	11.9	15.4	18.4	21.0	21.0	21.0	21.0	21.0	21.0	21.0	21.0	21.0	16.3	5.4	2.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	GWh@gen
3	DSM Expenditures	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	2.5	2.2	2.0	2.0	2.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	$ (millions)
4	Active Participants	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	20	20	20	20	20	20	20	20	20	20	20	20	20	10	4	0	0	0	0	0	0	0	0	0	0	0	0	0	0	# NSPI accounts
5	Average Net Total Annual Energy Savings per Active Participant	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	328	563	725	868	993	993	993	993	993	993	993	993	993	767	496	496	0	0	0	0	0	0	0	0	0	0	0	0	0	MWh@meter
6	Annual Number of Participants	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	20	19	16	14	14	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	# NSPI accounts
7	Average Net Incremental Energy Savings per Annual Participant	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	348	258	214	217	192	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	MWh@meter



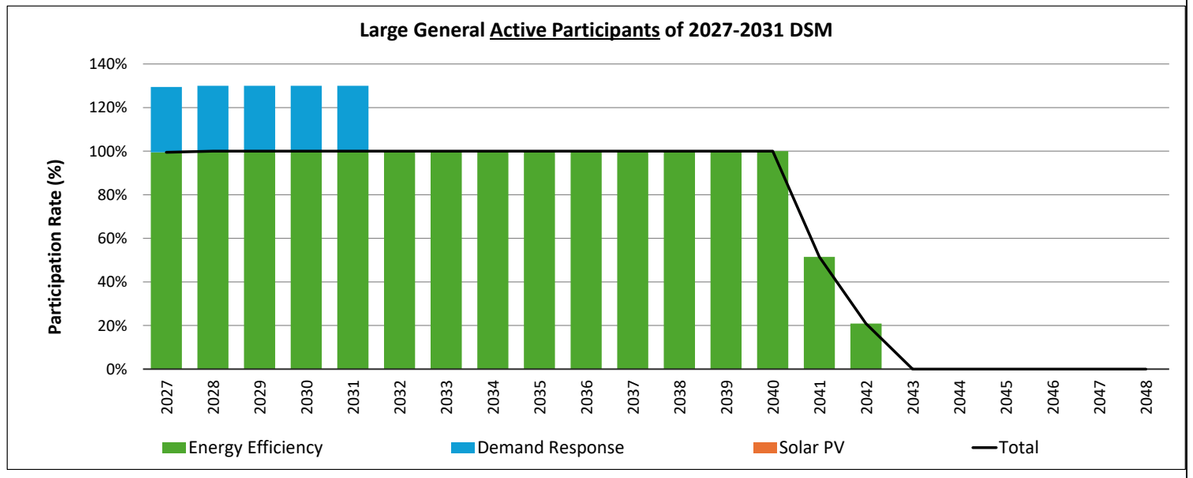
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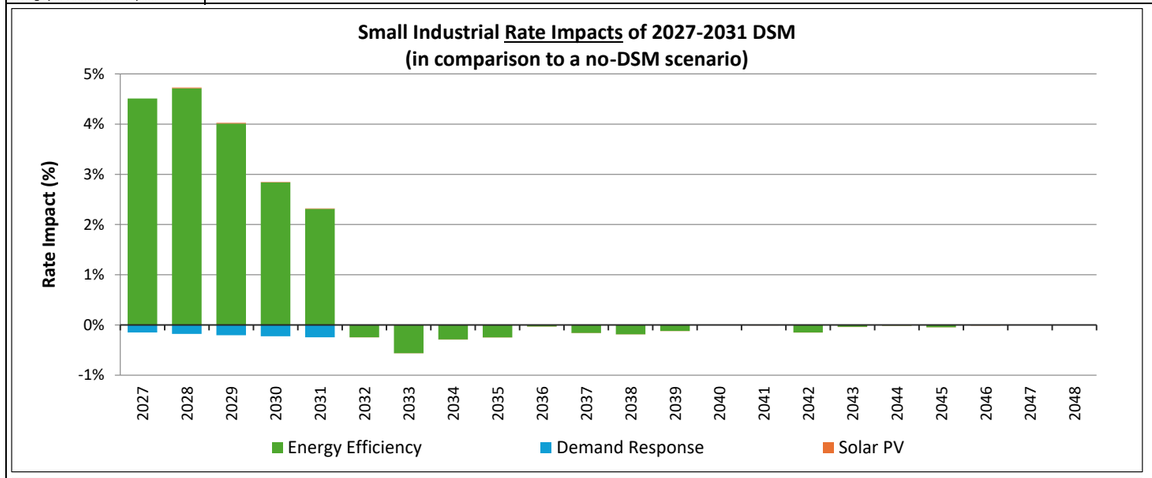
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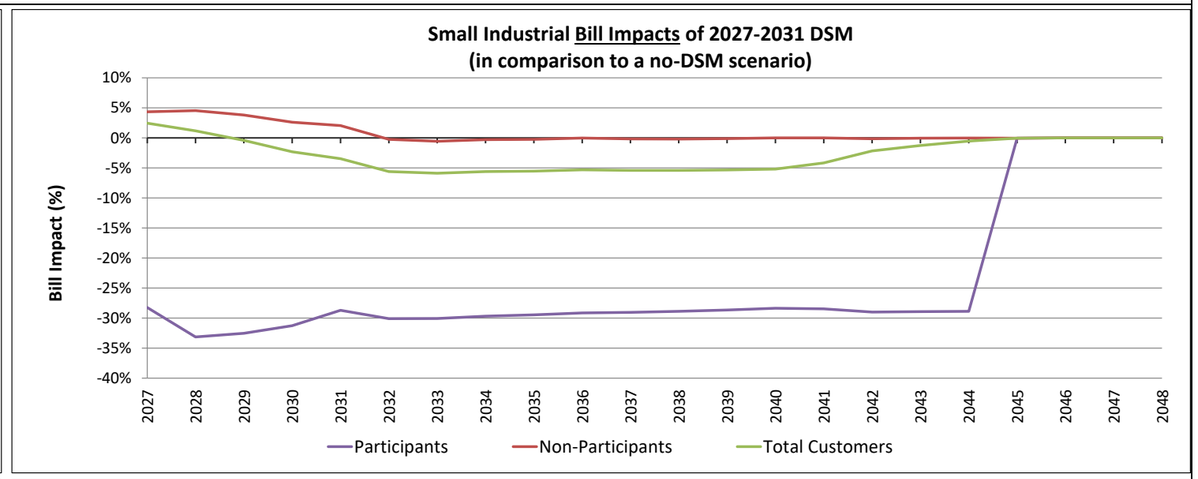
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Rate and Bill Impacts of DSM on the Small Industrial Class

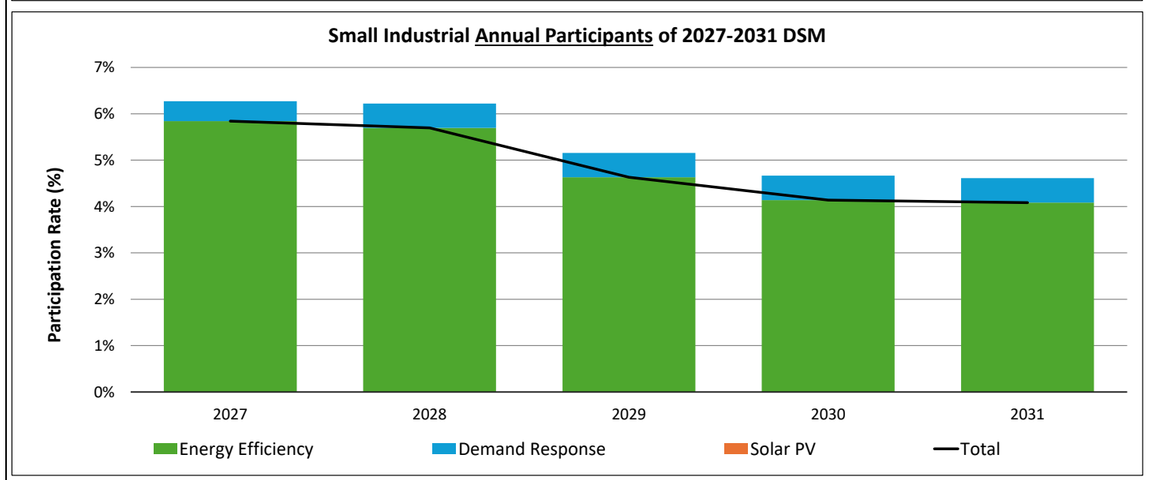
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045	2046	2047	2048	2049	2050	2051	2052	2053	2054	2055	Units
Net Incremental Energy Savings	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	3.9	5.3	4.0	2.6	2.3	2.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	GWh@gen
Net Total Annual Energy Savings	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	5.3	9.3	11.9	14.2	16.3	16.3	16.3	16.3	16.3	16.3	16.3	16.3	16.3	16.3	13.0	6.2	3.7	1.5	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	GWh@gen
DSM Expenditures	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	1.4	1.8	1.6	1.3	1.3	1.3	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	$ (millions)
Active Participants	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	122	187	243	303	374	374	374	374	374	374	374	374	374	374	299	143	86	36	0	0	0	0	0	0	0	0	0	0	0	# NSPI accounts
Average Net Total Annual Energy Savings per Active Participant	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	40,747	46,936	46,391	44,417	41,135	41,135	41,135	41,135	41,135	41,135	41,135	41,135	41,135	41,135	41,135	41,135	41,135	41,135	0	0	0	0	0	0	0	0	0	0	0	kWh@meter
Annual Number of Participants	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	122	119	97	86	85	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	# NSPI accounts
Average Net Incremental Energy Savings per Annual Participant	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	43,110	33,504	27,349	26,737	24,142	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	kWh@meter



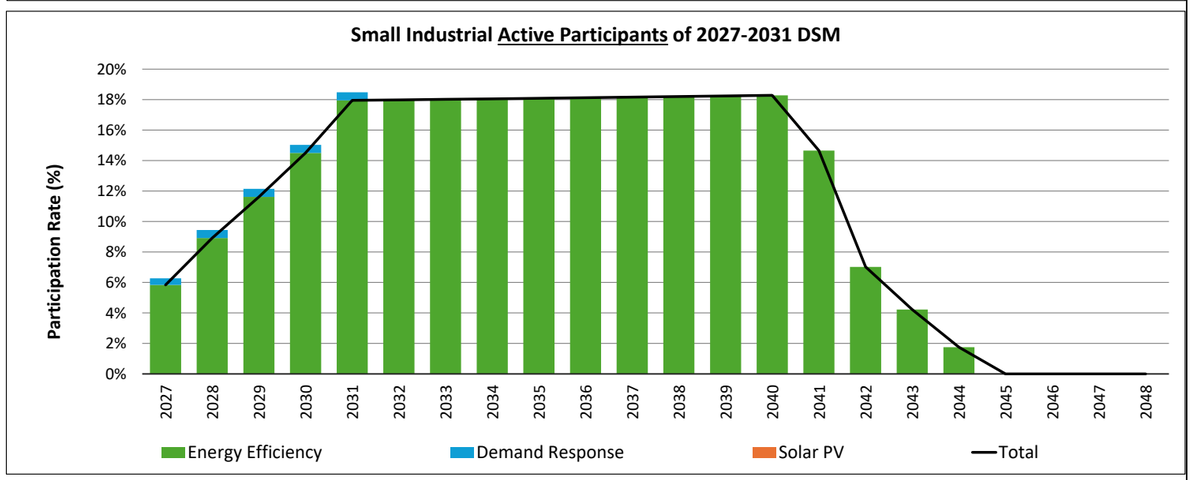
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This graph shows bill impacts of all DSM resources combined, as percentage differences relative to the no-DSM scenario. 'Participants' represents a customer with average energy use and average DSM savings . 'Non-Participants' represents a customer with average energy use and no DSM savings. 'Total Customers' is a hypothetical scenario that does not differentiate between Participants and Non-Participants.



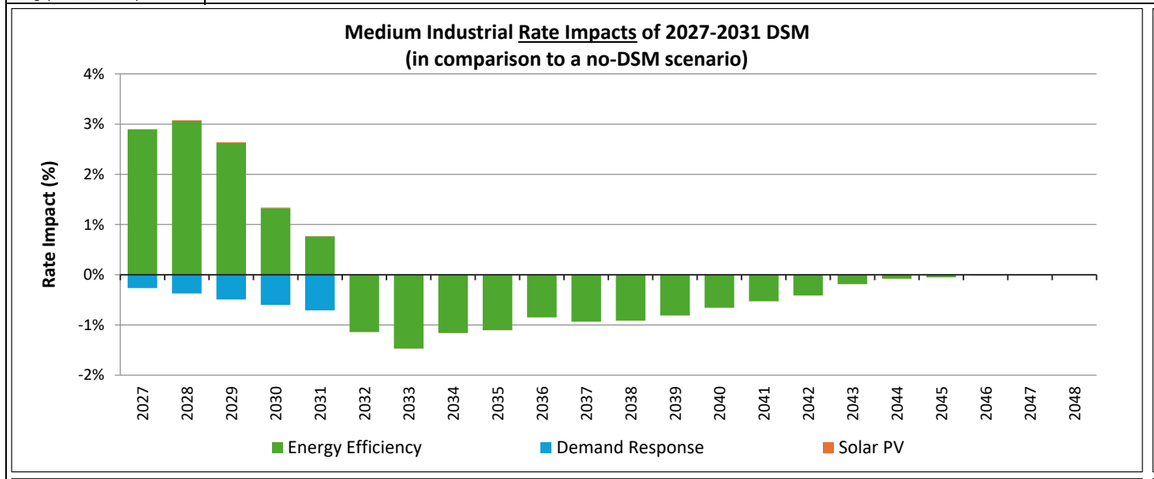
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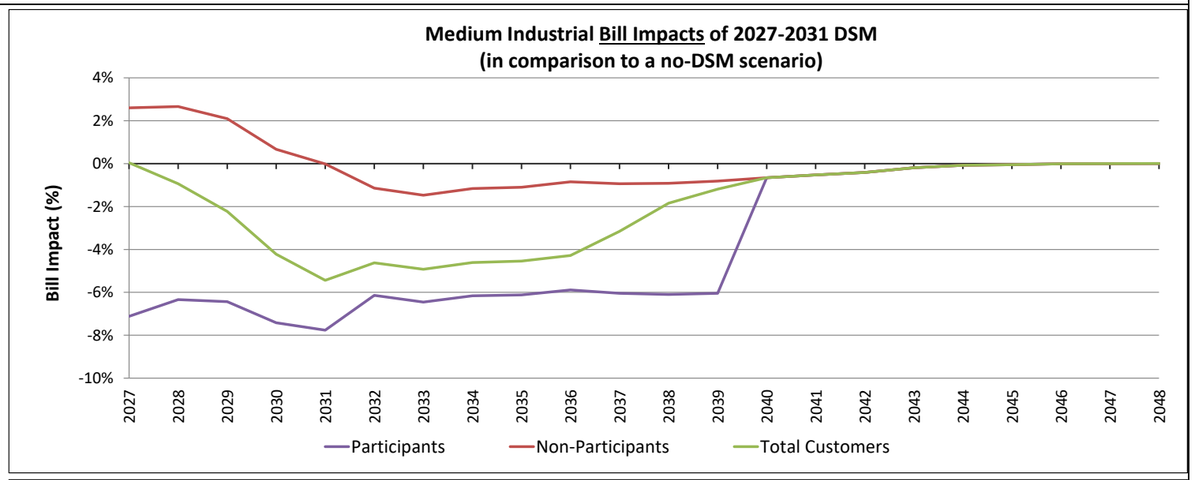
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Rate and Bill Impacts of DSM on the Medium Industrial Class

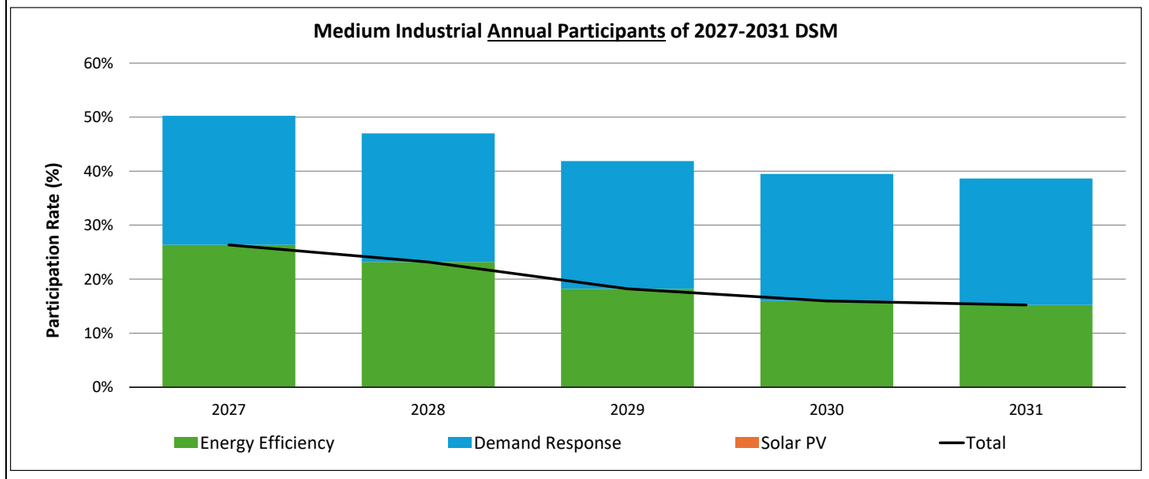
Line#		2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045	2046	2047	2048	2049	2050	2051	2052	2053	2054	2055	Units
1	Net Incremental Energy Savings	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	6.0	4.6	3.4	2.9	2.6	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	GWh@gen
2	Net Total Annual Energy Savings	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	6.0	10.6	13.9	16.8	19.4	19.4	19.4	19.4	19.4	19.4	12.4	5.1	2.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	GWh@gen
3	DSM Expenditures	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	2.9	2.9	3.0	3.1	3.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	$ (millions)
4	Active Participants	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	48	74	94	113	132	132	132	132	132	132	84	35	14	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	# NSPI accounts
5	Average Net Total Annual Energy Savings per Active Participant	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	117	135	140	141	140	140	140	140	140	140	140	140	140	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	MWh@meter
6	Annual Number of Participants	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	48	43	34	30	29	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	# NSPI accounts
7	Average Net Incremental Energy Savings per Annual Participant	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	124	106	99	96	90	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	MWh@meter



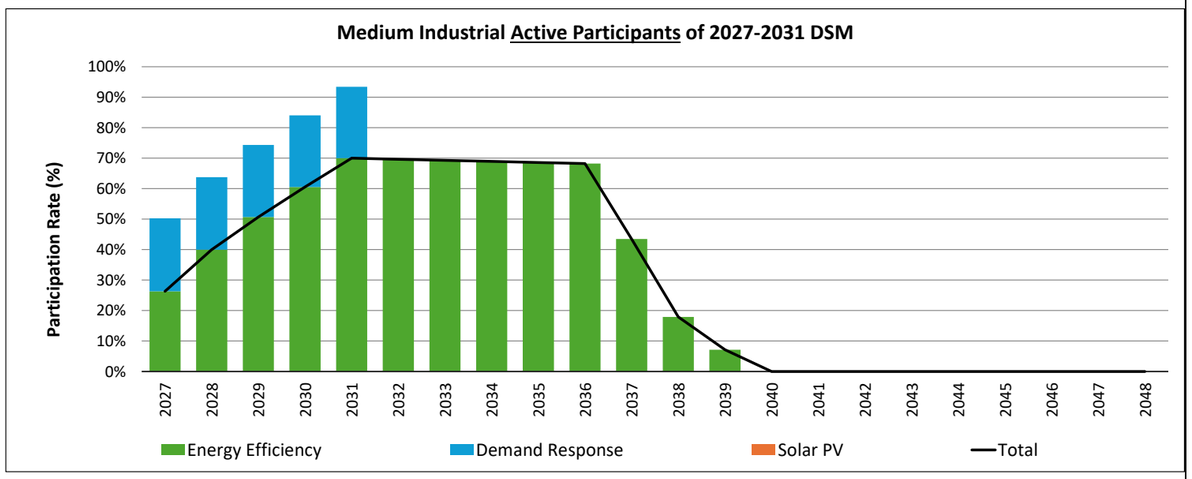
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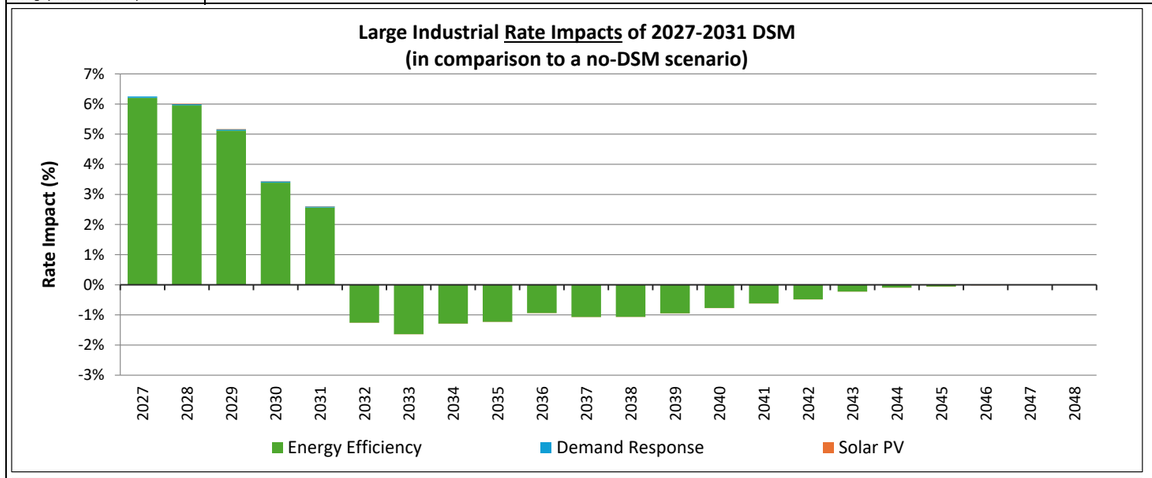
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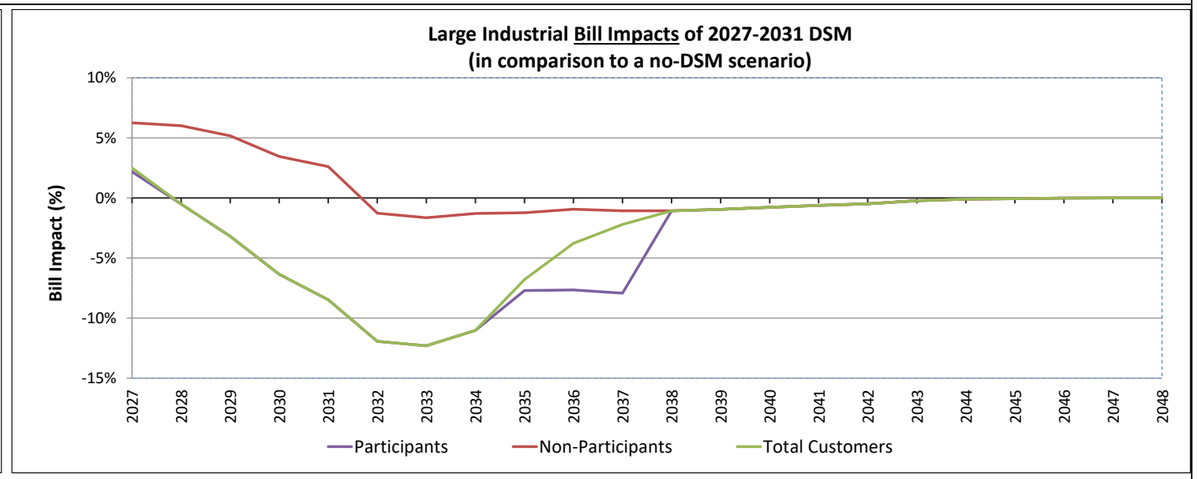
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Rate and Bill Impacts of DSM on the Large Industrial Class

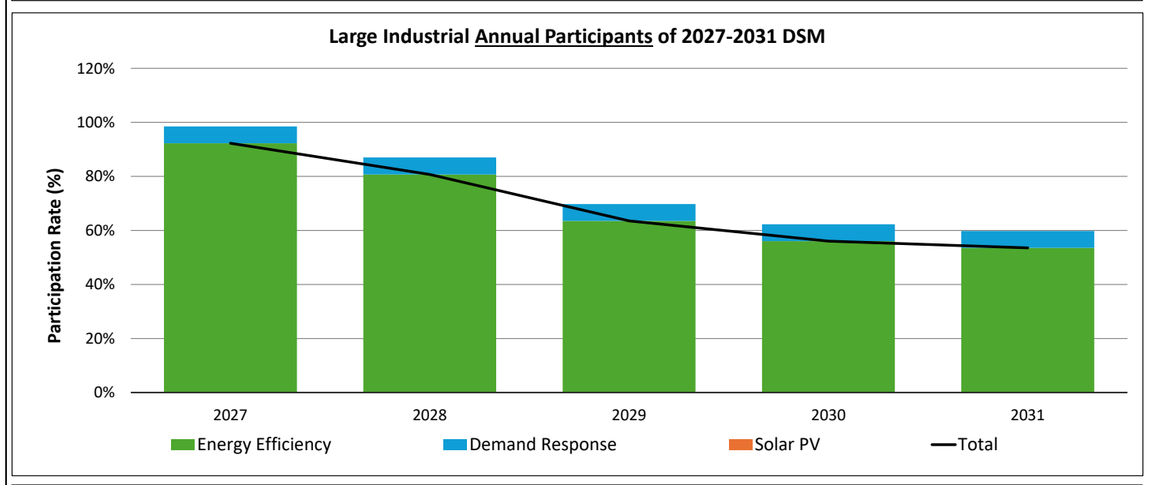
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045	2046	2047	2048	2049	2050	2051	2052	2053	2054	2055	Units
Net Incremental Energy Savings	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	27.5	20.5	15.1	13.1	11.7	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	GWh@gen
Net Total Annual Energy Savings	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	27.5	48.0	63.1	76.2	87.9	87.9	87.9	78.9	42.8	21.1	8.3	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	GWh@gen
DSM Expenditures	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	4.8	4.0	3.6	3.3	3.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	$ (millions)
Active Participants	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	30	32	32	32	32	32	32	32	27	14	5	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	# NSPI accounts
Average Net Total Annual Energy Savings per Active Participant	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	891	1,434	1,885	2,276	2,625	2,625	2,625	2,356	1,490	1,490	1,490	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	MWh@meter
Annual Number of Participants	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	30	26	20	18	17	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	# NSPI accounts
Average Net Incremental Energy Savings per Annual Participant	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	932	793	742	729	683	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	MWh@meter



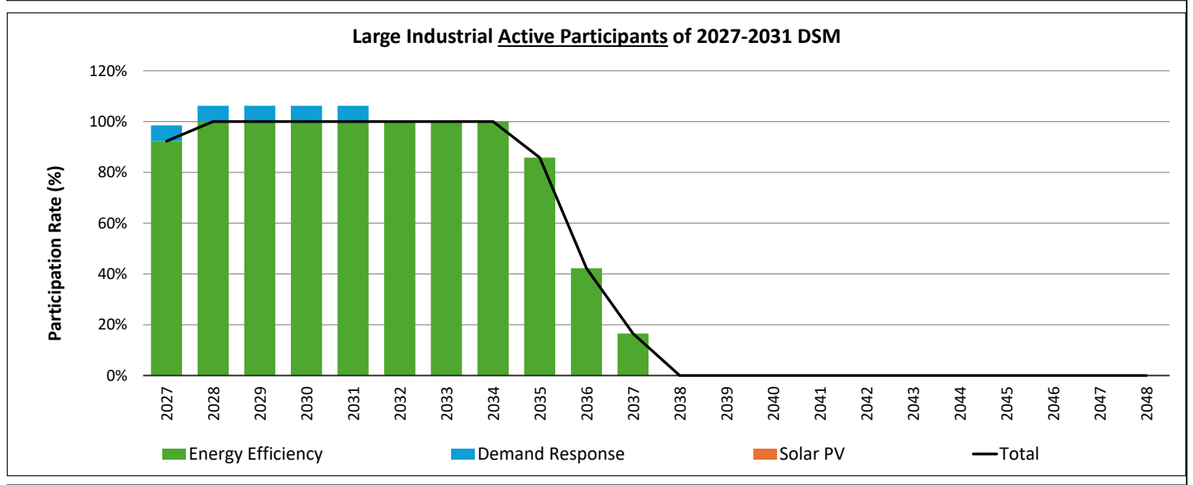
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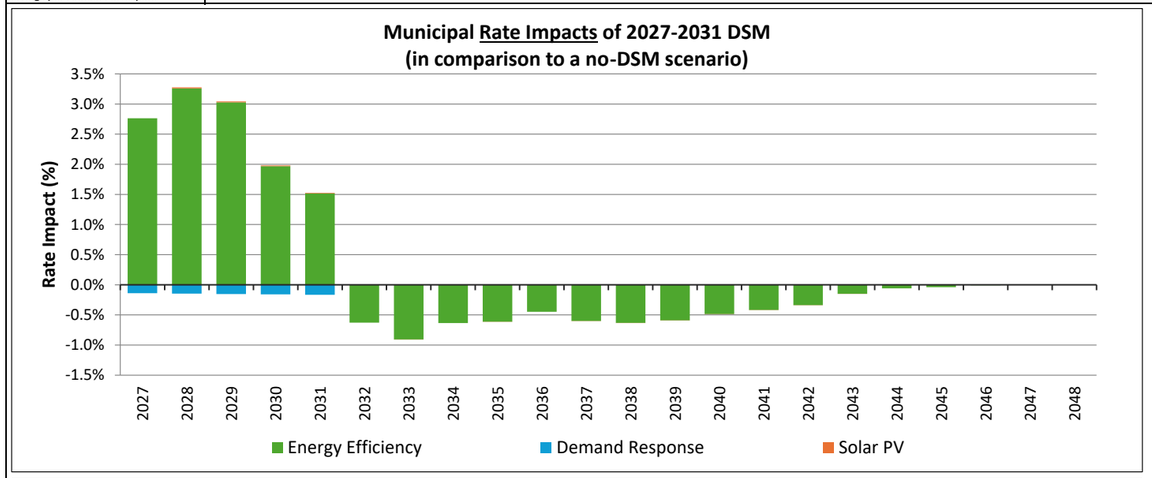
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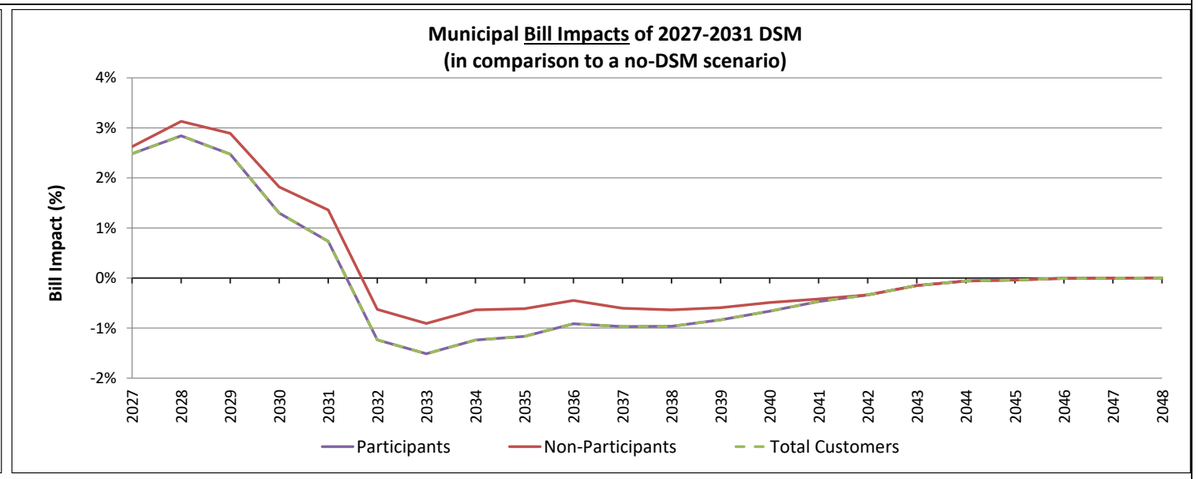
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Rate and Bill Impacts of DSM on the Municipal Class

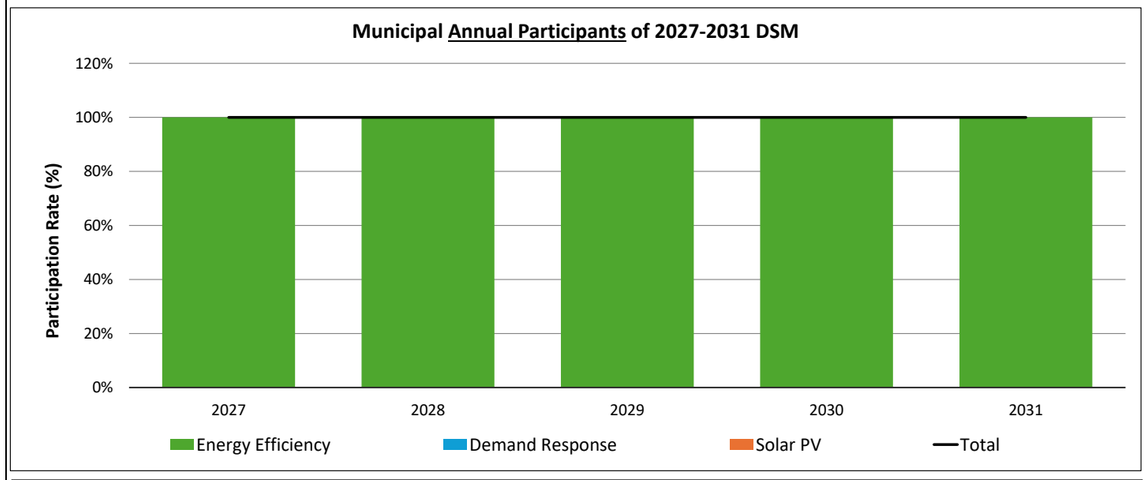
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045	2046	2047	2048	2049	2050	2051	2052	2053	2054	2055	Units
Net Incremental Energy Savings	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.7	0.7	0.6	0.6	0.6	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	GWh@gen
Net Total Annual Energy Savings	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.7	1.4	2.1	2.6	3.2	3.2	3.2	3.2	2.9	2.5	1.9	1.8	1.3	0.9	0.3	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	GWh@gen
DSM Expenditures	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.5	0.6	0.6	0.6	0.6	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	$ (millions)
Active Participants	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	# NSPI accounts (thousands)
Average Net Total Annual Energy Savings per Active Participant	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	671	1,368	1,975	2,523	3,059	3,059	3,059	3,059	2,809	2,388	1,874	1,691	1,260	897	261	0	0	0	0	0	0	0	0	0	0	0	0	0	0	MWh@meter
Annual Number of Participants	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1	1	1	1	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	# NSPI accounts
Average Net Incremental Energy Savings per Annual Participant	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	698	724	631	570	558	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	MWh@meter



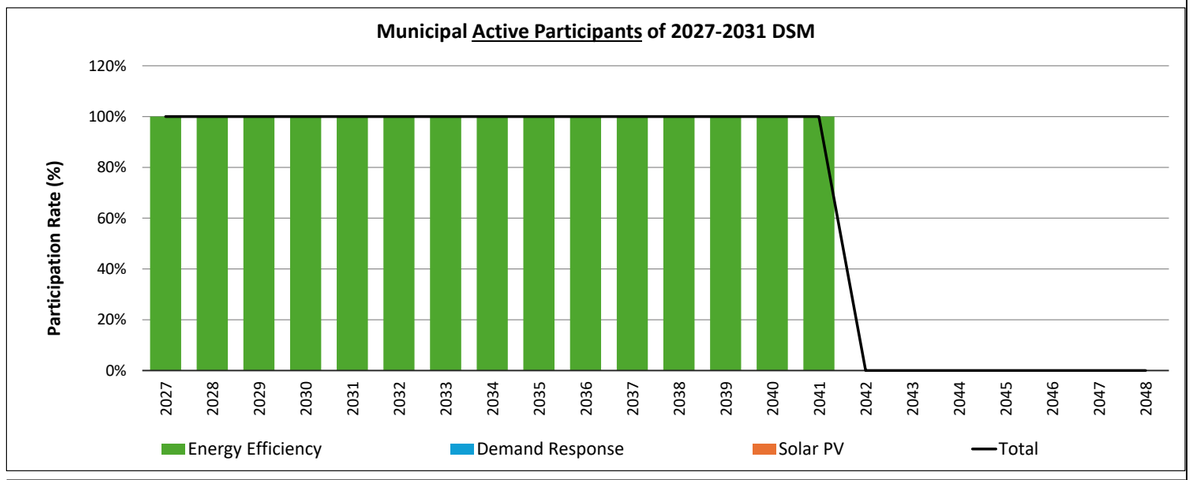
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This graph shows 'Annual' participation for the class, by DSM resource. Within each resource, customers are counted once for each year where they participate. Participants are estimated separately for each resource, so the sum of participants from all resources can exceed 100% of customers in the class. The 'Total' series represents grand total participation, after removing double-counting of participants from multiple resources.



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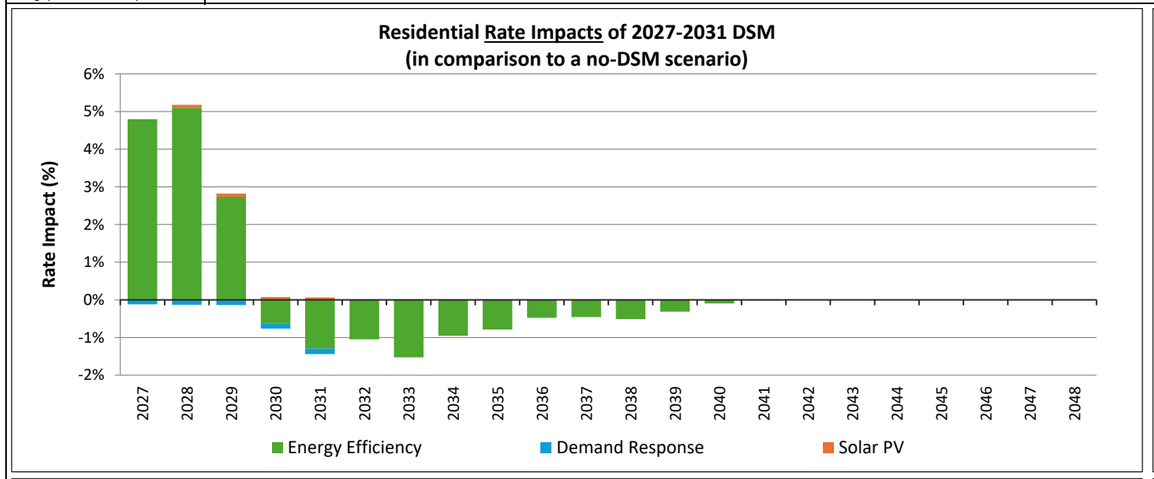
Appendix B

Attachment 3: Results by Rate Class

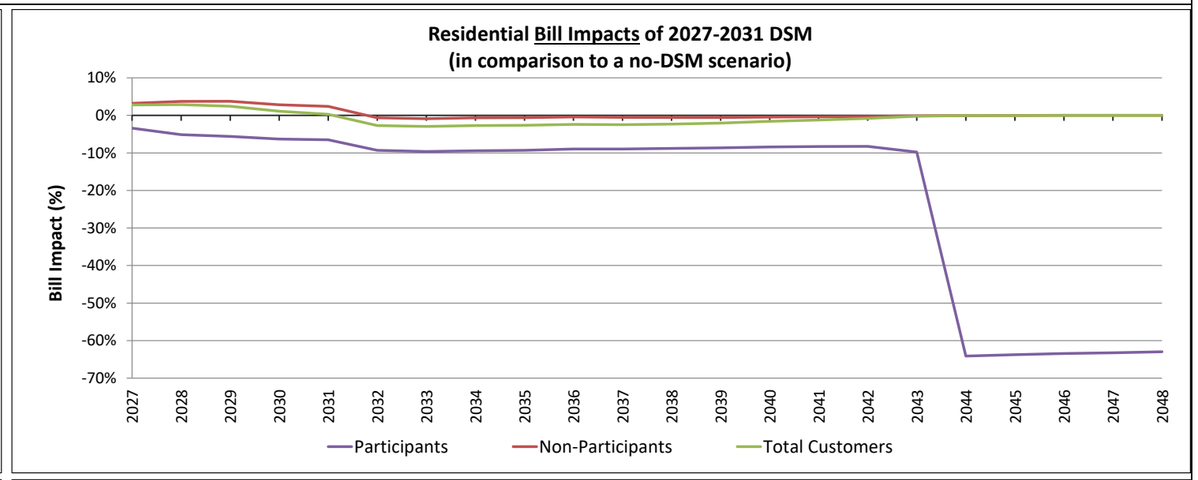
2027-2031 Alternate Scenario

Rate and Bill Impacts of DSM on the Residential Class

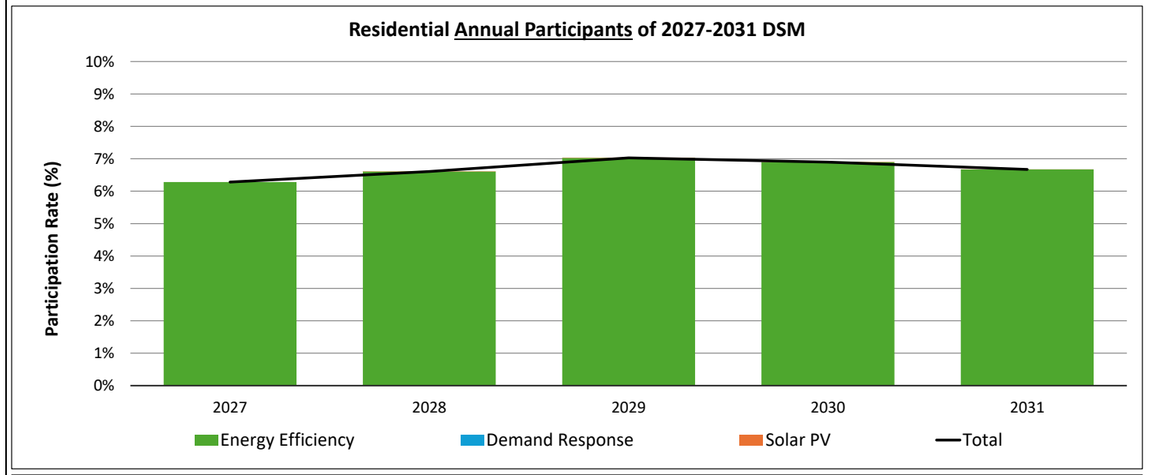
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045	2046	2047	2048	2049	2050	2051	2052	2053	2054	2055	Units
Net Incremental Energy Savings	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	26.1	27.7	27.5	27.0	26.3	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	GWh@gen
Net Total Annual Energy Savings	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	26.1	53.8	81.4	108.4	134.7	134.7	134.7	134.7	134.7	134.7	134.7	125.4	108.5	83.2	64.4	38.9	8.1	1.7	1.7	1.7	1.7	1.7	1.7	1.7	1.7	1.7	1.7	1.7	1.7	GWh@gen
DSM Expenditures	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	27.9	31.1	35.3	36.0	36.5	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	$ (millions)
Active Participants	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	33	52	75	102	131	131	131	131	131	131	131	122	105	80	62	37	6	0	0	0	0	0	0	0	0	0	0	0	0	0	# NSPI accounts (thousands)
Average Net Total Annual Energy Savings per Active Participant	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	726	957	995	971	944	944	944	944	944	944	944	945	947	952	957	975	1,185	7,973	7,973	7,973	7,973	7,973	7,973	7,973	7,973	7,973	7,973	7,973	7,973	kWh@meter
Annual Number of Participants	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	33	35	38	37	36	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	# NSPI accounts (thousands)
Average Net Incremental Energy Savings per Annual Participant	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	793	789	729	723	720	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	kWh@meter



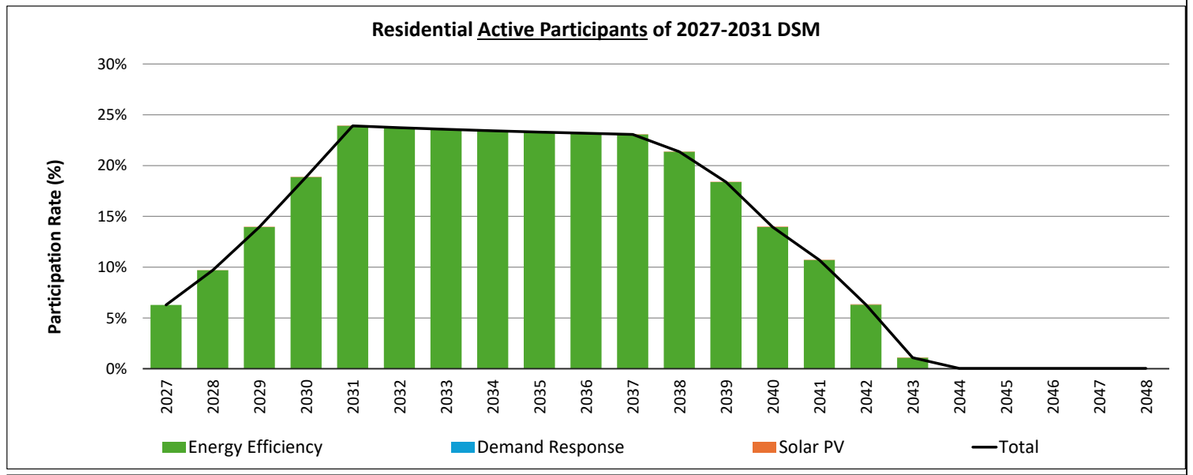
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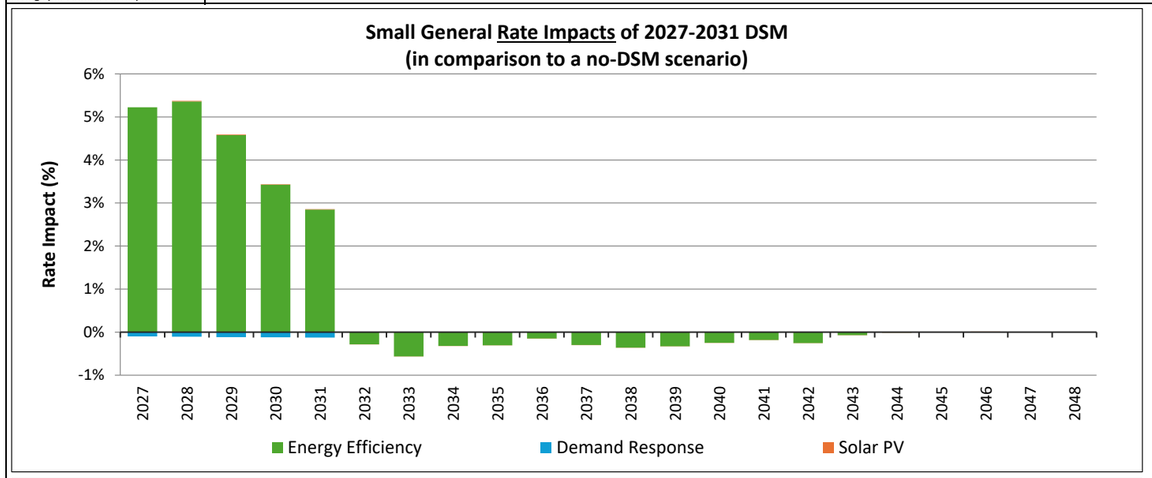
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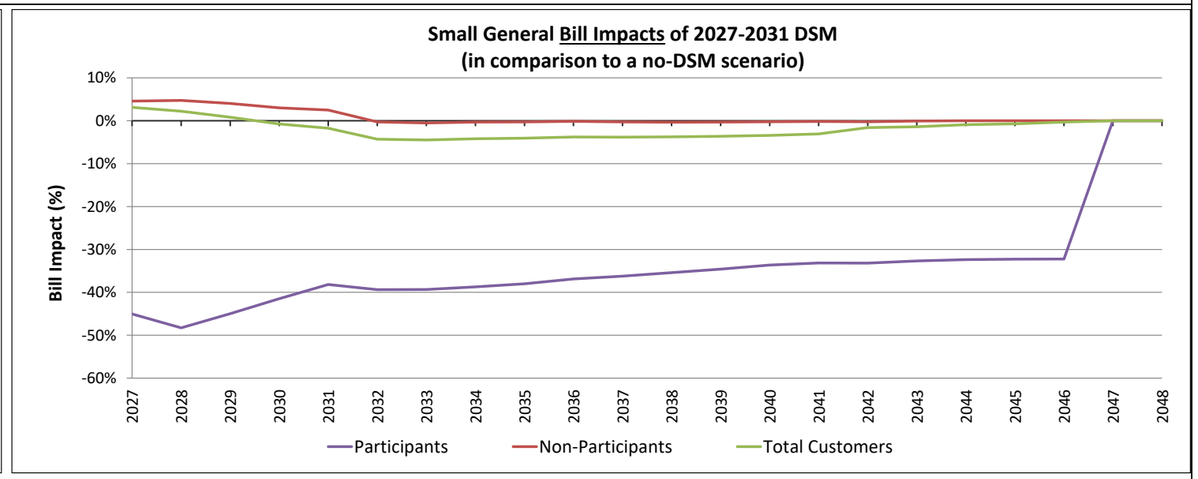
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Rate and Bill Impacts of DSM on the Small General Class

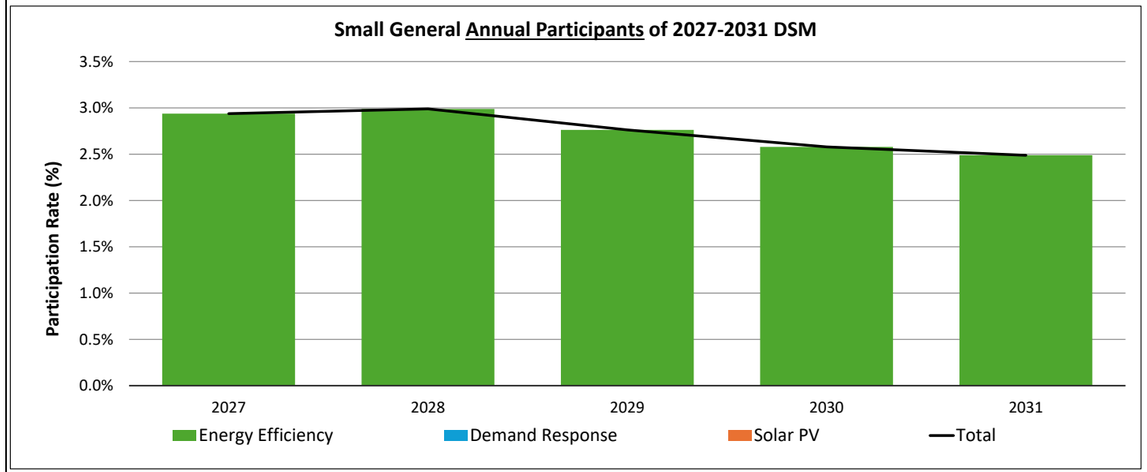
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045	2046	2047	2048	2049	2050	2051	2052	2053	2054	2055	Units
Net Incremental Energy Savings	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	6.1	5.2	3.5	2.9	2.7	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	GWh@gen
Net Total Annual Energy Savings	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	6.1	11.3	14.8	17.7	20.4	20.4	20.4	20.4	20.4	20.4	20.4	20.4	20.4	20.4	19.0	9.0	9.0	6.3	5.1	2.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	GWh@gen
DSM Expenditures	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	2.8	2.8	2.4	2.3	2.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	$ (millions)
Active Participants	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1	1	2	2	3	3	3	3	3	3	3	3	3	3	3	1	1	1	1	0	0	0	0	0	0	0	0	0	0	0	# NSPI accounts (thousands)
Average Net Total Annual Energy Savings per Active Participant	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	6,988	7,903	7,368	6,798	6,294	6,294	6,294	6,294	6,294	6,294	6,294	6,294	6,294	6,294	6,294	6,294	6,294	6,294	6,294	6,294	0	0	0	0	0	0	0	0	0	kWh@meter
Annual Number of Participants	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1	1	1	1	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	# NSPI accounts (thousands)
Average Net Incremental Energy Savings per Annual Participant	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	7,580	6,279	4,455	3,990	3,758	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	kWh@meter



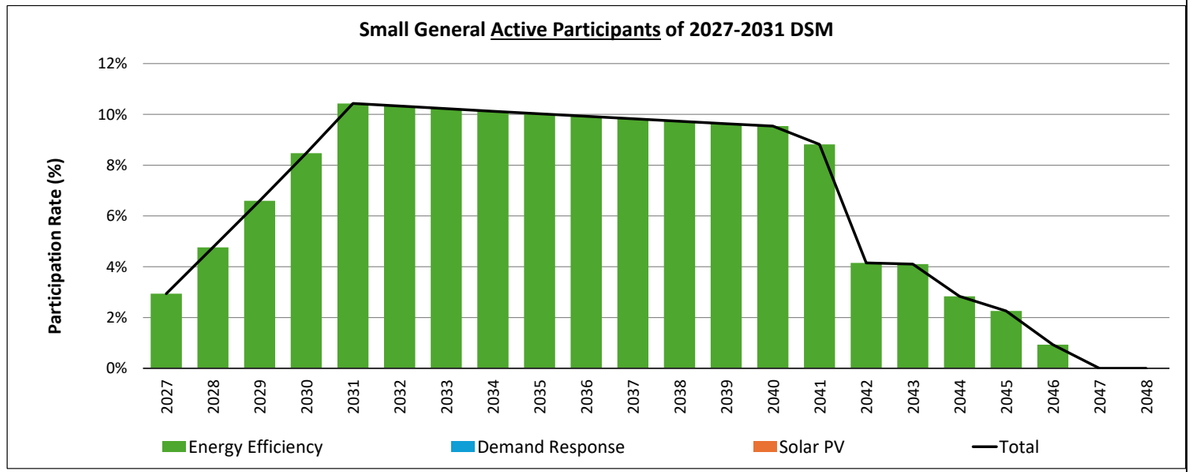
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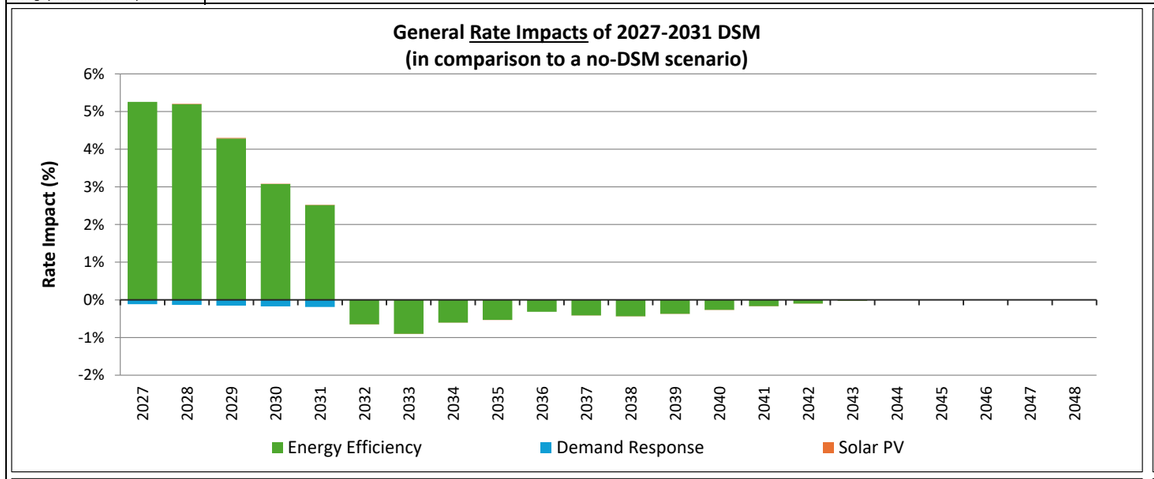
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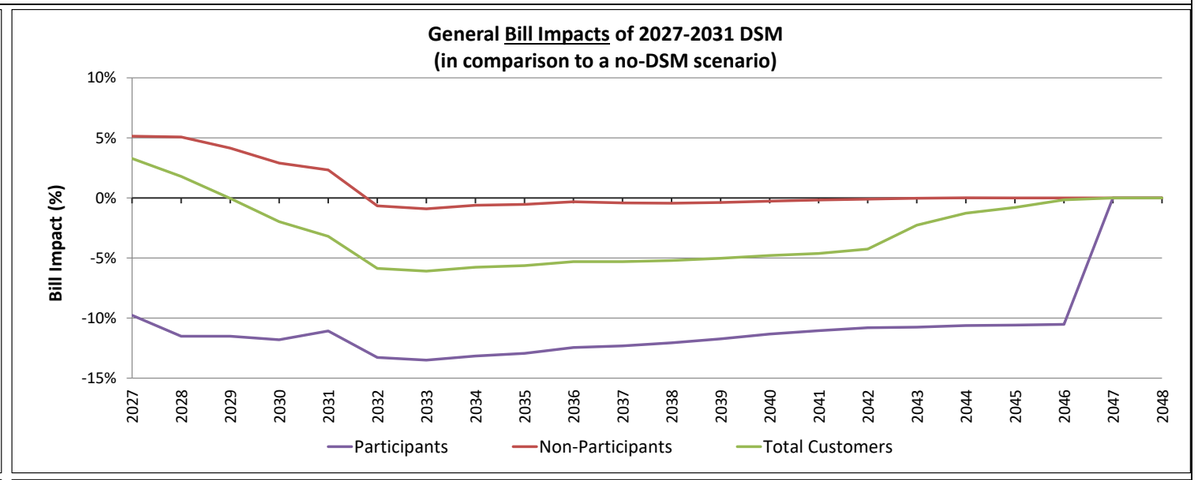
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Rate and Bill Impacts of DSM on the General Class

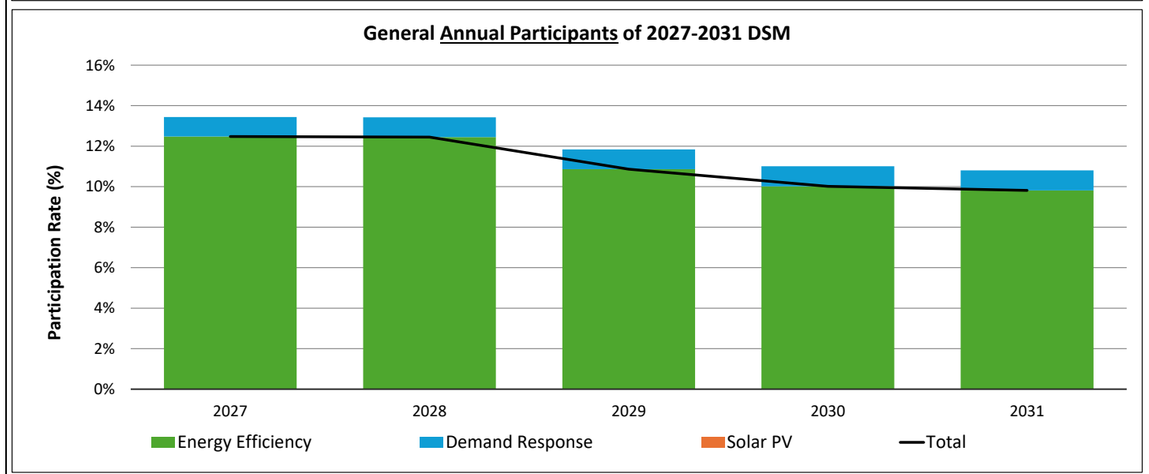
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045	2046	2047	2048	2049	2050	2051	2052	2053	2054	2055	Units
Net Incremental Energy Savings	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	42.8	33.5	22.0	18.9	17.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	GWh@gen
Net Total Annual Energy Savings	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	42.8	76.3	98.3	117.2	134.2	134.2	134.2	134.2	134.2	134.2	134.2	134.2	134.2	134.2	134.2	127.4	68.5	39.4	24.5	5.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	GWh@gen
DSM Expenditures	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	18.4	16.5	13.6	13.1	12.8	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	$ (millions)
Active Participants	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1	2	3	4	5	5	5	5	5	5	5	5	5	5	5	4	2	1	1	0	0	0	0	0	0	0	0	0	0	0	# NSPI accounts (thousands)
Average Net Total Annual Energy Savings per Active Participant	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	28,782	32,352	30,916	29,571	27,232	27,232	27,232	27,232	27,232	27,232	27,232	27,232	27,232	27,232	27,232	27,232	27,232	27,232	27,232	27,232	0	0	0	0	0	0	0	0	0	kWh@meter
Annual Number of Participants	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1	1	1	1	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	# NSPI accounts
Average Net Incremental Energy Savings per Annual Participant	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	30,447	23,922	17,950	16,735	15,360	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	kWh@meter



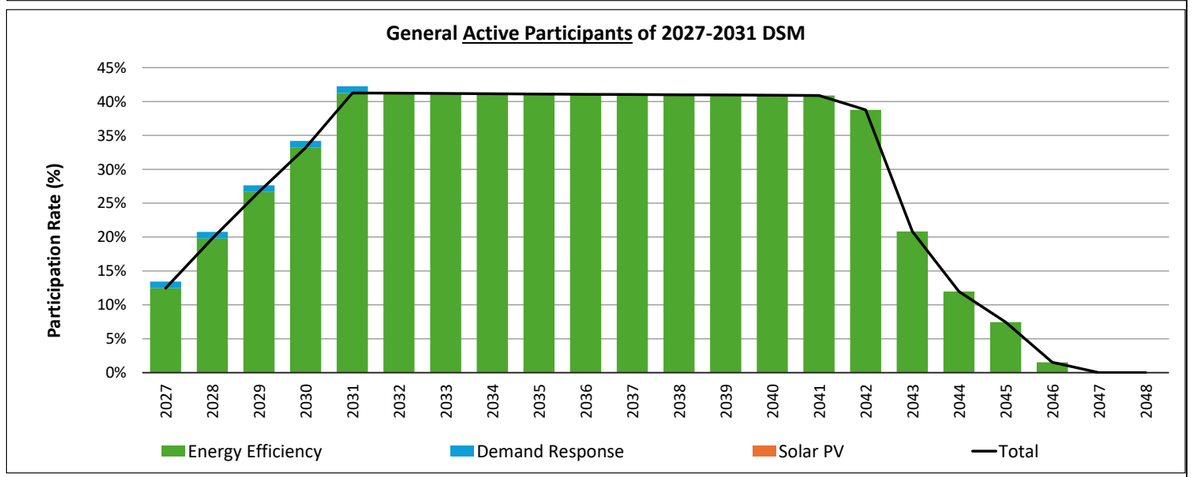
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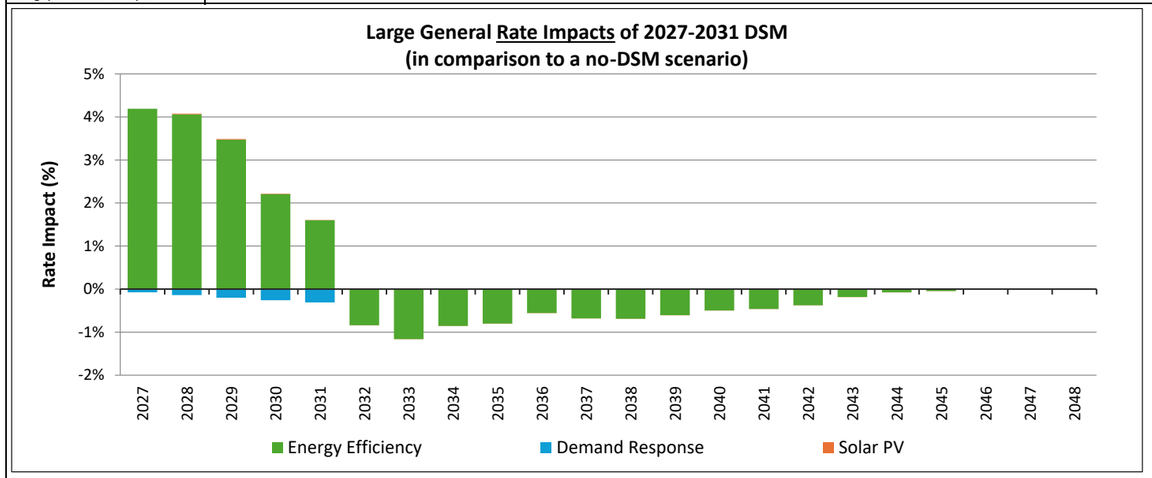
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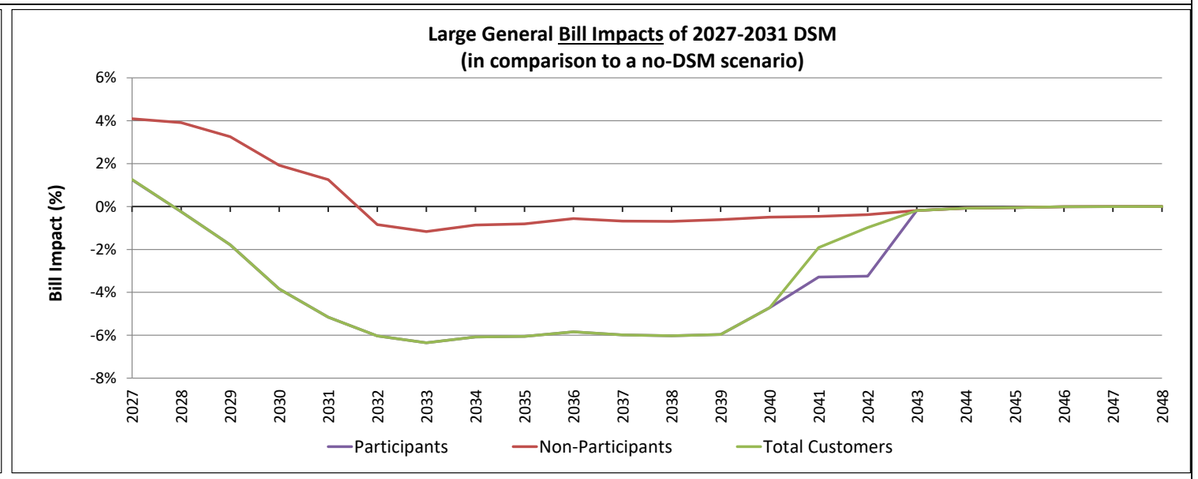
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Rate and Bill Impacts of DSM on the Large General Class

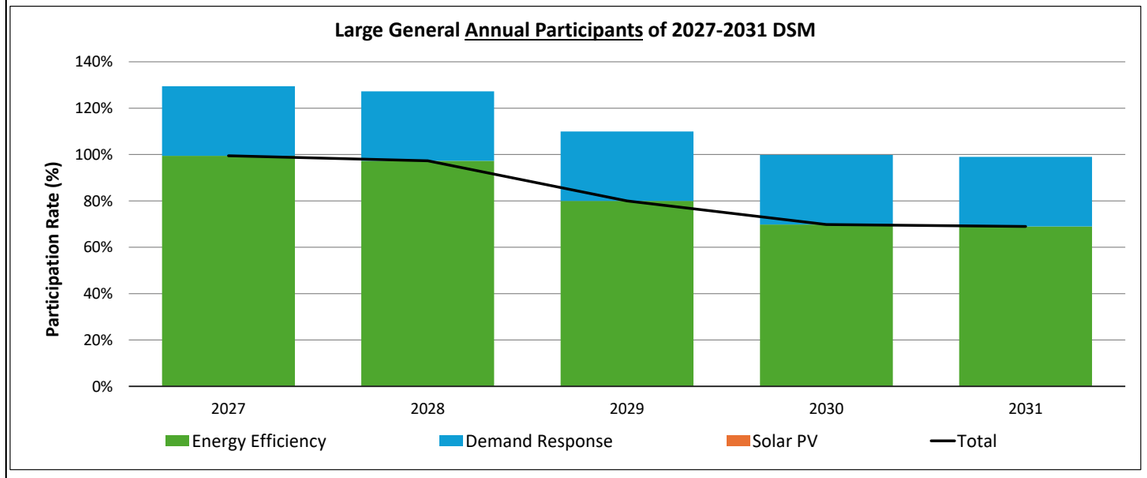
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045	2046	2047	2048	2049	2050	2051	2052	2053	2054	2055	Units
Net Incremental Energy Savings	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	6.9	5.0	3.4	3.0	2.7	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	GWh@gen
Net Total Annual Energy Savings	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	6.9	11.9	15.4	18.4	21.0	21.0	21.0	21.0	21.0	21.0	21.0	21.0	21.0	16.3	5.4	2.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	GWh@gen
DSM Expenditures	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	2.5	2.2	2.0	2.0	2.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	$ (millions)
Active Participants	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	20	20	20	20	20	20	20	20	20	20	20	20	20	10	4	0	0	0	0	0	0	0	0	0	0	0	0	0	0	# NSPI accounts
Average Net Total Annual Energy Savings per Active Participant	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	328	563	725	868	993	993	993	993	993	993	993	993	993	767	496	496	0	0	0	0	0	0	0	0	0	0	0	0	0	MWh@meter
Annual Number of Participants	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	20	19	16	14	14	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	# NSPI accounts
Average Net Incremental Energy Savings per Annual Participant	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	348	258	214	217	192	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	MWh@meter



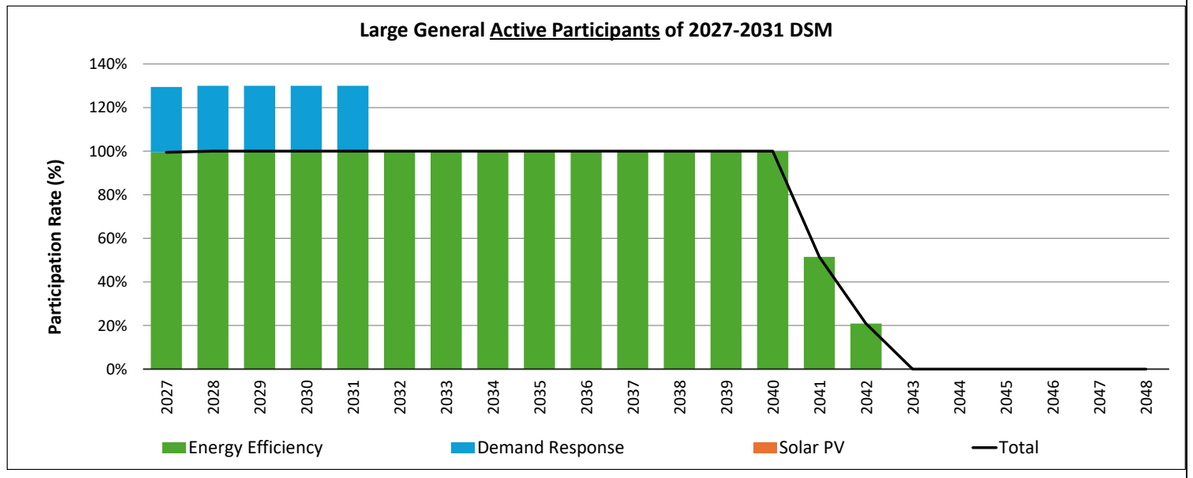
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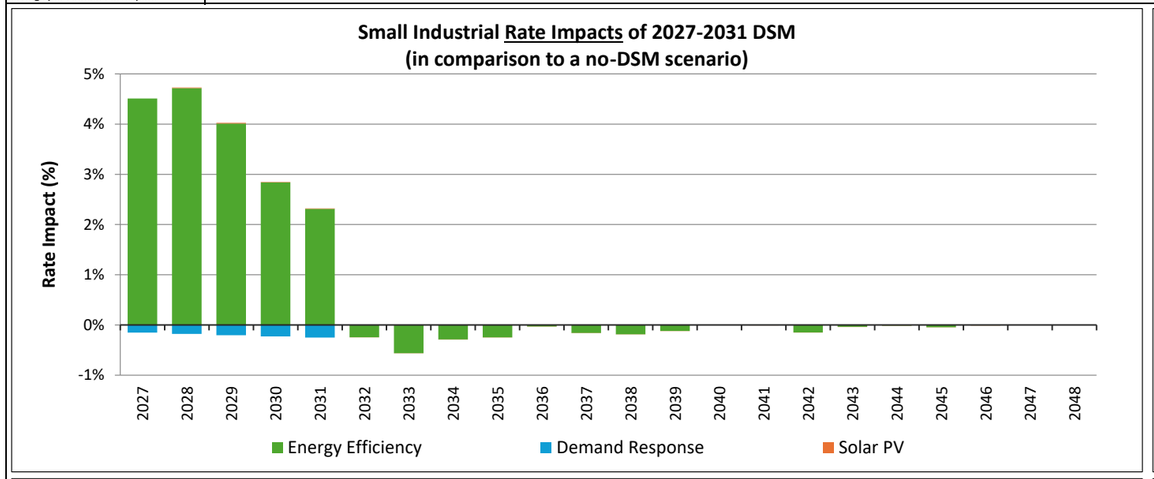
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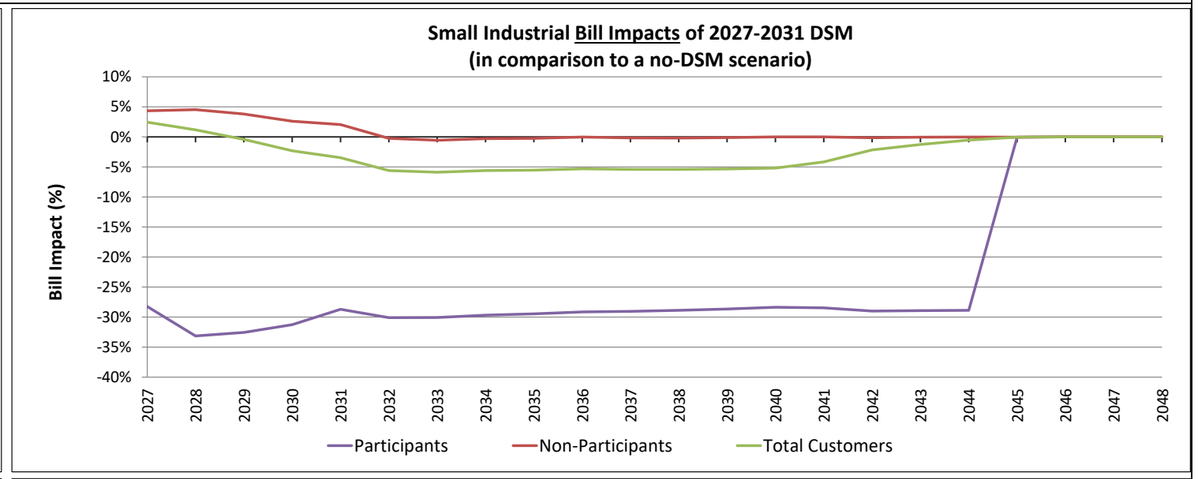
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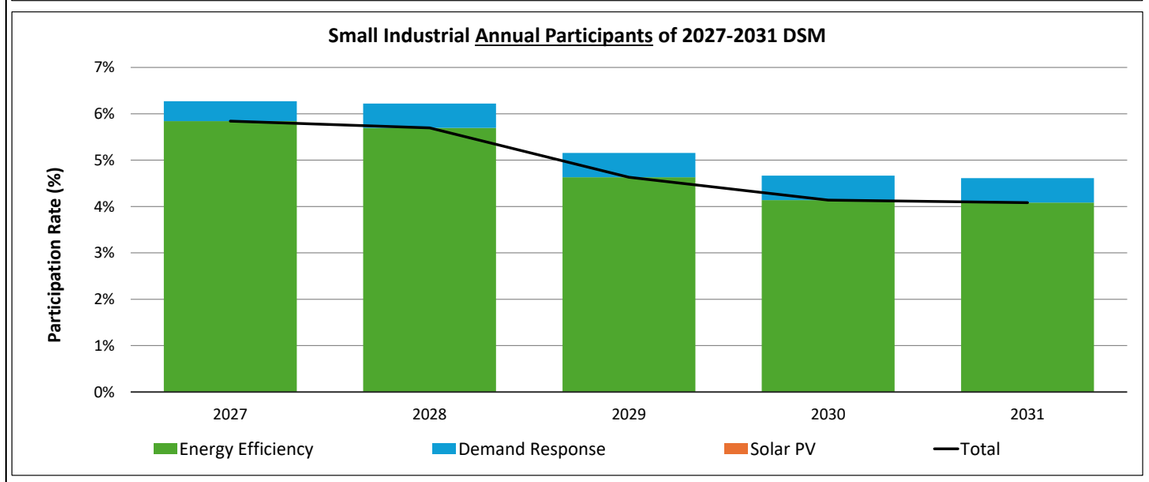
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045	2046	2047	2048	2049	2050	2051	2052	2053	2054	2055	Units
Net Incremental Energy Savings	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	3.9	5.3	4.0	2.6	2.3	2.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	GWh@gen
Net Total Annual Energy Savings	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	5.3	9.3	11.9	14.2	16.3	16.3	16.3	16.3	16.3	16.3	16.3	16.3	16.3	16.3	13.0	6.2	3.7	1.5	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	GWh@gen
DSM Expenditures	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	1.4	1.8	1.6	1.3	1.3	1.3	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	$ (millions)
Active Participants	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	122	187	243	303	374	374	374	374	374	374	374	374	374	374	299	143	86	36	0	0	0	0	0	0	0	0	0	0	0	# NSPI accounts
Average Net Total Annual Energy Savings per Active Participant	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	40,747	46,936	46,391	44,417	41,135	41,135	41,135	41,135	41,135	41,135	41,135	41,135	41,135	41,135	41,135	41,135	41,135	41,135	0	0	0	0	0	0	0	0	0	0	0	kWh@meter
Annual Number of Participants	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	122	119	97	86	85	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	# NSPI accounts
Average Net Incremental Energy Savings per Annual Participant	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	43,110	33,504	27,349	26,737	24,142	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	kWh@meter



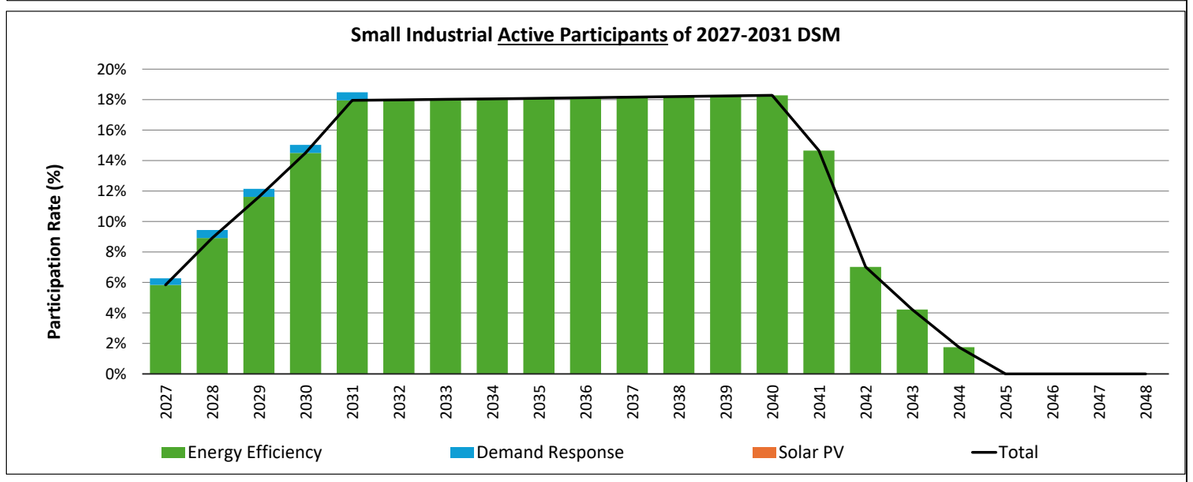
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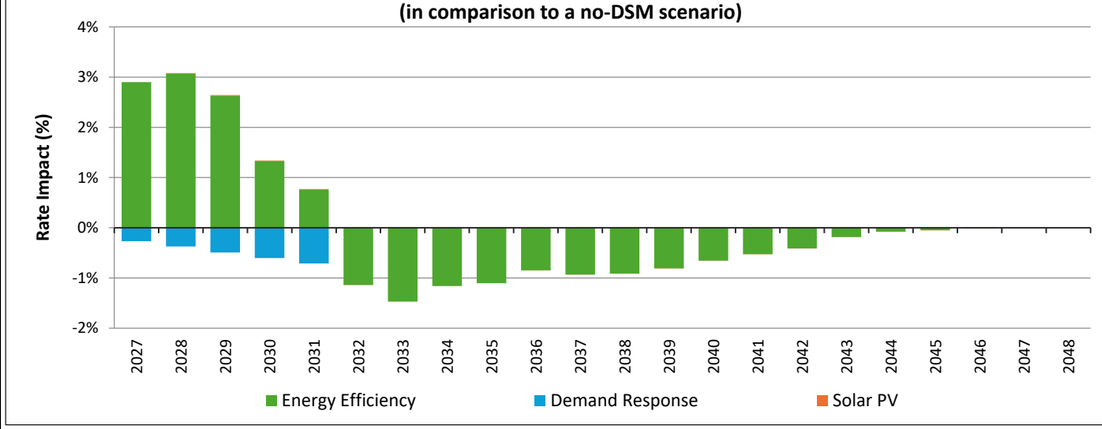


This graph shows 'Active' participation for the class, by DSM resource. When a customer first participates, they become an 'Active' participant for the duration of the weighted-average measure life at the rate class level for whichever resource they participated in. If they participate again while they are already 'Active', they are not counted a second time. Participants are estimated separately for each resource, so the sum of participants from all resources can exceed 100% of customers. The 'Total' line represents grand total participation,after removing double-counting of participants from multiple resources.

Rate and Bill Impacts of DSM on the Medium Industrial Class

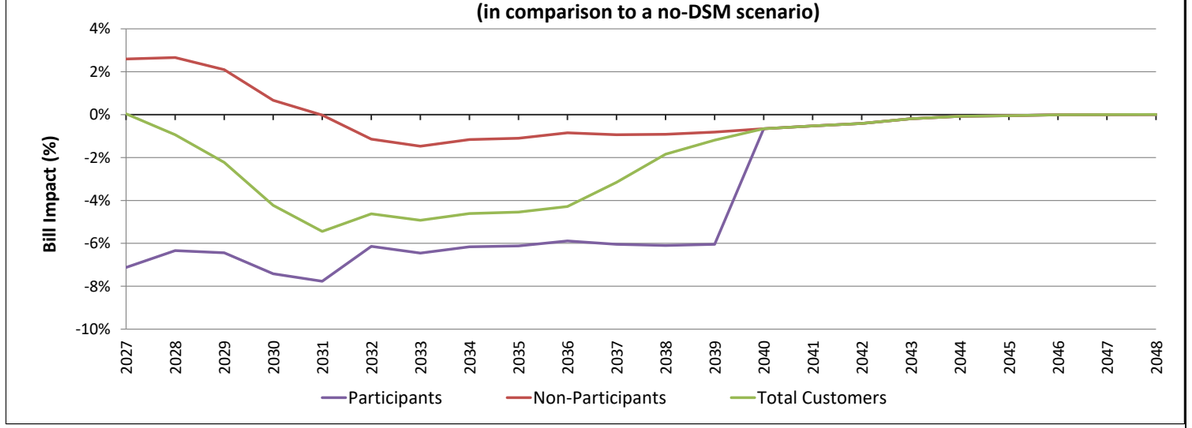
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045	2046	2047	2048	2049	2050	2051	2052	2053	2054	2055	Units
Net Incremental Energy Savings	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	6.0	4.6	3.4	2.9	2.6	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	GWh@gen
Net Total Annual Energy Savings	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	6.0	10.6	13.9	16.8	19.4	19.4	19.4	19.4	19.4	19.4	12.4	5.1	2.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	GWh@gen
DSM Expenditures	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	2.9	2.9	3.0	3.1	3.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	$ (millions)
Active Participants	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	48	74	94	113	132	132	132	132	132	132	84	35	14	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	# NSPI accounts
Average Net Total Annual Energy Savings per Active Participant	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	117	135	140	141	140	140	140	140	140	140	140	140	140	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	MWh@meter
Annual Number of Participants	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	48	43	34	30	29	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	# NSPI accounts
Average Net Incremental Energy Savings per Annual Participant	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	124	106	99	96	90	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	MWh@meter

Medium Industrial Rate Impacts of 2027-2031 DSM (in comparison to a no-DSM scenario)



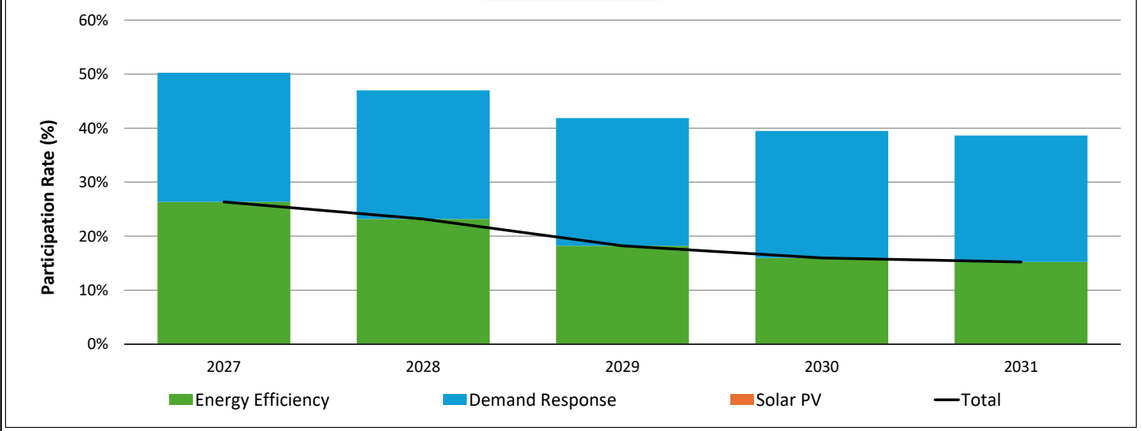
This graph shows estimated rate impacts of DSM by individual DSM resource, all relative to the no-DSM scenario.

Medium Industrial Bill Impacts of 2027-2031 DSM (in comparison to a no-DSM scenario)



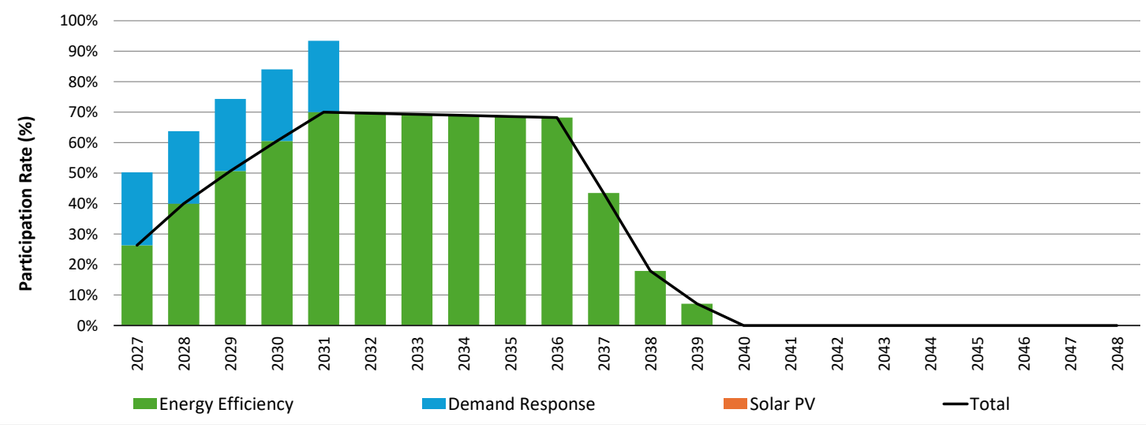
This graph shows bill impacts of all DSM resources combined, as percentage differences relative to the no-DSM scenario. 'Participants' represents a customer with average energy use and average DSM savings . 'Non-Participants' represents a customer with average energy use and no DSM savings. 'Total Customers' is a hypothetical scenario that does not differentiate between Participants and Non-Participants.

Medium Industrial Annual Participants of 2027-2031 DSM



This graph shows 'Annual' participation for the class, by DSM resource. Within each resource, customers are counted once for each year where they participate. Participants are estimated separately for each resource, so the sum of participants from all resources can exceed 100% of customers in the class. The 'Total' series represents grand total participation, after removing double-counting of participants from multiple resources.

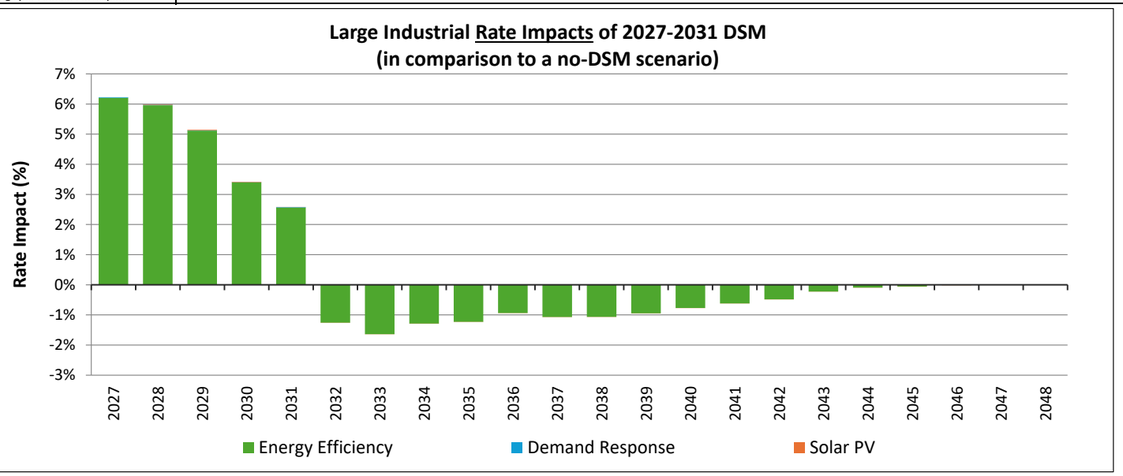
Medium Industrial Active Participants of 2027-2031 DSM



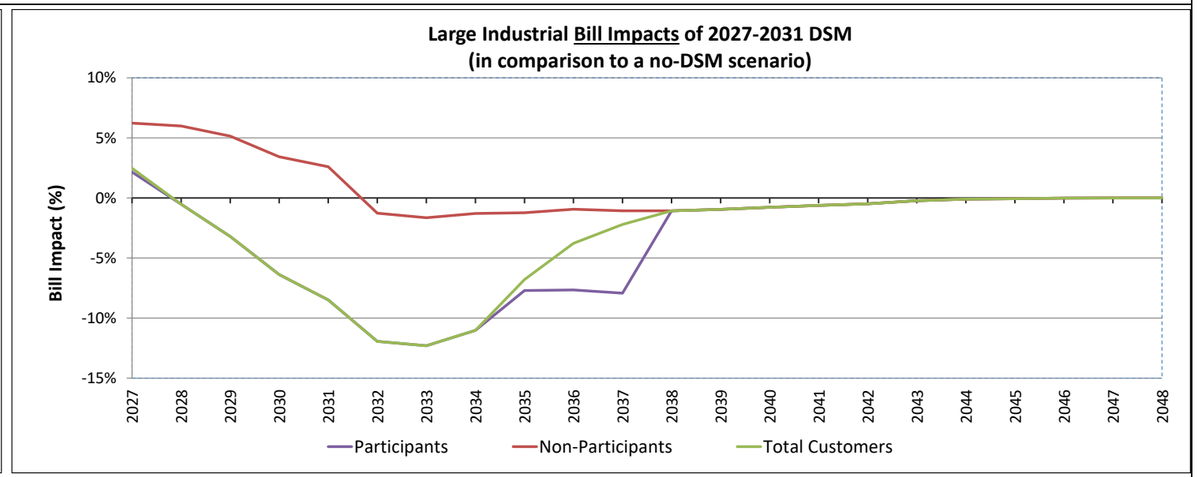
This graph shows 'Active' participation for the class, by DSM resource. When a customer first participates, they become an 'Active' participant for the duration of the weighted-average measure life at the rate class level for whichever resource they participated in. If they participate again while they are already 'Active', they are not counted a second time. Participants are estimated separately for each resource, so the sum of participants from all resources can exceed 100% of customers. The 'Total' line represents grand total participation, after removing double-counting of participants from multiple resources.

Rate and Bill Impacts of DSM on the Large Industrial Class

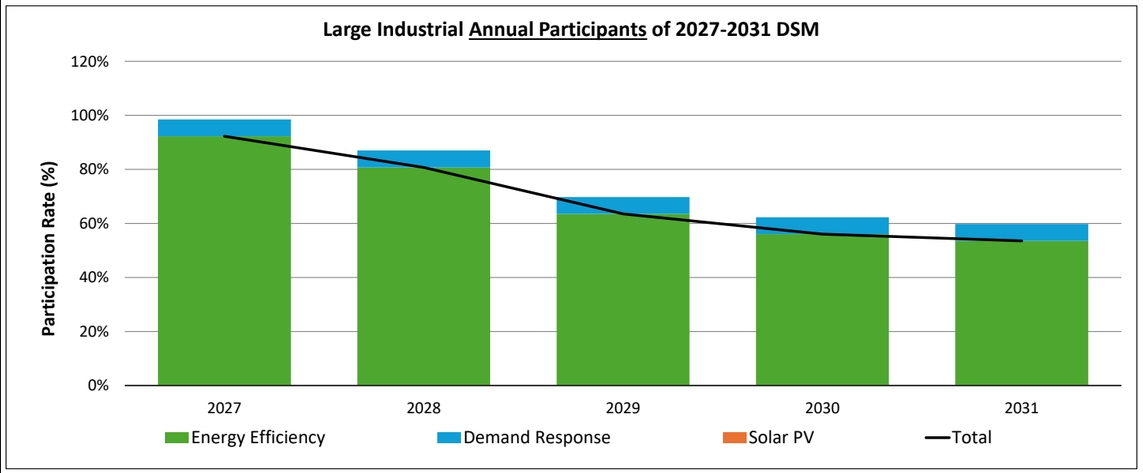
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045	2046	2047	2048	2049	2050	2051	2052	2053	2054	2055	Units
Net Incremental Energy Savings	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	27.5	20.5	15.1	13.1	11.7	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	GWh@gen
Net Total Annual Energy Savings	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	27.5	48.0	63.1	76.2	87.9	87.9	87.9	78.9	42.8	21.1	8.3	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	GWh@gen
DSM Expenditures	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	4.8	4.0	3.6	3.3	3.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	$ (millions)
Active Participants	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	30	32	32	32	32	32	32	32	27	14	5	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	# NSPI accounts
Average Net Total Annual Energy Savings per Active Participant	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	891	1,434	1,885	2,276	2,625	2,625	2,625	2,356	1,490	1,490	1,490	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	MWh@meter
Annual Number of Participants	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	30	26	20	18	17	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	# NSPI accounts
Average Net Incremental Energy Savings per Annual Participant	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	932	793	742	729	683	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	MWh@meter



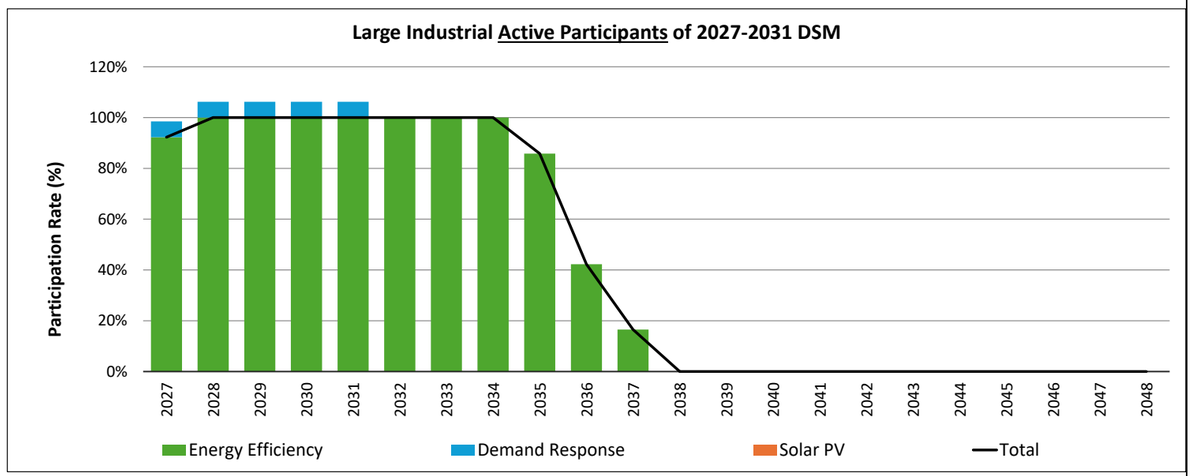
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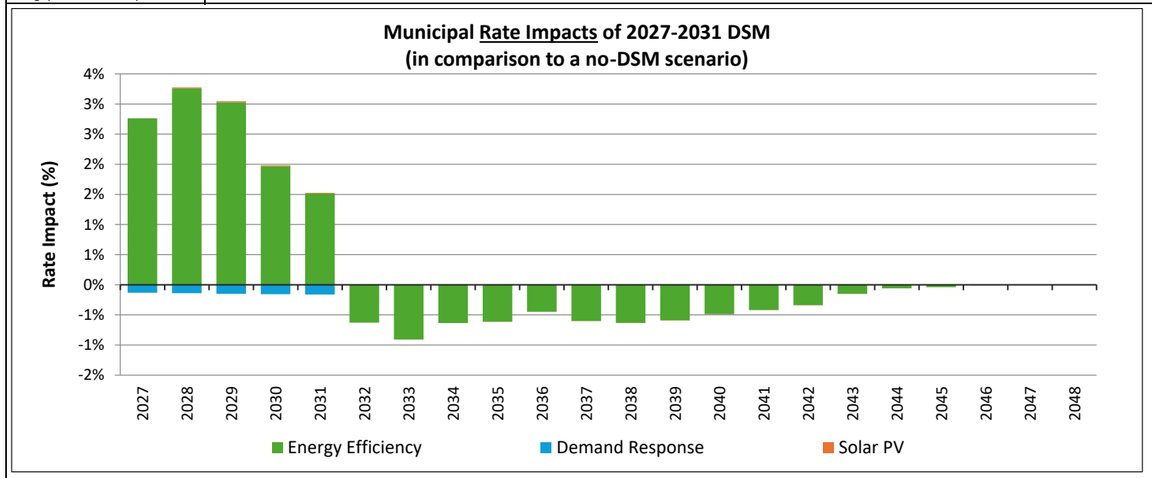
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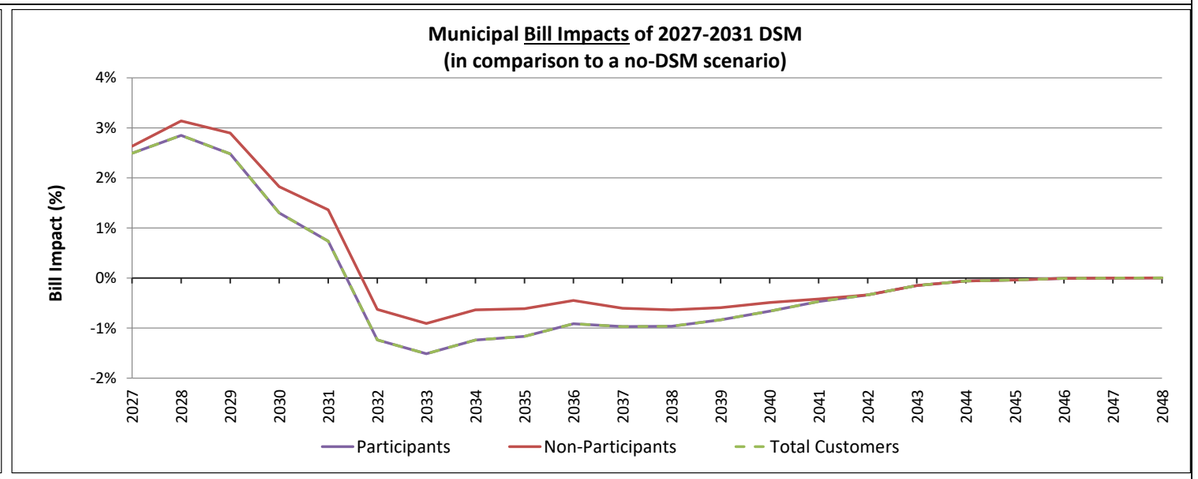
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Rate and Bill Impacts of DSM on the Municipal Class

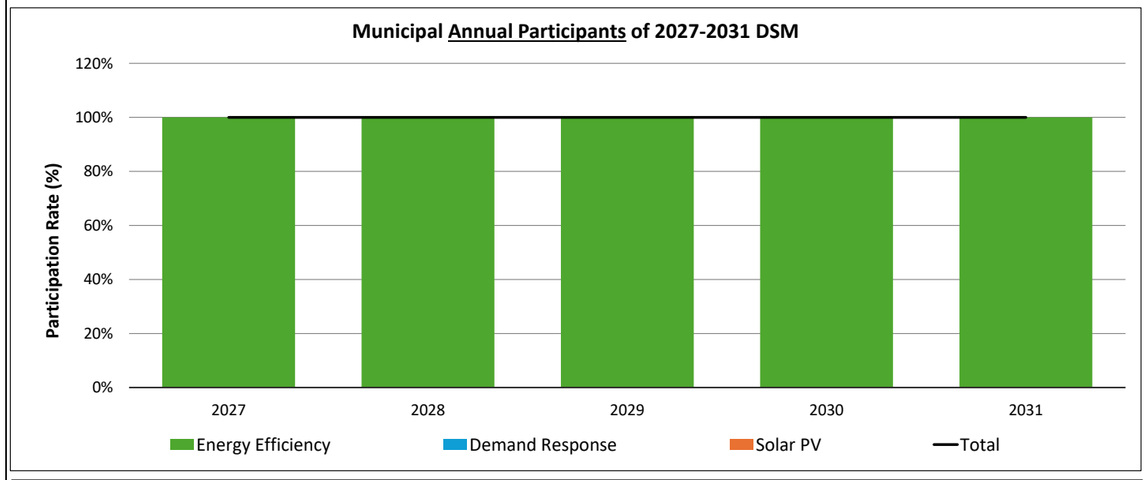
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045	2046	2047	2048	2049	2050	2051	2052	2053	2054	2055	Units
Net Incremental Energy Savings	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.7	0.7	0.6	0.6	0.6	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	GWh@gen
Net Total Annual Energy Savings	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.7	1.4	2.1	2.6	3.2	3.2	3.2	3.2	2.9	2.5	1.9	1.8	1.3	0.9	0.3	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	GWh@gen
DSM Expenditures	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.5	0.6	0.6	0.6	0.6	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	$ (millions)
Active Participants	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	# NSPI accounts (thousands)
Average Net Total Annual Energy Savings per Active Participant	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	671	1,368	1,975	2,523	3,059	3,059	3,059	3,059	2,809	2,388	1,874	1,691	1,260	897	261	0	0	0	0	0	0	0	0	0	0	0	0	0	0	MWh@meter
Annual Number of Participants	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1	1	1	1	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	# NSPI accounts
Average Net Incremental Energy Savings per Annual Participant	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	698	724	631	570	558	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	MWh@meter



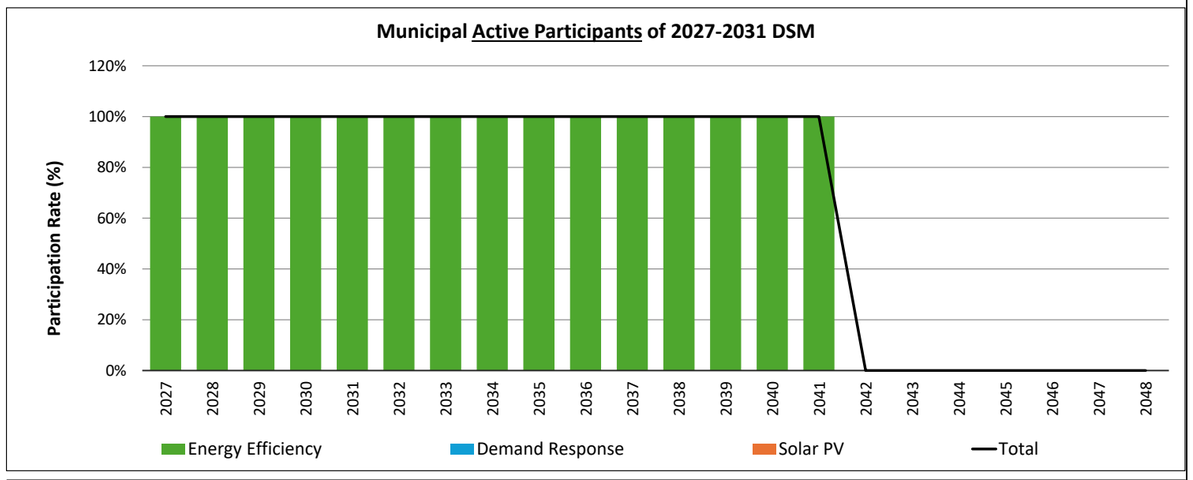
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This graph shows 'Annual' participation for the class, by DSM resource. Within each resource, customers are counted once for each year where they participate. Participants are estimated separately for each resource, so the sum of participants from all resources can exceed 100% of customers in the class. The 'Total' series represents grand total participation, after removing double-counting of participants from multiple resources.



This graph shows 'Active' participation for the class, by DSM resource. When a customer first participates, they become an 'Active' participant for the duration of the weighted-average measure life at the rate class level for whichever resource they participated in. If they participate again while they are already 'Active', they are not counted a second time. Participants are estimated separately for each resource, so the sum of participants from all resources can exceed 100% of customers. The 'Total' line represents grand total participation, after removing double-counting of participants from multiple resources.

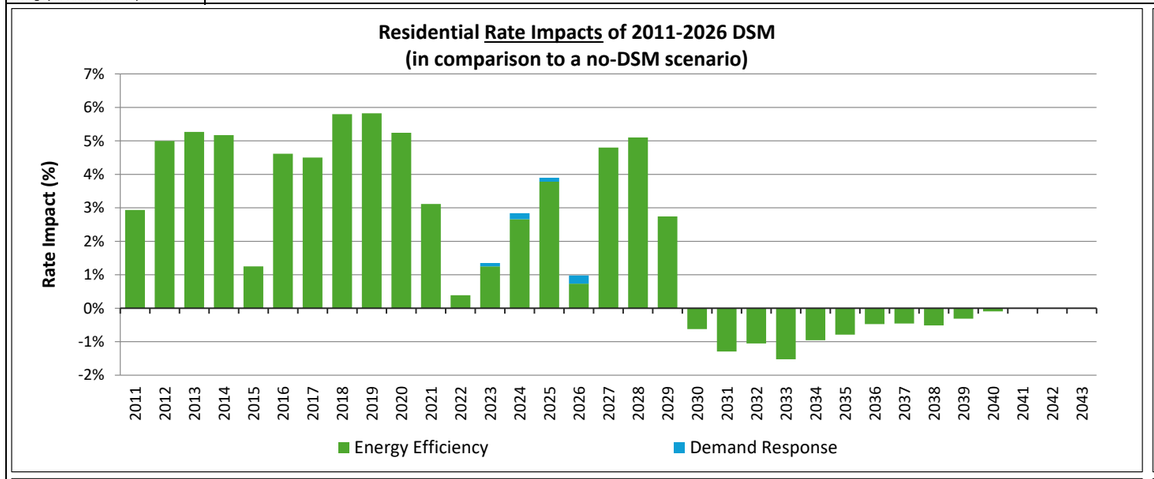
Appendix B

Attachment 4: Results by Rate Class

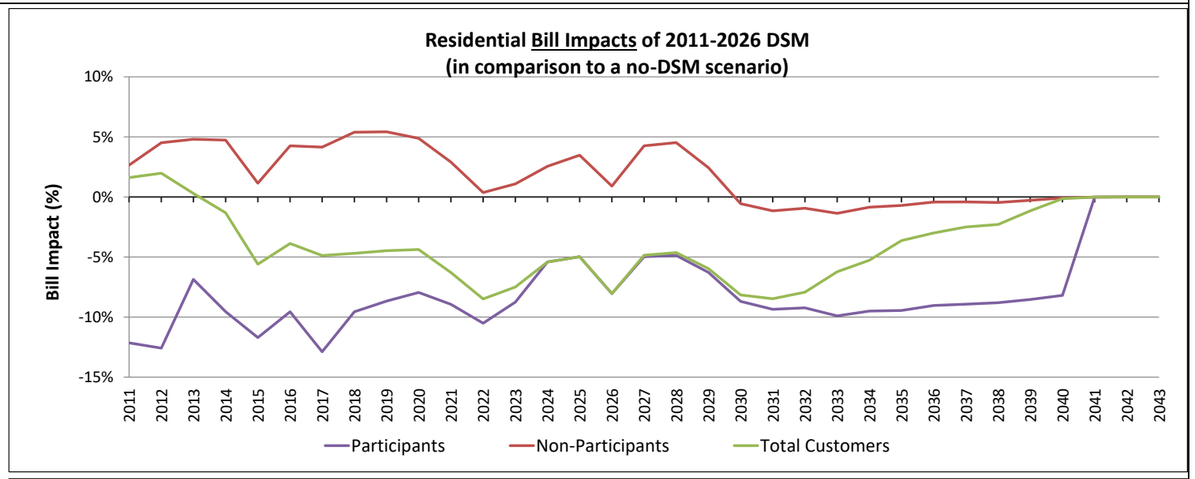
2026 Historical

Rate and Bill Impacts of DSM on the Residential Class

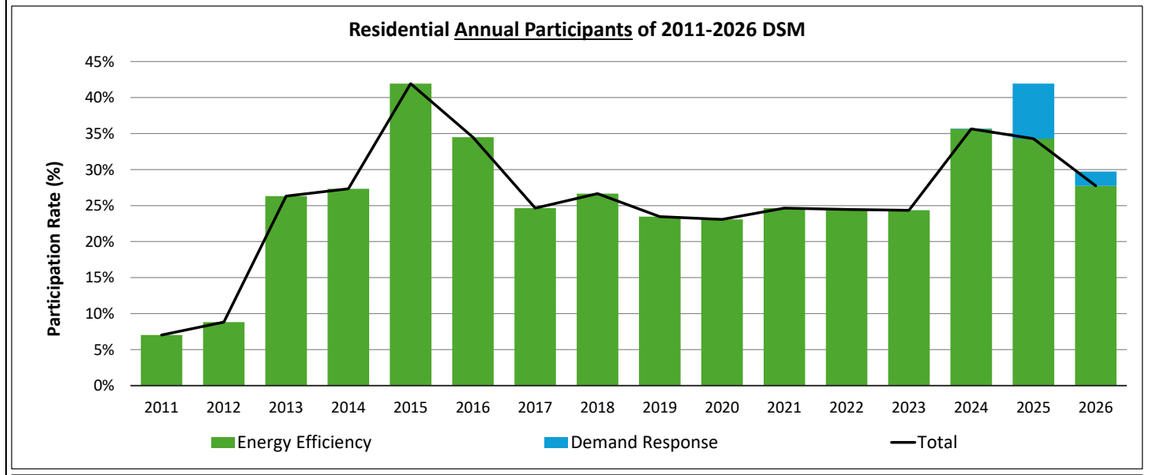
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045	2046	2047	2048	2049	2050	2051	2052	2053	2054	2055	Units
Net Incremental Energy Savings	52.8	79.4	94.8	82.2	72.6	70.6	57.0	56.2	45.1	37.8	42.8	50.8	62.9	81.9	73.7	43.3	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	GWh@gen
Net Total Annual Energy Savings	52.8	132.2	227.0	309.1	381.7	452.3	509.4	565.5	557.8	516.2	521.1	515.1	536.9	537.8	578.7	622.0	622.0	622.0	573.6	528.3	508.8	483.9	330.0	297.0	195.7	175.6	144.7	129.9	62.9	4.4	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	GWh@gen
DSM Expenditures	21.3	26.6	25.1	20.6	0.0	19.3	17.2	17.8	18.4	16.1	18.6	22.9	26.5	37.5	34.6	33.9	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	$ (millions)
Active Participants	32	67	175	194	240	271	246	315	332	344	375	398	428	502	511	518	518	518	518	507	488	464	316	285	188	168	139	125	60	4	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	# NSPI accounts (thousands)
Average Net Total Annual Energy Savings per Active Participant	1,529	1,800	1,188	1,459	1,457	1,524	1,898	1,645	1,542	1,363	1,264	1,177	1,150	982	1,039	1,101	1,101	1,101	1,015	956	956	956	956	956	956	956	956	956	956	956	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	kWh@meter
Annual Number of Participants	32	40	119	125	191	159	114	125	111	110	119	120	119	179	175	144	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	# NSPI accounts (thousands)
Average Net Incremental Energy Savings per Annual Participant	1,673	2,002	796	658	379	445	499	450	407	343	360	425	527	457	421	301	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	kWh@meter



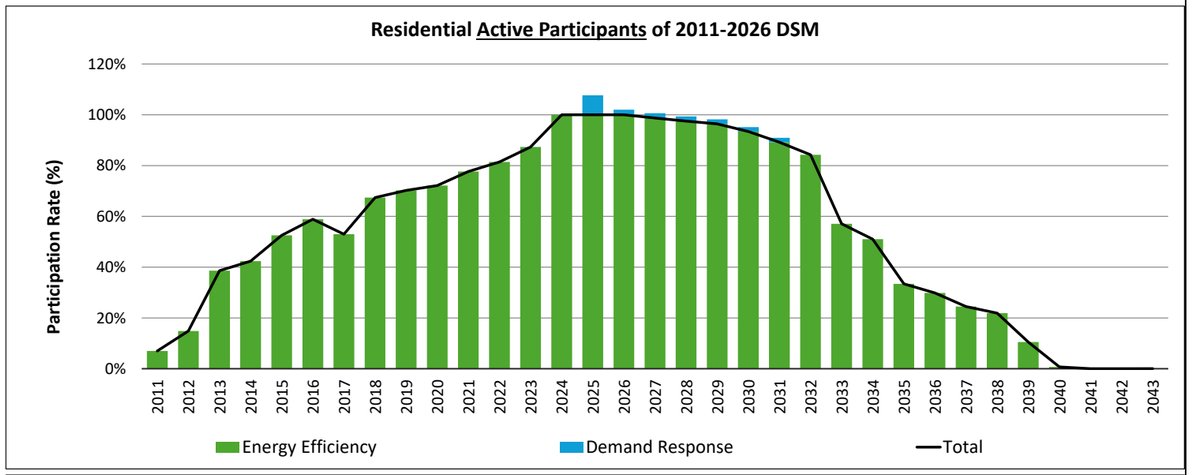
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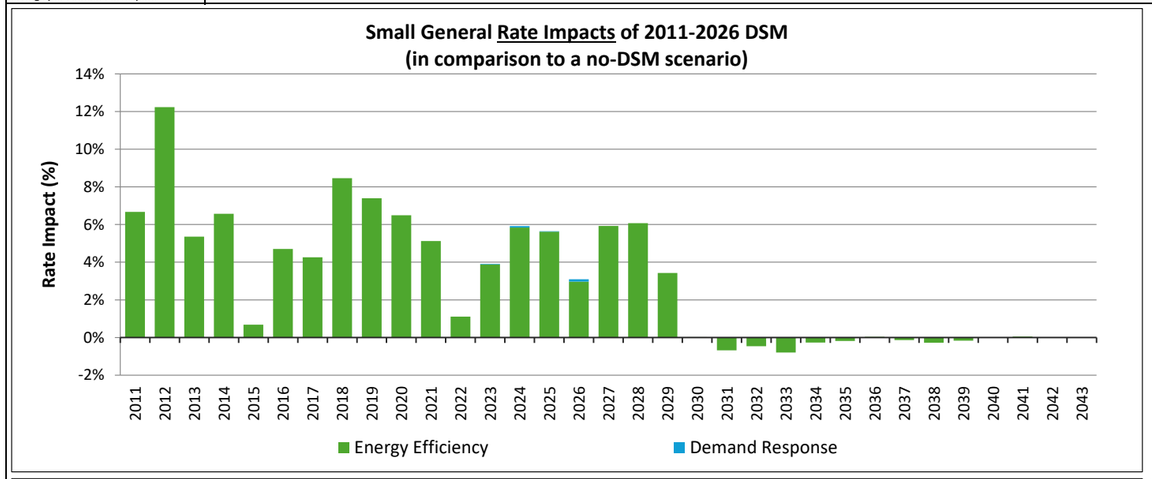
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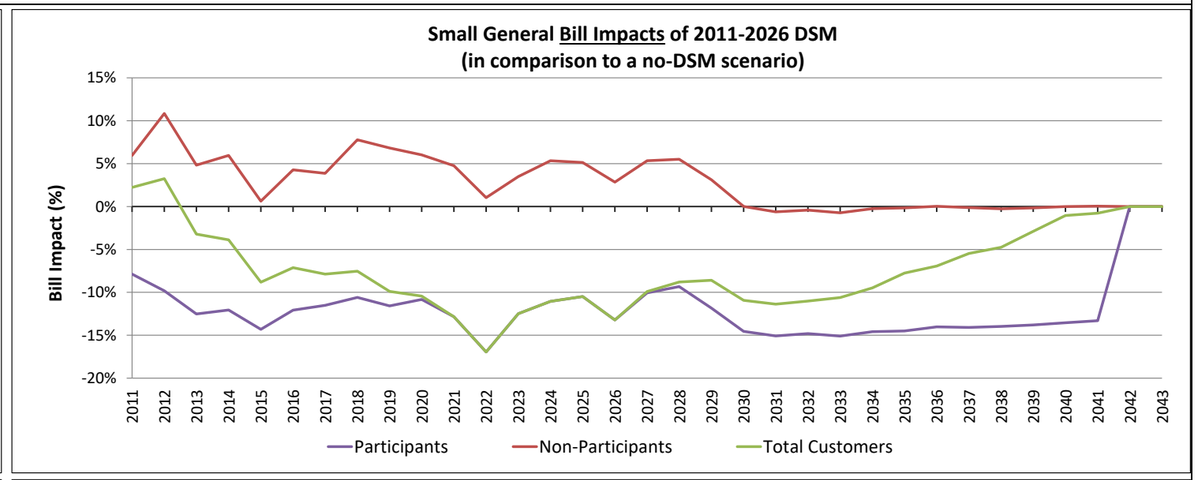
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Rate and Bill Impacts of DSM on the Small General Class

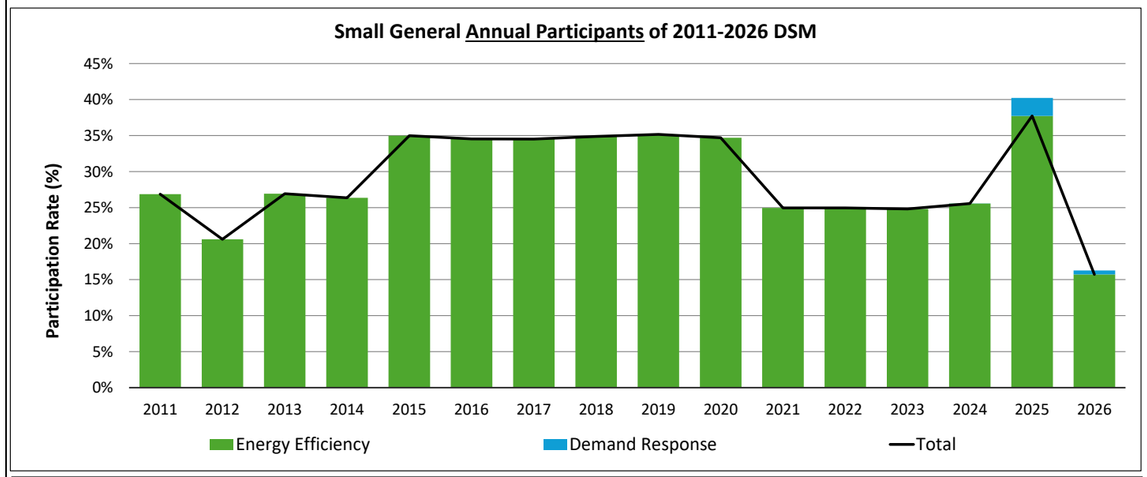
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045	2046	2047	2048	2049	2050	2051	2052	2053	2054	2055	Units
Net Incremental Energy Savings	10.6	9.3	4.2	5.2	4.4	3.1	3.6	11.2	6.1	4.8	6.3	5.2	7.9	13.8	6.9	6.5	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	GWh@gen
Net Total Annual Energy Savings	10.6	19.9	24.0	29.3	33.6	36.7	40.4	51.5	57.6	62.4	68.8	74.0	71.3	75.7	79.0	79.2	73.8	72.3	59.3	57.5	57.5	57.5	54.2	51.3	42.6	40.3	31.4	27.2	16.7	6.5	5.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	GWh@gen
DSM Expenditures	2.5	3.6	1.4	1.9	0.0	1.1	1.1	2.4	1.8	1.7	2.3	2.1	2.8	3.8	3.0	3.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	$ (millions)
Active Participants	6	9	11	13	15	17	19	21	23	25	26	27	27	27	27	27	27	27	22	21	21	21	20	19	16	15	12	10	6	2	2	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	# NSPI accounts (thousands)
Average Net Total Annual Energy Savings per Active Participant	1,532	2,094	1,994	2,041	2,008	1,949	1,939	2,251	2,296	2,282	2,437	2,563	2,405	2,618	2,698	2,680	2,495	2,488	2,488	2,488	2,488	2,488	2,488	2,488	2,488	2,488	2,488	2,488	2,488	2,488	2,488	0	0	0	0	0	0	0	0	0	0	0	0	0	0	kWh@meter
Annual Number of Participants	6	5	6	6	9	9	9	9	9	9	6	7	7	7	10	4	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	# NSPI accounts (thousands)
Average Net Incremental Energy Savings per Annual Participant	1,665	1,921	647	821	511	362	420	1,263	678	537	979	792	1,157	2,019	683	1,514	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	kWh@meter



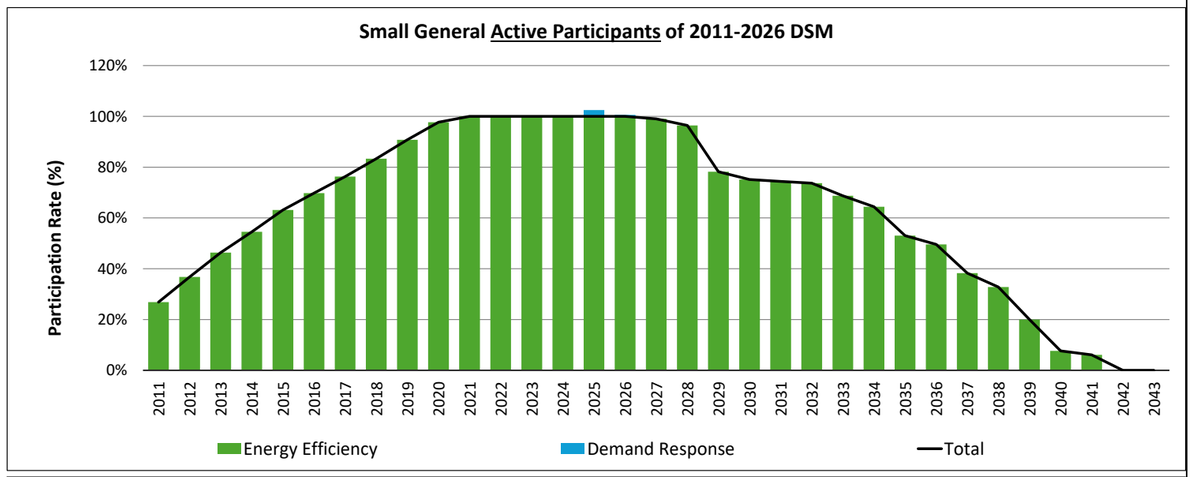
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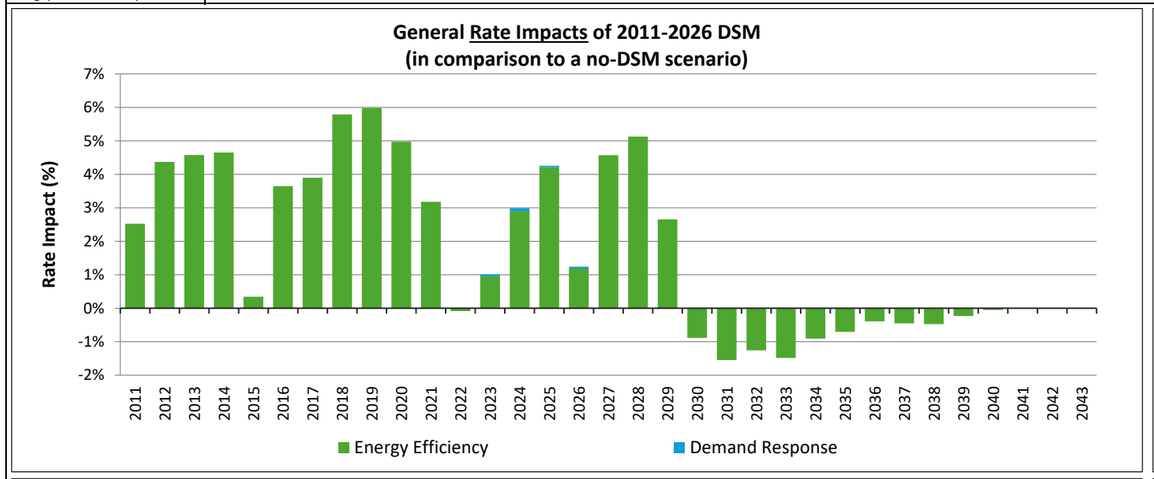
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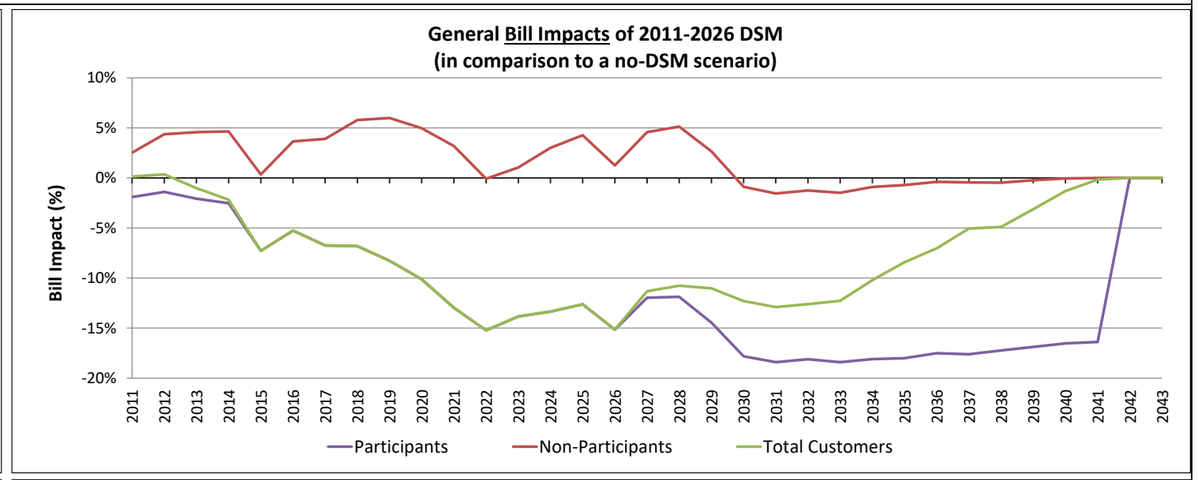


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Rate and Bill Impacts of DSM on the General Class

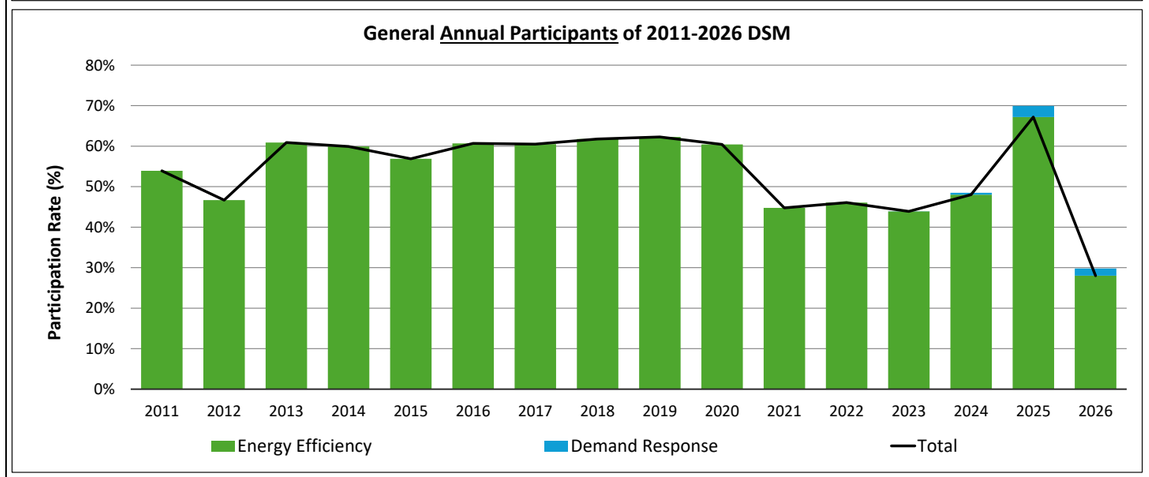
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045	2046	2047	2048	2049	2050	2051	2052	2053	2054	2055	Units
Net Incremental Energy Savings	61.9	46.2	38.8	34.8	32.0	37.5	42.6	52.9	50.4	32.6	38.5	39.6	29.7	46.8	41.3	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	GWh@gen
Net Total Annual Energy Savings	61.9	108.1	146.9	181.7	213.7	251.1	293.8	346.7	397.1	429.7	468.2	445.9	429.4	465.8	471.1	470.9	448.0	435.9	373.3	314.9	314.9	314.9	298.7	253.6	209.2	182.2	126.2	124.1	81.8	36.0	4.4	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	GWh@gen
DSM Expenditures	9.9	11.0	10.7	10.5	0.0	9.5	10.3	12.1	12.8	10.0	13.3	15.1	11.4	17.4	15.4	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	$ (millions)
Active Participants	6	8	10	11	11	11	11	11	11	11	11	11	11	11	11	11	11	11	9	8	8	8	7	6	5	4	3	3	2	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	# NSPI accounts (thousands)
Average Net Total Annual Energy Savings per Active Participant	9,335	12,547	14,448	15,822	17,972	21,400	25,221	29,821	33,905	36,523	39,576	37,169	36,753	39,886	39,610	39,590	39,150	39,150	39,150	39,150	39,150	39,150	39,150	39,150	39,150	39,150	39,150	39,150	39,150	39,150	39,150	0	0	0	0	0	0	0	0	0	0	0	0	0	0	kWh@meter
Annual Number of Participants	6	5	7	7	6	7	7	7	7	7	5	5	5	5	8	3	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	# NSPI accounts
Average Net Incremental Energy Savings per Annual Participant	9,893	8,516	5,599	5,121	5,015	5,602	6,433	7,829	7,336	4,907	7,767	7,667	6,128	8,833	5,466	11,441	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	kWh@meter

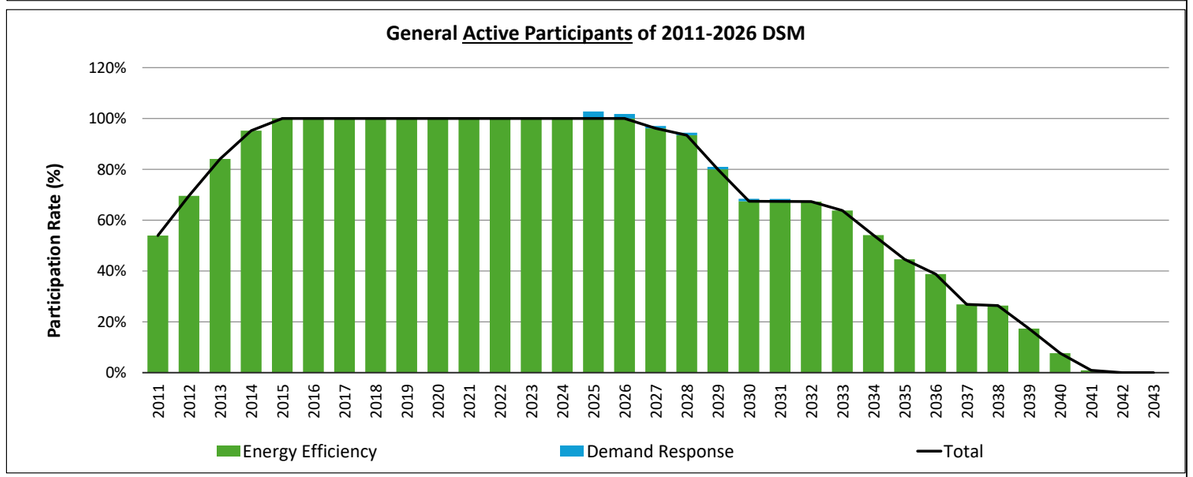




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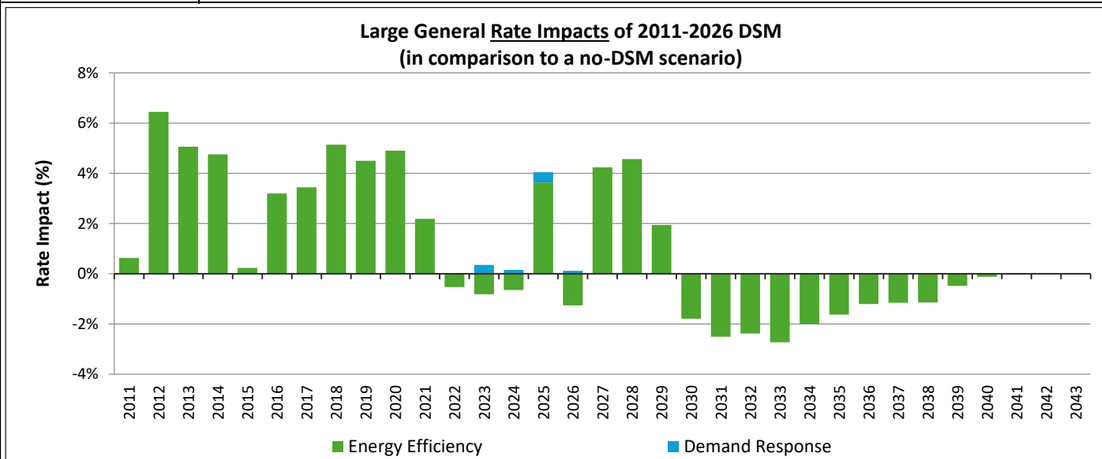


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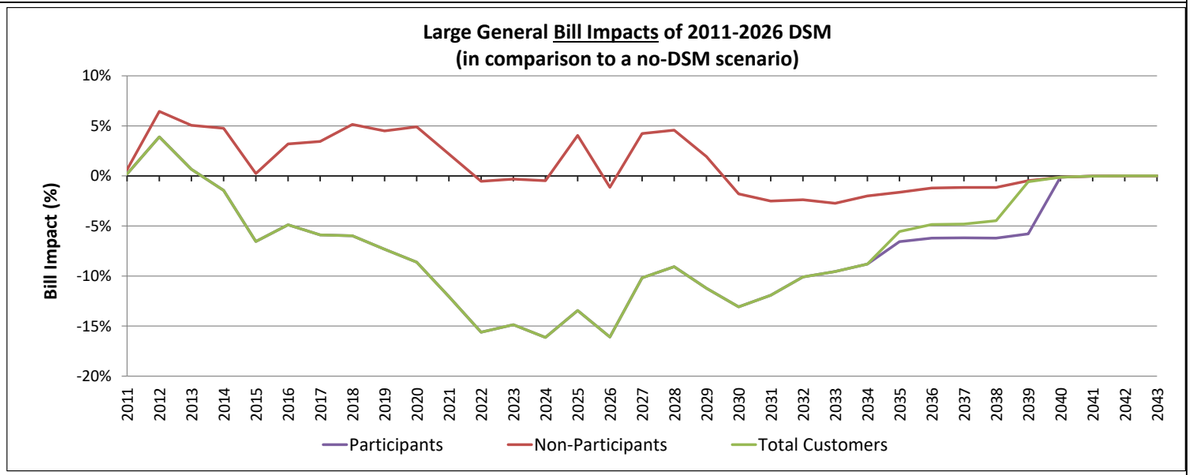
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Rate and Bill Impacts of DSM on the Large General Class

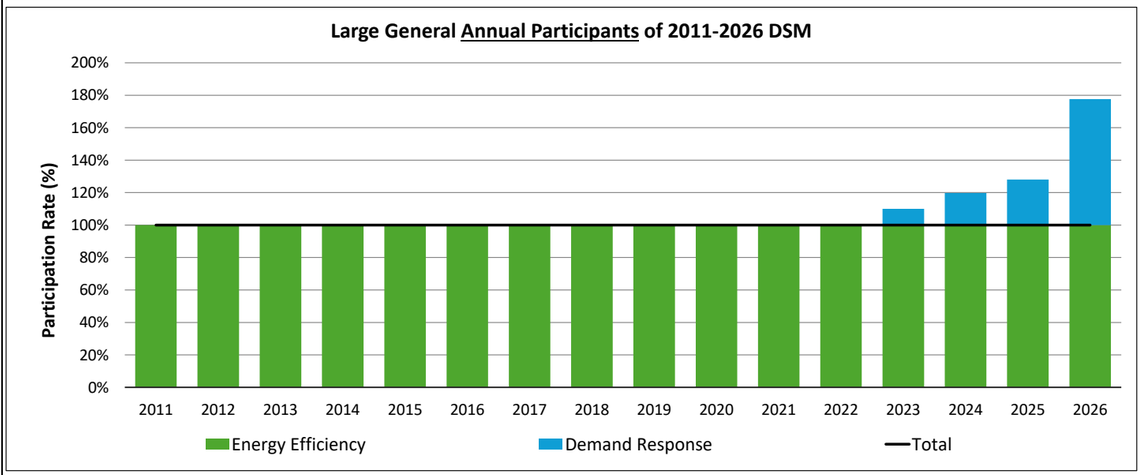
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045	2046	2047	2048	2049	2050	2051	2052	2053	2054	2055	Units
Net Incremental Energy Savings	1.9	8.4	7.9	7.2	6.5	4.7	7.1	8.0	3.7	6.3	6.0	8.3	3.1	2.6	7.2	4.5	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	GWh@gen
Net Total Annual Energy Savings	1.9	10.3	18.2	25.4	31.9	36.6	43.7	51.7	55.4	61.7	67.7	74.1	68.7	71.4	71.4	66.7	61.5	57.5	56.8	49.6	40.8	32.7	28.7	28.2	15.7	14.3	14.3	12.9	0.4	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	GWh@gen
DSM Expenditures	0.6	2.6	1.8	1.6	0.0	1.1	1.4	1.5	0.9	1.4	1.4	2.0	1.3	0.8	3.2	1.6	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	$ (millions)
Active Participants	18	18	18	19	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20	16	15	15	13	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	# NSPI accounts
Average Net Total Annual Energy Savings per Active Participant	100	537	951	1,257	1,538	1,728	2,061	2,440	2,613	2,904	3,188	3,489	3,242	3,366	3,370	3,149	2,899	2,714	2,677	2,340	1,922	1,542	1,353	1,331	930	930	930	930	930	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	MWh@meter
Annual Number of Participants	18	18	18	19	20	20	20	20	20	20	20	20	20	20	20	20	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	# NSPI accounts
Average Net Incremental Energy Savings per Annual Participant	106	467	437	379	334	236	353	402	183	313	301	416	153	131	362	224	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	MWh@meter



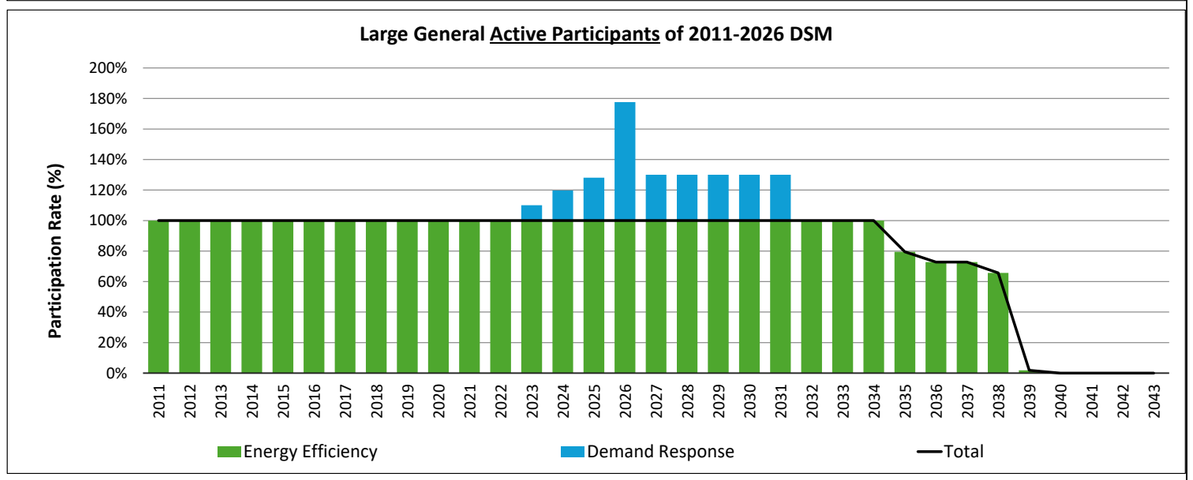
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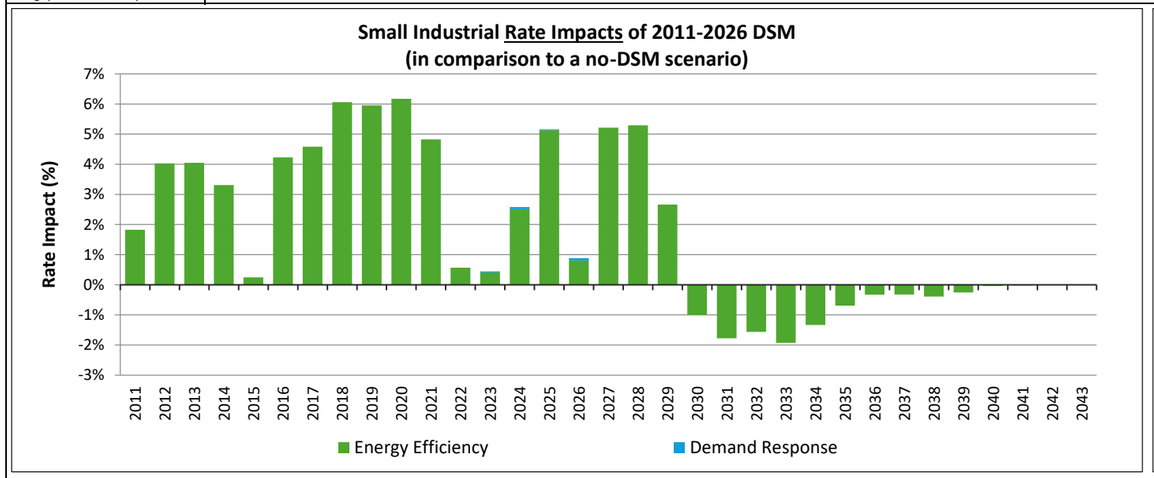
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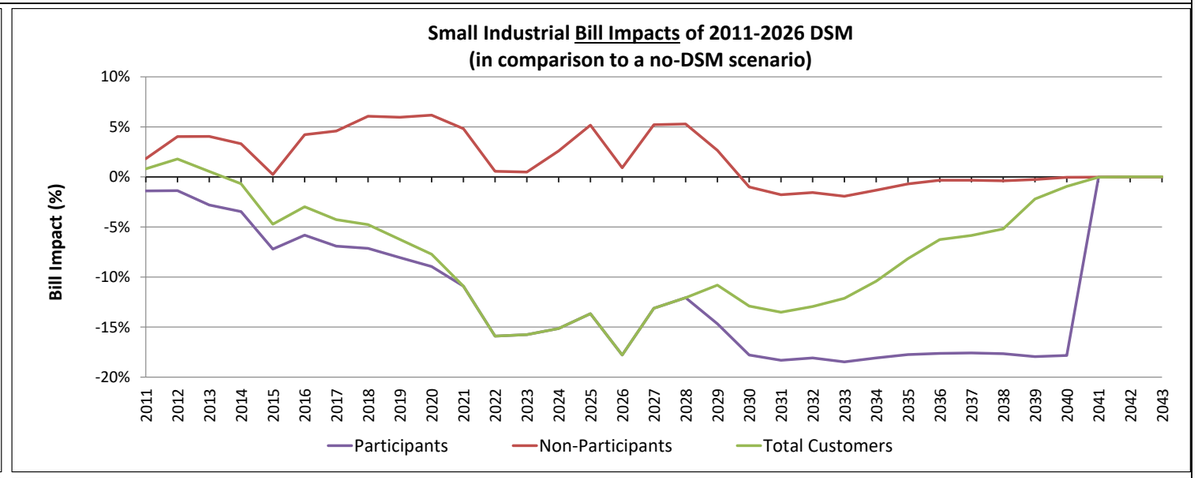
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Rate and Bill Impacts of DSM on the Small Industrial Class

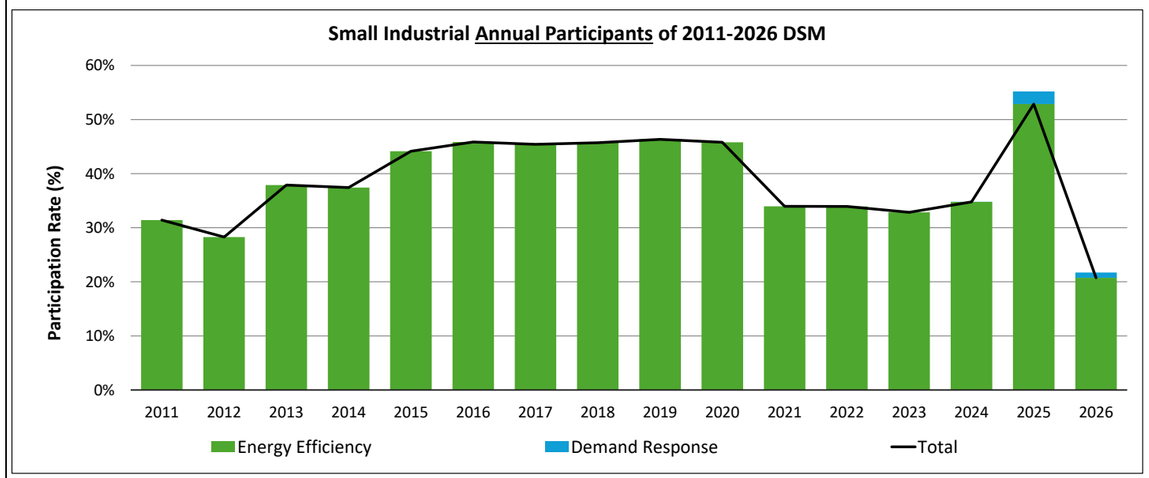
Line#		2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045	2046	2047	2048	2049	2050	2051	2052	2053	2054	2055	Units
1	Net Incremental Energy Savings	2.7	3.4	3.3	1.5	3.2	5.7	5.3	5.7	4.5	4.8	7.0	5.2	2.5	4.8	5.9	3.9	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	GWh@gen
2	Net Total Annual Energy Savings	2.7	6.1	9.4	10.9	14.1	19.8	25.1	30.8	35.2	40.0	47.0	52.2	54.7	56.8	59.4	63.1	59.9	55.1	42.4	38.6	38.6	37.5	33.4	29.4	23.6	18.5	17.2	14.9	5.9	2.7	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	GWh@gen
3	DSM Expenditures	0.9	1.0	0.9	0.6	0.0	1.2	1.3	1.3	1.2	1.3	2.1	1.7	0.8	1.3	1.9	1.4	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	$ (millions)
4	Active Participants	713	941	1,141	1,310	1,448	1,554	1,653	1,757	1,866	1,968	2,143	2,143	2,102	2,079	2,097	2,097	2,095	2,093	1,623	1,479	1,479	1,434	1,279	1,124	905	707	658	572	225	103	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	# NSPI accounts
5	Average Net Total Annual Energy Savings per Active Participant	3,581	6,119	7,763	7,856	9,252	12,059	14,355	16,567	17,860	19,150	20,657	22,934	24,598	25,835	26,755	28,428	27,030	24,877	24,696	24,696	24,696	24,696	24,696	24,696	24,696	24,696	24,696	24,696	24,696	24,696	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	kWh@meter
6	Annual Number of Participants	713	641	843	831	959	993	976	979	993	982	728	727	690	723	1,108	435	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	# NSPI accounts
7	Average Net Incremental Energy Savings per Annual Participant	3,781	5,330	3,853	1,840	3,387	5,740	5,396	5,780	4,495	4,886	9,590	7,150	3,605	6,679	5,367	9,050	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	kWh@meter



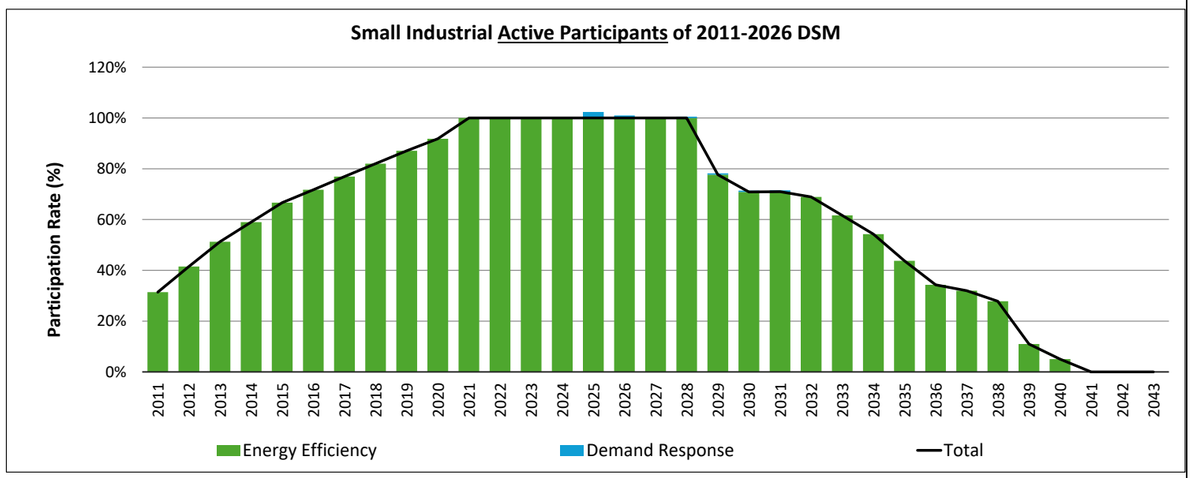
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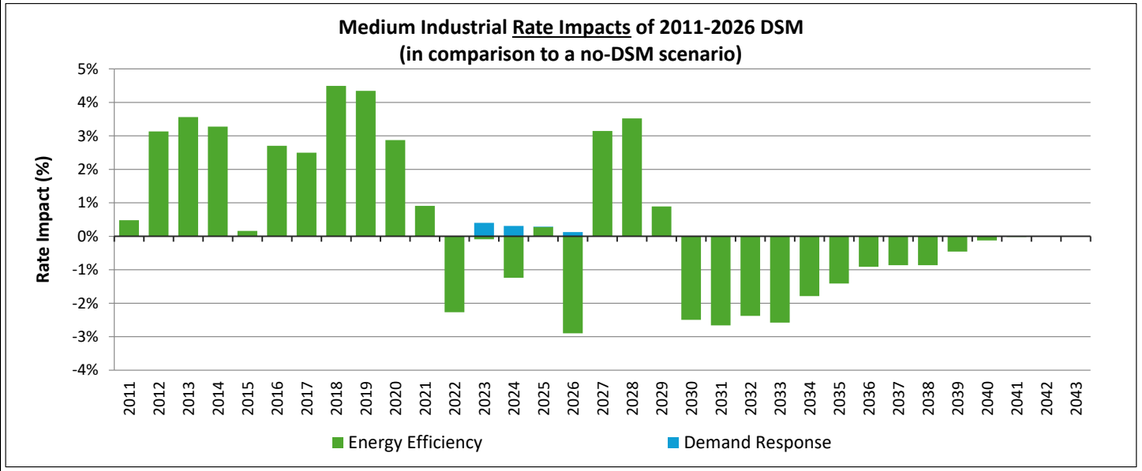
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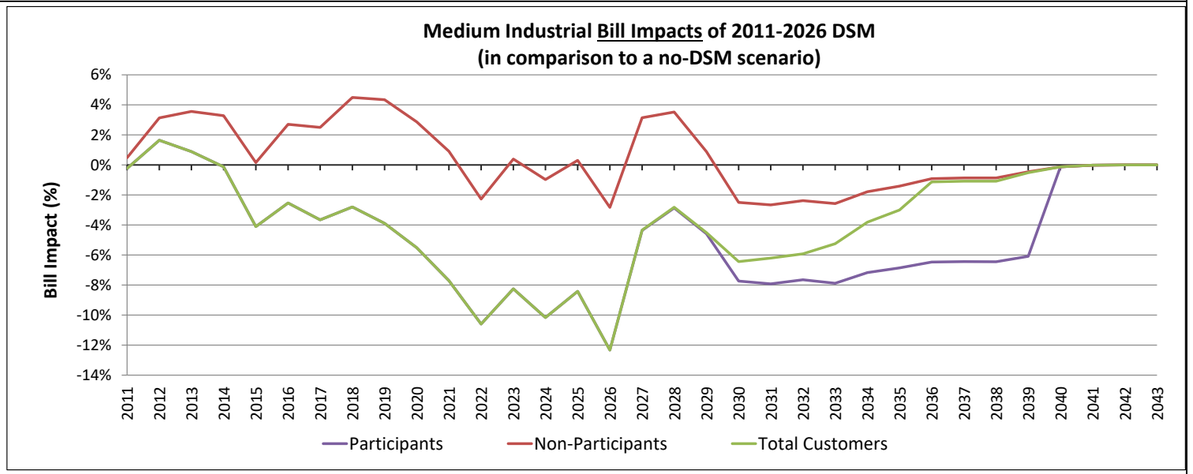
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Rate and Bill Impacts of DSM on the Medium Industrial Class

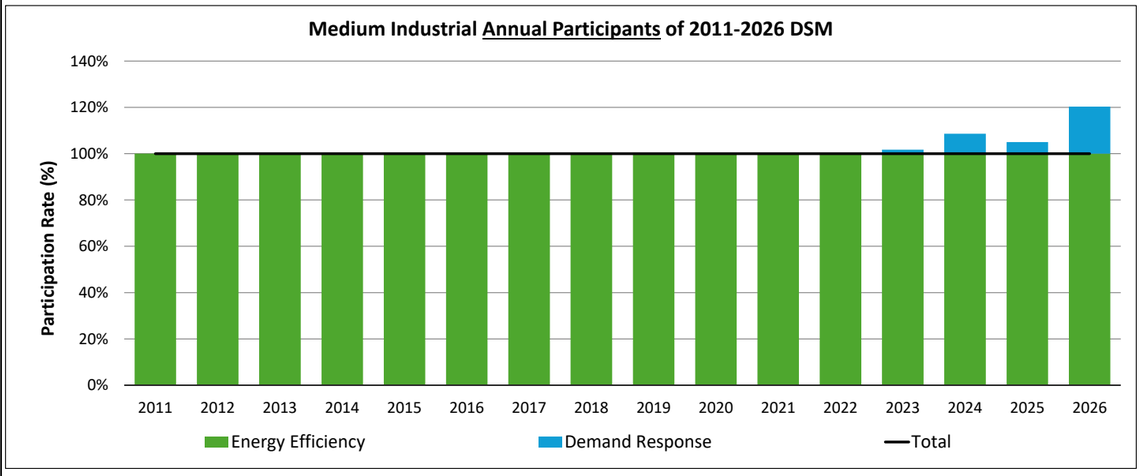
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045	2046	2047	2048	2049	2050	2051	2052	2053	2054	2055	Units
Net Incremental Energy Savings	3.7	4.3	5.7	4.2	4.6	4.3	5.3	5.9	5.6	1.2	2.2	3.3	5.4	3.0	3.8	4.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	GWh@gen
Net Total Annual Energy Savings	3.7	7.9	13.6	17.8	22.4	26.7	32.0	37.9	43.5	44.7	47.0	46.5	47.7	48.1	48.7	49.1	41.2	33.9	29.6	22.2	20.0	20.0	15.1	11.3	8.8	1.2	1.2	1.2	0.3	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	GWh@gen
DSM Expenditures	0.6	1.2	1.2	0.9	0.0	1.1	1.0	1.3	1.1	0.3	0.8	1.0	2.2	1.9	1.1	2.4	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	$ (millions)
Active Participants	192	192	197	198	177	177	182	179	178	178	178	178	175	183	184	184	184	184	184	141	127	127	96	72	56	8	8	8	2	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	# NSPI accounts
Average Net Total Annual Energy Savings per Active Participant	18	39	66	85	120	143	167	201	232	237	248	246	258	249	251	254	213	175	153	149	149	149	149	149	149	149	149	149	149	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	MWh@meter
Annual Number of Participants	192	192	197	198	177	177	182	179	178	178	178	178	175	183	184	184	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	# NSPI accounts
Average Net Incremental Energy Savings per Annual Participant	19	22	29	21	26	25	29	33	32	7	12	18	31	17	20	22	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	MWh@meter



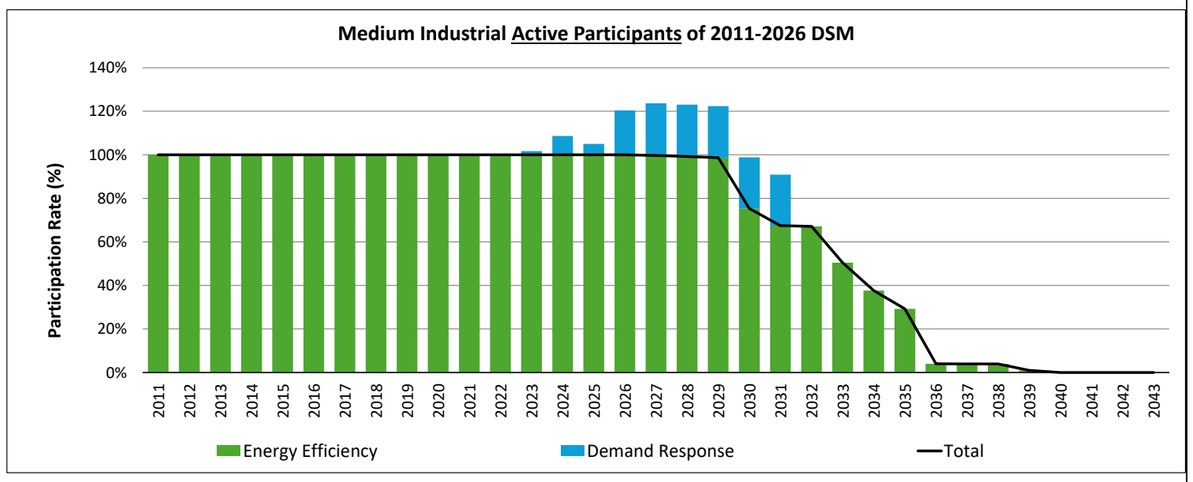
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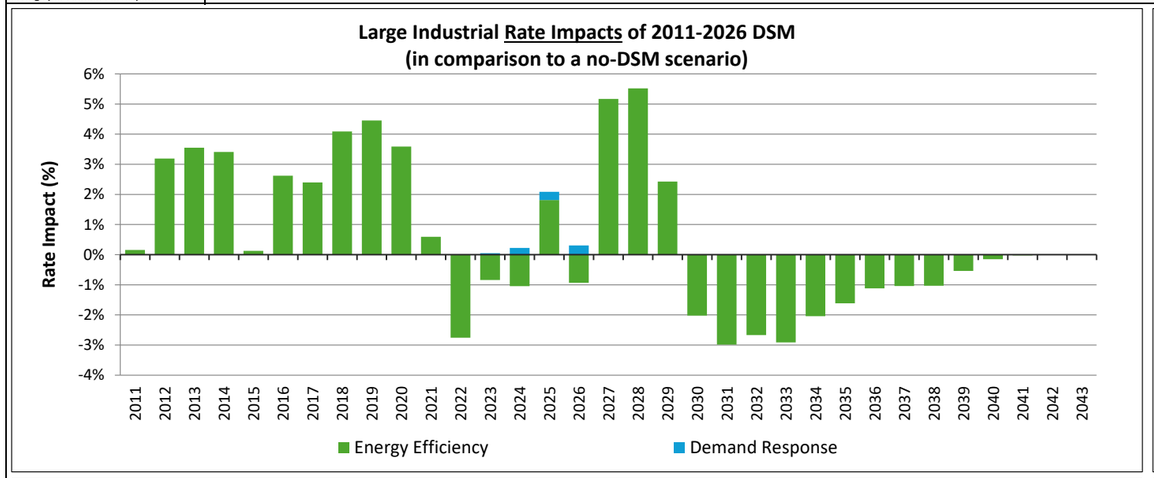
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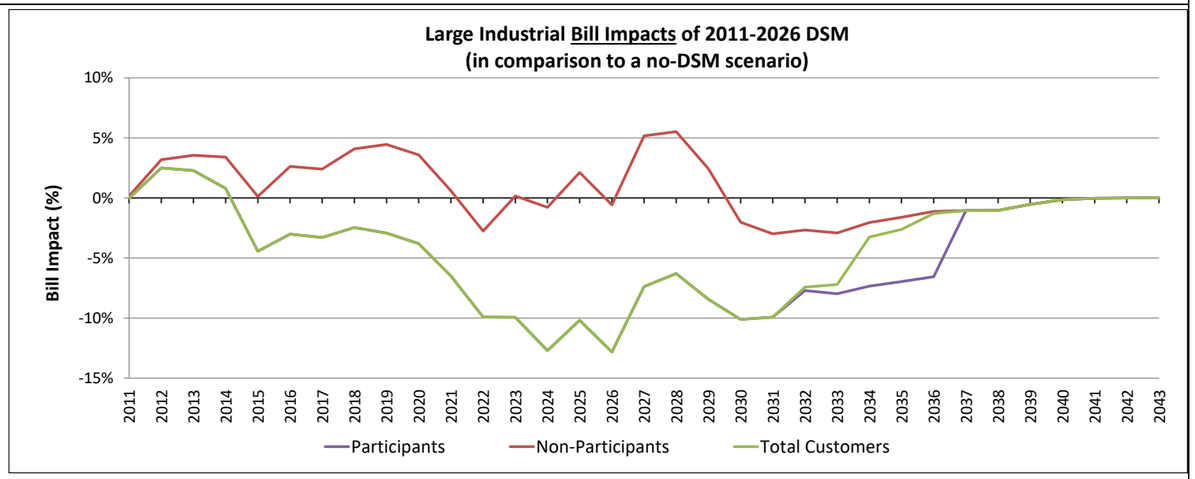
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Rate and Bill Impacts of DSM on the Large Industrial Class

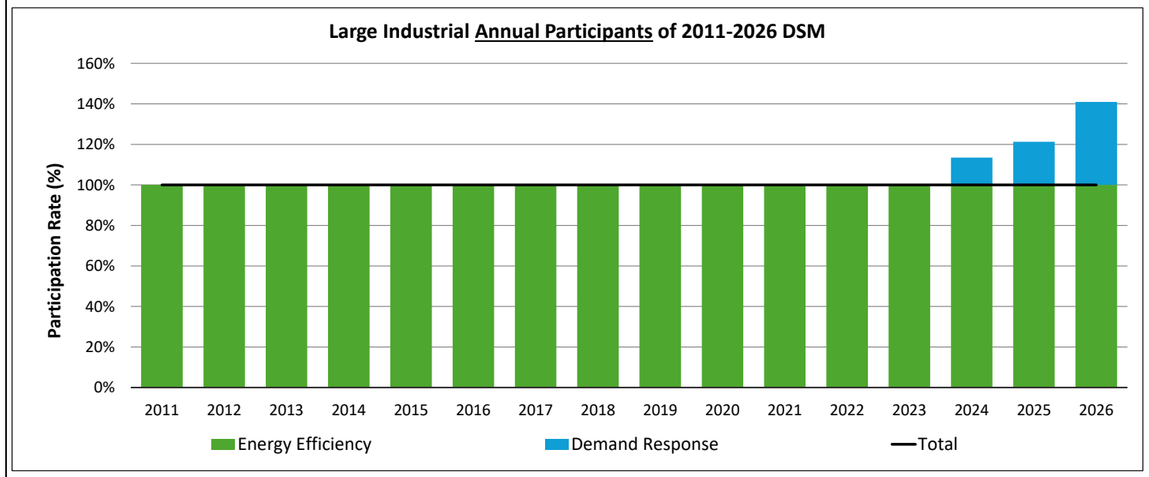
Line#		2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045	2046	2047	2048	2049	2050	2051	2052	2053	2054	2055	Units
1	Net Incremental Energy Savings	1.7	4.8	4.0	10.9	12.4	8.0	6.1	7.7	7.3	6.4	5.7	8.2	18.8	17.6	7.4	16.8	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	GWh@gen
2	Net Total Annual Energy Savings	1.7	6.6	10.6	21.5	33.9	41.9	48.0	55.7	63.0	69.4	73.4	76.7	92.7	101.2	94.9	102.0	102.0	92.5	86.8	65.6	56.0	37.3	33.5	9.0	7.4	1.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	GWh@gen
3	DSM Expenditures	0.9	1.7	1.5	1.6	0.0	1.4	1.5	1.4	1.8	1.6	1.6	2.2	4.3	2.4	2.4	3.9	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	$ (millions)
4	Active Participants	34	34	32	32	33	35	34	35	36	35	35	35	36	32	32	32	32	32	32	32	32	30	27	7	6	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	# NSPI accounts
5	Average Net Total Annual Energy Savings per Active Participant	49	184	317	643	990	1,159	1,350	1,514	1,685	1,887	1,996	2,086	2,452	3,024	2,834	3,047	3,047	2,765	2,593	1,959	1,674	1,179	1,179	1,179	1,179	1,179	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	MWh@meter
6	Annual Number of Participants	34	34	32	32	33	35	34	35	36	35	35	35	36	32	32	32	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	# NSPI accounts
7	Average Net Incremental Energy Savings per Annual Participant	51	142	126	342	377	232	179	218	204	182	163	233	521	549	232	525	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	MWh@meter



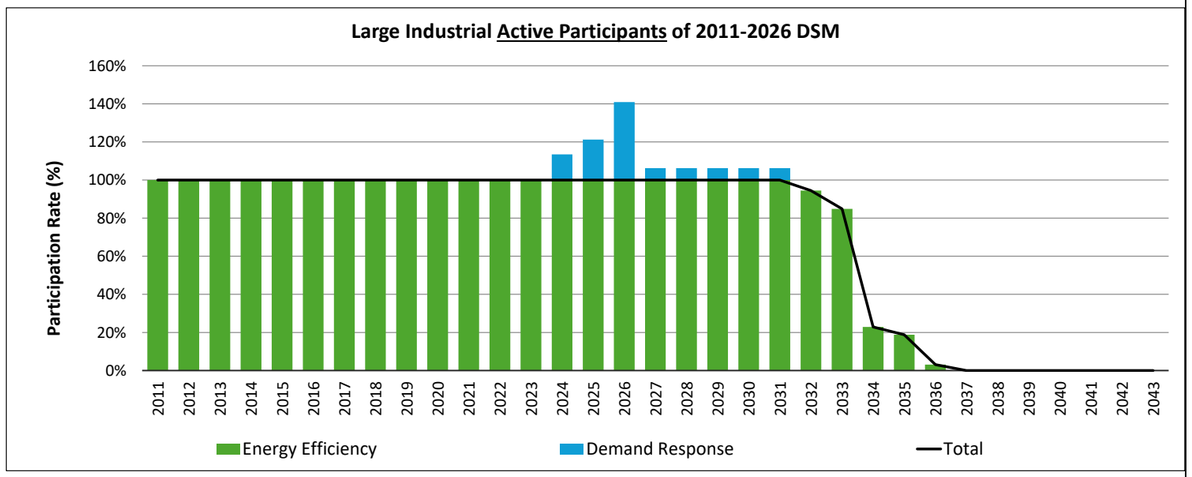
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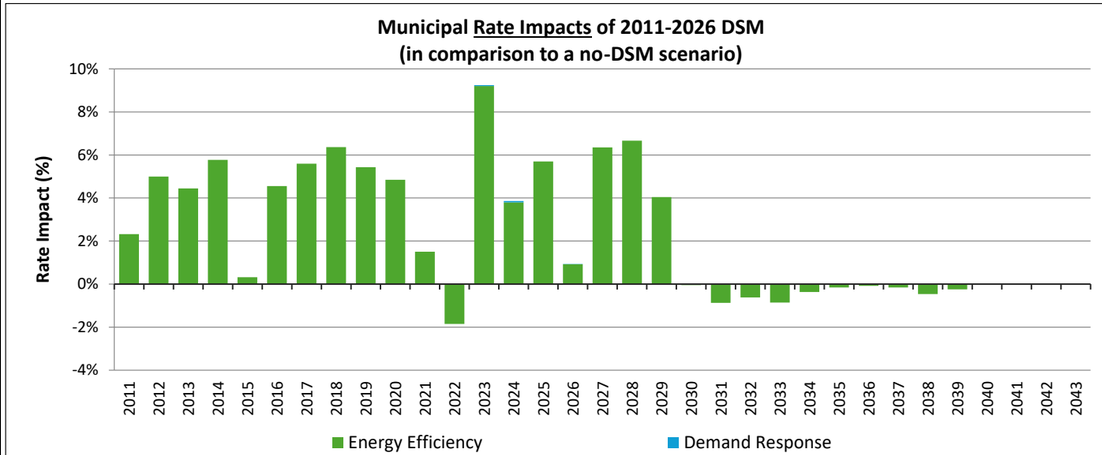
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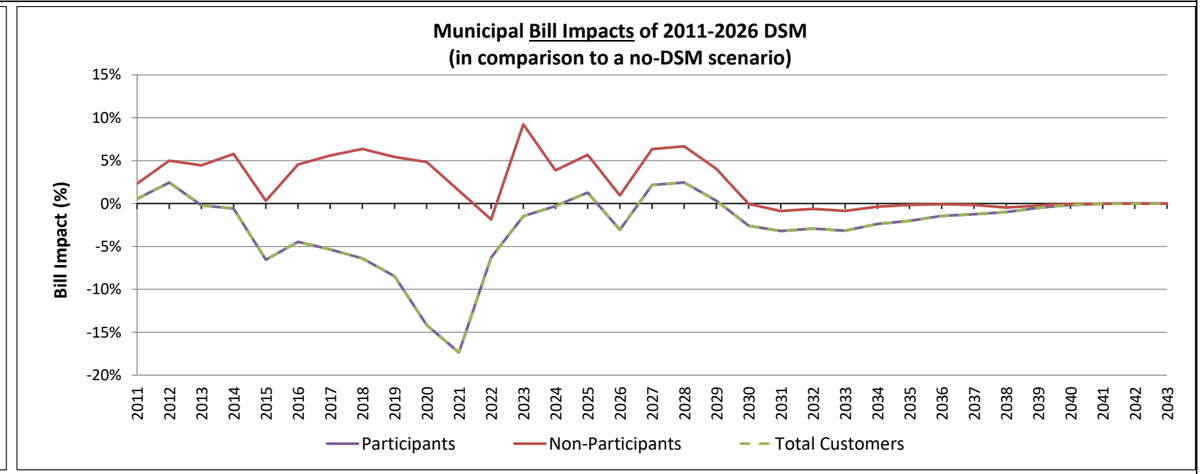
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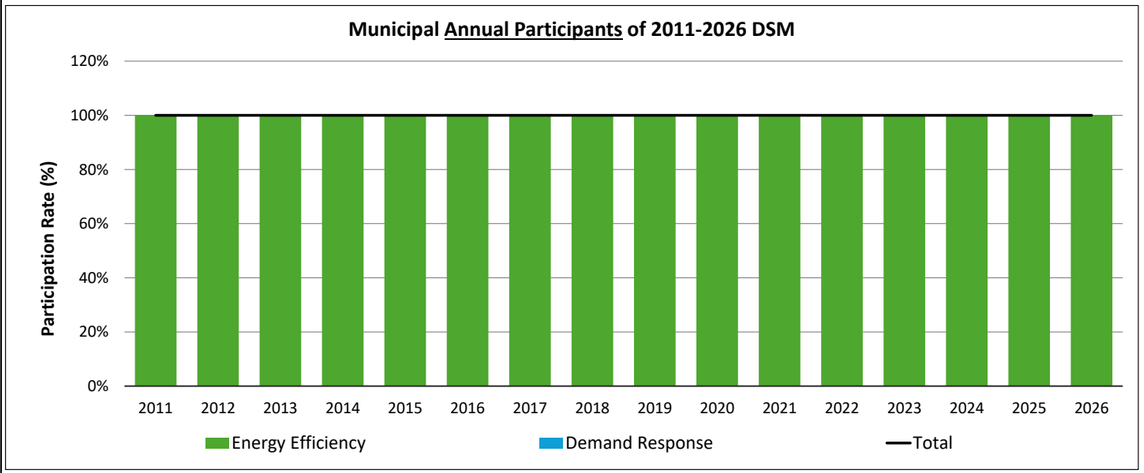
Line#		2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045	2046	2047	2048	2049	2050	2051	2052	2053	2054	2055	Units
1																																																
2	Net Incremental Energy Savings	3.5	1.6	4.2	3.5	2.2	2.9	3.7	3.9	2.0	1.6	0.9	1.0	1.4	2.3	3.1	0.8	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	GWh@gen
3	Net Total Annual Energy Savings	3.5	5.1	9.4	12.9	15.0	18.0	21.6	25.5	27.5	29.1	29.5	27.2	25.0	24.9	24.5	23.5	23.5	23.5	20.7	14.1	13.0	13.0	13.0	11.2	10.4	7.5	6.0	2.9	1.4	0.7	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	GWh@gen
4	DSM Expenditures	0.7	1.0	0.7	1.1	0.0	0.9	1.1	1.0	0.7	0.7	0.5	0.5	0.6	0.8	1.1	0.5	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	$ (millions)
5	Active Participants	6	6	6	6	6	6	6	6	6	5	5	5	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	# NSPI accounts
6	Average Net Total Annual Energy Savings per Active Participant	567	818	1,492	2,049	2,396	2,844	3,429	4,043	4,357	5,526	5,598	5,167	24,077	23,898	23,535	22,557	22,557	22,557	19,951	13,555	12,495	12,495	12,495	10,753	9,953	7,196	5,761	2,804	1,310	679	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	MWh@meter
7	Annual Number of Participants	6	6	6	6	6	6	6	6	6	5	5	5	1	1	1	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	# NSPI accounts
8	Average Net Incremental Energy Savings per Annual Participant	590	268	702	583	364	486	613	645	331	321	173	203	1,362	2,263	3,100	802	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	MWh@meter



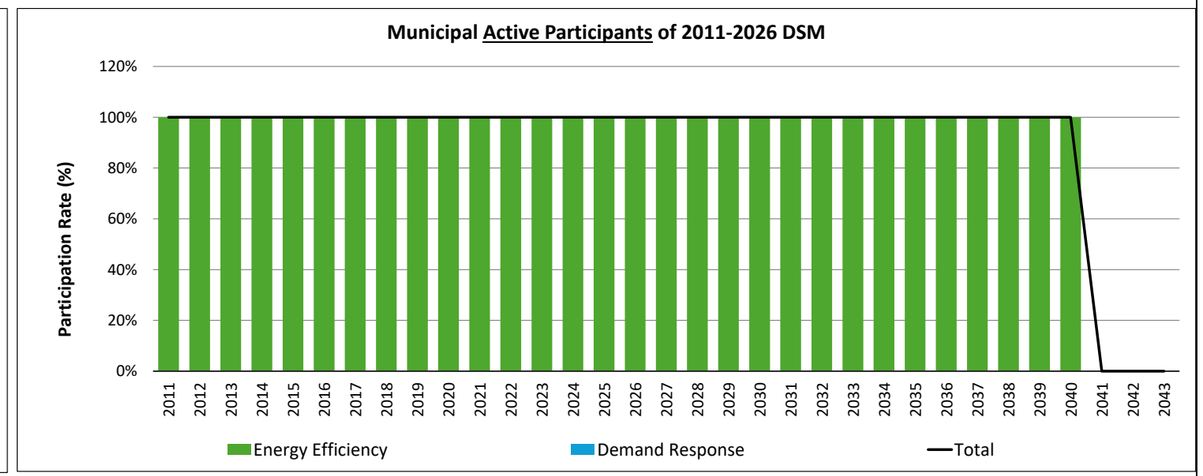
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Appendix B

Attachment 5: Assumptions

2027-2031 DSM Plan and 2026 Historical

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This document is intended to provide an overview of the assumptions used in EfficiencyOne's (E1) forward-looking Rate and Bill Impact Analysis (RBIA) for the 2027–2031 DSM Plan and E1's 2026 historical RBIA filed with the Plan.

1. GENERAL APPROACH

E1 has used the "snapshot" approach recommended by Synapse, in which the impacts of specific program years are analyzed (in this case 2011–2026 programs for the 2026 historical RBIA and 2027–2031 programs for the DSM Plan RBIA) rather than incorporating an assessment of Demand Side Management (DSM) over the long term.

2. RESOURCES AND SCENARIOS

Both the 2027–2031 DSM Plan analysis and the 2026 historical analysis include the NS Power rate model (Attachments 7 and 8) and the E1 RBIA model (Attachments 9 and 10). The analyses compare two scenarios: a DSM scenario and a no-DSM scenario. The DSM scenario includes the estimated utility costs and resulting energy and system-peak demand reductions for all DSM resources that are proposed to operate in 2027–2031 (for the forward-looking RBIA) and those that ran or are planned to run throughout 2011–2026. The no-DSM scenario excludes DSM costs and benefits resulting from DSM resources for both time periods covered by the forward-looking and historical RBIA.

The rate and bill impacts calculated in E1's RBIA model are differences in rates and bills between the DSM and no-DSM scenarios for the same year, thereby isolating the effects of DSM. For example, in the forward-looking RBIA a calculated one-percent rate impact in 2027 indicates that the variance between 2027 rates in the DSM scenario, as compared to the no-DSM scenario, is one percent, all else being equal. A one-percent rate impact in all years would indicate that rates increased by one percent in the first year, after which no further rate changes were caused by DSM. In addition, the rate impact does not reflect the actual timing of rate increases that will be

experienced by ratepayers. Actual rate increases will be determined by the timing and approval of utility General Rate Applications.

The RBIA model can also assess different combinations of resources, including:

- DSM (All Resources) – this is the default scenario and includes all resources within the selected time period;
- Energy Efficiency Only – energy efficiency without demand response or solar-PV;
- Demand Response Only – demand response without energy efficiency or solar-PV; and
- Solar-PV Only – solar-PV without energy efficiency or demand response (not applicable in the historical period).

A summary of the results for each scenario (DSM, Energy Efficiency, Demand Response and Solar-PV) is presented in Appendix B, Attachment 1.

2.1 ENERGY EFFICIENCY INPUTS

For the 2027–2031 DSM Plan RBIA, first-year energy, lifetime energy, demand savings and expenditures developed at the program component level were allocated to rate classes in proportion with the actual rate class allocation results for each program component over 2022–2024. These results were summed within each rate class, within each year. Weighted-average measure lives (WAMLs) for each rate class were then developed based on the ratio of lifetime energy savings to first-year energy saving for each class. For the historical RBIA, evaluated results by rate class were used for 2011–2024. Estimates of savings for 2025 and 2026 were taken from the approved 2023–2025 DSM Plan and 2026 DSM Extension.

2.2 SOLAR-PV INPUTS

For the 2027–2031 DSM Plan RBIA first-year energy, lifetime energy savings, and expenditures were developed at the program level and were allocated to rate classes based on comparable

historical rate class allocations. For the solar-PV program this was aligned with Mi'kmaw New Home Construction and assumed 100% allocation to the residential rate class. There is no peak demand savings associated with solar-PV. The measure life of the solar-PV (30 years) was applied as the weighted average measure life. The solar-PV resource was not part of the historical RBIA period.

2.3 DEMAND RESPONSE INPUTS

Demand response inputs for the 2027–2031 DSM Plan RBIA come from Guidehouse's DRSim™ model results. Rate class allocations for the BNI Curtailment program were calibrated for the 2027–2031 DSM Plan RBIA using historical and forecasted results. For the historical RBIA, evaluated demand response results are used for 2011–2024 program years (specifically 2023 and 2024 as demand response was introduced in E1's 2023-2025 DSM Plan). Estimates of demand response results for 2025 and 2026 were taken from the approved 2023–2025 DSM Plan and 2026 DSM Extension.

RBIA modelling assumes there are no energy impacts from demand response. Demand response programs are modelled with a measure life of one year.

3. LOAD FORECAST DATA

NS Power has provided historical and projected energy and demand sales; customer counts; and line losses within each rate class for 2011–2055.

4. TIME PERIOD DEFINITIONS

The following time periods apply to the RBIA analysis:

- DSM delivery period: the timeframe over which DSM programs are delivered.
  The DSM delivery period included in the 2027–2031 DSM Plan RBIA is 2027–2031 and 2011–2026 for the historical RBIA.

- Cost recovery period: the timeframe over which DSM program costs are recovered. Program costs for the 2027–2031 DSM Plan are assumed to be completely recovered over 2027–2031 and 2011–2026 for the historical RBIA.
- Study period: the period over which temporal average impacts are calculated. The study period ends once all average rate class energy efficiency impacts have expired. The study period for the 2027–2031 DSM Plan RBIA is 2027–2046 and 2011–2041 for the historical RBIA. Energy efficiency impacts were chosen as the basis for determining the study period, as they represent the majority of total impacts. Solar-PV impacts extend beyond the defined study period and are viewable in the model to 2055.

5. AVOIDED COSTS

Avoided costs are calculated at the system level using evaluated DSM savings and avoided cost rates in four categories: generation, transmission, distribution, and energy. Avoided costs used for the 2027–2031 DSM Plan and the 2027–2031 DSM Plan RBIA are provided in Appendix A, Attachment 1. Avoided costs used for the RBIA inclusive of historical years are provided in the table below.

Table 1: Full range of avoided cost values used for this analysis

CATEGORY	YEARS	DETAILS
Capacity ($/kW-yr)	2011–2014	79 $/kW-yr 2009 IRP refresh (levelized over 2010-2032)
	2015–2022	197 $/kW-yr 2014 IRP, Base DSM scenario (levelized over 2015-2035).
	2023–2024	2020 IRP. Fitted series PRM adjusted stream (AVC 2.0C NPV 2023) of avoided costs of capacity as calculated by NS Power for the IRP Reference Plan (Scenario 2.0C) and provided to the DSMAG on August 20, 2021
	2025–2026	2023 Evergreen IRP. Levelized avoided cost stream, with PRM. August 23, 2024 NS Power deliverable.
	2027–2050	2025 avoided costs refresh. Levelized avoided cost stream, with PRM. December 22, 2025 NS Power/IESO deliverable.
	2051–2055	2% annual inflation applied to December 22, 2025 avoided costs refresh series.

CATEGORY	YEARS	DETAILS
Transmission ($/kW-yr)	2011–2040	29.5 $/kW-yr in 2025 System-wide avoided costs of transmission as calculated by NS Power (August 23, 2024 deliverable). 2% annual inflation applied for all other years to produce a stream of annual values.
Distribution ($/kW-yr)	2011–2040	31.7 $/kW-yr in 2025 System-wide avoided costs of distribution as calculated by NS Power (August 23, 2024 deliverable). 2% annual inflation applied for all other years to produce a stream of annual values.
Energy ($/MWh)	2011	166 $/MWh 2009 IRP refresh (levelized over 2010-2032).
	2012–2014	Adapted from 2009 IRP refresh (annual).
	2015–2022	2014 IRP, Base DSM scenario (annual).
	2023–2024	Actual annual AVC energy stream (AVC 2.0C NPV 2023) of avoided costs of energy as calculated by NS Power for the IRP Reference Plan (Scenario 2.0C) and provided to the DSMAG on August 20, 2021.
	2025–2026	2023 Evergreen IRP. Actual average annual AVC energy stream. August 23, 2024 NS Power deliverable.
	2027–2050	2025 avoided costs refresh. Actual average annual AVC stream. December 22, 2025 NS Power/IESO deliverable.
	2051–2055	2% annual inflation applied to December 22, 2025 avoided costs refresh series.
Carbon ($/MWh)	2011–2020	No avoided cost of carbon applied.
	2021–2024	Federal price of carbon multiplied by DSM savings emissions intensity from 2020 IRP 2.0C.
	2025–2055	No avoided cost of carbon applied. Assume carbon pricing is embedded within avoided cost of energy.

6. RATE CLASSES INCLUDED

E1's RBIA model presents results by rate class for the following NS Power customer classes:

- Residential (rate codes 2, 3, 4, 5, 6, 9 and 16);
- Small General (rate code 10);
- General (rate code 11);
- Large General (rate code 12);
- Small Industrial (rate code 21);
- Medium Industrial (rate code 22);

- Large Industrial (rate codes 23 and 25, and customers under the 'one-part high voltage real time pricing' tariff); and
- Municipal (rate code 24).

The Unmetered, Generation Replacement and Load Following (GRLF), Shore Power, and Extra Large Industrial Active Demand Control (ELIADC) rate classes are not included in the analysis. E1 does not offer programs for the GRLF, Shore Power, and ELIADC classes. The RBIA does not differentiate NS Power customers from future Renewable-to-Retail (RTR) customers.

7. CALCULATION OF PARTICIPATION

This section describes the development of participation figures, which are used for the participant bill impact calculations.

7.1 PARTICIPATION COUNTS BY CLASS

Participation estimates used in the RBIA model are different than participation estimates used in development of DSM plans, since the RBIA tracks participating *accounts*, rather than the number of *products* sold or installed. RBIA estimates are also de-duplicated across programs and across years to produce estimates of the number of unique accounts that are expected to participate in each year ('annual' participants) as well as the number of unique accounts experiencing savings in each year regardless of when they participated ('active' participants). The active participants within each year are used to calculate bill savings per participant (total annual energy savings in each year are divided equally amongst that year's active participants).

7.2 ENERGY EFFICIENCY PARTICIPATION

Within each rate class and year, both the annual and active energy efficiency participant estimates are the sum of three components: tracked participants (customers who participate in a program other than Residential Behaviour where E1 is able to collect customer information,

notably utility account ID), untracked participants (customers who participate in a point-of-sale program where E1 does not collect customer information), and Residential Behaviour participants (customers who receive Home Energy Reports). The untracked and Residential Behaviour groups are each adjusted to account for the portion of customers already included in the tracked group, so that all three can be added together within each year. Within each year, the total is then capped at the number of customers in the class.

7.2.1 TRACKED PARTICIPATION

Annual Tracked Participation

For years where approved/proposed rather than historical participation is used (2025–2031), annual tracked participation was first estimated at the program component level. For some program components this was done directly using inputs to Guidehouse's ProCESS model. Where ProCESS inputs could not be used directly to estimate the number of unique account IDs, E1 scaled RBIA participant estimates from 2024. Each 2024 estimate was scaled by an energy factor (reflecting the change in total program component energy savings from 2024 to 2027–2031), and where appropriate, also by a unit factor (reflecting the change in average savings per unit from 2024 to 2027–2031). The resulting annual participation figures at the program component level were then allocated to rate classes in proportion with 2024 program component participation.

Annual unique participation rates for 2011–2024 were tracked by E1.

Active Tracked Participation

For years where approved/proposed rather than historical participation is used (2025–2031), active participants in each year are estimated by applying a factor that accounts for how likely participants are to re-participate across multiple years. This factor was developed based on 2019–2023 historical tracked data. Beyond 2032, active participants degrade at the same rate as the cumulative energy savings.

Annual participation rates for 2011–2024 were tracked by E1, and then resolved with customer records from previous years to determine the number of active participants in each year.

7.2.2 UNTRACKED PARTICIPATION

E1 operates two program components that offer rebates at the point-of-sale: residential Instant Savings and the Instant Rebates portion of Business Energy Rebates (BER-IR). These program components do not collect participant information, so E1 estimates the number of customers that participate each year, and to which rate classes they belong, based on transaction records and ad-hoc primary research. Historically, E1 has employed the assumption that all customers in large commercial, medium and large industrial, and municipal classes (12, 22, 23/25, 24) participate in BER-IR each year. For 2027 onwards, E1 no longer assumes that all customers in these rate classes participate in each year. This change in methodology was made due to the phase out of lighting in Instant Rebates, which is leading to an overall drop in participation.

Annual Participation

For 2025–2031, annual untracked participants were estimated using the same methodology as tracked annual participants. For historical untracked participants (2011–2024) E1 utilizes survey data to estimate the number of participants in each rate class.

Active Participation

For historical years (2011–2024), to calculate the number of active participants, E1 starts with the annual participation and for each subsequent year adds the number of new participants (calculated based on survey data) and subtracts the number of expiring participants based on when their savings are expected to expire (weighted-average measure life of savings).

For future/proposed years, active participants in each year are estimated by applying a factor that accounts for how likely participants are to re-participate across multiple years. This factor

was developed based on 2019-2023 historical tracked data. Beyond 2032, active participants degrade at the same rate as the cumulative energy savings.

7.2.3 RESIDENTIAL BEHAVIOUR PARTICIPATION

The Residential Behaviour program component applies the rate class weighted-average measure life to estimate active participants; this is consistent with other tracked programs. For program-delivery years, Residential Behaviour annual and active participation are the same. This ensures E1 is not overestimating the number of participants in Residential Behaviour. For the post-delivery years all participation (untracked + tracked + behavioural) drops-off at the same rate as the energy savings, based on the weighted-average measure life of all savings.

A cross-participation factor is applied to Residential Behaviour annual and active participation to avoid double counting participants that may also be counted under tracked and untracked participation.

Residential Behaviour is not part of the 2027–2031 DSM Plan RBIA.

7.3 SOLAR-PV PARTICIPATION

For the 2027–2031 DSM Plan, solar-PV participation is a direct output of Guidehouse's ProCESS model. 100% of participation was allocated to the residential rate class. Active participation was calculated based on the cumulative annual participation. Solar-PV measures have a measure life of 30 years, and therefore did not expire within the model which ends in 2055.

7.4 DEMAND RESPONSE PARTICIPATION

For 2023–2024 years, demand response participation was based on historical results. For 2025–2031 years, demand response participation inputs by rate class come from Guidehouse's DRSim™ model.

The demand response participation represents the total number of annual and active demand response participants in any given year (demand response is assumed to have a measure life of one year).

7.5 COMBINED PARTICIPATION

In the DSM scenario—where the combined effects of energy efficiency, demand response, and Solar-PV are evaluated—the rate-class participation is assumed to be the highest level observed among the three resources. This approach was selected because there is substantial overlap in participation across programs, particularly between energy efficiency and solar-PV, as well as between energy efficiency and demand response.

7.6 MUNICIPAL RATE CLASS PARTICIPATION

Municipal customers within the NS Power model are Municipal account numbers that take service under the Municipal tariff. The number of customers within the NS Power model fluctuates from year-to-year between a high of eight and a low of one based on how many customer accounts are taking service under the Municipal tariff.

The E1 RBIA model considers a Municipal customer to be one Municipal Electric Utility, irrespective of what rate class they are taking service under. The number of participants is adjusted accordingly in the E1 model. E1's model controls for the varying number of participants and load represented in the Municipal rate class; however, the results of this rate class tend to be less certain because of the data volatility.

8. CALCULATION OF RATE IMPACTS

Rate impacts are calculated in NS Power's Rate Model (Attachment 7 and 8) to reflect NS Power's Cost of Service in a more precise manner. It reflects the Energy Board approved retail rates and Cost of Service at the time of modelling and not the proposed rates and Cost of Service in NS

Power's 2026-2027 GRA, which is an open matter. NS Power's Rate Model methodology is described in Attachment 6.

E1 utilizes Forecast Unit Revenues from NS Power's Rate Model as inputs into E1's RBIA Model, to assess the bill impacts. The unit revenues, provided by NS Power's model, blend DSM energy and demand impacts into one $/kWh rate, which E1 utilizes in its RBIA Model.

Forecast Unit Revenue (c/kWh) is made up of the following components (presented in the 'NSP Input' tab):

- Forecast Unit Revenue Before DSM Program Costs and Customer Charge (c/kWh) with and without DSM
- Forecast Unit DSM Program Charge (c/kWh) (with DSM only)

All rate effects are assumed to apply to energy rates. Customer charges and demand charges remain the same in the with and without DSM scenarios.

The RBIA model excludes demand charges from the bill savings calculations because these revenue requirements are already incorporated into the blended energy and demand rate provided by NS Power. The blended rate uses the assumption that demand and energy are saved at an equal rate (if a customer saves 15 percent on their consumption, this equates to both 15 percent reduction in energy and demand).

The RBIA does not forecast the timing of general rate applications, or the occurrence of any future rate adjustments. By presenting results as differences between the DSM and no-DSM scenarios, the effects of DSM are isolated from all other utility effects that may also impact rates. Any rate effects presented here should be interpreted as the annual 'rate pressure' from DSM, in comparison to a theoretical scenario where no DSM was undertaken.

9. CALCULATION OF BILL IMPACTS

This section describes key elements of the bill impact calculations.

9.1 NO-DSM BILL IMPACTS

In the no-DSM scenario, for each rate class, and for each year, the total class energy consumption is divided by the number of customers to produce an estimate of the average customer's consumption. This average consumption, along with no-DSM scenario rates, are used to calculate average bills for the no-DSM scenario.

9.2 NON-PARTICIPANT BILL IMPACTS

In the DSM scenario, non-participants in DSM programs are assumed to use the same amount of energy as they do in the no-DSM scenario. Their bill impacts are therefore driven only by changes in rates under the with-DSM scenario. Although non-participant bill impacts are only driven by changes in rates, the percentage bill impacts may be different than the percentage rate impacts due to fixed customer charges on bills, which are unaffected by DSM.

9.3 PARTICIPANT BILL IMPACTS

For the DSM scenario, within each rate class in each year, total annual savings (i.e., current-year savings plus persistent savings from past years) are divided equally amongst the number of active participants within the study period. The model does not estimate impacts for multiple 'depths of participation,' i.e., all participants in each class are assumed to save the same amount of energy and system-peak demand. In reality, some participants would save more, and others would save less. This average savings, along with the with DSM scenario rates, are used to calculate average bill impacts for participants.

E1's RBIA participation figures are intended to reflect all participants, including free-riders (participants who would have installed measures even without E1 support). However, E1 reports

net savings, and uses these figures in the RBIA. This results in a low estimate of average savings per participant, as net savings are allocated amongst total participants.

9.4 TOTAL CUSTOMER BILL IMPACTS

The RBIA also includes a third category of participants, called Total Customers. Impacts for this category are determined by allocating DSM savings for the class equally among all customers in the class. This average savings, along with the DSM scenario rates, are used to calculate the average bill savings for Total Customers. It provides an estimate of bill impacts for the class without differentiating between participants and non-participants.

10. NS POWER RATE MODEL SCENARIOS

This section describes at a high-level how the NS Power Rate Model works and some recent improvements that were made.

Both the E1 RBIA model and NS Power rate model include the actual costs and benefits of historical DSM, and a forecast of DSM programs that are in progress or planned to run, also referred to as the "With DSM" scenario. The NS Power rate model refers to this scenario as the "DSM Benchmark". NS Power's revenue requirement without DSM resources (i.e., alternate scenarios such as "No-DSM", "Demand Response" or "Energy Efficiency") is calculated by adding avoided costs to the DSM Benchmark.

The DSM Benchmark includes all historical and planned DSM savings and is calculated in the 'COSS DSM Benchmark' tab in the NS Power rate model. Revenue requirements by functional category and by rate class are forecasted by prorating 2023 GRA revenue requirement components into the future. These cost elements are prorated according to changes in the following cost drivers: consumption volumes, peak demand volumes, and customer counts. Each revenue requirement component is prorated using the relevant cost driver and inflation is

applied. In addition to DSM savings, the costs of all DSM resources are also included in the Benchmark.

The 'E1 Data Inputs' tab provides a dashboard for model users to select DSM resources (i.e., No-DSM resources, or any combination of available DSM resources) and the time frame (historical or forward-looking). This dashboard has been updated so users can include/exclude any of the DSM resources available in the E1 model. Users can also adjust the Avoided Cost Scenario relative to the DSM Benchmark avoided cost assumptions in tab 'COSS Outputs 1". Users have the option to select cost scenarios of 75%, 100%, and 125% of estimated avoided costs.

The savings presented in the NS Power rate model in the 'Total-Savings(Added)' tab are the savings associated with any DSM resources that are not selected in the 'E1 Data Inputs' tab. For example, if all of the DSM resources are selected in the 'E1 Data Inputs' tab, there will be no savings in the 'Total-Savings(Added)' tab. If only Demand Response is selected, only savings associated with the resources that are not selected (Energy Efficiency, Solar, Electrification) will populate in the 'Total-Savings(Added)' tab. The avoided costs associated with the DSM resources that are not selected in the 'E1 Data Inputs' tab will populate as well. In other words, if no DSM resources are selected in the in the 'E1 Data Inputs' tab, the avoided costs associated with all of the planned-DSM resources are added to NS Power's revenue requirement and will populate in the Savings(Added)' tab.

Alternate scenarios, including a "No-DSM" scenario or a scenario that includes one or some of the available DSM resources, but not all, are calculated in the 'COSS DSM Simulated' tab based on which DSM resources are selected in the 'E1 Data Inputs' tab. The 'COSS DSM Simulated' tab uses alternate consumption and demand volumes in which the volumes associated with resources that are not selected, as calculated in the 'Total-Savings (Added)' tab, are added to the DSM Benchmark volumes. Additionally, the costs that are no longer avoided when those resources are not selected as calculated in the 'Total-Savings (Added)' tab are added to NS

Power's revenue requirement by function. Those costs are allocated to rate classes using the same classification and allocation methodology used in NS Power's 2023 Cost of Service Study. The DSM costs of only the selected DSM resources are also included in the 'COSS DSM Simulated' tab. This methodology permits an analysis of avoided costs that are different from the base assumptions. An alternate version of the model which begins with a model that excludes all DSM savings, while potentially more intuitive, would require a single assumption of avoided costs to be used and would not allow for the analysis of scenarios of 75%, 100%, and 125% of estimated avoided costs.

A new "Avoided" savings calculation has been added to the NS Power rate model to summarize the savings of the DSM resources that are selected in the "E1 Data Inputs" tab. The newly added 'Total-Savings (Avoided)' tab summarizes the total energy and demand savings of the selected DSM resources and the associated avoided costs. Using the previous example noted above, if only Demand Response is selected in the "E1 Data Inputs" tab, the savings associated with Demand Response will populate in the 'Total-Savings (Avoided)' tab. For clarity, this tab is for information purposes only and it is the other 'Total-Savings (Added)' tab that is used in the NS Power model.

As the number of alternate scenarios has grown with the number of resources, a new "Master Output" tab is included which provides the results of each possible scenario in a single tab. There are separate scenarios generated with and without each DSM resource, with 75%, 100%, and 125% avoided cost scenarios, and two time periods (historical and forward-looking). This tab is copied to the E1 RBIA model. The E1 RBIA model has similarly been revised so users can toggle through options and select each resource, cost scenario, and time period to be modelled. The 'Input' tab in the E1 RBIA references the 'Master Output' tab in the NS Power rate model based on the selected scenario so that the results produced in that E1 RBIA model use the output data generated from the NS Power rate model.

Appendix B

Attachment 6: NS Power Pricing Methodology



Methodology for determination of changes in NS Power's base cost rates as a result of DSM-induced changes in class usage and total system costs

November 27, 2020

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1.0. Introduction

In an effort to more precisely and accurately align EfficiencyOne's (E1) RBIA Model with the methodological process used by NS Power in setting of its base cost rates, all rate setting functionality from E1's RBIA model has been removed and NS Power, instead, will perform this function in alignment with NS Power's COSS methodology. Under the new approach NS Power is responsible for providing inputs to E1 annually for use in the RBIA per a schedule agreed upon between E1 and NS Power. NS Power will provide the following annual inputs into E1's RBIA model over the entire historic DSM program effect horizon from 2011 to 2035 under the "With DSM" and "No DSM" scenarios:

- Forecast Unit Revenues Before DSM costs (¢/kWh)
- Forecast Unit DSM Program Charges (¢/kWh)
- Sales Forecast at Customer's meter (GWh)
- Average Monthly Demand Forecast (MW)
- Customer Count

NS Power will take responsibility for the cost allocation method, any assumptions used and the data inputs.

2.0. Background

The regulated base cost rate setting process involves the following three sequential analytical steps:

- Determination of total annual revenue requirement;
- COSS concerned with apportionment of total costs among rate classes; and
- Determination of class rates and class revenue responsibilities.

Revenue Requirement

Ordinarily, the base cost rate setting process used in rate case applications requires a great amount of detailed cost inputs to determine revenue requirement. Annual rate base data needs to be collected on a variety of investments such as plant-in-service, construction work in progress (CWIP), reserve for depreciation, working capital allowances, deferred charges, deferred credits, contract receivables, revenues, and operating expenses, to determine utilization of rate base by rate classes for the purpose of estimating cost allocation coefficients. Then the revenue requirement, or total system costs, need to be determined by collecting information on maintenance expenses, grants in lieu of taxes, depreciation, interest, corporate taxes and approved return on investment.

A detailed rate setting analysis, replicating efforts in the General Rate Application (GRA)-based rate applications, for a long-term, multi-year period would be a formidable task. Fortunately, such a detailed analysis is not necessary.

Since the purpose of the RBIA is to provide a long-term study on directional and relative (percent) changes in rates and bills due to only one factor – the DSM Program – it is sufficient to capture in revenue requirement only future changes due to DSM-induced avoided costs keeping all other costs constant.

Cost of Service Studies

COSS provides the most insight into class cost causation as based on changes in its energy and demand usage. It shows in a transparent way how rate class usage of demand and energy services within each functional area of generation, transmission and distribution affects its total responsibility for total the cost of service. To show relative changes in class rates due to DSM, it is important to accurately capture changes in system and class usage of demand and energy. This task can be easily accomplished as NS Power annually files a detailed ten-year Load Forecast Report with the UARB which already reflects the effect of DSM. Further, E1 prepares each year a forecast of long-term changes in class usage due to the implemented DSM programs. The purpose of directional changes in pricing of electric services can, therefore, be accomplished by a simplified COSS analysis which bypasses collection of future detailed annual investment and cost data inputs.

Rates and Revenues

There is little that can be inferred about the cost causation process from the rate structures used by the utility to generate customers' bills. The rates are bundled and therefore do not allow tracking of cost recovery by functional areas of generation, transmission and distribution. Further, NS Power's rates have only two components: an energy charge and a customer charge or an energy charge and a demand charge. Rates for residential and small general classes do not include demand charges. The demand-related costs of these two classes are recovered through energy charges. All other rate classes do not have customer charges. Their customer-related costs are recovered through a combination of demand and energy charges. Further, for rate classes with customer charges there is no alignment between customer-related revenues and customer-related costs and

for rate classes with demand charges there is no alignment between demand charge revenues and demand-related costs from COSS.

Conclusions

Bypassing the detailed COSS ratemaking step, which is intended to show how DSM-induced, cost causative changes in usage affects rates will produce misleading results and create difficulties in interpretation. Any such rate analyses by necessity must be of a marginal nature attempting to illustrate how decremental (lost) avoided costs compare to decremental revenues. This approach, even if enhanced by application of COSS-based allocation coefficients in attributing avoided costs and lost revenues to rate classes, fails to show how reallocation of the remaining embedded system costs among rate classes, due to changes in their usage, affects their rates.

A simplified COSS process will produce more precise results. It will also demonstrate how changes in class usage of energy and demand services within each functional area affects the total cost of service, providing more insight into why class total costs change as a result of DSM.

3.0. Applied Approach

The relative changes in rates due to DSM are determined by conducting two separate rate setting analyses under the "With DSM" and "No DSM" scenarios. The rate setting process under each scenario is broken out by two separate subprocesses: one for the determination of the FAM-related costs, and the other for the non-FAM-related costs.

3.1 Revenue Requirement

The annual revenue requirements under the "With DSM" scenario are kept consistent with the test year information from the preceding rate cases. The non-FAM costs in the years following the 2014 test year from the 2013 Rate Case are kept constant up to 2022, the last year of the current Rate Stability Plan (RSP). Thereafter, they are increased at an annual rate of inflation.

The FAM-related costs in years 2011 to 2022 are set to reflect test year costs set in the GRA or Base Cost of Fuel (BCF) FAM proceedings. Thereafter, they are modified for the marginal effect of change in annual load from the test year 2022 by adding a change in load multiplied by avoided fuel costs projected for a given year, as provided by E1. Also, the fuel costs in years after 2022 are subject to adjustment for annual inflation.

The annual revenue requirements for the recovery under the "No DSM" scenario are determined by modifying the FAM-cost and non-FAM cost requirements from the "With DSM" case, broken out by the three functional areas, for the incremental load effect due to the absence of DSM. The product of the incremental load effect and annual avoided unit costs is added to the annual revenue requirement from the "With DSM" case in all years from 2011 to 2035.

The applied process is based on test year revenue requirements which formed an input into prospective cost of service studies in past rate proceedings. Historic cost true-ups under the FAM are not taken into consideration for the following reasons:

- In the DSM-induced relative rate change study the annual cost true-ups do not have a material effect. The average difference in relative percentage change in rates due to DSM over 2011-2035 falls within hundredths of one percent while annual rate results are within a small fraction of one percent[1].
- The true-up for non-FAM costs (excess non-FAM revenues) lacks the rigour and details of COSS analysis.
- Inclusion of true-up costs would make the calculations unnecessarily more complex for the directional purposes of this RBIA study.

3.2 Cost of Service Studies

Cost of service Studies consist of an application of the following three sequential steps:

- functionalization of revenue requirement to the four areas: generation, transmission, distribution and retail;
- classification of costs within each area among energy, demand and customer; and
- Apportionment of costs within each service of each functional area among rate classes.

Most of the service costs are shared by all customers and are apportioned to rate classes in accordance with their utilization of utility resources. The only costs which are not shared in NS Power's COSS are streetlight fixture costs, all of which are assigned to street and area light customers billed under the unmetered class.

3.2.1 Functionalization of System Costs

As indicated in the Revenue Requirement section above, NS Power has used the test year revenue requirements, already functionalized by the four areas, from the historic rate cases. In the "With DSM" case, the FAM-related revenue requirements falling outside the 2011-2022 period have been subject to adjustment for the effect of change in annual load from the 2022 benchmark year by adding a product of a change in load and avoided unit fuel costs projected for a given year. The total system non-FAM costs in that period are not modified for the changes in annual load because its overall trend is flat and, as such, would not trigger any capacity expansion investment. Both the FAM and Non-FAM costs are increased for the rate of inflation starting in 2023.

[1] For example, consider the effect of true-up for the return of the Maritime Link depreciation costs of about $100 million in years 2017-2019 on the relative change in the total service cost under the "With DSM" and "No DSM scenarios" over 2011-2035 period.

Without true-up for $100 million: $35,697.6 million / $37,569 million - 1 = - 4.98%
With true-up for $100 million: ($35,697.6 - $100) million / ($37,569 - $100) million - 1 = - 4.99 %

In the "No DSM" case the annual revenue requirements represent the annual FAM and non-FAM revenue requirements from the "With DSM" case modified for the effect of change in load due to absence of DSM. The load savings in each area due to DSM are multiplied by projected avoided unit costs and added to the revenue requirements from the "With DSM" case.

3.2.2 Classification of System Costs

Costs within each area are classified into appropriate services. Generation and transmission costs are classified into energy and demand. Distribution costs are classified between demand and customer. Retail costs are all classified to customer.

Both in the "With DSM" and "No DSM" cases costs are reclassified into appropriate services in accordance with changes in system usage.

Generation costs are classified between energy and demand depending on the function performed by various generation units. Baseload generation units, which reflect most of the investment in this area, have most of their investment reclassified from demand to energy based on system load factor. Peaking units, such as combustion turbines, are classified only to demand while environmental investments, designed to reduce air emissions, are classified only to energy. A significant portion of non-dispatchable generation is also directly classified to energy. Absent detailed information on how changes in the total generation investment due to DSM affects the overall classification of generation costs, NS Power has used the following linear equation, with the coefficient determined through application of the least squares technique to simulated 2014 COSS data, to estimate the classification of generation costs for the RBIA purposes.

Asset Weighted Average Load Factor = 17.98% + 0.8060 * % System Load Factor.

Transmission costs are appropriately classified to demand and energy in accordance with the system load factor in each year.

As far as the distribution costs are concerned, only demand-related costs are subject to change. The customer-related costs remain static except for the effect of inflation because DSM does not have an effect on changes in the number of customers. Likewise, retail costs are kept static except for changes for rate of inflation.

3.2.3 Allocation of Costs to Rate Classes

Annual cost requirements within each service of each functional area are apportioned to rate classes based on class share in the underlying usage both in the "With DSM" and "No DSM" case.

FAM-related Costs

The FAM-related costs are allocated to rate classes using the following two-step process:

- Annual class energy usage is multiplied by the benchmark unit cost $/MWh

- In the "With DSM" case the benchmark unit costs come from the most recent rate case preceding this year.
- In the "No DSM" case the benchmark unit costs come from the same year as the "With DSM" case.

- The class annual costs estimated above are then scaled across the board to match annual FAM revenue requirement.

As a result, the relative FAM-related unit costs in years falling outside the 2011-2022 rate period are the same as in 2022. The above process does not account explicitly for the FAM cost differentiation by energy- and demand-related services as is the case with allocation of non-FAM costs discussed below. This is done this way because NS Power's model was developed a few years ago when FAM demand-related costs accounted for a very small share of the total FAM costs and as a result, capturing the distinction between energy and demand was not material. Recently the share of the demand-related costs grew to a more significant level of 15 percent of the FAM total due to inclusion of the Maritime Link Costs. This aspect of cost allocation can be remodeled in future RBIA applications.

Non-FAM related Costs

The non-FAM-related costs are allocated to rate classes using the following two-step process:

- Annual class usages of energy and demand services are multiplied by benchmark $/MWh and $/MW unit costs, respectively
  - In the "With DSM" case the benchmark unit costs come from the most recent rate case preceding this year.
  - In the "No DSM" case the benchmark unit costs come from the same calendar year from the "With DSM" case.
- The class annual costs estimated above are then scaled across the board to match the revenue requirement set for each service within each functional area.

DSM Costs

The annual DSM-related costs incurred by individual rate classes, as provided by E1, are apportioned to rate classes based on the 25/75 rule.

75 percent of the costs incurred by each class is treated as direct responsibility of each class.

The remaining 25 percent of total annual DSM costs is apportioned to all rate classes based on their energy and demand usage. These costs are first classified to energy and demand based on system annual load factor. The energy-related costs are then assigned to rate classes based on their

share in the total annual system generation. The demand-related costs are assigned to rate classes based on their share in the three winter month coincident system peaks.

3.2.4 Generic COSS Results

The actual results from the above cost allocation process under the "With DSM" and "No DSM" scenarios are presented in the "COSS Outputs" tab within NS Power's rate model, where the long-term trends in annual relative unit cost of service differential by rate class between the "No DSM" and "With DSM" scenarios are graphically portrayed.

Generically speaking, each class long-term trend can be broken down by two distinct periods.

- Historic budget period typified by higher increases in unit costs due to inclusion of DSM program cost recovery as well as growing cumulative effect of ramping up DSM measures undertaken in previous years.

- Out year period with

    - lower unit cost differential due to exclusion of DSM Program cost recovery and
    - gradually declining unit cost of service differentials due to ramping down effect of expiring DSM measures undertaken in the historic budget periods.

The diversity in individual class results in the historic budget periods is attributable to differences in both DSM spend on rate classes and changes in class unit costs due to changes in their relative usage on the basis of which costs of services are apportioned to rate classes.

The diversity in individual class results in the out year period is only attributable to differences in changes in class usage on the basis of which costs of services are apportioned to rate classes.

In general, classes whose total cost of service bear a relatively higher share of fuel costs, such as the Large Industrial, Municipal, Medium Industrial and Large General, see higher reduction rate benefits due to the DSM-induced reduction in system costs because more of the utility cost savings come from the reduced fuel consumption than lower utilization of its fixed cost infrastructure. The opposite holds true for rate classes with higher responsibility for the fixed infrastructure costs such as the Domestic and Small General classes.

3.3 Unit Revenue Determination

For the directional purposes of the RBIA model, it is not considered necessary to develop annual rates with all charges under the "With DSM" and "No DSM" cases. Rather, it is sufficient for NS Power to provide class unit blended revenues, separate from the DSM charges, in cent per kWh, without customer charge revenue for the Residential and Small General rate classes, and with all costs in, other than DSM, for all other rate classes. These unit revenues have been determined as unit costs adjusted for annual line losses for each class.

The above approach ignores the effect on class unit revenues of the following factors:

- Annual true-up of fuel and non-fuel costs flown through the FAM AA/BA Riders;
- Deferral of certain costs in revenue requirement which have not been removed from the filed COSS Compliance Filing;
- Smoothing of Rates under multi-year rate plans; and
- Revenue-to-cost ratios which are used to determine class revenue responsibilities.

Exclusion of the above factors has no material effect on the relative changes in unit revenues between the “With DSM” and “No DSM” cases.

Attachment A

Overview of Spreadsheet Calculations

Data Inputs

"COSS Data Inputs" tab

This tab includes all annual test year class usage and embedded costs from the COSS and BCF COSS filed in GRA and BCF proceedings as well as a forecast of annual usage by class per the most recent ten-year Load Forecast Report. It also includes annual DSM Expenditures on rate classes. All the above data is used in determination of class unit costs and revenues.

"E1 Data Inputs" tab

This tab includes information provided to NS Power by E1 on DSM Program measures and avoided unit costs, all of which are used in determination of class unit costs and revenues.

Savings in energy and demand usage by rate class

Savings in energy and demand usage arising from DSM programs for each class are tracked in the following class tabs: R-Savings, SG-Savings, G-Savings, LG-savings, SI-Savings, MI-Savings, LI-Savings, M-Savings, UNM-Savings.

For each class, annual usage savings at the generator's gate are determined by adding projected annual usage savings effects of DSM Programs undertaken for each class in specific calendar year in the period 2011 to 2022. This computation is the same as used by E1 in support of its RBIA Reports.

Total annual Energy and Demand changes at the generator's gate are converted to energy sales and demands at customers' meters by netting out energy and demand losses. The energy and demand losses used in these calculations come from the COSS on public record.

Changes in total Revenue Requirement

"Total-Savings" tab

The "Total-Savings" tab provides a sum of annual class savings in energy and demand usage at the generator's gate and customer's meter. In addition, class demand savings at the high side of the bulk power substation are also calculated for each class.

The total energy savings at the generator's gate are used to determine total avoided fuel costs.

The total demand savings at the generator's gate are used to determine total avoided costs of generation and transmission infrastructure.

The total demand savings at the high side of the bulk power substation are used to determine total avoided costs of distribution infrastructure.

The FAM-related avoided costs are determined by multiplying unit avoided fuel costs ($/MWh) by system energy savings (MWh) in each year. This is appropriate as under the FAM customers pay the actual fuel costs incurred.

The non-FAM related avoided costs are determined by multiplying annual avoided costs of generation, transmission, and distribution ($/MW) by total annual MW demand savings in these functional areas.

Cost of Service Studies

Apportionment of costs to rate classes is done separately for the "With DSM" and "No DSM" cases" in the tabs bearing the same names.

"With DSM" tab

The "With DSM" tab provides annual cost allocation to rate classes based on long-term usage as included in NS Power's most recent Annual ten-year Load Forecast Report. This usage already reflects inclusion of DSM Program effects.

The FAM-related costs of each class are adjusted only in years 2023-2035 as they fall outside of the most recent rate setting period which ends in 2022. The following two-step process is used to calculate FAM class costs in this period:

- Annual FAM costs for each class are calculated by multiplying the forecast annual MWh usage by blended unit FAM costs in $/MWh from 2022, the last year for which the FAM rates have been set on the regulatory record.

- The annual class FAM costs above are scaled across the board to match the total FAM costs calculated for a given calendar year.

- The total annual FAM costs in a given calendar year are calculated using the following formula:

  Annual FAM Cost = (Previous year FAM Cost) + (Delta in Energy Requirement from previous year) * (Unit Avoided FAM cost from the given year).

Comments

The applied process is a simplification of a more elaborate cost allocation process from the COSS where some FAM costs, such as fuel costs, are allocated to rate classes based on their shares in monthly energy requirements; some other FAM costs, such as non-dispatchable energy-related renewable costs, are allocated based on class shares in annual energy requirements; and yet some other FAM costs are classified to demand, such as Maritime Link costs, are classified to Demand based on system load factor, and are allocated based on class shares in three coincident system peaks. To recognize the diversification in the class FAM unit costs, the relative class unit costs from the most recent rate setting procedure are carried forward to subsequent years' cost

calculation simulation. For example, the relative class unit FAM costs from 2022 are carried over to years 2023 – 2035.

The total of non-FAM costs incurred on serving all rate classes within each functional area is assumed to be fixed between rate cases at a level from the most recent rate case. There is an option in the spreadsheet (cell E3, "COSS Outputs" tab) to increase non-FAM costs in future years (2023-2035) by an annual rate of inflation to approximate rate effects of future GRAs conducted once every several years. The individual class shares in these costs change annually based on changes in total service costs of energy and demand within generation and transmission as based on changes in system load factor.

The total service costs of energy and demand within each service can be adjusted for annual inflation effect in years 2023–2035.

"No DSM" tab

The "No DSM" tab provides annual cost allocation to rate classes absent DSM.

The FAM-related costs in years 2011–2035 are calculated using the following process:

- Annual FAM costs for each class are calculated by multiplying annual MWh usage (without DSM savings) by blended unit FAM costs in $/MWh from the same year as the "With DSM" case. This calculation is in the table labelled "Before External Effect".

- The annual class FAM costs above are scaled across the board to match the total FAM costs estimated for a given calendar year. This calculation is in the table labelled "After External Effect".

- The total annual FAM costs in a given calendar year are calculated using the following formula:

  Annual FAM Cost = (FAM Cost from a given year under the "With DSM" case) + (Delta in Energy Requirement between the "With DSM" and "No DSM" case from a given year) * Unit Avoided FAM cost from the given year.

This above calculation is in the "Total" column of the "After External Effect" table.

Comments

The applied process is a simplification of a more elaborate cost allocation process where some FAM costs, such as fuel costs, are allocated to rate classes based on their shares in monthly energy requirements; some other FAM costs, such as non-dispatchable energy-related renewable costs, are allocated based on class shares in annual energy requirements; and yet some other FAM costs are classified to demand and are allocated based on class shares in three coincident system peaks. To recognize the diversification in the class FAM unit costs, the relative class unit costs from the

most recent rate setting procedure are carried forward to subsequent year cost calculation simulation.

The non-FAM costs incurred on serving all rate classes in each year are determined as follows:

- The total annual non-FAM costs in each of the functional areas of generation, transmission and distribution in a given calendar year are calculated using the following formula:

  Annual non-FAM Cost = (non-FAM Cost from a given year under the "With DSM" case) + avoided costs as estimated in "Total Savings" tab.

  The above calculation is in the "Total" column of the "Fixed (functional area) - After Prorating" table.

- Annual non-FAM costs from each area, as estimated above, are split between the energy- and demand-related services based on the load factor derived from system usage in the no-DSM case. For generation, an estimate of asset-weighted load factor is used. It is determined as a function of a linear equation relating an asset-weighed load factor to a system load factor based on the most recent COSS. For transmission, a system load factor is used.

- Annual non-FAM costs for each class within each service and functional area (for example, demand-related generation cost) are calculated by multiplying annual MWh or MW usage (without DSM savings) by blended unit non-FAM costs in $/MWh or $/MW from the same year as the "With DSM" case. This calculation is in the table labelled "Fixed (functional area) Costs Streams by Rate classes - Before External Effect".

- The annual class non-FAM costs above are scaled across the board to match the total FAM costs estimated for a given calendar year within each service in each functional area. This calculation is in the table labelled "Fixed (functional area) Costs Streams by Rate classes - After Prorating".

The total service costs of energy and demand within each service costs can be adjusted for annual inflation effect in years 2023–2035.

The annual FAM and non-FAM costs above are added up to provide total annual cost for each class in a given year and then divided by energy requirement to provide annual unit cost at generator's gate.

Comments

The applied process is a simplification of a more elaborate cost allocation process in the COSS where energy- and demand- related non-FAM costs, are determined through application of rate base usage allocators developed separately for various sub-categories of costs (please see exhibits 8A and 8B in the 2014 COSS). To recognize the diversification in the class non-FAM unit costs

the relative class unit costs from the COSS used in the most recent rate setting procedure are carried forward to subsequent year cost calculation simulation.

"COSS Var" tab

"COSS Var" provides differentials between cell values in the "No DSM" and "With DSM" tabs. Please note that the data layouts in the "No DSM" and "With DSM" tabs are identical with the exception for the treatment of DSM costs which in "No DSM" case are excluded.

Results

"COSS Outputs" tab

The "COSS Outputs" tab provides two sets of bar graphs of percentage change in class rates due to DSM over the period 2011–2035 calculated as either arithmetic or load-weighted rate changes. The graphs within each set are broken out by the following effects:

- Change in unit base cost revenues before accounting for the effect of DSM costs
- Change in unit base cost revenues under the "No DSM" scenarios by inclusions of DSM cost.
- Change in unit base cost revenues taking both the above effects into account

This tab also includes a control panel to test the effect of a change in:

- Rate of inflation and
- Avoided cost level (avoided cost scenarios)

on absolutes and relative changes in class unit costs and unit revenues.

"NSPI Inputs into RBIA" tab

"NSPI Inputs into RBIA" provides pricing inputs requested by E1. It includes the following annual class data in years 201-2035 broken out by "With DSM" and "No DSM" scenarios:

- Forecast Unit Revenues Before DSM costs (¢/kWh)
- Forecast Unit DSM Program Charges (¢/kWh)
- Sales Forecast at Customer's meter (GWh)
- Average Monthly Demand Forecast (MW)
- Customer Count

Appendix B

Attachment 7: NS Power Rate Model
2027-2031 DSM Preferred Plan and 2026 Historical

Appendix B

Attachment 8: NS Power Rate Model
2027-2031 Alternate Scenario and 2026 Historical

Appendix B

Attachment 9: E1 RBIA Model

2027-2031 DSM Preferred Plan and 2026 Historical

Appendix B

Attachment 10: E1 RBIA Model

2027-2031 Alternate Scenario and 2026 Historical

Appendix C: Alternate Scenario

2027-2031 DSM Resource Plan

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1. 2027–2031 ALTERNATE SCENARIO

The Alternate Scenario will invest $308.4 million to achieve 435.4 GWh of incremental cumulative net energy savings, 85.0 MW of cumulative system-peak demand savings, 25.5 MW of available capacity from demand , and 1.7 GWh of solar-PV generation.

Like the Preferred Plan, E1's portfolio design considerations and approach remain the same, with one difference. The Alternate Scenario represents a modest reduction in the overall DSM investment compared to the Preferred Plan, the result of removing the residential pathway (Eco Shift) from the demand response portfolio. This approach focuses on maintaining a gradual upward trajectory for E1's existing Business, Non-profit, and Institutional (BNI) demand response portfolio where cost effectiveness results are higher.

The Alternate Scenario maintains the introduction of two new program components as in the Preferred Plan: Mi'kmaw New Home Construction and solar-PV for Mi'kmaw communities through the Residential Solar-PV program component. Table 1, below, provides highlights of the Alternate Scenario.

Table 1: 2027–2031 Alternate Scenario Portfolio Level Insights

Insights	2027–2031
Energy Efficiency	
Energy Savings as % of NS Power Load	0.8%
Energy Savings (EE) Split (RES/BNI)	29/71
Demand Savings (EE) Split (RES/BNI)	44/56
Dedicated Low-Income & Equity energy savings as % of total Residential energy savings (GWh)	11%
First-Year Unit Cost ($/kWh)	0.66
Lifetime Unit Cost ($/kWh)	0.05
Demand Response	
Available Capacity (DR) Split (RES/BNI)	0/100
Levelized Unit Cost	188.7
Solar-PV	
Installed Capacity (MW)	2
Generation Split (RES/BNI)	100/0
Installed Capacity Split (RES/BNI)	100/0
First-Year Unit Cost ($/kWh)	1.63
Lifetime Unit Cost ($/kWh)	0.05

Insights	2027–2031
Total Alternative Plan	
Lifetime Benefits ($million)	675.4
Program Administrator Cost (PAC) Test	2.5
Investment ($ million)	308.4
First Year Energy Savings (GWh)	435.4
Lifetime Energy Savings (GWh)	5335.1
Peak Demand Savings (MW)	85.0
Available Capacity (MW)	25.5
First Year Solar-PV Generation (GWh)	1.7
Lifetime Solar-PV Generation (GWh)	52.2
First-Year CO_2e Savings (kt)	68.2
Lifetime CO2e Savings (kt)	380.8

Columns may not add correctly due to rounding.
Currency is expressed in nominal dollars. For the five-year total row, currency is a straight sum of 5 years of nominal values.
Energy efficiency first-year and lifetime unit cost includes Enabling Strategies investment.
Levelized unit cost of demand response is calculated by taking the net present value of investment and available capacity for the total DR program over the 2027–2031 timeframe.
Lifetime benefits for energy efficiency, demand response and solar-PV are expressed as the net present value of the avoided costs, including energy, capacity, transmission, distribution over the life of the program measures, using utility WACC.
Low-Income & Equity Energy Savings are first-year energy savings from dedicated energy efficiency program components (Affordable Multifamily Housing, Affordable Single-family Homes, Mi'kmaw Home Energy Efficiency Project, Mi'kmaw New Home Construction).
PAC is a benefit/cost ratio comparing lifetime benefits to DSM investment. For Demand Response, upfront costs are levelized over ten years.

1.1 ALTERNATE SCENARIO – PORTFOLIO SAVINGS AND INVESTMENT

Table 2, below, provides portfolio-level savings and investment by year and in aggregate, inclusive of all proposed DSM resources for the 2027–2031 Alternate Scenario.

Table 2: 2027–2031 Alternate Scenario Investment and Savings

2027-2031 Portfolio												
Year	Investment ($M)	Lifetime Benefits ($ million)	First-Year Energy Savings (GWh)	Peak Demand Savings (MW)	Lifetime Energy Savings (GWh)	Low-Income & Equity Energy Savings (GWh)	Available Demand Response Capacity (MW)	Solar-PV Generation (GWh)	Energy Efficiency Weighted Average Measure Life (years)	Demand Response Weighted Average Measure Life (years)	Solar-PV Weighted Average Measure Life (years)	Program Administrator Cost Test (PAC)
2027	61.6	173.8	121.5	19.7	1,540.6	2.7	17.0	0.0	12.7	1.0	30.0	2.8
2028	61.7	159.1	100.8	18.7	1,214.2	3.1	19.1	0.5	12.0	1.0	30.0	2.6
2029	61.7	148.7	77.7	16.6	937.9	2.9	21.2	0.5	12.1	1.0	30.0	2.4
2030	61.7	143.3	70.3	15.8	855.3	2.7	23.3	0.4	12.2	1.0	30.0	2.3
2031	61.7	133.9	65.2	14.2	787.1	2.5	25.5	0.3	12.1	1.0	30.0	2.2
Total	308.4	675.4	435.4	85.0	5,335.1	14.0	25.5	1.7	12.3	1.0	30.0	2.5

Columns may not add correctly due to rounding.
Currency is expressed in nominal dollars. For the five-year total row, currency is a straight sum of 5 years of nominal values.
Lifetime benefits for energy efficiency, demand response and solar-PV are expressed as the net present value of the avoided costs, including energy, capacity, transmission, distribution over the life of the program measures, using utility WACC.

Low-Income & Equity Energy Savings are first-year energy savings from dedicated energy efficiency program components (Affordable Multifamily Housing, Affordable Single-family Homes, Mi'kmaw Home Energy Efficiency Project, Mi'kmaw New Home Construction).
PAC is a benefit/cost ratio comparing lifetime benefits to DSM investment. For Demand Response, upfront costs are levelized over ten years.

1.2 ALTERNATE SCENARIO – PROGRAM SAVINGS AND INVESTMENT

Table 3, below, provides the five-year savings and investment details by program component for the 2027–2031 Alternate Scenario.

Table 3: 2027–2031 Alternate Scenario Savings and Investment by Program Component

2027-2031	Investment ($ million)	Lifetime Benefits ($ million)	First Year Energy Savings (GWh)	Lifetime Energy Savings (GWh)	Peak Demand Savings (MW)	Available Demand Response Capacity (MW)	Solar-PV Generation (GWh)	Weighted Average Measure Life (years)	Program Administrator Cost Test (PAC)
Energy Efficiency (EE) Programs									
Residential EE Programs									
Efficient Product Rebates	20.6	111.1	63.4	691.1	18.7	-	-	10.9	6.3
Instant Savings	*20.6*	*111.1*	*63.4*	*691.1*	*18.7*			*10.9*	*6.3*
Existing Residential	119.3	115.1	61.6	777.5	18.2	-	-	12.6	1.1
Affordable Multifamily Housing	*11.3*	*12.7*	*4.6*	*79.0*	*2.1*			*17.2*	*1.3*
Affordable Single-family Homes	*43.7*	*30.2*	*8.3*	*157.4*	*6.0*			*19.0*	*0.8*
Efficient Product Installation	*39.5*	*33.4*	*39.6*	*362.4*	*2.6*			*9.2*	*1.0*
Home Energy Assessment	*24.3*	*38.3*	*9.1*	*177.3*	*7.5*			*19.4*	*1.8*
Mi'kmaw Home Energy Efficiency Project	*0.6*	*0.5*	*0.1*	*1.3*	*0.1*			*18.6*	*0.9*
New Residential	5.0	3.2	1.1	32.8	0.4	-	-	30.8	0.8
Mi'kmaw New Home Construction	5.0	3.2	1.1	32.8	0.4			30.8	0.8
Residential Total (Incidental + Dedicated) Low-Income & Equity Impacts	*73.9*	*59.0*	*28.6*	*404.7*	*9.6*			*14.1*	*0.9*
Residential EE Programs Subtotal	144.9	229.5	126.1	1,501.5	37.3	-	-	11.9	1.8
Business, Non-Profit & Institutional (BNI) EE Programs									
Efficient Product Rebates	18.1	67.4	50.2	578.7	9.4	-	-	11.5	4.2
Business Energy Rebates	*18.1*	*67.4*	*50.2*	*578.7*	*9.4*			*11.5*	*4.2*
Custom Incentives	67.5	297.3	237.5	2,973.1	32.4	-	-	12.5	4.9
Custom	*62.1*	*285.2*	*218.7*	*2,863.6*	*30.1*			*13.1*	*5.1*
Strategic Energy Management	*5.4*	*12.1*	*18.8*	*109.5*	*2.3*			*5.8*	*2.5*
Direct Installation	27.3	38.0	21.6	281.8	5.9	-	-	13.0	1.6
Small Business Energy Solutions	*27.3*	*38.0*	*21.6*	*281.8*	*5.9*			*13.0*	*1.6*
BNI Low-Income & Equity (EE)	*0.6*	*2.0*	*1.0*	*18.5*	*0.1*			*19.2*	*3.7*
BNI EE Programs Subtotal	112.8	402.6	309.4	3,833.6	47.7	-	-	12.4	4.0
EE Programs Total (Residential + BNI)	257.7	632.1	435.4	5,335.1	85.0	-	-	12.3	2.8
Enabling Strategies (ES)									
Education and Outreach	6.5								
Development and Research	7.1								
Other Enabling Strategies	11.7								
Market Transformation	3.8								
Enabling Strategies Subtotal	29.1								
EE Portfolio Total (EE + ES)	286.8	632.1	435.4	5,335.1	85.0	-	-	12.3	2.5
Demand Response (DR) Program									
BNI Demand Response	18.8	40.5	-	-	-	25.5	-	1.0	2.4
DR Program Total	18.8283480	40.5	-	-	-	25.5	-	1.0	2.4
Solar-PV Program									
Residential Solar-PV	*2.8*	*2.8*	-	-	-	-	*1.7*	*30.0*	*1.1*
Solar-PV Program Total	2.8	2.8	-	-	-	-	1.7	30.0	1.1
DSM Portfolio Total (EE + ES + DR +Solar-PV)	308.4	675.4	435.4	5,335.1	85.0	25.5	1.7	-	2.5

Columns may not add correctly due to rounding.
Currency is expressed in nominal dollars. For the five-year total row, currency is a straight sum of 5 years of nominal values.
Lifetime benefits for energy efficiency, demand response and solar-PV are expressed as the net present value of the avoided costs, including energy, capacity, transmission, distribution over the life of the program measures, using utility WACC.
Low-income and equity impacts reflects planned participation by low-income and equity customers. Impacts are from dedicated low-income and equity programs and incidental low-income and equity impacts from non-targeted programs. Numbers are a subset of Existing Residential, New Residential, BNI Efficient Product Rebates, Custom Incentives, and Direct Installation.
PAC is a benefit/cost ratio comparing lifetime benefits to DSM investment. For Demand Response, upfront costs are levelized over ten years.

Alternate Scenario program savings and investment for 2027, 2028, 2029, 2030, and 2031 are provided in Tables 4 through Table 8.

Table 4: 2027 Alternate Scenario Savings and Investment by Program Component

2027	Investment ($ million)	Lifetime Benefits ($ million)	First Year Energy Savings (GWh)	Lifetime Energy Savings (GWh)	Peak Demand Savings (MW)	Available Demand Response Capacity (MW)	Solar-PV Generation (GWh)	Weighted Average Measure Life (years)	Program Administrator Cost Test (PAC)
Energy Efficiency (EE) Programs									
Residential EE Programs									
Efficient Product Rebates	2.2	10.4	11.5	111.3	1.0	-	-	9.7	4.7
Instant Savings	*2.2*	*10.4*	*11.5*	*111.3*	*1.0*			*9.7*	*4.7*
Existing Residential	22.0	22.2	11.8	145.5	3.3	-	-	12.3	1.0
Affordable Multifamily Housing	*1.9*	*2.3*	*0.8*	*12.9*	*0.3*			*15.8*	*1.2*
Affordable Single-family Homes	*9.0*	*7.5*	*1.8*	*35.3*	*1.3*			*19.1*	*0.8*
Efficient Product Installation	*7.3*	*6.0*	*7.8*	*72.0*	*0.5*			*9.2*	*0.8*
Home Energy Assessment	*3.3*	*5.9*	*1.2*	*24.0*	*1.0*			*19.4*	*1.8*
Mi'kmaw Home Energy Efficiency Project	*0.5*	*0.5*	*0.1*	*1.3*	*0.1*			*18.6*	*1.0*
New Residential	0.2	0.0	0.0	0.0	0.0	-	-	N/A	0.0
Mi'kmaw New Home Construction	0.2	0.0	0.0	0.0	0.0			N/A	0.0
Residential Total (Incidental + Dedicated) Low-Income & Equity Impacts	*14.1*	*12.5*	*5.6*	*76.1*	*2.0*			*13.5*	*0.9*
Residential EE Programs Subtotal	24.4	32.6	23.3	256.7	4.3	-	-	11.0	1.3
Business, Non-Profit & Institutional (BNI) EE Programs									
Efficient Product Rebates	4.1	16.8	14.4	146.7	2.6	-	-	10.2	4.1
Business Energy Rebates	*4.1*	*16.8*	*14.4*	*146.7*	*2.6*			*10.2*	*4.1*
Custom Incentives	18.2	105.9	77.4	1,070.4	11.3	-	-	13.8	5.8
Custom	*17.1*	*103.6*	*73.2*	*1,046.1*	*10.7*			*14.3*	*6.0*
Strategic Energy Management	*1.1*	*2.3*	*4.2*	*24.3*	*0.5*			*5.8*	*2.0*
Direct Installation	6.7	9.2	6.4	66.7	1.6	-	-	10.4	1.4
Small Business Energy Solutions	*6.7*	*9.2*	*6.4*	*66.7*	*1.6*			*10.4*	*1.4*
BNI Low-Income & Equity (EE)	*0.2*	*0.6*	*0.3*	*6.3*	*0.0*			*20.2*	*4.2*
BNI EE Programs Subtotal	29.0	131.9	98.2	1,283.8	15.4	-	-	13.1	4.5
EE Programs Total (Residential + BNI)	53.4	164.5	121.5	1,540.6	19.7	-	-	12.7	3.1
Enabling Strategies (ES)									
Education and Outreach	1.2								
Development and Research	1.5								
Other Enabling Strategies	1.5								
Market Transformation	0.8								
Enabling Strategies Subtotal	5.0								
EE Portfolio Total (EE + ES)	58.4	164.5	121.5	1,540.6	19.7	-	-	12.7	2.8
Demand Response (DR) Program									
BNI Demand Response	3.1	9.3	-	-	-	17.0	-	1.0	2.9
DR Program Total	3.1	9.3	-	-	-	17.0	-	1.0	2.9
Solar-PV Program									
Residential Solar-PV	0.0	0.0	-	-	-	-	0.0	N/A	N/A
Solar-PV Program Total	0.0	0.0	-	-	-	-	0.0	N/A	N/A
DSM Portfolio Total (EE + ES + DR +Solar-PV)	61.6	173.8	121.5	1,540.6	19.7	17.0	0.0	-	2.8

Columns may not add correctly due to rounding.
Currency is expressed in nominal dollars. For the five-year total row, currency is a straight sum of 5 years of nominal values.
Lifetime benefits for energy efficiency, demand response and solar-PV are expressed as the net present value of the avoided costs, including energy, capacity, transmission, distribution over the life of the program measures, using utility WACC.
Low-income and equity impacts reflects planned participation by low-income and equity customers. Impacts are from dedicated low-income and equity programs and incidental low-income and equity impacts from non-targeted programs. Numbers are a subset of Existing Residential, New Residential, BNI Efficient Product Rebates, Custom Incentives, and Direct Installation.
PAC is a benefit/cost ratio comparing lifetime benefits to DSM investment. For Demand Response, upfront costs are levelized over ten years.

Table 5: 2028 Alternate Scenario Savings and Investment by Program Component

2028	Investment ($ million)	Lifetime Benefits ($ million)	First Year Energy Savings (GWh)	Lifetime Energy Savings (GWh)	Peak Demand Savings (MW)	Available Demand Response Capacity (MW)	Solar-PV Generation (GWh)	Weighted Average Measure Life (years)	Program Administrator Cost Test (PAC)
Energy Efficiency (EE) Programs									
Residential EE Programs									
Efficient Product Rebates	3.3	21.3	12.2	129.4	3.0	-	-	10.6	6.5
Instant Savings	*3.3*	*21.3*	*12.2*	*129.4*	*3.0*			*10.6*	*6.5*
Existing Residential	22.6	26.2	12.7	160.7	3.8	-	-	12.7	1.2
Affordable Multifamily Housing	*2.5*	*3.2*	*1.2*	*18.3*	*0.5*			*15.6*	*1.3*
Affordable Single-family Homes	*8.6*	*6.8*	*1.7*	*32.4*	*1.2*			*19.0*	*0.8*
Efficient Product Installation	*7.5*	*6.8*	*7.8*	*71.7*	*0.5*			*9.2*	*0.9*
Home Energy Assessment	*3.9*	*9.3*	*2.0*	*38.3*	*1.6*			*19.4*	*2.4*
Mi'kmaw Home Energy Efficiency Project	*0.1*	*0.0*	*0.0*	*0.0*	*0.0*			*N/A*	*0.0*
New Residential	1.2	0.9	0.3	8.2	0.1	-	-	30.8	0.8
Mi'kmaw New Home Construction	1.2	0.9	0.3	8.2	0.1			30.8	0.8
Residential Total (Incidental + Dedicated) Low-Income & Equity Impacts	*14.9*	*13.5*	*6.0*	*85.4*	*2.0*			*14.2*	*0.9*
Residential EE Programs Subtotal	27.0	48.4	25.1	298.3	7.0	-	-	11.9	1.8
Business, Non-Profit & Institutional (BNI) EE Programs									
Efficient Product Rebates	4.2	18.4	14.3	146.7	2.6	-	-	10.2	4.4
Business Energy Rebates	*4.2*	*18.4*	*14.3*	*146.7*	*2.6*			*10.2*	*4.4*
Custom Incentives	14.4	75.9	54.9	702.5	7.6	-	-	12.8	5.3
Custom	*13.3*	*73.1*	*50.7*	*678.2*	*7.1*			*13.4*	*5.5*
Strategic Energy Management	*1.1*	*2.9*	*4.2*	*24.3*	*0.5*			*5.8*	*2.5*
Direct Installation	6.8	9.8	6.4	66.8	1.6	-	-	10.4	1.4
Small Business Energy Solutions	*6.8*	*9.8*	*6.4*	*66.8*	*1.6*			*10.4*	*1.4*
BNI Low-Income & Equity (EE)	*0.1*	*0.5*	*0.2*	*4.4*	*0.0*			*18.4*	*3.8*
BNI EE Programs Subtotal	25.4	104.2	75.6	916.0	11.7	-	-	12.1	4.1
EE Programs Total (Residential + BNI)	52.4	152.6	100.8	1,214.2	18.7	-	-	12.0	2.9
Enabling Strategies (ES)									
Education and Outreach	1.2								
Development and Research	1.6								
Other Enabling Strategies	1.5								
Market Transformation	0.8								
Enabling Strategies Subtotal	5.1								
EE Portfolio Total (EE + ES)	57.5	152.6	100.8	1,214.2	18.7	-	-	12.0	2.7
Demand Response (DR) Program									
BNI Demand Response	3.5	5.7	-	-	-	19.1	-	1.0	1.6
DR Program Total	3.5	5.7	-	-	-	19.1	-	1.0	1.6
Solar-PV Program									
Residential Solar-PV	*0.8*	*0.8*	-	-	-	-	*0.5*	*30.0*	*1.1*
Solar-PV Program Total	0.8	0.8	-	-	-	-	0.5	30.0	1.1
DSM Portfolio Total (EE + ES + DR +Solar-PV)	61.7	159.1	100.8	1,214.2	18.7	19.1	0.5	-	2.6

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Lifetime benefits for energy efficiency, demand response and solar-PV are expressed as the net present value of the avoided costs, including energy, capacity, transmission, distribution over the life of the program measures, using utility WACC.
Low-income and equity impacts reflects planned participation by low-income and equity customers. Impacts are from dedicated low-income and equity programs and incidental low-income and equity impacts from non-targeted programs. Numbers are a subset of Existing Residential, New Residential, BNI Efficient Product Rebates, Custom Incentives, and Direct Installation.
PAC is a benefit/cost ratio comparing lifetime benefits to DSM investment. For Demand Response, upfront costs are levelized over ten years.

Table 6: 2029 Alternate Scenario Savings and Investment by Program Component

2029	Investment ($ million)	Lifetime Benefits ($ million)	First Year Energy Savings (GWh)	Lifetime Energy Savings (GWh)	Peak Demand Savings (MW)	Available Demand Response Capacity (MW)	Solar-PV Generation (GWh)	Weighted Average Measure Life (years)	Program Administrator Cost Test (PAC)
Energy Efficiency (EE) Programs									
Residential EE Programs									
Efficient Product Rebates	4.8	32.5	13.5	152.4	4.9			11.3	6.8
Instant Savings	*4.8*	*32.5*	*13.5*	*152.4*	*4.9*	-	-	*11.3*	*6.8*
Existing Residential	24.5	27.6	12.4	158.9	3.8			12.8	1.1
Affordable Multifamily Housing	*2.3*	*3.1*	*0.9*	*16.8*	*0.4*	-	-	*18.5*	*1.3*
Affordable Single-family Homes	*9.0*	*7.1*	*1.7*	*32.4*	*1.2*			*19.0*	*0.8*
Efficient Product Installation	*7.8*	*7.7*	*7.8*	*71.4*	*0.5*			*9.2*	*1.0*
Home Energy Assessment	*5.4*	*9.6*	*2.0*	*38.3*	*1.6*			*19.4*	*1.8*
Mi'kmaw Home Energy Efficiency Project	*0.0*	*0.0*	*0.0*	*0.0*	*0.0*			*N/A*	*N/A*
New Residential	1.2	0.9	0.3	8.2	0.1			30.8	0.8
Mi'kmaw New Home Construction	1.2	0.9	0.3	8.2	0.1	-	-	30.8	0.8
Residential Total (Incidental + Dedicated) Low-Income & Equity Impacts	*15.1*	*14.0*	*5.8*	*83.8*	*2.0*			*14.5*	*0.9*
Residential EE Programs Subtotal	30.5	61.0	26.2	319.6	8.8			12.2	2.0
Business, Non-Profit & Institutional (BNI) EE Programs									
Efficient Product Rebates	3.4	15.5	9.2	115.1	1.7			12.6	4.5
Business Energy Rebates	*3.4*	*15.5*	*9.2*	*115.1*	*1.7*	-	-	*12.6*	*4.5*
Custom Incentives	12.3	52.8	39.2	452.5	5.1			11.6	4.3
Custom	*11.1*	*49.6*	*35.0*	*428.2*	*4.6*	-	-	*12.2*	*4.5*
Strategic Energy Management	*1.1*	*3.3*	*4.2*	*24.3*	*0.5*			*5.8*	*2.9*
Direct Installation	4.7	8.0	3.2	50.7	1.0			16.0	1.7
Small Business Energy Solutions	*4.7*	*8.0*	*3.2*	*50.7*	*1.0*	-	-	*16.0*	*1.7*
BNI Low-Income & Equity (EE)	*0.1*	*0.4*	*0.2*	*2.9*	*0.0*			*18.9*	*3.5*
BNI EE Programs Subtotal	20.4	76.4	51.5	618.4	7.8			12.0	3.7
EE Programs Total (Residential + BNI)	50.9	137.4	77.7	937.9	16.6	-	-	12.1	2.7
Enabling Strategies (ES)						-	-		
Education and Outreach	1.3								
Development and Research	1.4								
Other Enabling Strategies	2.9								
Market Transformation	0.7								
Enabling Strategies Subtotal	6.3								
EE Portfolio Total (EE + ES)	57.2	137.4	77.7	937.9	16.6			12.1	2.4
Demand Response (DR) Program									
BNI Demand Response	3.8	10.5	-	-	-	21.2	-	1.0	2.7
DR Program Total	3.8	10.5	-	-	-	21.2	-	1.0	2.7
Solar-PV Program									
Residential Solar-PV	*0.8*	*0.9*	-	-	-	-	*0.5*	*30.0*	*1.2*
Solar-PV Program Total	0.8	0.9	-	-	-	-	0.5	30.0	1.2
DSM Portfolio Total (EE + ES + DR +Solar-PV)	61.7	148.7	77.7	937.9	16.6	21.2	0.5	-	2.4

Columns may not add correctly due to rounding.

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Lifetime benefits for energy efficiency, demand response and solar-PV are expressed as the net present value of the avoided costs, including energy, capacity, transmission, distribution over the life of the program measures, using utility WACC.

Low-income and equity impacts reflects planned participation by low-income and equity customers. Impacts are from dedicated low-income and equity programs and incidental low-income and equity impacts from non-targeted programs. Numbers are a subset of Existing Residential, New Residential, BNI Efficient Product Rebates, Custom Incentives, and Direct Installation.

PAC is a benefit/cost ratio comparing lifetime benefits to DSM investment. For Demand Response, upfront costs are levelized over ten years.

Table 7: 2030 Alternate Scenario Savings and Investment by Program Component

2030	Investment ($ million)	Lifetime Benefits ($ million)	First Year Energy Savings (GWh)	Lifetime Energy Savings (GWh)	Peak Demand Savings (MW)	Available Demand Response Capacity (MW)	Solar-PV Generation (GWh)	Weighted Average Measure Life (years)	Program Administrator Cost Test (PAC)
Energy Efficiency (EE) Programs									
Residential EE Programs									
Efficient Product Rebates	5.1	34.4	13.3	153.0	5.3	-	-	11.5	6.8
Instant Savings	*5.1*	*34.4*	*13.3*	*153.0*	*5.3*			*11.5*	*6.8*
Existing Residential	24.8	27.8	12.5	158.3	3.7	-	-	12.7	1.1
Affordable Multifamily Housing	*2.4*	*3.1*	*0.9*	*16.8*	*0.4*			*18.5*	*1.3*
Affordable Single-family Homes	*8.6*	*6.4*	*1.6*	*29.4*	*1.1*			*19.0*	*0.8*
Efficient Product Installation	*8.3*	*8.7*	*8.1*	*73.7*	*0.5*			*9.1*	*1.0*
Home Energy Assessment	*5.6*	*9.5*	*2.0*	*38.3*	*1.6*			*19.4*	*1.7*
Mi'kmaw Home Energy Efficiency Project	*0.0*	*0.0*	*0.0*	*0.0*	*0.0*			*N/A*	*N/A*
New Residential	1.2	1.0	0.3	8.2	0.1	-	-	30.8	0.8
Mi'kmaw New Home Construction	1.2	1.0	0.3	8.2	0.1			30.8	0.8
Residential Total (Incidental + Dedicated) Low-Income & Equity Impacts	*14.9*	*13.8*	*5.7*	*81.7*	*1.9*			*14.3*	*0.9*
Residential EE Programs Subtotal	31.1	63.2	26.1	319.6	9.1	-	-	12.3	2.0
Business, Non-Profit & Institutional (BNI) EE Programs									
Efficient Product Rebates	3.1	12.3	6.2	85.7	1.3	-	-	13.7	4.0
Business Energy Rebates	*3.1*	*12.3*	*6.2*	*85.7*	*1.3*			*13.7*	*4.0*
Custom Incentives	11.6	49.1	35.2	401.2	4.5	-	-	11.4	4.2
Custom	*10.6*	*46.5*	*32.1*	*382.9*	*4.1*			*11.9*	*4.4*
Strategic Energy Management	*1.0*	*2.7*	*3.1*	*18.3*	*0.4*			*5.8*	*2.7*
Direct Installation	4.5	7.8	2.8	48.8	0.9	-	-	17.4	1.7
Small Business Energy Solutions	*4.5*	*7.8*	*2.8*	*48.8*	*0.9*			*17.4*	*1.7*
BNI Low-Income & Equity (EE)	*0.1*	*0.3*	*0.1*	*2.6*	*0.0*			*19.1*	*3.4*
BNI EE Programs Subtotal	19.2	69.2	44.3	535.7	6.7	-	-	12.1	3.6
EE Programs Total (Residential + BNI)	50.3	132.5	70.3	855.3	15.8	-	-	12.2	2.6
Enabling Strategies (ES)									
Education and Outreach	1.4								
Development and Research	1.3								
Other Enabling Strategies	3.2								
Market Transformation	0.7								
Enabling Strategies Subtotal	6.6								
EE Portfolio Total (EE + ES)	56.9	132.5	70.3	855.3	15.8	-	-	12.2	2.3
Demand Response (DR) Program									
BNI Demand Response	4.1	10.0	-	-	-	23.3	-	1.0	2.3
DR Program Total	4.1	10.0	-	-	-	23.3	-	1.0	2.3
Solar-PV Program									
Residential Solar-PV	*0.7*	*0.8*	-	-	-	-	*0.4*	*30.0*	*1.2*
Solar-PV Program Total	0.7	0.8	-	-	-	-	0.4	30.0	1.2
DSM Portfolio Total (EE + ES + DR +Solar-PV)	61.7	143.3	70.3	855.3	15.8	23.3	0.4	-	2.3

Columns may not add correctly due to rounding.

Currency is expressed in nominal dollars. For the five-year total row, currency is a straight sum of 5 years of nominal values.

Lifetime benefits for energy efficiency, demand response and solar-PV are expressed as the net present value of the avoided costs, including energy, capacity, transmission, distribution over the life of the program measures, using utility WACC.

Low-income and equity impacts reflects planned participation by low-income and equity customers. Impacts are from dedicated low-income and equity programs and incidental low-income and equity impacts from non-targeted programs. Numbers are a subset of Existing Residential, New Residential, BNI Efficient Product Rebates, Custom Incentives, and Direct Installation.

PAC is a benefit/cost ratio comparing lifetime benefits to DSM investment. For Demand Response, upfront costs are levelized over ten years.

Table 8: 2031 Alternate Scenario Savings and Investment by Program Component

2031	Investment ($ million)	Lifetime Benefits ($ million)	First Year Energy Savings (GWh)	Lifetime Energy Savings (GWh)	Peak Demand Savings (MW)	Available Demand Response Capacity (MW)	Solar-PV Generation (GWh)	Weighted Average Measure Life (years)	Program Administrator Cost Test (PAC)
Energy Efficiency (EE) Programs									
Residential EE Programs									
Efficient Product Rebates	5.2	30.7	12.9	145.0	4.5	-	-	11.3	5.9
Instant Savings	*5.2*	*30.7*	*12.9*	*145.0*	*4.5*			*11.3*	*5.9*
Existing Residential	25.4	27.5	12.3	154.1	3.6	-	-	12.6	1.1
Affordable Multifamily Housing	*2.2*	*2.8*	*0.8*	*14.2*	*0.4*			*18.4*	*1.3*
Affordable Single-family Homes	*8.6*	*6.1*	*1.5*	*28.0*	*1.1*			*18.9*	*0.7*
Efficient Product Installation	*8.6*	*9.2*	*8.1*	*73.5*	*0.5*			*9.1*	*1.1*
Home Energy Assessment	*6.1*	*9.4*	*2.0*	*38.3*	*1.6*			*19.4*	*1.5*
Mi'kmaw Home Energy Efficiency Project	*0.0*	*0.0*	*0.0*	*0.0*	*0.0*			*N/A*	*N/A*
New Residential	1.2	1.0	0.3	8.2	0.1	-	-	30.8	0.8
Mi'kmaw New Home Construction	1.2	1.0	0.3	8.2	0.1			30.8	0.8
Residential Total (Incidental + Dedicated) Low-Income & Equity Impacts	*14.8*	*13.2*	*5.5*	*77.6*	*1.8*			*14.1*	*0.9*
Residential EE Programs Subtotal	31.8	59.1	25.4	307.4	8.2	-	-	12.1	1.9
Business, Non-Profit & Institutional (BNI) EE Programs									
Efficient Product Rebates	3.2	12.3	6.1	84.5	1.3	-	-	13.7	3.8
Business Energy Rebates	*3.2*	*12.3*	*6.1*	*84.5*	*1.3*			*13.7*	*3.8*
Custom Incentives	11.0	43.0	30.8	346.5	3.9	-	-	11.2	3.9
Custom	*10.0*	*40.3*	*27.7*	*328.2*	*3.6*			*11.9*	*4.0*
Strategic Energy Management	*1.0*	*2.7*	*3.1*	*18.3*	*0.4*			*5.8*	*2.7*
Direct Installation	4.6	7.9	2.8	48.8	0.9	-	-	17.4	1.7
Small Business Energy Solutions	*4.6*	*7.9*	*2.8*	*48.8*	*0.9*			*17.4*	*1.7*
BNI Low-Income & Equity (EE)	*0.1*	*0.3*	*0.1*	*2.3*	*0.0*			*19.0*	*3.1*
BNI EE Programs Subtotal	18.8	63.2	39.8	479.7	6.1	-	-	12.1	3.4
EE Programs Total (Residential + BNI)	50.6	122.3	65.2	787.1	14.2	-	-	12.1	2.4
Enabling Strategies (ES)									
Education and Outreach	1.4								
Development and Research	1.4								
Other Enabling Strategies	2.5								
Market Transformation	0.8								
Enabling Strategies Subtotal	6.1								
EE Portfolio Total (EE + ES)	56.7	122.3	65.2	787.1	14.2	-	-	12.1	2.2
Demand Response (DR) Program									
BNI Demand Response	4.4	10.9	-	-	-	25.5	-	1.0	2.4
DR Program Total	4.4	10.9	-	-	-	25.5	-	1.0	2.4
Solar-PV Program									
Residential Solar-PV	*0.6*	*0.7*	-	-	-	-	*0.3*	*30.0*	*1.1*
Solar-PV Program Total	0.6	0.7	-	-	-	-	0.3	30.0	1.1
DSM Portfolio Total (EE + ES + DR +Solar-PV)	61.7	133.9	65.2	787.1	14.2	25.5	0.3	-	2.2

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Lifetime benefits for energy efficiency, demand response and solar-PV are expressed as the net present value of the avoided costs, including energy, capacity, transmission, distribution over the life of the program measures, using utility WACC.
Low-income and equity impacts reflects planned participation by low-income and equity customers. Impacts are from dedicated low-income and equity programs and incidental low-income and equity impacts from non-targeted programs. Numbers are a subset of Existing Residential, New Residential, BNI Efficient Product Rebates, Custom Incentives, and Direct Installation.
PAC is a benefit/cost ratio comparing lifetime benefits to DSM investment. For Demand Response, upfront costs are levelized over ten years.

1.3 ALTERNATE SCENARIO – PROGRAMS

The Alternate Scenario removes the residential program component (Eco Shift) from the Demand Response program.

All other DSM programs in the Alternate Scenario (energy efficiency, solar-PV) remain the same as the Preferred Plan, including the two new program components introduced in the Preferred Plan: Mi'kmaw New Home Construction and solar-PV for Mi'kmaw communities through the Residential Solar-PV program component.

Program measure level details are provided in the following attachments:

- Appendix A, Attachment 3: 2027–2031 Energy Efficiency and Solar-PV Technical Tables (the technical tables are the same as the Preferred Plan as there is no change between the Preferred Plan and Alternate Scenario); and
- Appendix A, Attachment 4: 2027–2031 Demand Response Technical Tables (toggle to the Alternate tab for the Alternate Scenario).

1.4 ALTERNATE SCENARIO – RATE CLASS ALLOCATIONS

Planned rate class expenditures for the Alternate Scenario are provided in Table 9, below, by year and by Plan period.

Table 9: 2027–2031 Alternate Scenario Rate Class Savings and Expenditures

2027–2031							
Rate Class	Year	First-Year Energy Savings (GWh)	Lifetime Energy Savings (GWh)	Peak Demand Savings (MW)	Available Demand Response Capacity (MW)	Generation (GWh)	Expenditures ($ million)
Residential/Charitable (2,3,4)*	2027	26.1	304.2	4.8	0.0	0.0	27.9
	2028	27.2	328.4	7.3	0.0	0.5	31.1
	2029	27.1	334.9	8.9	0.0	0.5	35.3
	2030	26.6	330.5	9.1	0.0	0.4	36.0
	2031	25.9	317.4	8.2	0.0	0.3	36.5
	2027-2031	132.9	1615.5	38.3	0.0	1.7	166.8
Small General (10)	2027	6.1	91.3	0.8	0.0	0.0	2.8
	2028	5.2	72.3	0.8	0.0	0.0	2.8
	2029	3.5	52.5	0.6	0.0	0.0	2.4

2027–2031							
Rate Class	Year	First-Year Energy Savings (GWh)	Lifetime Energy Savings (GWh)	Peak Demand Savings (MW)	Available Demand Response Capacity (MW)	Generation (GWh)	Expenditures ($ million)
	2030	2.9	46.2	0.5	0.0	0.0	2.3
	2031	2.7	42.3	0.5	0.0	0.0	2.2
	2027-2031	20.4	304.6	3.3	0.0	0.0	12.5
General (11)	2027	42.8	694.7	8.6	3.0	0.0	18.4
	2028	33.5	496.2	6.5	3.6	0.0	16.5
	2029	22.0	333.0	4.3	4.2	0.0	13.6
	2030	18.9	291.2	3.7	4.7	0.0	13.1
	2031	17.0	260.3	3.4	5.3	0.0	12.8
	2027-2031	134.2	2075.4	26.6	5.3	0.0	74.5
Large General (12)	2027	6.9	93.9	0.7	4.3	0.0	2.5
	2028	5.0	63.5	0.5	4.6	0.0	2.2
	2029	3.4	41.2	0.3	4.9	0.0	2.0
	2030	3.0	36.0	0.3	5.2	0.0	2.0
	2031	2.7	31.4	0.3	5.6	0.0	2.0
	2027-2031	21.0	266.0	2.2	5.6	0.0	10.8
Small Industrial (21)	2027	5.3	77.2	0.4	1.2	0.0	1.8
	2028	4.0	54.5	0.3	1.3	0.0	1.6
	2029	2.6	36.3	0.2	1.4	0.0	1.3
	2030	2.3	31.7	0.2	1.4	0.0	1.3
	2031	2.1	28.3	0.2	1.5	0.0	1.3
	2027-2031	16.3	228.0	1.3	1.5	0.0	7.2
Medium Industrial (22)	2027	6.0	61.6	0.8	8.4	0.0	2.9
	2028	4.6	43.4	0.6	9.5	0.0	2.9
	2029	3.4	29.9	0.4	10.6	0.0	3.0
	2030	2.9	25.5	0.4	11.7	0.0	3.1
	2031	2.6	22.8	0.3	12.9	0.0	3.2
	2027-2031	19.4	183.2	2.6	12.9	0.0	15.0
Large Industrial (23, 25)	2027	27.5	211.2	3.3	0.1	0.0	4.8
	2028	20.5	148.7	2.4	0.1	0.0	4.0
	2029	15.1	103.2	1.7	0.1	0.0	3.6
	2030	13.1	87.9	1.4	0.2	0.0	3.3
	2031	11.7	78.4	1.3	0.2	0.0	3.2
	2027-2031	87.9	629.4	10.0	0.2	0.0	18.8
Municipal (24)	2027	0.7	6.0	0.1	0.0	0.0	0.5
	2028	0.7	6.7	0.1	0.0	0.0	0.6
	2029	0.6	6.5	0.2	0.0	0.0	0.6

2027–2031							
Rate Class	Year	First-Year Energy Savings (GWh)	Lifetime Energy Savings (GWh)	Peak Demand Savings (MW)	Available Demand Response Capacity (MW)	Generation (GWh)	Expenditures ($ million)
	2030	0.6	6.1	0.1	0.0	0.0	0.6
	2031	0.6	5.8	0.1	0.0	0.0	0.6
	2027-2031	3.2	31.2	0.7	0.0	0.0	2.8
Unmetered (999)	2027	0.0	0.5	0.0	0.0	0.0	0.0
	2028	0.0	0.5	0.0	0.0	0.0	0.0
	2029	0.0	0.4	0.0	0.0	0.0	0.0
	2030	0.0	0.3	0.0	0.0	0.0	0.0
	2031	0.0	0.3	0.0	0.0	0.0	0.0
	2027-2031	0.1	1.9	0.0	0.0	0.0	0.1
Total		435.4	5335.1	85.0	25.5	1.7	308.4

Appendix D

Proposed Form of DSM Purchase Agreement (Redline)

2027-2031 DSM Resource Plan

~~Supply~~ Purchase Agreement for

~~Electricity Efficiency and Conservation~~Demand-Side Management Activities

Between

Nova Scotia Power Incorporated

and

EfficiencyOne

Effective Date – January 1, ~~2023~~2027

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List of Schedules

Schedule "A":	~~Electricity Efficiency And Conservation~~Demand-side Management Activities
Schedule "B":	Compensation
Schedule "C":	Performance Requirements
Schedule "D":	Confidentiality Agreement
Schedule "E":	Approved ~~EECA~~ DSM Resource Plan

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THIS AGREEMENT made as of the _____ day of _____, ~~2022~~ 2026 and effective as of the 1st day of January, ~~2023~~ 2027 (the "**Effective Date**").

BETWEEN:

NOVA SCOTIA POWER INCORPORATED,
a body corporate, organized under the laws
of the Province of Nova Scotia

(hereinafter called "**NSPI**")

- and -

EFFICIENCYONE,
a body corporate, organized under the laws of
Canada

(hereinafter called "**EfficiencyOne**")

WHEREAS:

A. EfficiencyOne and NSPI are both public utilities pursuant to the Act; and

B. Pursuant to the Act, EfficiencyOne has the exclusive right to supply NSPI with reasonably available, cost-effective ~~Electricity Efficiency and Conservation~~ Demand-side Management Activities as the Franchise Holder; and

C. Pursuant to the Act, NSPI is obligated to undertake cost-effective ~~Electricity Efficiency and Conservation~~ Demand-side Management Activities that ~~are~~ is reasonably available in an effort to reduce costs for its customers; and

D. Pursuant to the Act, NSPI shall meet its obligations by entering into a~~n~~ demand-side management purchase agreement with the Franchise Holder for the supply of cost-effective ~~Electricity Efficiency and Conservation~~ Demand-side Management Activities.

NOW THEREFORE witnesses that in consideration of the premises and the mutual covenants and obligations herein and other good and valuable consideration, the sufficiency and receipt of which are hereby acknowledged, the parties agree as follows:

1. INTERPRETATION

1.1 The following terms shall be interpreted as follows in this Agreement:

(a) "**Act**" shall mean the *Public Utilities Act*, R.S.N.S. 1989, c.380, as amended from time to time.

(b) "**Agreement**" means this agreement between NSPI and EfficiencyOne including all Schedules attached hereto.

(c) "**Business Day**" means Monday to Friday, except federal, provincial, and civic holidays within the Province of Nova Scotia.

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(d) "**Consequential Losses**" means consequential, special, incidental, multiple, exemplary or punitive damages including lost profits, whether such claim of lost profits is categorized as indirect, direct or consequential damages or under any alternative theory of recovery.

(e) **"Contract Documents"** means without limitation, the following documents, including any amendments thereto agreed in writing by the parties:

(i) this Agreement; and

(ii) all Schedules to the Agreement.

(f) "**Contract Price**" has the meaning ascribed to it in Section 4.1.

(g) "**~~EECA~~ DSM Resource Plan**" means the plan prepared by EfficiencyOne and approved by the NSEB ~~UARB~~ and attached hereto as Schedule "E".

(h) "**~~Electricity Efficiency and Conservation~~ Demand-side Management Activities"** or "**~~EECA~~**" 'DSM' means the ~~electricity efficiency and conservation~~demand-side management activities as identified in Schedule "A" attached hereto.

(i) "**Event of Default**" has the meaning ascribed to it in Section 20.4.

(j) "**Environmental Laws**" means all applicable federal, provincial, regional, municipal or local laws with respect to environmental matters contained in the statutes, regulations, rules, standards, requirements, ordinances, policies, guidelines, orders, approvals, notices, permits or directives having the force of law, in effect as at the date hereof and as may be brought into effect at future date.

(k) "**Force Majeure Event**" means any event or circumstance not reasonably within the control of the Party affected which wholly or partly prevents the performance by that Party of its obligations under this Agreement, provided that such Party is in good faith unable to perform such obligations by any commercially reasonable substitute. A Force Majeure Event includes acts of God, war, riot, fire, explosion, flood, hurricane, epidemics, acts of governmental authorities, acts of terrorism. Notwithstanding anything else contained herein, a Force Majeure Event excludes (a) any event or circumstance causing direct or indirect delay in, or failure to perform any of a Party's obligations under this Agreement, attributable to a lack of reasonable diligence on the part of a Party or on the part of any vendor or subcontractor of a Party, including any event or circumstance which a Party or any vendor or subcontractor, acting diligently, could reasonably have been expected to foresee, avoid or overcome in the performance of its obligations; and (b) any event or circumstance caused by the breach of a Party's obligations or the fault or negligence of a Party or the fault or negligence of any vendor or subcontractor, or by violation of applicable laws or regulations by a Party or any of a Party's vendors or subcontractors. For certainty, adverse weather of any kind other than events specified above shall not be considered a Force Majeure Event.

(l) "**Franchise**" has the meaning ascribed to it in the Act.

(m) "**Franchise Holder**" has the meaning ascribed to it in the Act.

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(n) "**Governmental Authority**" means any federal, provincial, regional, municipal or local government or authority or other political subdivision thereof and entity or person exercising executive, legislative, judicial, regulatory or administrative functions of, or pertaining to, government.

(o) "**Hazardous Substances**" means any substance or material that is prohibited, controlled or regulated by any Governmental Authority pursuant to Environmental Laws, including any contaminants, pollutants, petroleum or other hydrocarbons and their derivatives and by-products, dangerous substances or goods, including asbestos, liquid wastes, special wastes, toxic substances, hazardous or toxic chemicals, hazardous wastes, hazardous materials or hazardous substances as defined in or pursuant to any Environmental Law, or any substance or material not inherently hazardous but which would, in sufficient quantities, be hazardous.

(p) "**Indemnified Costs**" means all liabilities, claims, actions, causes of action, judgments, orders, damages, costs (including those incurred in connection with any investigation of site conditions or any clean-up, environmental remediation, removal or restoration work), expenses (including all reasonable consultant, expert and legal fees and expenses), fines, penalties, losses, or any resulting damages, harm or injuries to the person or property of any third parties or to any natural resources and for which the indemnified party is liable and has incurred losses. Without limiting the foregoing, Indemnified Costs shall include:

(i) the costs of defending and/or counterclaiming or claiming over and against third parties in such manner as the indemnified party in its sole discretion may determine;

(ii) the costs relating to any governmental investigation, proceeding or claim; and

(iii) any costs, liabilities or damages arising out of a settlement of a claim by the indemnified party, with or without the consent of the indemnifying party.

(q) "**Law**" means the common law, the law of equity and all federal or provincial statutes or municipal by-laws and all regulations, orders, directives, permits and licenses thereunder, which apply to or otherwise affect NSPI or EfficiencyOne with respect to the supply of the ~~EECA~~DSM, or the property of NSPI or EfficiencyOne, real or personal, or any part thereof, including the Act and all environmental, occupational, health and safety laws.

(r) "**Liens Indemnities**" has the meaning ascribed to it in Section 18.1.

(s) "**Liens and Claims**" has the meaning ascribed to it in Section 18.1.

(t) "**Minister**" has the meaning ascribed to it in the Act.

(u) "NSEB" means the Nova Scotia Energy Board.

~~(t)~~(v) "**Party**" means either EfficiencyOne or NSPI. "**Parties**" means EfficiencyOne and NSPI.

~~(u)~~(w) "**Personal Information**" shall mean the information provided by NSPI to EfficiencyOne pursuant to Section 79K of the Act.

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~~(v)~~(x) "**Release**" or "**Released**" means a releasing, adding, spilling, leaking, pumping, pouring, emitting, emptying, discharging, injecting, escaping, leaching, migrating, dispersing, dispensing, disposing or dumping.

~~(w)~~(y) "**Significant Changes**" means any proposed change to the ~~EECA~~ DSM Resource Plan for which the ~~UARB~~ NSEB orders or directs EfficiencyOne to obtain the approval of the ~~UARB~~ NSEB prior to the implementation of such proposed change.

~~(x)~~(z) "**Subcontractor**" means any contractor, supplier or consultant hired by EfficiencyOne in accordance with this Agreement to perform any portion of the ~~EECA~~DSM.

~~(y)~~(aa) "**Term**" has the meaning ascribed to it in Section 2.1.

~~(z)~~(bb) ~~"**UARB**" means the Nova Scotia Utility and Review~~

~~(aa)~~(cc) "**CASL**" means An Act to promote the efficiency and adaptability of the Canadian economy by regulating certain activities that discourage reliance on electronic means of carrying out commercial activities, and to amend the Canadian Radio-television and Telecommunications Commission Act, the Competition Act, the Personal Information Protection and Electronic Documents Act and the Telecommunications Act, S.C. 2010, c. 23, as amended from time to time.

1.2 Unless otherwise specified in this Agreement or unless the context otherwise requires:

(a) words of any gender include each other gender;

(b) using the singular or plural number also include the plural or singular number, respectively;

(c) the insertion of headings in this Agreement is for convenience only and shall not be construed so as to affect the interpretation or construction of this Agreement;

(d) the terms "hereof," "herein," "hereto," "hereunder" and words of similar or like import refer to this entire Agreement and not to any particular Section, Schedule or other subdivision of this Agreement;

(e) references to a particular "Section" or "Schedule" are, unless otherwise noted, references to that Section of, or Schedule to this Agreement;

(f) the words "include," "includes" and "including" shall be deemed to be followed by "without limitation" or "but not limited to";

(g) references to any applicable law, legislation or regulation shall be construed as a reference to such law, legislation or regulation as each may be in effect from time to time;

(h) references to any agreement or document (including this Agreement) shall (i) include all Schedules, appendices, and other attachments thereto, and (ii) be construed at the particular time as a reference to such agreement or document as amended, modified or supplemented and in effect from time to time and shall include a reference to any document which amends, modifies or supplements it, or is entered into, made or given pursuant to or in accordance with its terms;

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(i) references to (i) days shall refer to calendar days unless Business Day is specified, (ii) weeks and months shall refer to calendar weeks and months, respectively, and (iii) years shall refer to calendar years;

(j) in computing any period of time prescribed or allowed under this Agreement, the day of the act, event or default from which the designated period of time begins to run shall be included. If the last day of the period so computed is not a Business Day, then the period shall run until the close of business on the next Business Day;

(k) the Contract Documents are complementary, and what is required by any one shall be as binding as if required by all;

(l) words and abbreviations which have well known technical or trade meanings are used in the Contract Documents in accordance with such recognized meanings; and

(m) as both Parties were actively involved in preparing the terms and conditions of this Agreement and as they both had access to and relied upon counsel in this process, there shall be no presumption that any one or the other Party prepared this Agreement and no provision of this Agreement shall be construed against either Party based upon the process of preparation of proposals and drafts of the Agreement.

1.3 If there is a conflict within the Agreement, the order of precedence of documents, from highest to lowest, shall be:

(a) Sections 1 to 27;

(b) Schedule "A" – ~~Electricity Efficiency and Conservation~~ Demand-side Management Activities; and

(c) all other Schedules.

2. TERM & RESERVATION OF RIGHTS

2.1 The term of this Agreement shall be ~~three~~ five (~~5~~3) years from the Effective Date and shall automatically terminate on December 31, ~~2025~~ 2031 unless terminated earlier in accordance with the terms of this Agreement and the Act (the "**Term**").

2.2 During the Term, NSPI shall purchase from EfficiencyOne and EfficiencyOne shall supply to NSPI, ~~the EECA~~ DSM in accordance with the terms and conditions of this Agreement and the Act.

2.3 Notwithstanding anything contained herein, and subject to any requirement for review or approval by the ~~UARB~~NSEB, nothing contained in this Agreement shall in any way effect the rights of NSPI pursuant to Section 79I(3) of the Act.

3. ~~ELECTRICITY EFFICIENCY and CONSERVATION~~ DEMAND-SIDE MANAGEMENT ACTIVITIES

3.1 For the Term of this Agreement, EfficiencyOne will,

(a) provide ~~the EECA~~DSM in accordance with this Agreement;

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(b) provide sufficient resources to enable EfficiencyOne to perform its obligations on time and in accordance with this Agreement;

(c) carry out the ~~EECA~~DSM in a professional, expeditious and economical manner, in accordance with the Act;

(d) manage the ~~EECA~~DSM in an efficient manner; and

(e) perform and supply the ~~EECA~~DSM in a safe and environmentally sound manner and in compliance with applicable Law.

3.2 The Parties acknowledge and agree that EfficiencyOne shall be solely responsible for the delivery of the ~~EECA~~ DSM Resource Plan. For greater certainty and notwithstanding the attachment of the ~~EECA~~ DSM Resource Plan as Schedule "E" – Approved ~~EECA~~ DSM Resource Plan, NSPI shall have no liability with respect to the ~~EECA~~ DSM Resource Plan saving and excepting any liability which may arise as a result of NSPI's failure to comply with the Act.

4. PRICE & PAYMENT

4.1 NSPI agrees to pay EfficiencyOne for ~~EECA~~ DSM as set out in Schedule "B" – Compensation (the "**Contract Price**").

4.2 The Contract Price shall constitute full compensation for the ~~EECA~~DSM, and no additional compensation shall be payable to EfficiencyOne arising out or resulting from any productivity losses, overhead or indirect costs or other costs and expenses of any kind whatsoever.

4.3 NSPI shall make monthly payments on the first Business Day of each month in accordance with Schedule "B" to EfficiencyOne on account of the Contract Price when due, together with applicable HST. EfficiencyOne will submit an invoice to NSPI in advance of the payment date referenced in Schedule "B".

4.4 Unless otherwise indicated all dollar amounts referred to in this Agreement are in lawful money of Canada.

4.5 If applicable, payments shall be subject to harmonized sales tax (as defined in the *Excise Tax Act* (Canada)) ("**HST**"). No additional taxes (foreign or domestic), customs, duties or brokerage fees shall apply.

4.6 If applicable, NSPI will withhold from payments to EfficiencyOne any amounts required to be withheld under applicable Laws and treaties in respect of services rendered in Canada by a non-resident and may remit them to the relevant authority. Where available, statutory withholding may be waived if EfficiencyOne delivers to NSPI a formal waiver of the withholding requirement issued and signed by Canada Revenue Agency. The Parties shall cooperate at all times to ensure that all proper withholdings are deducted from payments and if any withholdings are overlooked then such withholdings may be deducted from later payments.

5. NOTIFICATION OF SIGNIFICANT CHANGES

5.1 EfficiencyOne shall provide notice of Significant Changes to NSPI at the same time as EfficiencyOne makes application to the ~~UARB~~ NSEB for the approval of the Significant

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Changes. Subject to the terms of the Act and the general discretion of the ~~UARB~~ NSEB under the Act, NSPI shall, have the right to make written submissions to the ~~UARB~~ NSEB on any such Significant Changes to the ~~EECA~~ DSM Resource Plan.

6. SAFETY

6.1 EfficiencyOne shall at all times be responsible for safety and loss management in the supply or performance of the ~~EECA~~DSM.

6.2 EfficiencyOne shall ensure that all employees, Subcontractors, agents and representatives of EfficiencyOne comply with all federal, provincial and municipal health, safety and environmental statutes, regulations, policies and guidelines and all health, safety and environmental rules as prescribed by EfficiencyOne.

7. PROTECTION OF PROPERTY

7.1 EfficiencyOne shall take all commercially reasonable steps to protect the property of NSPI's customers and other third parties from damage which may occur as the result of the performance of the ~~EECA~~DSM.

7.2 Should EfficiencyOne damage the property of NSPI's customers or property of other third parties while performing the ~~EECA~~DSM, EfficiencyOne shall make good such damage at EfficiencyOne's expense and shall indemnify NSPI from and against all liabilities, claims, damages, settlements, awards, costs, expenses and proceedings incurred by NSPI or its servants, employees and/or agents in respect of such damage, except to the extent such damage occurs as a result of the negligent acts of NSPI or those for which NSPI is responsible at Law.

8. ENVIRONMENT

8.1 EfficiencyOne and its Subcontractors shall at all times comply with all Environmental Laws that apply in any way to the supply or performance of the ~~EECA~~DSM. EfficiencyOne and its Subcontractors shall not cause, permit or suffer the Release of a Hazardous Substance in contravention of any Environmental Laws.

8.2 Notwithstanding any other provision in this Agreement (and in addition to any other right to indemnity held by NSPI under the terms of the Agreement) EfficiencyOne shall indemnify NSPI, NSPI's parent, their respective subsidiaries, affiliates and related companies, and their respective officers, directors, employees, agents and shareholders, and agrees to hold each of them harmless from and against any and all Indemnified Costs resulting from any Release of any Hazardous Substance which is caused or contributed to by EfficiencyOne or its Subcontractors or any breach of any Environmental Law by EfficiencyOne or its Subcontractors.

9. EFFICIENCYONE'S COVENANTS

9.1 EfficiencyOne warrants, covenants and agrees with NSPI that:

(a) it has all requisite capacity and authority to execute, deliver and perform its obligations under this Agreement;

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(b) this Agreement has been duly and validly executed and delivered by EfficiencyOne and constitutes a legal, valid and binding obligation of EfficiencyOne enforceable against EfficiencyOne in accordance with its terms;

(c) to its knowledge, there is no matter, thing or event, including without limitation, any litigation, proceeding, breach, default or financial circumstance that would adversely affect EfficiencyOne's ability to perform its obligations under this Agreement;

(d) it will furnish all labour, materials, products, tools, and other necessary components necessary to perform and provide the ~~EECA~~DSM, unless otherwise provided herein;

(e) it shall diligently perform or cause to be performed the ~~EECA~~ DSM in a proper and workmanlike manner;

(f) it has the skills, expertise and resources to carry out the ~~EECA~~ DSM and to comply, observe and perform the obligations to which it is subject in accordance with the terms of this Agreement;

(g) prior to commencing any work hereunder, it shall obtain and maintain all permits, licenses and notices that a prudent supplier acting in accordance with industry standards would be required to obtain, maintain and provide in comparable circumstances and shall comply with all applicable Laws, ordinances, rules, regulations, codes and orders of any and all authorities having jurisdiction which are or become in force during the Term in respect of the ~~EECA~~DSM;

(h) it will comply with applicable federal, provincial and municipal statutes, regulations and bylaws pertaining to the ~~EECA~~ DSM performed by or on behalf of EfficiencyOne under this Agreement. EfficiencyOne shall be responsible for ensuring similar compliance by any suppliers and Subcontractors;

(i) it is the Franchise Holder pursuant to the Act;

(j) it is not a non-resident of Canada for the purposes of the *Income Tax Act*;

(k) it will execute or cause to be made, done and executed all further acts, deeds, assurances, agreements, instruments or other documents as may be reasonably required to ensure fulfillment of the terms of this Agreement;

(l) the ~~EECA~~ DSM shall be delivered and performed by individuals duly licensed and authorized by Law, if applicable, to perform said undertakings;

(m) the ~~EECA~~ DSM shall be delivered and performed solely by EfficiencyOne or its Subcontractors and EfficiencyOne acknowledges that EfficiencyOne shall at all times remain responsible for the proper completion of this Agreement; and

(n) upon becoming aware of a potential disruption having a material impact in the supply of the ~~EECA~~DSM, EfficiencyOne shall provide notification to the ~~UARB~~ NSEB and NSPI.

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10. SUBCONTRACTORS

10.1 EfficiencyOne shall be permitted to subcontract the performance of any part of the ~~EECA~~ DSM without the prior written approval of NSPI.

10.2 Where EfficiencyOne subcontracts any part of the ~~EECA~~DSM, EfficiencyOne shall preserve and protect the rights of the Parties under this Agreement with respect to the ~~EECA~~ DSM to be supplied or performed under subcontract, and shall be as fully responsible to NSPI for the acts and omissions of Subcontractors and of persons directly or indirectly employed by them, as if they were acts and omissions of persons directly employed by EfficiencyOne.

10.3 Nothing contained in the Contract Documents shall create a contractual relationship between a Subcontractor and NSPI.

11. CONFIDENTIAL AND PERSONAL INFORMATION

11.1 The Parties have executed or agree to execute the confidentiality agreement attached hereto as Schedule "D" - Confidentiality ("**Confidentiality Agreement**").

11.2 EfficiencyOne shall be responsible for all physical and electronic security required to ensure the security of the Personal Information which has been provided by NSPI to EfficiencyOne.

11.3 EfficiencyOne shall indemnify and hold harmless NSPI for any liabilities, claims, damages, settlements, awards, costs, expenses and proceedings incurred by NSPI or its servants, employees and/or agents in consequence of EfficiencyOne's misuse of the Personal Information or any disclosure, whether intentional, inadvertent, negligent or otherwise of any of the Personal Information by EfficiencyOne contrary to the terms of this Agreement or the Act, or in consequence of EfficiencyOne's contravention of CASL.

12. PERFORMANCE REQUIREMENTS AND EVALUATIONS

12.1 EfficiencyOne's performance under the terms of this Agreement shall be measured in accordance with the performance requirements established by the ~~UARB~~ NSEB pursuant to Section 79M of the Act as set out in Schedule "C" – Performance Requirements.

13. FORCE MAJEURE

13.1 Neither Party shall be in breach of its obligations under this Agreement where failure to perform or delay in performance of any obligation is due, wholly or in part, to a Force Majeure Event.

13.2 Each Party shall notify the other Party promptly of any Force Majeure Event and shall take reasonable steps to minimize the impact of the failure or the delay and to resolve the event or occurrence that has given rise to the Force Majeure Event in order to resume performance. The time for performing an obligation as a result of Force Majeure Event shall be extended for the period lost, subject to the condition that the Term of this Agreement shall not be extended as a result of any Force Majeure Event.

13.3 Each Party suffering a Force Majeure Event shall take, or cause to be taken, such action as may be necessary to void, or nullify, or otherwise to mitigate, in all material respects, the effects of such Force Majeure Event. The Parties shall take all reasonable steps to

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ensure normal performance under this Agreement, including the resumption of any disrupted obligations.

13.4 For certainty, in no case shall the failure or omission of EfficiencyOne to carry out or observe any of the terms, provisions, or conditions of this Agreement or any negligent act or omission of EfficiencyOne, or others for whom EfficiencyOne is responsible constitute an event of Force Majeure or result in an extension of the time to perform the ~~EECA~~DSM.

14. INDEMNITY

14.1 EfficiencyOne shall assume all risk of loss, damage or injury, including death, to person or property, caused by its directors, officers, employees, Subcontractors, agents or representatives, and agrees not to make or bring any claim, action or demand against NSPI or its directors, officers, servants, agents, or employees in respect of such loss, damage or injury excepting such loss, damage or injury caused by the negligence or wilful misconduct of NSPI or NSPI's directors, officers, servants, agents or employees.

14.2 EfficiencyOne agrees to indemnify and save harmless NSPI, its directors, officers, servants, agents, or employees, and their heirs, executors, administrators, successors and assigns, or any of them, from and against any liabilities, losses, expenses (including legal costs on a solicitor-client basis), claims, demands, actions, and causes of action, whatsoever suffered by NSPI by reason of, or in any way arising out of or in connection with a breach of this Agreement by EfficiencyOne excepting only to the extent caused by the negligence or wilful misconduct of NSPI or NSPI's directors, officers, servants, agents or employees.

14.3 NSPI agrees to indemnify and save harmless EfficiencyOne, its directors, officers, servants, agents, or employees, and their heirs, executors, administrators, successors and assigns, or any of them, from and against any liabilities, losses, expenses (including legal costs on a solicitor-client basis), claims, demands, actions, and causes of action, whatsoever suffered by EfficiencyOne by reason of, or in any way arising out of or in connection with a breach of this Agreement by NSPI excepting only to the extent caused by the negligence or wilful misconduct of EfficiencyOne or EfficiencyOne's directors, officers, servants, agents or employees.

14.4 The provisions set forth in this Section shall apply and be effective with respect to any claim, cause of action, or legal theory whatsoever including without limitation, claims based upon breach of contract, failure to meet performance guarantees, tort (including negligence) and strict liability.

14.5 EfficiencyOne shall defend, indemnify and hold harmless NSPI from any claim, suit, cause of action, judgment, cost or expense (including legal fees) based on a claim by a third party that any intellectual property which is part of the ~~EECA~~ DSM or supply or performance of EfficiencyOne's obligations under this Agreement infringes any patent, copyright, trade secret or other intellectual property right, provided the EfficiencyOne is promptly notified of such claim and is given complete authority for defense of same. EfficiencyOne shall pay all damages, costs and expenses resulting from such a claim, including legal fees and settlement costs, but shall not be responsible for any cost, expense or compromise incurred by NSPI without EfficiencyOne's prior consent.

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15. LIMIT OF LIABILITY

15.1 Neither Party shall be liable to the other Party for any Consequential Losses with respect to the performance or non-performance under this Agreement or for any actions undertaken in connection with or related to this Agreement.

15.2 EfficiencyOne's total liability to NSPI with respect to the performance or non-performance under this Agreement or for any actions undertaken in connection with or related to this Agreement shall be limited to the greater of the sum of two million dollars ($2,000,000) or the proceeds of the applicable insurance policies taken out by EfficiencyOne under this Agreement ("**EfficiencyOne Limit of Liability**") provided that the EfficiencyOne Limit of Liability shall not apply to:

(a) indemnification of NSPI by EfficiencyOne under the terms of this Agreement for any third party claims (including but not limited to EfficiencyOne's obligations pursuant to Sections 7.2, 8.2, 11.3, 14.5 and 18.1);

(b) any wilful misconduct or fraud of EfficiencyOne or its employees, agents or representatives; and

(c) any obligation on the part of EfficiencyOne to refund in whole or in part the Contract Price pursuant to this Agreement or the Act.

15.3 NSPI's total liability to EfficiencyOne with respect to the performance or non-performance under this Agreement or for any actions undertaken in connection with or related to this Agreement shall be limited to the sum of two million dollars ($2,000,000) ("**NSPI Limit of Liability**") provided that the NSPI Limit of Liability shall not apply to:

(a) any wilful misconduct or fraud of NSPI or its employees, agents or representatives; and

(b) NSPI's liability for payment of the Contract Price pursuant to the Agreement or the Act.

16. INSURANCE

16.1 EfficiencyOne shall obtain, maintain and pay for, during the entire Term of this Agreement, the following minimum insurance coverage as follows, such insurance as it relates to this Agreement shall be in a form and from an insurer acceptable to NSPI:

(a) General liability insurance shall be in the name of EfficiencyOne and shall name NSPI as an additional insured and shall have limits of not less than five million dollars ($5,000,000) inclusive per occurrence for bodily injury, death, and damage to property including loss of use thereof. Such insurance shall be primary and non-contributing with, and not in excess of, any other insurance available to NSPI. This policy shall also contain cross liability and severability of interest and blanket contractual liability.

(b) Environmental impairment insurance with limits of not less than five million dollars ($5,000,000);

(c) Automobile liability insurance in respect of licensed vehicles shall have limits of not less than two million dollars ($2,000,000) inclusive per occurrence for bodily injury,

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death, and damage to property. For automobiles not owned or operated by or on behalf of EfficiencyOne the insurance shall be in the form of a standard non-owned automobile policy and shall include standard contractual liability endorsement. For automobiles owned or operated by or on behalf of EfficiencyOne the insurance shall be in the form of a standard owner's form automobile policy and shall provide third party liability and accident benefits insurance covering licensed vehicles owned or operated by or on behalf of EfficiencyOne.

(d) Property Insurance covering all loss of or damage to EfficiencyOne's property and equipment of EfficiencyOne or for which EfficiencyOne is legally liable or responsible used in performance of the ~~EECA~~ DSM for the full replacement value, which insurance shall not allow subrogation claims by the insurer against NSPI.

(e) To the extent that the ~~EECA~~ DSM includes the provision of professional services, professional liability errors and omissions insurance covering all claims arising out of errors and omissions of EfficiencyOne in the performance of professional services as part of the ~~EECA~~ DSM with a limit of two million dollars ($2,000,000). In the event other claims erode EfficiencyOne's professional errors and omissions insurance below two million dollars ($2,000,000), in the annual aggregate, EfficiencyOne agrees to reinstate the limit.

(f) Workers' compensation to the full extent required in Nova Scotia and wherever EfficiencyOne's personnel contracts of employment are made or are expressed to be made.

16.2 If EfficiencyOne fails to effect or keep in force any of the foregoing insurances, NSPI may, without prejudice to any other right or remedy, effect such insurance and pay the premiums due and recover the same as a deduction from any other monies due to EfficiencyOne under this Agreement.

16.3 EfficiencyOne shall be responsible to pay deductible amounts and for determining the deductible amount in respect of each policy. EfficiencyOne shall not violate, nor knowingly permit to be violated, any conditions of the policies maintained according to the provisions of this Section, and it shall be EfficiencyOne's duty and responsibility to impose upon each Subcontractor the same responsibilities and obligations imposed upon EfficiencyOne under such provisions.

16.4 EfficiencyOne agrees to provide proof of insurance to NSPI on an annual basis. Such proof shall be in the form of a certificate of insurance signed by EfficiencyOne's insurance broker.

17. INTELLECTUAL PROPERTY

17.1 NSPI acknowledges that all branding, trade and business marks of EfficiencyOne used in the course of provision of ~~EECA~~ DSM pursuant to this Agreement, (the **"EfficiencyOne Brands"**) are, and shall remain, the sole and exclusive property of EfficiencyOne and shall not be used by NSPI without EfficiencyOne's express consent. Upon termination of this Agreement, NSPI shall immediately upon instruction from EfficiencyOne return or destroy, as instructed by EfficiencyOne, the EfficiencyOne Brands.

17.2 Any trademarks, brands, logos or other branding or trade or business marks used in NSPI's business ("**NSPI Brands**") shall remain the sole and exclusive property of NSPI and shall not be used by EfficiencyOne for any purpose except in connection and as

necessary for the provision of the ~~EECA~~DSM. Upon termination of this Agreement, EfficiencyOne shall immediately upon instruction from NSPI return or destroy, as instructed by NSPI, the NSPI Brands.

18. LIENS AND CLAIMS

18.1 EfficiencyOne shall indemnify and hold harmless NSPI, NSPI's parent and their subsidiaries and affiliates (collectively the "**Lien Indemnitees**" or singularly "**Lien Indemnitee**") and defend each of them from and against any and all losses and costs arising out of any and all claims for payment, liens, attachment or any other process, filed against any property of the Lien Indemnitees by or in respect of a Subcontractor of any tier or any other party providing work, materials in respect of the ~~EECA~~ DSM or any part thereof (referred to in this Section as "**Liens or Claims**"), including solicitor and client fees and expenses incurred by NSPI in discharging any such Liens or Claims or similar encumbrances.

18.2 EfficiencyOne shall discharge promptly any Liens or Claims. If EfficiencyOne does not promptly satisfactorily discharge such Liens or Claims, NSPI at its sole option may (i) require EfficiencyOne to pay, within five (5) Business Days after request by NSPI, or (ii) subject to any requirements of the *Builders' Lien Act* of Nova Scotia, offset against any holdback or other amounts due or to become due to EfficiencyOne, all costs and expenses incurred by NSPI or other Lien Indemnitee in causing the release of, paying or settling such Liens or Claims. EfficiencyOne shall have the right to contest any such Liens or Claims, provided it first provides to NSPI a bond or other assurance of payment reasonably satisfactory to NSPI in the amount of such Liens or Claims and in form and substance reasonably satisfactory to NSPI. In no circumstance whatsoever shall NSPI be liable for a greater amount than the amount payable by NSPI to EfficiencyOne.

19. DISPUTE RESOLUTION

19.1 In the event of a dispute in connection with this Agreement, a senior representative of EfficiencyOne and a senior representative of NSPI shall promptly meet to discuss and resolve the dispute and the Parties shall have thirty (30) days to resolve the dispute (or ten (10) days if either Party notifies the other Party that the matter requires urgent resolution).

19.2 Unless the parties agree otherwise, in the event resolution cannot be achieved in accordance with Section 19.1 of this Agreement, then such dispute or difference shall be referred to the ~~UARB~~ NSEB in accordance with Section 79P of the Act.

19.3 Notwithstanding any dispute, EfficiencyOne shall diligently carry out the ~~EECA~~DSM, and shall not suspend, impair, interfere with, restrict or discourage the prompt completion of any portion of the ~~EECA~~DSM, unless specifically authorized to do so by the ~~UARB~~NSEB.
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20. DEFAULT AND TERMINATION

20.1 This Agreement may be terminated immediately by either Party, in whole or in part, upon the happening of one or more of the following events:

(a) EfficiencyOne's Franchise is terminated and the Agreement has not been assigned by the Minister; or

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(b) The ~~UARB~~ NSEB approves the termination of the Agreement.

In the event of a termination pursuant to this Section 20.1, neither Party shall be entitled to any compensation or damages for any Consequential Losses as a result of such termination. Immediately upon receipt of such termination notice, EfficiencyOne will discontinue all ~~EECA~~ DSM under this Agreement and will only finish such portions of the ~~EECA~~ DSM as may be necessary to preserve and protect the ~~EECA~~ DSM already in progress. Such termination does not relieve either Party from any of their respective obligations under this Agreement for ~~EECA~~ DSM provided up to the date of termination. Any claim for payment by EfficiencyOne must be asserted within thirty (30) days from the date of such termination.

20.2 Notwithstanding any other provision in this Agreement, in the event this Agreement is terminated in accordance with Section 20.1(a), EfficiencyOne shall:

(a) Immediately return all monies paid on account of the Contract Price which amounts have not been legitimately incurred or subject to contractual commitments for expenditure which cannot otherwise be mitigated to NSPI; and

(b) Provide to NSPI all reasonable required termination assistance to allow the ~~EECA~~ DSM provided under this Agreement to continue and to facilitate the orderly transition of the ~~EECA~~ DSM to NSPI or any third party as directed by NSPI, provided that EfficiencyOne shall be entitled to commercially reasonable payment for such transition services on a time and material basis.

20.3 The Parties acknowledge that this Agreement is subject to the general supervision of the ~~UARB~~NSEB.

20.4 A Party shall be determined to be in default of its obligations under this Agreement if (each a "**Event of Default**"):

(a) it is in breach of any material term or condition of this Agreement, which breach is not cured by the Party within thirty (30) days after written notice from the other Party;

(b) it assigns this Agreement other than as permitted by the Act and/or the ~~UARB~~NSEB;

(c) any representation or warranty made by either Party shall prove to be untrue when made in any material respect;

(d) there is a sale, transfer or relinquishment, voluntary or involuntary, by operation of law or otherwise, of legal control of the business of either Party except for a transfer to a related corporation or a transfer resulting from a merger, acquisition, amalgamation or reorganization, or, in the case of EfficiencyOne, a change in the Membership of the corporation;

(e) Either Party sells, transfers or assigns all or substantially all of its assets;

(f) a petition in bankruptcy is filed with respect to either Party; or

(g) any proceeding is commenced under any bankruptcy or insolvency legislation or under any other federal, state or provincial law relating to insolvency or bankruptcy,

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the adjudication of either Party as a bankrupt, the appointment by any competent court having jurisdiction of a temporary or permanent receiver, trustee or other officer having similar powers over either Party its business or assets, or the making of any assignment by either Party for the benefit of its creditors.

20.5 If a breach notified pursuant to Sections 20.4(a) cannot be corrected within the period required therein, the defaulting Party shall not be in breach or violation if it:

(a) commences and diligently and continuously carries out the correction of the breach or violation within the specified time;

(b) provides to the non-defaulting Party, and the ~~UARB~~ NSEB an acceptable plan for such correction; and

(c) corrects the breach or violation in accordance with such plan.

20.6 Upon the occurrence of an Event of Default, the non-defaulting Party may apply to the ~~UARB~~ NSEB to terminate this Agreement in whole or in part.

21. NOTIFICATIONS

21.1 All notices to be given to either Party under this Agreement shall be written and addressed to the NSPI and to EfficiencyOne as follows:

To NSPI:

Nova Scotia Power Incorporated
1223 Lower Water Street
PO Box 910
Halifax, NS B3J 3S8
Attention: Corporate Secretary
Facsimile: (902) 428-6171

To EfficiencyOne:

EfficiencyOne
230 Brownlow Avenue
Suite 300
Dartmouth, NS B3B 0G5
Attention: CEO
Facsimile: (902) 470-3599

21.2 All notices may be sent by facsimile, a nationally recognized overnight courier service, first class mail or hand delivered. Notice shall be given when received by the addressee on a Business Day. In the absence of proof of the actual receipt date, the following presumptions will apply:

(a) Notices sent by facsimile shall be presumed to have been received upon the sending Party's receipt of its facsimile machine's confirmation of successful transmission. If the day on which such facsimile is received is not a Business Day

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or is after five p.m. (local time for the recipient) on a Business Day, then such facsimile shall be deemed to have been received on the next following Business Day.

(b) Notice by overnight courier shall be presumed to have been received on the next Business Day after it was sent.

(c) Notice by first class mail shall be presumed delivered five (5) Business Days after mailing.

21.3 Either Party may modify its address for notices by advance written notice to the other Party.

22. AUDIT AND INSPECTION

22.1 EfficiencyOne shall, during the Term and for a period of thirty-six (36) months thereafter, keep accurate records of all ~~EECA~~ DSM supplied to NSPI, as necessary to determine that the ~~EECA~~ DSM was provided in accordance with the terms and conditions of this Agreement.

22.2 NSPI shall have the right to apply to the ~~UARB~~ NSEB to request access to any of the records referred to in 22.1.

22.3 NSPI shall have the right to apply to the ~~UARB~~ NSEB to inspect or observe the ~~EECA~~ DSM at all times, whether using its own forces or those of a designated third party. EfficiencyOne shall facilitate such inspections and provide sufficient, safe and proper facilities at all times for inspection of the ~~EECA~~DSM.

23. ASSIGNMENT

23.1 Neither Party shall assign all or any portion of this Agreement without the prior written approval of the ~~UARB~~ NSEB and/or the Minister as the situation requires.

24. SHARING OF DATA AND INFORMATION

24.1 EfficiencyOne shall work co-operatively with NSPI to provide NSPI with information and data from time to time in order to assist NSPI with planning and load forecasting as may be reasonably required by NSPI. For greater certainty, such information and data shall be consistent with the past practices of the Parties.

24.2 In the event of a dispute regarding any request for information by NSPI, NSPI shall have the right to apply to the ~~UARB~~ NSEB to request access to the information and data referred to in 24.1.

25. COORDINATION MEETINGS AND REPORTS

25.1 During the Term of this Agreement, EfficiencyOne shall prepare and deliver to the ~~UARB~~ NSEB and NSPI a quarterly report (the "**Quarterly Report**") in a form acceptable to the ~~UARB~~NSEB.

25.2 EfficiencyOne shall prepare and deliver to the ~~UARB~~ NSEB and NSPI an annual progress report (the "**Report**") in a form acceptable to the ~~UARB~~NSEB. For greater certainty, the Report shall summarize and provide details as to the ~~EECA~~ DSM and milestones achieved

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in the prior year, contain a discussion and analysis of major discrepancies relative to the ~~EECA~~ DSM Resource Plan's intent and forecasts, EfficiencyOne's financial statement for the previous year with respect to the ~~EECA~~DSM, evaluation reports and a summary of planned versus actual savings and costs for each metric.

25.3 The Parties agree that ongoing coordination and regular communication between NSPI and EfficiencyOne is important in order to ensure effective planning. To that end, the Parties shall meet quarterly or as otherwise agreed upon to discuss the provision of the ~~EECA~~DSM.

26. GENERAL

26.1 This Agreement shall only be renewed in accordance with the provisions of the Act.

26.2 This Agreement shall extend to, be binding upon and enure to the benefit of the respective successors and permitted assigns of the Parties hereto.

26.3 EfficiencyOne will be an independent contractor. EfficiencyOne shall not act as an agent for NSPI, bind NSPI to any obligation with a third party, nor hold itself out as having authority to bind or obligate NSPI. None of the persons engaged by EfficiencyOne or any of its Subcontractors in the performance of the ~~EECA~~ DSM will be considered employees of NSPI.

26.4 This Agreement shall be deemed to have been made in and shall be governed by, construed and interpreted in accordance with the laws of the Province of Nova Scotia and the laws of Canada, as applicable therein. Where the provisions of this Agreement or the Act permit or require a matter to be referred to or proceeded with before a court, or in any other case where the Parties bring a matter in respect of this Agreement before a court, the Parties irrevocably attorn to the jurisdiction of the Supreme Court of Nova Scotia.

26.5 No consent or waiver, express or implied, by any Party to this Agreement of any breach or default by any other Party in the performance of its obligations under this Agreement or of any of the terms, covenants or conditions of this Agreement shall be deemed or construed to be a consent or waiver of any subsequent or continuing breach or default in such Party's performance.

26.6 Time shall be of the essence for purposes of this Agreement.

26.7 This Agreement, upon approval by the ~~UARB~~NSEB, shall represent the entire Agreement between the Parties with respect to the subject matter hereto and shall not be modified, varied or amended except by an instrument in writing signed by the Parties and approved by the ~~UARB~~ NSEB or as ordered or directed, by the ~~UARB~~ NSEB at any time.

26.8 Should any provision of the Agreement be declared by a judicial or other competent authority to be unenforceable, the remaining provisions of the Agreement shall remain in full force and effect.

26.9 The Parties acknowledge that this Agreement and all related documents shall be in English.

26.10 This Agreement may be executed by the Parties in counterparts, each of which when so executed and delivered shall be deemed to be an original and when taken together shall be deemed to be one and the same instrument. The electronic delivery, including, without

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limitation, by email or facsimile transmission, of any signed original of this Agreement shall be the same as the delivery of an original.

27. SURVIVAL

27.1 Subject to the provisions of the Act, all provisions of this Agreement which by their express terms or nature are continuing shall survive the expiration or termination of this Agreement, including, without limitation, this provision, and the provisions relating to the ~~EECA~~ DSM Resource Plan (s. 3.2), EfficiencyOne's covenants (s.9), confidentiality (s. 11), indemnity (s.14), intellectual property (s. 17), notification (s. 21) and general provisions (s. 26) as well as any provisions which are required to determine, or which exclude or limit, any liability or which are otherwise required to give effect to or interpret any such provisions which are continuing.

[Remainder of page intentionally left blank]

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IN WITNESS THEREOF, the Parties have duly executed this Agreement, in duplicate, as of the date set forth above.

NOVA SCOTIA POWER INCORPORATED

Per: _____
Name:
Title:

_____
Witness

Per: _____
Name:
Title:

_____
Witness

EFFICIENCYONE

Per: _____
Name:
Title:

_____
Witness

Per: _____
Name:
Title:

_____
Witness

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SCHEDULE A

~~ELECTRICITY EFFICIENCY AND CONSERVATION~~DEMAND-SIDE MANAGEMENT ACTIVITIES

Schedule A

~~Electricity Efficiency and Conservation~~Demand-Side Management Activities

The figure below identifies the scope of savings (~~3~~ 5 year c~~C~~umulative ~~Annual~~ e~~E~~nergy s~~S~~avings, c~~C~~umulative ~~Annual~~ p~~P~~eak d~~D~~emand s~~S~~avings, c~~C~~umulative ~~Annual~~ e~~E~~nergy s~~S~~avings from Low Income & Equity (includes Affordable Single-family Homes, Affordable Multifamily Housing, Mi'kmaw Home Energy Efficiency Project, Mi'kmaw New Home Construction programs), ~~and~~ available demand response capacity, and cumulative solar-PV generation over the ~~three~~five-year plan associated with carrying out ~~EECAs~~ DSM over the Term.

	Cumulative ~~Annual~~ Net Energy Savings at Generator over the Term (GWh)	**Cumulative ~~Annual~~ Net Peak Demand Savings at Generator over the Term (MW)**	**Cumulative ~~Annual~~ Energy Savings – Low Income & Equity (GWh)**	**Available Demand Response Capacity (MW)**	**Cumulative Net Solar-PV Generation (GWh)**
Performance Targets*					

The Performance Targets will be achieved in accordance with the ~~EECA~~ DSM Resource Plan as set out in Schedule E.

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* For certainty, in accordance with the performance requirements set out in Schedule "C" attached hereto, EfficiencyOne shall be deemed to be in substantial compliance with the approved Performance Targets if the stipulated 90 percent level of achievement is reached on each Performance Targets. If less than the stipulated 90 percent level any of the Performance Targets is achieved, a regulatory process will be triggered.

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SCHEDULE B

COMPENSATION

Schedule B (Page 1 of 2)

Compensation

I. Net Contract Price

The figure below identifies the Contract Price to be paid by NSPI allocated for each year of the Term.

	~~2023~~ 2027	~~2024~~ 2028	~~2025~~ 2029	2030	2031	Total
~~UARB~~ NSEB Approved Investment Amount						
~~Refund~~2023-2026 DSM Resource Plan Underspend						
Net Contract Amount to be Paid by NSPI						

The Parties acknowledge that any surplus realized by EfficiencyOne in delivering the Performance Targets at the end of the Term shall be reported to the ~~UARB~~ NSEB and refunded to NSPI[1] unless EfficiencyOne is directed to do otherwise by the ~~UARB~~NSEB. ~~The 2019 surplus[2] of $273,174 will be refunded in 2023. The 2024 Net Contract Amount will be revised to reflect any surplus applicable to the 2020-2022 DSM Plan.~~

[1] Together with all accumulated interest earned by EfficiencyOne on such surplus.

~~[2] Surplus includes any underspend and interest earned.~~

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Schedule B (Page 2 of 2)

Compensation

II. **Payments**

In accordance with Section 4.3 of the Agreement, the monthly payments to be made by NSPI to EfficiencyOne over the Term shall be as set out below. The monthly payment amounts referred to following are exclusive of required HST. HST shall be remitted to EfficiencyOne in addition to these monthly amounts.

On the First Business Day of:	~~2023~~2027	~~2024~~2028	~~2025~~2029	2030	2031
January					
February					
March					
April					
May					
June					
July					
August					
September					
October					
November					
December					
Total					

~~The 2024 Payment Schedule will be revised to reflect the carryforward , if any, related to underspend from the 2020-2022 DSM Plan.~~

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SCHEDULE C

PERFORMANCE REQUIREMENTS

I. ~~UARB~~NSEB-APPROVED PERFORMANCE TARGETS, THRESHOLDS, AND INDICATORS

a) Performance Targets and Thresholds:

i. Performance Targets are set over the ~~three~~ five year contract period, rather than annually.

ii. EfficiencyOne is deemed to be in substantial compliance with the ~~UARB~~NSEB-approved Plan Performance Targets if ninety percent (90%) or greater achievement is reached on each of the Performance Targets listed at b) i, ii, iii, ~~and~~ iv, and v below. If less than ninety percent (90%) of the Performance Targets at b) i, ii, iii, ~~and~~ iv, and v below is achieved, ~~a regulatory process will be triggered.~~E1 understands that the NSEB would use its discretion to determine appropriate action.

b) Performance Targets consist of:

i. Cumulative ~~annual~~ net energy savings at generator;
ii. Cumulative ~~annual~~ net peak demand savings at generator;
iii. Cumulative ~~annual~~ energy savings applicable to the Affordable Single-family Homes, Affordable Multi-family Housing ~~and~~ , Mi'kmaw Home Energy Efficiency Project, Mi'kmaw New Home Construction program component~~s~~; ~~and~~
iv. Available demand response capacity over the ~~three~~five-year plan; and
v. Cumulative net solar-PV generation.

c) Performance Indicators (for ~~UARB~~ NSEB reporting) consist of:

i. Annual incremental energy savings (reported by program and rate class);
ii. Cumulative ~~annual~~ energy savings (reported by program and rate class);
iii. Annual lifetime energy savings (reported by program and rate class);
iv. Cumulative lifetime energy savings (reported by program and rate class);

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v. Annual incremental system-peak demand savings (reported by program and rate class);

v. Cumulative ~~annual~~ system-peak demand savings (reported by program and rate class);

vi. Annual incremental and cumulative energy savings applicable to Affordable Single-family Homes, Affordable Multifamily Housing, Mi'kmaw Home Energy Efficiency Project, and Mi'kmaw New Home Construction);

vii. Incidental impacts from nontargeted programs applicable to low-income and equity customers (reporting also includes incidental low-income and equity participation and expenditure results);

viii. Available demand response capacity (reported by program and rate class);

vi. Annual solar-PV estimated generation (reported by program and rate class);

vii. Cumulative solar-PV estimated generation (reported by program and rate class);

viii. Annual solar-PV installed capacity (reported by program and rate class);

ix. Cumulative solar-PV installed capacity (reported by program and rate class);

~~vi.~~x. Total lifetime ratepayer benefits;

vii. Total spending (reported by program and rate class);

viii. Customer satisfaction; and

~~ix. Incidental cumulative annual energy savings applicable to low-income and underserved communities from nontargeted programs; and~~

~~x. Reporting on low-income program participation, expenditures, and savings through a variety of methods, including estimation based on geographic census information~~

~~x.~~xi. Actual Program Administrator Cost test results.

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SCHEDULE D

CONFIDENTIALITY AND NONDISCLOSURE AGREEMENT

THIS CONFIDENTIALITY AGREEMENT made effective this 1st day of January, ~~2023~~2027

Between:

EfficiencyOne, hereinafter "EfficiencyOne"

Party of the First Part

And

Nova Scotia Power Incorporated, hereinafter "NSPI"

Party of the Second Part

Whereas the Parties have entered into a ~~Supply~~ Purchase Agreement for ~~Electricity Efficiency and Conservation~~ Demand-Side Management Activities made effective as of January 1, ~~2023~~ 2027 ("~~Supply~~ Purchase Agreement") whereby EfficiencyOne is to provide ~~EECA~~ DSM (as that term is defined in the ~~Supply~~ Purchase Agreement) to NSPI;

And whereas in accordance with the ~~Supply~~ Purchase Agreement, and the Electricity Efficiency and Conservation Act (Nova Scotia) and the Public Utilities Act (Nova Scotia) (together hereinafter referred to as the "Legislation"), and as may be directed by the Nova Scotia ~~Utility and Review~~ Energy Board, and as may be further agreed between the Parties, the Parties will be receiving, reviewing, and analyzing Confidential Information from each other;

And whereas the Parties wish to clarify the manner in which any Confidential Information disclosed by one Party ("Disclosing Party") to the other is to be treated by the recipient of the Confidential Information ("Recipient");

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In consideration of the agreements of the Parties set forth below, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

Confidential Information

1. The Parties agree that for the purpose of this Agreement "Confidential Information" means all information, regardless of the form in which it is communicated or maintained and prepared by the Disclosing Party, and is disclosed directly or indirectly to the Recipient, pursuant to the ~~Supply~~ Purchase Agreement, the Legislation, as directed by the Nova Scotia ~~Utility and Review~~Energy Board or as otherwise agreed between the Parties. Confidential Information includes, but is not limited to the following: all reports analyses, notes, memoranda, correspondence, spreadsheets, drawings, survey plans, maps, contracts, commercial arrangements, intellectual property, trade secrets, corporate strategies, business plans or other information that is based on, contain or reflect any Confidential Information, material, whether printed or electronic, which has been designated by the Disclosing Party as confidential information, including proprietary information and other commercially sensitive information. This includes but is not limited to information which has been or may be filed with the Nova Scotia ~~Utility and Review~~ Energy Board ("the Board") in confidence in answer to Information Requests and any further material that may be filed with the Board in confidence whether in response to future Information Requests or otherwise, and whether printed or electronic. Confidential Information shall also include any explanation or other information provided by either Party to the Recipient concerning the foregoing and which has been identified by the Party providing the information as confidential at the time it is initially provided, whether printed or electronic. Confidential Information may also include any password or other information necessary to access electronic copies of Confidential Information.

Permitted Scope of Use

2. The Recipient may use the Confidential Information solely for the purposes of providing or receiving ~~EECA~~DSM, as the case may be, in accordance with the Legislation and the ~~Supply~~ Purchase Agreement and for no other reason or purpose.

No Obligation to Disclose

3. This Agreement does not obligate either Party to disclose any Confidential Information to the other.

Protection of Confidential Information

4. The Recipient shall hold the Confidential Information in strict confidence and shall strictly protect the Confidential Information from all harm, loss, theft, reproduction and unauthorized access, employing at least the same degree of care that the

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Recipient employs to protect its own confidential information of a similar nature, but in any event, not less than reasonable care. The Recipient shall ensure that such Confidential Information is not disclosed, published, released, transferred or otherwise made available in any form to, for the use or benefit of, any person except as provided in this Agreement.

Acknowledgements

5. The Recipient acknowledges that the Confidential Information is confidential and a trade secret and is owned by the Disclosing Party and is highly valuable and material to the interests, business and affairs of the Disclosing Party and that any unauthorized disclosure thereof by the Recipient would be detrimental to the Disclosing Party.

Permitted Disclosures

6. The Recipient shall be permitted to disclose relevant aspects of the Confidential Information to its employees and professional advisors to the extent that such disclosure is reasonably necessary for the performance of its duties and obligations; provided, however, that prior to such disclosure the Recipient shall inform such persons and parties of the confidential nature of the Confidential Information and each such person or party signs the undertaking attached to this Confidentiality Agreement. The Recipient shall inform the Disclosing Party of the name of each person to whom it has disclosed the Confidential Information in accordance with this provision and shall provide to the Disclosing Party the signed undertaking. The Recipient shall be fully responsible for ensuring that any such persons to whom it discloses the Confidential Information complies with the confidentiality obligations contained in this Agreement and shall be liable for any breach of this Agreement by such persons.

7. The non-disclosure obligations in this Agreement shall not restrict any disclosure by the Recipient pursuant to any applicable law or an order of any court of competent jurisdiction or regulatory body with regulatory responsibilities over the Recipient, provided that the Recipient shall provide the Disclosing Party with prompt prior written notice of its obligation to disclose so that the Disclosing Party may seek a protective order or other appropriate remedy concerning the disclosure of its Confidential Information and/or waive compliance with the confidentiality provisions of this Agreement. In addition, the Recipient shall take reasonable steps, to the extent permitted by law, to remove from the Confidential Information that is required to be disclosed, any information that is commercially sensitive to the Disclosing Party. In the event of an order for disclosure by a court of competent jurisdiction or regulatory body with regulatory responsibilities over the Recipient, the Recipient shall first notify the Disclosing Party of such order and allow the Disclosing Party not less than ten (10) days to remove any such information that is commercially sensitive.

Term

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8. The term of this Agreement shall commence on the effective date of the ~~Supply~~ Purchase Agreement unless superceded by another form of writing, and notwithstanding the return of any Confidential Information or any other event, shall continue in full force and effect for a period of FIVE (5) years from the effective date of this Agreement.

Equitable Remedy

9. The Recipient acknowledges that any unauthorized use of the Confidential Information or any breach of its obligations under this Agreement will result in irreparable harm to the Disclosing Party which cannot be adequately compensated for by damages. Neither the Recipient, nor any term in this Agreement, shall interfere with, delay, or prevent the Disclosing Party from seeking an interim and interlocutory equitable remedy to enforce any provision of this Agreement. The Recipient agrees not to oppose an application for equitable relief by the Disclosing Party in such circumstances. Any such relief or remedy shall not be exclusive, but shall be in addition to all other available legal or equitable remedies. The Recipient agrees that the provisions of this Section are fair and reasonable in the commercial circumstances of this Agreement. This Article shall survive the termination of this Agreement.

Return of Information

10. On the earlier of either thirty (30) days following the termination of the ~~Supply~~ Purchase Agreement or at the written request of the Disclosing Party (and unless superceded by another form of writing), the Recipient shall return or destroy (at the Disclosing Party's direction) and delete from all electronic devices all Confidential Information provided to it, including all copies (and all notes and documents prepared by the Recipient that may incorporate same) and still in the Recipient's possession (and otherwise under its control or in the possession of other persons to whom it has been provided as permitted hereunder) and, if requested by the Disclosing Party, shall provide written confirmation to the Disclosing Party to that effect. Notwithstanding the forgoing, the Recipient shall be entitled to retain the Confidential Information in one legal file copy that may be retained solely for the determination of its legal obligations under this Agreement.

Residual Information

11. The Recipient or its designate or any other person having access to the Confidential Information pursuant to this Agreement shall not, during and after the termination of this Agreement, use in its business any Residual Information. "Residual Information" means the ideas, know-how and techniques that would be retained in the unaided memory of an ordinary person skilled in the art, not intent on appropriating the proprietary information of the disclosing party, as a result of such person's access to, use, review, evaluation, or testing of the Confidential Information of the disclosing party for the purposes described herein. An employee's memory is unaided if the employee has not intentionally memorized

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the Confidential Information for the purpose of retaining and subsequently using or disclosing it.

Limited Rights

12. The Recipient agrees that no rights are granted to Recipient other than the limited rights to use the Confidential Information on the terms of this Agreement. For certainty, no license is granted under this Agreement (directly or indirectly) under any patent, discovery, copyright, or other intellectual or industrial property right now or in the future.

Indemnity

13. The Recipient shall indemnify and hold the Disclosing Party harmless from any and all loss, liability, cost or expense (including, without limitation, solicitor's costs on a solicitor and client basis and all other costs of defence) caused in whole or in part by the Recipient's breach of any provision of this Agreement. This Article shall survive the termination of this Agreement.

Governing Law

14. This Agreement is governed and shall be construed in accordance with the laws of the Province of Nova Scotia.

General Provisions

15. This Agreement is binding on the Parties, their administrators, successors, executors and assigns.

Executed and delivered this day of 20__.

EfficiencyOne	Nova Scotia Power Incorporated
By: _____	By: _____
Name:	Name:
Title:	Title:

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SCHEDULE "A" to CONFIDENTIALITY AGREEMENT

UNDERTAKING

I _____, HAVE READ AND AGREE TO ABIDE AND AM BOUND BY THE TERMS AND CONDITIONS SET OUT IN THE CONFIDENTIALITY AGREEMENT DATED THE ____DAY OF _____ BETWEEN EFFICIENCYONE AND NOVA SCOTIA POWER INCORPORATED.

Dated the day of 202__.

_____ _____

Witness Name:

Recipient Designate

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SCHEDULE E

~~EECA~~ DSM RESOURCE PLAN

[Subject to approval by the ~~UARB~~Nova Scotia Energy Board]

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Appendix E

Proposed Form of DSM Purchase Agreement (Clean)
2027-2031 DSM Resource Plan

Purchase Agreement for

Demand-Side Management Activities

Between

Nova Scotia Power Incorporated

and

EfficiencyOne

Effective Date – January 1, 2027

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List of Schedules

Schedule "A": Demand-side Management Activities
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THIS AGREEMENT made as of the _____ day of _____, 2026 and effective as of the 1st day of January, 2027 (the "**Effective Date**").

BETWEEN:

NOVA SCOTIA POWER INCORPORATED,
a body corporate, organized under the laws
of the Province of Nova Scotia

(hereinafter called "**NSPI**")

- and -

EFFICIENCYONE,
a body corporate, organized under the laws of
Canada

(hereinafter called "**EfficiencyOne**")

WHEREAS:

A. EfficiencyOne and NSPI are both public utilities pursuant to the Act; and

B. Pursuant to the Act, EfficiencyOne has the exclusive right to supply NSPI with reasonably available, cost-effective Demand-side Management Activities as the Franchise Holder; and

C. Pursuant to the Act, NSPI is obligated to undertake cost-effective Demand-side Management Activities that is reasonably available in an effort to reduce costs for its customers; and

D. Pursuant to the Act, NSPI shall meet its obligations by entering into a demand-side management purchase agreement with the Franchise Holder for the supply of cost-effective Demand-side Management Activities.

NOW THEREFORE witnesses that in consideration of the premises and the mutual covenants and obligations herein and other good and valuable consideration, the sufficiency and receipt of which are hereby acknowledged, the parties agree as follows:

1. INTERPRETATION

1.1 The following terms shall be interpreted as follows in this Agreement:

(a) "**Act**" shall mean the *Public Utilities Act*, R.S.N.S. 1989, c.380, as amended from time to time.

(b) "**Agreement**" means this agreement between NSPI and EfficiencyOne including all Schedules attached hereto.

(c) "**Business Day**" means Monday to Friday, except federal, provincial, and civic holidays within the Province of Nova Scotia.

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(d) "**Consequential Losses**" means consequential, special, incidental, multiple, exemplary or punitive damages including lost profits, whether such claim of lost profits is categorized as indirect, direct or consequential damages or under any alternative theory of recovery.

(e) "**Contract Documents**" means without limitation, the following documents, including any amendments thereto agreed in writing by the parties:

(i) this Agreement; and

(ii) all Schedules to the Agreement.

(f) "**Contract Price**" has the meaning ascribed to it in Section 4.1.

(g) "**DSM Resource Plan**" means the plan prepared by EfficiencyOne and approved by the NSEB and attached hereto as Schedule "E".

(h) "**Demand-side Management Activities"** or 'DSM' means the demand-side management activities as identified in Schedule "A" attached hereto.

(i) "**Event of Default**" has the meaning ascribed to it in Section 20.4.

(j) "**Environmental Laws**" means all applicable federal, provincial, regional, municipal or local laws with respect to environmental matters contained in the statutes, regulations, rules, standards, requirements, ordinances, policies, guidelines, orders, approvals, notices, permits or directives having the force of law, in effect as at the date hereof and as may be brought into effect at future date.

(k) "**Force Majeure Event**" means any event or circumstance not reasonably within the control of the Party affected which wholly or partly prevents the performance by that Party of its obligations under this Agreement, provided that such Party is in good faith unable to perform such obligations by any commercially reasonable substitute. A Force Majeure Event includes acts of God, war, riot, fire, explosion, flood, hurricane, epidemics, acts of governmental authorities, acts of terrorism. Notwithstanding anything else contained herein, a Force Majeure Event excludes (a) any event or circumstance causing direct or indirect delay in, or failure to perform any of a Party's obligations under this Agreement, attributable to a lack of reasonable diligence on the part of a Party or on the part of any vendor or subcontractor of a Party, including any event or circumstance which a Party or any vendor or subcontractor, acting diligently, could reasonably have been expected to foresee, avoid or overcome in the performance of its obligations; and (b) any event or circumstance caused by the breach of a Party's obligations or the fault or negligence of a Party or the fault or negligence of any vendor or subcontractor, or by violation of applicable laws or regulations by a Party or any of a Party's vendors or subcontractors. For certainty, adverse weather of any kind other than events specified above shall not be considered a Force Majeure Event.

(l) "**Franchise**" has the meaning ascribed to it in the Act.

(m) "**Franchise Holder**" has the meaning ascribed to it in the Act.

(n) "**Governmental Authority**" means any federal, provincial, regional, municipal or local government or authority or other political subdivision thereof and entity or

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person exercising executive, legislative, judicial, regulatory or administrative functions of, or pertaining to, government.

(o) "**Hazardous Substances**" means any substance or material that is prohibited, controlled or regulated by any Governmental Authority pursuant to Environmental Laws, including any contaminants, pollutants, petroleum or other hydrocarbons and their derivatives and by-products, dangerous substances or goods, including asbestos, liquid wastes, special wastes, toxic substances, hazardous or toxic chemicals, hazardous wastes, hazardous materials or hazardous substances as defined in or pursuant to any Environmental Law, or any substance or material not inherently hazardous but which would, in sufficient quantities, be hazardous.

(p) "**Indemnified Costs**" means all liabilities, claims, actions, causes of action, judgments, orders, damages, costs (including those incurred in connection with any investigation of site conditions or any clean-up, environmental remediation, removal or restoration work), expenses (including all reasonable consultant, expert and legal fees and expenses), fines, penalties, losses, or any resulting damages, harm or injuries to the person or property of any third parties or to any natural resources and for which the indemnified party is liable and has incurred losses. Without limiting the foregoing, Indemnified Costs shall include:

(i) the costs of defending and/or counterclaiming or claiming over and against third parties in such manner as the indemnified party in its sole discretion may determine;

(ii) the costs relating to any governmental investigation, proceeding or claim; and

(iii) any costs, liabilities or damages arising out of a settlement of a claim by the indemnified party, with or without the consent of the indemnifying party.

(q) "**Law**" means the common law, the law of equity and all federal or provincial statutes or municipal by-laws and all regulations, orders, directives, permits and licenses thereunder, which apply to or otherwise affect NSPI or EfficiencyOne with respect to the supply of the DSM, or the property of NSPI or EfficiencyOne, real or personal, or any part thereof, including the Act and all environmental, occupational, health and safety laws.

(r) "**Liens Indemnities**" has the meaning ascribed to it in Section 18.1.

(s) "**Liens and Claims**" has the meaning ascribed to it in Section 18.1.

(t) "**Minister**" has the meaning ascribed to it in the Act.

(u) "NSEB" means the Nova Scotia Energy Board.

(v) "**Party**" means either EfficiencyOne or NSPI. "**Parties**" means EfficiencyOne and NSPI.

(w) "**Personal Information**" shall mean the information provided by NSPI to EfficiencyOne pursuant to Section 79K of the Act.

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(x) "**Release**" or "**Released**" means a releasing, adding, spilling, leaking, pumping, pouring, emitting, emptying, discharging, injecting, escaping, leaching, migrating, dispersing, dispensing, disposing or dumping.

(y) "**Significant Changes**" means any proposed change to the DSM Resource Plan for which the NSEB orders or directs EfficiencyOne to obtain the approval of the NSEB prior to the implementation of such proposed change.

(z) "**Subcontractor**" means any contractor, supplier or consultant hired by EfficiencyOne in accordance with this Agreement to perform any portion of the DSM.

(aa) "**Term**" has the meaning ascribed to it in Section 2.1.

(bb) "**CASL**" means An Act to promote the efficiency and adaptability of the Canadian economy by regulating certain activities that discourage reliance on electronic means of carrying out commercial activities, and to amend the Canadian Radio-television and Telecommunications Commission Act, the Competition Act, the Personal Information Protection and Electronic Documents Act and the Telecommunications Act, S.C. 2010, c. 23, as amended from time to time.

1.2 Unless otherwise specified in this Agreement or unless the context otherwise requires:

(a) words of any gender include each other gender;

(b) using the singular or plural number also include the plural or singular number, respectively;

(c) the insertion of headings in this Agreement is for convenience only and shall not be construed so as to affect the interpretation or construction of this Agreement;

(d) the terms "hereof," "herein," "hereto," "hereunder" and words of similar or like import refer to this entire Agreement and not to any particular Section, Schedule or other subdivision of this Agreement;

(e) references to a particular "Section" or "Schedule" are, unless otherwise noted, references to that Section of, or Schedule to this Agreement;

(f) the words "include," "includes" and "including" shall be deemed to be followed by "without limitation" or "but not limited to";

(g) references to any applicable law, legislation or regulation shall be construed as a reference to such law, legislation or regulation as each may be in effect from time to time;

(h) references to any agreement or document (including this Agreement) shall (i) include all Schedules, appendices, and other attachments thereto, and (ii) be construed at the particular time as a reference to such agreement or document as amended, modified or supplemented and in effect from time to time and shall include a reference to any document which amends, modifies or supplements it, or is entered into, made or given pursuant to or in accordance with its terms;

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(i) references to (i) days shall refer to calendar days unless Business Day is specified, (ii) weeks and months shall refer to calendar weeks and months, respectively, and (iii) years shall refer to calendar years;

(j) in computing any period of time prescribed or allowed under this Agreement, the day of the act, event or default from which the designated period of time begins to run shall be included. If the last day of the period so computed is not a Business Day, then the period shall run until the close of business on the next Business Day;

(k) the Contract Documents are complementary, and what is required by any one shall be as binding as if required by all;

(l) words and abbreviations which have well known technical or trade meanings are used in the Contract Documents in accordance with such recognized meanings; and

(m) as both Parties were actively involved in preparing the terms and conditions of this Agreement and as they both had access to and relied upon counsel in this process, there shall be no presumption that any one or the other Party prepared this Agreement and no provision of this Agreement shall be construed against either Party based upon the process of preparation of proposals and drafts of the Agreement.

1.3 If there is a conflict within the Agreement, the order of precedence of documents, from highest to lowest, shall be:

(a) Sections 1 to 27;

(b) Schedule “A” –Demand-side Management Activities; and

(c) all other Schedules.

2. TERM & RESERVATION OF RIGHTS

2.1 The term of this Agreement shall be five (5) years from the Effective Date and shall automatically terminate on December 31, 2031 unless terminated earlier in accordance with the terms of this Agreement and the Act (the “**Term**”).

2.2 During the Term, NSPI shall purchase from EfficiencyOne and EfficiencyOne shall supply to NSPI, DSM in accordance with the terms and conditions of this Agreement and the Act.

2.3 Notwithstanding anything contained herein, and subject to any requirement for review or approval by the NSEB, nothing contained in this Agreement shall in any way effect the rights of NSPI pursuant to Section 79I(3) of the Act.

3. DEMAND-SIDE MANAGEMENT ACTIVITIES

3.1 For the Term of this Agreement, EfficiencyOne will,

(a) provide DSM in accordance with this Agreement;

(b) provide sufficient resources to enable EfficiencyOne to perform its obligations on time and in accordance with this Agreement;

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(c) carry out the DSM in a professional, expeditious and economical manner, in accordance with the Act;

(d) manage the DSM in an efficient manner; and

(e) perform and supply the DSM in a safe and environmentally sound manner and in compliance with applicable Law.

3.2 The Parties acknowledge and agree that EfficiencyOne shall be solely responsible for the delivery of the DSM Resource Plan. For greater certainty and notwithstanding the attachment of the DSM Resource Plan as Schedule "E" – Approved DSM Resource Plan, NSPI shall have no liability with respect to the DSM Resource Plan saving and excepting any liability which may arise as a result of NSPI's failure to comply with the Act.

4. PRICE & PAYMENT

4.1 NSPI agrees to pay EfficiencyOne for DSM as set out in Schedule "B" – Compensation (the "**Contract Price**").

4.2 The Contract Price shall constitute full compensation for the DSM, and no additional compensation shall be payable to EfficiencyOne arising out or resulting from any productivity losses, overhead or indirect costs or other costs and expenses of any kind whatsoever.

4.3 NSPI shall make monthly payments on the first Business Day of each month in accordance with Schedule "B" to EfficiencyOne on account of the Contract Price when due, together with applicable HST. EfficiencyOne will submit an invoice to NSPI in advance of the payment date referenced in Schedule "B".

4.4 Unless otherwise indicated all dollar amounts referred to in this Agreement are in lawful money of Canada.

4.5 If applicable, payments shall be subject to harmonized sales tax (as defined in the *Excise Tax Act* (Canada)) ("**HST**"). No additional taxes (foreign or domestic), customs, duties or brokerage fees shall apply.

4.6 If applicable, NSPI will withhold from payments to EfficiencyOne any amounts required to be withheld under applicable Laws and treaties in respect of services rendered in Canada by a non-resident and may remit them to the relevant authority. Where available, statutory withholding may be waived if EfficiencyOne delivers to NSPI a formal waiver of the withholding requirement issued and signed by Canada Revenue Agency. The Parties shall cooperate at all times to ensure that all proper withholdings are deducted from payments and if any withholdings are overlooked then such withholdings may be deducted from later payments.

5. NOTIFICATION OF SIGNIFICANT CHANGES

5.1 EfficiencyOne shall provide notice of Significant Changes to NSPI at the same time as EfficiencyOne makes application to the NSEB for the approval of the Significant Changes. Subject to the terms of the Act and the general discretion of the NSEB under the Act, NSPI shall, have the right to make written submissions to the NSEB on any such Significant Changes to the DSM Resource Plan.

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6. SAFETY

6.1 EfficiencyOne shall at all times be responsible for safety and loss management in the supply or performance of the DSM.

6.2 EfficiencyOne shall ensure that all employees, Subcontractors, agents and representatives of EfficiencyOne comply with all federal, provincial and municipal health, safety and environmental statutes, regulations, policies and guidelines and all health, safety and environmental rules as prescribed by EfficiencyOne.

7. PROTECTION OF PROPERTY

7.1 EfficiencyOne shall take all commercially reasonable steps to protect the property of NSPI's customers and other third parties from damage which may occur as the result of the performance of the DSM.

7.2 Should EfficiencyOne damage the property of NSPI's customers or property of other third parties while performing the DSM, EfficiencyOne shall make good such damage at EfficiencyOne's expense and shall indemnify NSPI from and against all liabilities, claims, damages, settlements, awards, costs, expenses and proceedings incurred by NSPI or its servants, employees and/or agents in respect of such damage, except to the extent such damage occurs as a result of the negligent acts of NSPI or those for which NSPI is responsible at Law.

8. ENVIRONMENT

8.1 EfficiencyOne and its Subcontractors shall at all times comply with all Environmental Laws that apply in any way to the supply or performance of the DSM. EfficiencyOne and its Subcontractors shall not cause, permit or suffer the Release of a Hazardous Substance in contravention of any Environmental Laws.

8.2 Notwithstanding any other provision in this Agreement (and in addition to any other right to indemnity held by NSPI under the terms of the Agreement) EfficiencyOne shall indemnify NSPI, NSPI's parent, their respective subsidiaries, affiliates and related companies, and their respective officers, directors, employees, agents and shareholders, and agrees to hold each of them harmless from and against any and all Indemnified Costs resulting from any Release of any Hazardous Substance which is caused or contributed to by EfficiencyOne or its Subcontractors or any breach of any Environmental Law by EfficiencyOne or its Subcontractors.

9. EFFICIENCYONE'S COVENANTS

9.1 EfficiencyOne warrants, covenants and agrees with NSPI that:

(a) it has all requisite capacity and authority to execute, deliver and perform its obligations under this Agreement;

(b) this Agreement has been duly and validly executed and delivered by EfficiencyOne and constitutes a legal, valid and binding obligation of EfficiencyOne enforceable against EfficiencyOne in accordance with its terms;

(c) to its knowledge, there is no matter, thing or event, including without limitation, any litigation, proceeding, breach, default or financial circumstance that would

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adversely affect EfficiencyOne's ability to perform its obligations under this Agreement;

(d) it will furnish all labour, materials, products, tools, and other necessary components necessary to perform and provide the DSM, unless otherwise provided herein;

(e) it shall diligently perform or cause to be performed the DSM in a proper and workmanlike manner;

(f) it has the skills, expertise and resources to carry out the DSM and to comply, observe and perform the obligations to which it is subject in accordance with the terms of this Agreement;

(g) prior to commencing any work hereunder, it shall obtain and maintain all permits, licenses and notices that a prudent supplier acting in accordance with industry standards would be required to obtain, maintain and provide in comparable circumstances and shall comply with all applicable Laws, ordinances, rules, regulations, codes and orders of any and all authorities having jurisdiction which are or become in force during the Term in respect of the DSM;

(h) it will comply with applicable federal, provincial and municipal statutes, regulations and bylaws pertaining to the DSM performed by or on behalf of EfficiencyOne under this Agreement. EfficiencyOne shall be responsible for ensuring similar compliance by any suppliers and Subcontractors;

(i) it is the Franchise Holder pursuant to the Act;

(j) it is not a non-resident of Canada for the purposes of the *Income Tax Act*;

(k) it will execute or cause to be made, done and executed all further acts, deeds, assurances, agreements, instruments or other documents as may be reasonably required to ensure fulfillment of the terms of this Agreement;

(l) the DSM shall be delivered and performed by individuals duly licensed and authorized by Law, if applicable, to perform said undertakings;

(m) the DSM shall be delivered and performed solely by EfficiencyOne or its Subcontractors and EfficiencyOne acknowledges that EfficiencyOne shall at all times remain responsible for the proper completion of this Agreement; and

(n) upon becoming aware of a potential disruption having a material impact in the supply of the DSM, EfficiencyOne shall provide notification to the NSEB and NSPI.

10. SUBCONTRACTORS

10.1 EfficiencyOne shall be permitted to subcontract the performance of any part of the DSM without the prior written approval of NSPI.

10.2 Where EfficiencyOne subcontracts any part of the DSM, EfficiencyOne shall preserve and protect the rights of the Parties under this Agreement with respect to the DSM to be supplied or performed under subcontract, and shall be as fully responsible to NSPI for the

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acts and omissions of Subcontractors and of persons directly or indirectly employed by them, as if they were acts and omissions of persons directly employed by EfficiencyOne.

10.3 Nothing contained in the Contract Documents shall create a contractual relationship between a Subcontractor and NSPI.

11. CONFIDENTIAL AND PERSONAL INFORMATION

11.1 The Parties have executed or agree to execute the confidentiality agreement attached hereto as Schedule "D" - Confidentiality ("**Confidentiality Agreement**").

11.2 EfficiencyOne shall be responsible for all physical and electronic security required to ensure the security of the Personal Information which has been provided by NSPI to EfficiencyOne.

11.3 EfficiencyOne shall indemnify and hold harmless NSPI for any liabilities, claims, damages, settlements, awards, costs, expenses and proceedings incurred by NSPI or its servants, employees and/or agents in consequence of EfficiencyOne's misuse of the Personal Information or any disclosure, whether intentional, inadvertent, negligent or otherwise of any of the Personal Information by EfficiencyOne contrary to the terms of this Agreement or the Act, or in consequence of EfficiencyOne's contravention of CASL.

12. PERFORMANCE REQUIREMENTS AND EVALUATIONS

12.1 EfficiencyOne's performance under the terms of this Agreement shall be measured in accordance with the performance requirements established by the NSEB pursuant to Section 79M of the Act as set out in Schedule "C" – Performance Requirements.

13. FORCE MAJEURE

13.1 Neither Party shall be in breach of its obligations under this Agreement where failure to perform or delay in performance of any obligation is due, wholly or in part, to a Force Majeure Event.

13.2 Each Party shall notify the other Party promptly of any Force Majeure Event and shall take reasonable steps to minimize the impact of the failure or the delay and to resolve the event or occurrence that has given rise to the Force Majeure Event in order to resume performance. The time for performing an obligation as a result of Force Majeure Event shall be extended for the period lost, subject to the condition that the Term of this Agreement shall not be extended as a result of any Force Majeure Event.

13.3 Each Party suffering a Force Majeure Event shall take, or cause to be taken, such action as may be necessary to void, or nullify, or otherwise to mitigate, in all material respects, the effects of such Force Majeure Event. The Parties shall take all reasonable steps to ensure normal performance under this Agreement, including the resumption of any disrupted obligations.

13.4 For certainty, in no case shall the failure or omission of EfficiencyOne to carry out or observe any of the terms, provisions, or conditions of this Agreement or any negligent act or omission of EfficiencyOne, or others for whom EfficiencyOne is responsible constitute an event of Force Majeure or result in an extension of the time to perform the DSM.

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14. INDEMNITY

14.1 EfficiencyOne shall assume all risk of loss, damage or injury, including death, to person or property, caused by its directors, officers, employees, Subcontractors, agents or representatives, and agrees not to make or bring any claim, action or demand against NSPI or its directors, officers, servants, agents, or employees in respect of such loss, damage or injury excepting such loss, damage or injury caused by the negligence or wilful misconduct of NSPI or NSPI's directors, officers, servants, agents or employees.

14.2 EfficiencyOne agrees to indemnify and save harmless NSPI, its directors, officers, servants, agents, or employees, and their heirs, executors, administrators, successors and assigns, or any of them, from and against any liabilities, losses, expenses (including legal costs on a solicitor-client basis), claims, demands, actions, and causes of action, whatsoever suffered by NSPI by reason of, or in any way arising out of or in connection with a breach of this Agreement by EfficiencyOne excepting only to the extent caused by the negligence or wilful misconduct of NSPI or NSPI's directors, officers, servants, agents or employees.

14.3 NSPI agrees to indemnify and save harmless EfficiencyOne, its directors, officers, servants, agents, or employees, and their heirs, executors, administrators, successors and assigns, or any of them, from and against any liabilities, losses, expenses (including legal costs on a solicitor-client basis), claims, demands, actions, and causes of action, whatsoever suffered by EfficiencyOne by reason of, or in any way arising out of or in connection with a breach of this Agreement by NSPI excepting only to the extent caused by the negligence or wilful misconduct of EfficiencyOne or EfficiencyOne's directors, officers, servants, agents or employees.

14.4 The provisions set forth in this Section shall apply and be effective with respect to any claim, cause of action, or legal theory whatsoever including without limitation, claims based upon breach of contract, failure to meet performance guarantees, tort (including negligence) and strict liability.

14.5 EfficiencyOne shall defend, indemnify and hold harmless NSPI from any claim, suit, cause of action, judgment, cost or expense (including legal fees) based on a claim by a third party that any intellectual property which is part of the DSM or supply or performance of EfficiencyOne's obligations under this Agreement infringes any patent, copyright, trade secret or other intellectual property right, provided the EfficiencyOne is promptly notified of such claim and is given complete authority for defense of same. EfficiencyOne shall pay all damages, costs and expenses resulting from such a claim, including legal fees and settlement costs, but shall not be responsible for any cost, expense or compromise incurred by NSPI without EfficiencyOne's prior consent.

15. LIMIT OF LIABILITY

15.1 Neither Party shall be liable to the other Party for any Consequential Losses with respect to the performance or non-performance under this Agreement or for any actions undertaken in connection with or related to this Agreement.

15.2 EfficiencyOne's total liability to NSPI with respect to the performance or non-performance under this Agreement or for any actions undertaken in connection with or related to this Agreement shall be limited to the greater of the sum of two million dollars ($2,000,000) or the proceeds of the applicable insurance policies taken out by EfficiencyOne under this

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Agreement ("**EfficiencyOne Limit of Liability**") provided that the EfficiencyOne Limit of Liability shall not apply to:

(a) indemnification of NSPI by EfficiencyOne under the terms of this Agreement for any third party claims (including but not limited to EfficiencyOne's obligations pursuant to Sections 7.2, 8.2, 11.3, 14.5 and 18.1);

(b) any wilful misconduct or fraud of EfficiencyOne or its employees, agents or representatives; and

(c) any obligation on the part of EfficiencyOne to refund in whole or in part the Contract Price pursuant to this Agreement or the Act.

15.3 NSPI's total liability to EfficiencyOne with respect to the performance or non-performance under this Agreement or for any actions undertaken in connection with or related to this Agreement shall be limited to the sum of two million dollars ($2,000,000) ("**NSPI Limit of Liability**") provided that the NSPI Limit of Liability shall not apply to:

(a) any wilful misconduct or fraud of NSPI or its employees, agents or representatives; and

(b) NSPI's liability for payment of the Contract Price pursuant to the Agreement or the Act.

16. INSURANCE

16.1 EfficiencyOne shall obtain, maintain and pay for, during the entire Term of this Agreement, the following minimum insurance coverage as follows, such insurance as it relates to this Agreement shall be in a form and from an insurer acceptable to NSPI:

(a) General liability insurance shall be in the name of EfficiencyOne and shall name NSPI as an additional insured and shall have limits of not less than five million dollars ($5,000,000) inclusive per occurrence for bodily injury, death, and damage to property including loss of use thereof. Such insurance shall be primary and non-contributing with, and not in excess of, any other insurance available to NSPI. This policy shall also contain cross liability and severability of interest and blanket contractual liability.

(b) Environmental impairment insurance with limits of not less than five million dollars ($5,000,000);

(c) Automobile liability insurance in respect of licensed vehicles shall have limits of not less than two million dollars ($2,000,000) inclusive per occurrence for bodily injury, death, and damage to property. For automobiles not owned or operated by or on behalf of EfficiencyOne the insurance shall be in the form of a standard non-owned automobile policy and shall include standard contractual liability endorsement. For automobiles owned or operated by or on behalf of EfficiencyOne the insurance shall be in the form of a standard owner's form automobile policy and shall provide third party liability and accident benefits insurance covering licensed vehicles owned or operated by or on behalf of EfficiencyOne.

(d) Property Insurance covering all loss of or damage to EfficiencyOne's property and equipment of EfficiencyOne or for which EfficiencyOne is legally liable or

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responsible used in performance of the DSM for the full replacement value, which insurance shall not allow subrogation claims by the insurer against NSPI.

(e) To the extent that the DSM includes the provision of professional services, professional liability errors and omissions insurance covering all claims arising out of errors and omissions of EfficiencyOne in the performance of professional services as part of the DSM with a limit of two million dollars ($2,000,000). In the event other claims erode EfficiencyOne's professional errors and omissions insurance below two million dollars ($2,000,000), in the annual aggregate, EfficiencyOne agrees to reinstate the limit.

(f) Workers' compensation to the full extent required in Nova Scotia and wherever EfficiencyOne's personnel contracts of employment are made or are expressed to be made.

16.2 If EfficiencyOne fails to effect or keep in force any of the foregoing insurances, NSPI may, without prejudice to any other right or remedy, effect such insurance and pay the premiums due and recover the same as a deduction from any other monies due to EfficiencyOne under this Agreement.

16.3 EfficiencyOne shall be responsible to pay deductible amounts and for determining the deductible amount in respect of each policy. EfficiencyOne shall not violate, nor knowingly permit to be violated, any conditions of the policies maintained according to the provisions of this Section, and it shall be EfficiencyOne's duty and responsibility to impose upon each Subcontractor the same responsibilities and obligations imposed upon EfficiencyOne under such provisions.

16.4 EfficiencyOne agrees to provide proof of insurance to NSPI on an annual basis. Such proof shall be in the form of a certificate of insurance signed by EfficiencyOne's insurance broker.

17. INTELLECTUAL PROPERTY

17.1 NSPI acknowledges that all branding, trade and business marks of EfficiencyOne used in the course of provision of DSM pursuant to this Agreement, (the **"EfficiencyOne Brands"**) are, and shall remain, the sole and exclusive property of EfficiencyOne and shall not be used by NSPI without EfficiencyOne's express consent. Upon termination of this Agreement, NSPI shall immediately upon instruction from EfficiencyOne return or destroy, as instructed by EfficiencyOne, the EfficiencyOne Brands.

17.2 Any trademarks, brands, logos or other branding or trade or business marks used in NSPI's business (**"NSPI Brands"**) shall remain the sole and exclusive property of NSPI and shall not be used by EfficiencyOne for any purpose except in connection and as necessary for the provision of the DSM. Upon termination of this Agreement, EfficiencyOne shall immediately upon instruction from NSPI return or destroy, as instructed by NSPI, the NSPI Brands.

18. LIENS AND CLAIMS

18.1 EfficiencyOne shall indemnify and hold harmless NSPI, NSPI's parent and their subsidiaries and affiliates (collectively the "**Lien Indemnitees**" or singularly "**Lien Indemnitee**") and defend each of them from and against any and all losses and costs arising out of any and all claims for payment, liens, attachment or any other process, filed

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against any property of the Lien Indemnitees by or in respect of a Subcontractor of any tier or any other party providing work, materials in respect of the DSM or any part thereof (referred to in this Section as "**Liens or Claims**"), including solicitor and client fees and expenses incurred by NSPI in discharging any such Liens or Claims or similar encumbrances.

18.2 EfficiencyOne shall discharge promptly any Liens or Claims. If EfficiencyOne does not promptly satisfactorily discharge such Liens or Claims, NSPI at its sole option may (i) require EfficiencyOne to pay, within five (5) Business Days after request by NSPI, or (ii) subject to any requirements of the *Builders' Lien Act* of Nova Scotia, offset against any holdback or other amounts due or to become due to EfficiencyOne, all costs and expenses incurred by NSPI or other Lien Indemnitee in causing the release of, paying or settling such Liens or Claims. EfficiencyOne shall have the right to contest any such Liens or Claims, provided it first provides to NSPI a bond or other assurance of payment reasonably satisfactory to NSPI in the amount of such Liens or Claims and in form and substance reasonably satisfactory to NSPI. In no circumstance whatsoever shall NSPI be liable for a greater amount than the amount payable by NSPI to EfficiencyOne.

19. DISPUTE RESOLUTION

19.1 In the event of a dispute in connection with this Agreement, a senior representative of EfficiencyOne and a senior representative of NSPI shall promptly meet to discuss and resolve the dispute and the Parties shall have thirty (30) days to resolve the dispute (or ten (10) days if either Party notifies the other Party that the matter requires urgent resolution).

19.2 Unless the parties agree otherwise, in the event resolution cannot be achieved in accordance with Section 19.1 of this Agreement, then such dispute or difference shall be referred to the NSEB in accordance with Section 79P of the Act.

19.3 Notwithstanding any dispute, EfficiencyOne shall diligently carry out the DSM, and shall not suspend, impair, interfere with, restrict or discourage the prompt completion of any portion of the DSM, unless specifically authorized to do so by the NSEB. .

20. DEFAULT AND TERMINATION

20.1 This Agreement may be terminated immediately by either Party, in whole or in part, upon the happening of one or more of the following events:

(a) EfficiencyOne's Franchise is terminated and the Agreement has not been assigned by the Minister; or

(b) The NSEB approves the termination of the Agreement.

In the event of a termination pursuant to this Section 20.1, neither Party shall be entitled to any compensation or damages for any Consequential Losses as a result of such termination. Immediately upon receipt of such termination notice, EfficiencyOne will discontinue all DSM under this Agreement and will only finish such portions of the DSM as may be necessary to preserve and protect the DSM already in progress. Such termination does not relieve either Party from any of their respective obligations under this Agreement for DSM provided up to the date of termination. Any claim for payment by EfficiencyOne must be asserted within thirty (30) days from the date of such termination.

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20.2 Notwithstanding any other provision in this Agreement, in the event this Agreement is terminated in accordance with Section 20.1(a), EfficiencyOne shall:

(a) Immediately return all monies paid on account of the Contract Price which amounts have not been legitimately incurred or subject to contractual commitments for expenditure which cannot otherwise be mitigated to NSPI; and

(b) Provide to NSPI all reasonable required termination assistance to allow the DSM provided under this Agreement to continue and to facilitate the orderly transition of the DSM to NSPI or any third party as directed by NSPI, provided that EfficiencyOne shall be entitled to commercially reasonable payment for such transition services on a time and material basis.

20.3 The Parties acknowledge that this Agreement is subject to the general supervision of the NSEB.

20.4 A Party shall be determined to be in default of its obligations under this Agreement if (each a "**Event of Default**"):

(a) it is in breach of any material term or condition of this Agreement, which breach is not cured by the Party within thirty (30) days after written notice from the other Party;

(b) it assigns this Agreement other than as permitted by the Act and/or the NSEB;

(c) any representation or warranty made by either Party shall prove to be untrue when made in any material respect;

(d) there is a sale, transfer or relinquishment, voluntary or involuntary, by operation of law or otherwise, of legal control of the business of either Party except for a transfer to a related corporation or a transfer resulting from a merger, acquisition, amalgamation or reorganization, or, in the case of EfficiencyOne, a change in the Membership of the corporation;

(e) Either Party sells, transfers or assigns all or substantially all of its assets;

(f) a petition in bankruptcy is filed with respect to either Party; or

(g) any proceeding is commenced under any bankruptcy or insolvency legislation or under any other federal, state or provincial law relating to insolvency or bankruptcy, the adjudication of either Party as a bankrupt, the appointment by any competent court having jurisdiction of a temporary or permanent receiver, trustee or other officer having similar powers over either Party its business or assets, or the making of any assignment by either Party for the benefit of its creditors.

20.5 If a breach notified pursuant to Sections 20.4(a) cannot be corrected within the period required therein, the defaulting Party shall not be in breach or violation if it:

(a) commences and diligently and continuously carries out the correction of the breach or violation within the specified time;

(b) provides to the non-defaulting Party, and the NSEB an acceptable plan for such correction; and

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(c) corrects the breach or violation in accordance with such plan.

20.6 Upon the occurrence of an Event of Default, the non-defaulting Party may apply to the NSEB to terminate this Agreement in whole or in part.

21. NOTIFICATIONS

21.1 All notices to be given to either Party under this Agreement shall be written and addressed to the NSPI and to EfficiencyOne as follows:

To NSPI:

Nova Scotia Power Incorporated
1223 Lower Water Street
PO Box 910
Halifax, NS B3J 3S8
Attention: Corporate Secretary
Facsimile: (902) 428-6171

To EfficiencyOne:

EfficiencyOne
230 Brownlow Avenue
Suite 300
Dartmouth, NS B3B 0G5
Attention: CEO
Facsimile: (902) 470-3599

21.2 All notices may be sent by facsimile, a nationally recognized overnight courier service, first class mail or hand delivered. Notice shall be given when received by the addressee on a Business Day. In the absence of proof of the actual receipt date, the following presumptions will apply:

(a) Notices sent by facsimile shall be presumed to have been received upon the sending Party's receipt of its facsimile machine's confirmation of successful transmission. If the day on which such facsimile is received is not a Business Day or is after five p.m. (local time for the recipient) on a Business Day, then such facsimile shall be deemed to have been received on the next following Business Day.

(b) Notice by overnight courier shall be presumed to have been received on the next Business Day after it was sent.

(c) Notice by first class mail shall be presumed delivered five (5) Business Days after mailing.

21.3 Either Party may modify its address for notices by advance written notice to the other Party.

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22. AUDIT AND INSPECTION

22.1 EfficiencyOne shall, during the Term and for a period of thirty-six (36) months thereafter, keep accurate records of all DSM supplied to NSPI, as necessary to determine that the DSM was provided in accordance with the terms and conditions of this Agreement.

22.2 NSPI shall have the right to apply to the NSEB to request access to any of the records referred to in 22.1.

22.3 NSPI shall have the right to apply to the NSEB to inspect or observe the DSM at all times, whether using its own forces or those of a designated third party. EfficiencyOne shall facilitate such inspections and provide sufficient, safe and proper facilities at all times for inspection of the DSM.

23. ASSIGNMENT

23.1 Neither Party shall assign all or any portion of this Agreement without the prior written approval of the NSEB and/or the Minister as the situation requires.

24. SHARING OF DATA AND INFORMATION

24.1 EfficiencyOne shall work co-operatively with NSPI to provide NSPI with information and data from time to time in order to assist NSPI with planning and load forecasting as may be reasonably required by NSPI. For greater certainty, such information and data shall be consistent with the past practices of the Parties.

24.2 In the event of a dispute regarding any request for information by NSPI, NSPI shall have the right to apply to the NSEB to request access to the information and data referred to in 24.1.

25. COORDINATION MEETINGS AND REPORTS

25.1 During the Term of this Agreement, EfficiencyOne shall prepare and deliver to the NSEB and NSPI a quarterly report (the "**Quarterly Report**") in a form acceptable to the NSEB.

25.2 EfficiencyOne shall prepare and deliver to the NSEB and NSPI an annual progress report (the "**Report**") in a form acceptable to the NSEB. For greater certainty, the Report shall summarize and provide details as to the DSM and milestones achieved in the prior year, contain a discussion and analysis of major discrepancies relative to the DSM Resource Plan's intent and forecasts, EfficiencyOne's financial statement for the previous year with respect to the DSM, evaluation reports and a summary of planned versus actual savings and costs for each metric.

25.3 The Parties agree that ongoing coordination and regular communication between NSPI and EfficiencyOne is important in order to ensure effective planning. To that end, the Parties shall meet quarterly or as otherwise agreed upon to discuss the provision of the DSM.

26. GENERAL

26.1 This Agreement shall only be renewed in accordance with the provisions of the Act.

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26.2 This Agreement shall extend to, be binding upon and enure to the benefit of the respective successors and permitted assigns of the Parties hereto.

26.3 EfficiencyOne will be an independent contractor. EfficiencyOne shall not act as an agent for NSPI, bind NSPI to any obligation with a third party, nor hold itself out as having authority to bind or obligate NSPI. None of the persons engaged by EfficiencyOne or any of its Subcontractors in the performance of the DSM will be considered employees of NSPI.

26.4 This Agreement shall be deemed to have been made in and shall be governed by, construed and interpreted in accordance with the laws of the Province of Nova Scotia and the laws of Canada, as applicable therein. Where the provisions of this Agreement or the Act permit or require a matter to be referred to or proceeded with before a court, or in any other case where the Parties bring a matter in respect of this Agreement before a court, the Parties irrevocably attorn to the jurisdiction of the Supreme Court of Nova Scotia.

26.5 No consent or waiver, express or implied, by any Party to this Agreement of any breach or default by any other Party in the performance of its obligations under this Agreement or of any of the terms, covenants or conditions of this Agreement shall be deemed or construed to be a consent or waiver of any subsequent or continuing breach or default in such Party's performance.

26.6 Time shall be of the essence for purposes of this Agreement.

26.7 This Agreement, upon approval by the NSEB, shall represent the entire Agreement between the Parties with respect to the subject matter hereto and shall not be modified, varied or amended except by an instrument in writing signed by the Parties and approved by the NSEB or as ordered or directed, by the NSEB at any time.

26.8 Should any provision of the Agreement be declared by a judicial or other competent authority to be unenforceable, the remaining provisions of the Agreement shall remain in full force and effect.

26.9 The Parties acknowledge that this Agreement and all related documents shall be in English.

26.10 This Agreement may be executed by the Parties in counterparts, each of which when so executed and delivered shall be deemed to be an original and when taken together shall be deemed to be one and the same instrument. The electronic delivery, including, without limitation, by email or facsimile transmission, of any signed original of this Agreement shall be the same as the delivery of an original.

27. SURVIVAL

27.1 Subject to the provisions of the Act, all provisions of this Agreement which by their express terms or nature are continuing shall survive the expiration or termination of this Agreement, including, without limitation, this provision, and the provisions relating to the DSM Resource Plan (s. 3.2), EfficiencyOne's covenants (s.9), confidentiality (s. 11), indemnity (s.14), intellectual property (s. 17), notification (s. 21) and general provisions (s. 26) as well as any provisions which are required to determine, or which exclude or limit, any liability or which are otherwise required to give effect to or interpret any such provisions which are continuing. ***[Remainder of page intentionally left blank]***

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IN WITNESS THEREOF, the Parties have duly executed this Agreement, in duplicate, as of the date set forth above.

NOVA SCOTIA POWER INCORPORATED

Per: _____
Name:
Title:

_____
Witness

_____
Witness

Per: _____
Name:
Title:

EFFICIENCYONE

Per: _____
Name:
Title:

_____
Witness

_____
Witness

Per: _____
Name:
Title:

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SCHEDULE A

DEMAND-SIDE MANAGEMENT ACTIVITIES

Schedule A

Demand-Side Management Activities

The figure below identifies the scope of savings (5 year cumulative energy savings, cumulative peak demand savings, cumulative energy savings from Low Income & Equity (includes Affordable Single-family Homes, Affordable Multifamily Housing, Mi'kmaw Home Energy Efficiency Project, Mi'kmaw New Home Construction programs), available demand response capacity, and cumulative solar-PV generation over the five-year plan associated with carrying out DSM over the Term.

	Cumulative Net Energy Savings at Generator over the Term (GWh)	Cumulative Net Peak Demand Savings at Generator over the Term (MW)	Cumulative Energy Savings – Low Income & Equity (GWh)	Available Demand Response Capacity (MW)	Cumulative Net Solar-PV Generation (GWh)
Performance Targets*					

The Performance Targets will be achieved in accordance with the DSM Resource Plan as set out in Schedule E.

* For certainty, in accordance with the performance requirements set out in Schedule "C" attached hereto, EfficiencyOne shall be deemed to be in substantial compliance with the approved Performance Targets if the stipulated 90 percent level of achievement is reached on each Performance Targets. If less than the stipulated 90 percent level any of the Performance Targets is achieved, a regulatory process will be triggered.

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SCHEDULE B

COMPENSATION

Schedule B (Page 1 of 2)

Compensation

I. Net Contract Price

The figure below identifies the Contract Price to be paid by NSPI allocated for each year of the Term.

	2027	2028	2029	2030	2031	Total
NSEB Approved Investment Amount						
2023-2026 DSM Resource Plan Underspend						
Net Contract Amount to be Paid by NSPI						

The Parties acknowledge that any surplus realized by EfficiencyOne in delivering the Performance Targets at the end of the Term shall be reported to the NSEB and refunded to NSPI[1] unless EfficiencyOne is directed to do otherwise by the NSEB.

[1] Together with all accumulated interest earned by EfficiencyOne on such surplus.

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Schedule B (Page 2 of 2)

Compensation

II. **Payments**

In accordance with Section 4.3 of the Agreement, the monthly payments to be made by NSPI to EfficiencyOne over the Term shall be as set out below. The monthly payment amounts referred to following are exclusive of required HST. HST shall be remitted to EfficiencyOne in addition to these monthly amounts.

On the First Business Day of:	2027	2028	2029	2030	2031
January					
February					
March					
April					
May					
June					
July					
August					
September					
October					
November					
December					
Total					

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SCHEDULE C

PERFORMANCE REQUIREMENTS

I. NSEB-APPROVED PERFORMANCE TARGETS, THRESHOLDS, AND INDICATORS

a) Performance Targets and Thresholds:

i. Performance Targets are set over the five year contract period, rather than annually.

ii. EfficiencyOne is deemed to be in substantial compliance with the NSEB-approved Plan Performance Targets if ninety percent (90%) or greater achievement is reached on each of the Performance Targets listed at b) i, ii, iii, iv, and v below. If less than ninety percent (90%) of the Performance Targets at b) i, ii, iii, iv, and v below is achieved, E1 understands that the NSEB would use its discretion to determine appropriate action.

b) Performance Targets consist of:

i. Cumulative net energy savings at generator;
ii. Cumulative net peak demand savings at generator;
iii. Cumulative energy savings applicable to the Affordable Single-family Homes, Affordable Multi-family Housing, Mi'kmaw Home Energy Efficiency Project, Mi'kmaw New Home Construction program components;
iv. Available demand response capacity over the five-year plan; and
v. Cumulative net solar-PV generation.

c) Performance Indicators (for NSEB reporting) consist of:

i. Annual incremental energy savings (reported by program and rate class);
ii. Cumulative l energy savings (reported by program and rate class);
iii. Annual lifetime energy savings (reported by program and rate class);
iv. Cumulative lifetime energy savings (reported by program and rate class);
v. Annual incremental system-peak demand savings (reported by program and rate class);
vi. Cumulative system-peak demand savings (reported by program and rate class);

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vii. Annual incremental and cumulative energy savings applicable to Affordable Single-family Homes, Affordable Multifamily Housing, Mi'kmaw Home Energy Efficiency Project, and Mi'kmaw New Home Construction);
viii. Incidental impacts from nontargeted programs applicable to low-income and equity customers (reporting also includes incidental low-income and equity participation and expenditure results);
ix. Available demand response capacity (reported by program and rate class);
x. Annual solar-PV estimated generation (reported by program and rate class);
xi. Cumulative solar-PV estimated generation (reported by program and rate class);
xii. Annual solar-PV installed capacity (reported by program and rate class);
xiii. Cumulative solar-PV installed capacity (reported by program and rate class);
xiv. Total lifetime ratepayer benefits;
xv. Total spending (reported by program and rate class);
xvi. Customer satisfaction; and
xvii. Actual Program Administrator Cost test results.

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SCHEDULE D

CONFIDENTIALITY AND NONDISCLOSURE AGREEMENT

THIS CONFIDENTIALITY AGREEMENT made effective this 1st day of January, 2027

Between:

EfficiencyOne, hereinafter "EfficiencyOne"

Party of the First Part

And

Nova Scotia Power Incorporated, hereinafter "NSPI"

Party of the Second Part

Whereas the Parties have entered into a Purchase Agreement for Demand-Side Management Activities made effective as of January 1, 2027 ("Purchase Agreement") whereby EfficiencyOne is to provide DSM (as that term is defined in the Purchase Agreement) to NSPI;

And whereas in accordance with the Purchase Agreement, and the Electricity Efficiency and Conservation Act (Nova Scotia) and the Public Utilities Act (Nova Scotia) (together hereinafter referred to as the "Legislation"), and as may be directed by the Nova Scotia Energy Board, and as may be further agreed between the Parties, the Parties will be receiving, reviewing, and analyzing Confidential Information from each other;

And whereas the Parties wish to clarify the manner in which any Confidential Information disclosed by one Party ("Disclosing Party") to the other is to be treated by the recipient of the Confidential Information ("Recipient");

In consideration of the agreements of the Parties set forth below, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

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Confidential Information

1. The Parties agree that for the purpose of this Agreement "Confidential Information" means all information, regardless of the form in which it is communicated or maintained and prepared by the Disclosing Party, and is disclosed directly or indirectly to the Recipient, pursuant to the Purchase Agreement, the Legislation, as directed by the Nova Scotia Energy Board or as otherwise agreed between the Parties. Confidential Information includes, but is not limited to the following: all reports analyses, notes, memoranda, correspondence, spreadsheets, drawings, survey plans, maps, contracts, commercial arrangements, intellectual property, trade secrets, corporate strategies, business plans or other information that is based on, contain or reflect any Confidential Information, material, whether printed or electronic, which has been designated by the Disclosing Party as confidential information, including proprietary information and other commercially sensitive information. This includes but is not limited to information which has been or may be filed with the Nova Scotia Energy Board ("the Board") in confidence in answer to Information Requests and any further material that may be filed with the Board in confidence whether in response to future Information Requests or otherwise, and whether printed or electronic. Confidential Information shall also include any explanation or other information provided by either Party to the Recipient concerning the foregoing and which has been identified by the Party providing the information as confidential at the time it is initially provided, whether printed or electronic. Confidential Information may also include any password or other information necessary to access electronic copies of Confidential Information.

Permitted Scope of Use

2. The Recipient may use the Confidential Information solely for the purposes of providing or receiving DSM, as the case may be, in accordance with the Legislation and the Purchase Agreement and for no other reason or purpose.

No Obligation to Disclose

3. This Agreement does not obligate either Party to disclose any Confidential Information to the other.

Protection of Confidential Information

4. The Recipient shall hold the Confidential Information in strict confidence and shall strictly protect the Confidential Information from all harm, loss, theft, reproduction and unauthorized access, employing at least the same degree of care that the Recipient employs to protect its own confidential information of a similar nature, but in any event, not less than reasonable care. The Recipient shall ensure that such Confidential Information is not disclosed, published, released, transferred or otherwise made available in any form to, for the use or benefit of, any person except as provided in this Agreement.

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Acknowledgements

5. The Recipient acknowledges that the Confidential Information is confidential and a trade secret and is owned by the Disclosing Party and is highly valuable and material to the interests, business and affairs of the Disclosing Party and that any unauthorized disclosure thereof by the Recipient would be detrimental to the Disclosing Party.

Permitted Disclosures

6. The Recipient shall be permitted to disclose relevant aspects of the Confidential Information to its employees and professional advisors to the extent that such disclosure is reasonably necessary for the performance of its duties and obligations; provided, however, that prior to such disclosure the Recipient shall inform such persons and parties of the confidential nature of the Confidential Information and each such person or party signs the undertaking attached to this Confidentiality Agreement. The Recipient shall inform the Disclosing Party of the name of each person to whom it has disclosed the Confidential Information in accordance with this provision and shall provide to the Disclosing Party the signed undertaking. The Recipient shall be fully responsible for ensuring that any such persons to whom it discloses the Confidential Information complies with the confidentiality obligations contained in this Agreement and shall be liable for any breach of this Agreement by such persons.

7. The non-disclosure obligations in this Agreement shall not restrict any disclosure by the Recipient pursuant to any applicable law or an order of any court of competent jurisdiction or regulatory body with regulatory responsibilities over the Recipient, provided that the Recipient shall provide the Disclosing Party with prompt prior written notice of its obligation to disclose so that the Disclosing Party may seek a protective order or other appropriate remedy concerning the disclosure of its Confidential Information and/or waive compliance with the confidentiality provisions of this Agreement. In addition, the Recipient shall take reasonable steps, to the extent permitted by law, to remove from the Confidential Information that is required to be disclosed, any information that is commercially sensitive to the Disclosing Party. In the event of an order for disclosure by a court of competent jurisdiction or regulatory body with regulatory responsibilities over the Recipient, the Recipient shall first notify the Disclosing Party of such order and allow the Disclosing Party not less than ten (10) days to remove any such information that is commercially sensitive.

Term

8. The term of this Agreement shall commence on the effective date of the Purchase Agreement unless superceded by another form of writing, and notwithstanding the return of any Confidential Information or any other event, shall continue in full force and effect for a period of FIVE (5) years from the effective date of this Agreement.

Equitable Remedy

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9. The Recipient acknowledges that any unauthorized use of the Confidential Information or any breach of its obligations under this Agreement will result in irreparable harm to the Disclosing Party which cannot be adequately compensated for by damages. Neither the Recipient, nor any term in this Agreement, shall interfere with, delay, or prevent the Disclosing Party from seeking an interim and interlocutory equitable remedy to enforce any provision of this Agreement. The Recipient agrees not to oppose an application for equitable relief by the Disclosing Party in such circumstances. Any such relief or remedy shall not be exclusive, but shall be in addition to all other available legal or equitable remedies. The Recipient agrees that the provisions of this Section are fair and reasonable in the commercial circumstances of this Agreement. This Article shall survive the termination of this Agreement.

Return of Information

10. On the earlier of either thirty (30) days following the termination of the Purchase Agreement or at the written request of the Disclosing Party (and unless superceded by another form of writing), the Recipient shall return or destroy (at the Disclosing Party's direction) and delete from all electronic devices all Confidential Information provided to it, including all copies (and all notes and documents prepared by the Recipient that may incorporate same) and still in the Recipient's possession (and otherwise under its control or in the possession of other persons to whom it has been provided as permitted hereunder) and, if requested by the Disclosing Party, shall provide written confirmation to the Disclosing Party to that effect. Notwithstanding the forgoing, the Recipient shall be entitled to retain the Confidential Information in one legal file copy that may be retained solely for the determination of its legal obligations under this Agreement.

Residual Information

11. The Recipient or its designate or any other person having access to the Confidential Information pursuant to this Agreement shall not, during and after the termination of this Agreement, use in its business any Residual Information. "Residual Information" means the ideas, know-how and techniques that would be retained in the unaided memory of an ordinary person skilled in the art, not intent on appropriating the proprietary information of the disclosing party, as a result of such person's access to, use, review, evaluation, or testing of the Confidential Information of the disclosing party for the purposes described herein. An employee's memory is unaided if the employee has not intentionally memorized the Confidential Information for the purpose of retaining and subsequently using or disclosing it.

Limited Rights

12. The Recipient agrees that no rights are granted to Recipient other than the limited rights to use the Confidential Information on the terms of this Agreement. For certainty, no license is granted under this Agreement (directly or indirectly) under

any patent, discovery, copyright, or other intellectual or industrial property right now or in the future.

Indemnity

13. The Recipient shall indemnify and hold the Disclosing Party harmless from any and all loss, liability, cost or expense (including, without limitation, solicitor's costs on a solicitor and client basis and all other costs of defence) caused in whole or in part by the Recipient's breach of any provision of this Agreement. This Article shall survive the termination of this Agreement.

Governing Law

14. This Agreement is governed and shall be construed in accordance with the laws of the Province of Nova Scotia.

General Provisions

15. This Agreement is binding on the Parties, their administrators, successors, executors and assigns.

Executed and delivered this day of 20__.

EfficiencyOne	Nova Scotia Power Incorporated
By: _____	By: _____
Name:	Name:
Title:	Title:

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SCHEDULE "A" to CONFIDENTIALITY AGREEMENT

UNDERTAKING

I _____, HAVE READ AND AGREE TO ABIDE AND AM BOUND BY THE TERMS AND CONDITIONS SET OUT IN THE CONFIDENTIALITY AGREEMENT DATED THE ____DAY OF _____ BETWEEN EFFICIENCYONE AND NOVA SCOTIA POWER INCORPORATED.

Dated the day of 202__.

_____ _____

Witness Name:

Recipient Designate

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SCHEDULE E

DSM RESOURCE PLAN

[Subject to approval by the Nova Scotia Energy Board]

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Appendix F

Proposed Updated Standardized
Filing Framework

Standardized Filing Framework

Prepared by EfficiencyOne

Updated: [insert date]

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1. OBJECTIVE

To standardize the content of future Demand Side Management (DSM) Resource Plan filings.

2. BACKGROUND

On June 16, 2015, EfficiencyOne (E1), Nova Scotia Power Incorporated (NS Power), the Consumer Advocate, the Small Business Advocate, the Ecology Action Centre, the Affordable Energy Coalition, and the Industrial Group signed a Consensus Agreement that proposed the establishment of a standardized filing framework for future DSM applications.[1]

On October 7, 2015, the Nova Scotia Utility and Review Board (NSUARB) approved this Consensus Agreement and directed that the Standardized Filing Framework (Framework) be vetted through the DSM Advisory Group (DSMAG) and submitted for NSUARB approval.[1]

In 2016, the Standardized Filing Framework was filed as part of a Consensus Agreement on 2016–2018 DSM Plan Application Deferred Matters and was accepted by the NSUARB for use in future DSM Plan applications.[2]

In the 2023–2025 DSM Resource Plan decision, the NSUARB encouraged the DSMAG to consider updates to the Framework.[3]

In the 2026 DSM Extension decision, the Nova Scotia Energy Board (Board) directed E1 to continue engagement with the DSMAG on the Framework."[4]

The Framework was reviewed in the DSMAG as part of E1's engagement on development of the five-year DSM Plan and updated in [Insert Date/year].

3. STANDARDIZED FILING FRAMEWORK

3.1 Glossary of Terms

Definitions in Table 1, below, are standardized and apply throughout this document. Requirements reflecting the Board's decision on the Benefit-Cost Analysis test are drawn from M12282.[5]

Table 1: Glossary of Terms

Term	Definition
Available demand response capacity	The capacity available to NS Power to reduce system peak demand via demand response events.
Cumulative net demand savings	Sum of incremental net demand savings across the Plan period; net of free-ridership and spillover.
Cumulative net energy savings	Sum of incremental net energy savings across the Plan period; net of free-ridership and spillover.

Term	Definition
Cumulative net energy savings (Lifetime)	Sum of incremental lifetime energy savings achieved across the Plan period. Lifetime energy savings are the energy savings that occur over the lifetime of an energy efficiency measure, accounting for a measure's effective useful life and baseline changes.
DSM Forecast	E1 prepares an updated forecast that includes both spending and savings by program each quarter. These are compared to both the DSM Plan as approved and the Mid-Course Adjustment (if applicable).
DSM Resource Plan	E1's multi-year filing describing proposed DSM resources, budgets, savings, and performance metrics for approval.
DSM resource	Category of DSM activity such as energy efficiency, demand response, strategic electrification, or solar-PV, or other DSM resources.
Demand Response	Demand response measures generate savings that reduce load or provide available capacity in response to events called by the utility, typically 1-4 hours during peak periods.
E1 Investment	The electric ratepayer funding of DSM activities delivered by E1.
Effective Useful Life	The period a measure is expected to be in service and provide both energy and peak demand savings. This value combines equipment life and measure persistence.
Incremental net peak demand savings	Demand savings achieved through energy efficiency measures and coincide in time with the expected annual peak demand period of the entire electricity system; net of free-ridership and spillover.
Incremental net energy savings (First-year)	First full year of energy savings attributable to efficiency measures installed in that year; net of free-ridership and spillover.
Incremental net energy savings (Lifetime)	Energy savings over the lifetime of an efficiency measure, reflecting effective useful life and evolving baselines; net of free ridership and spillover.
IRP	Integrated Resource Plan.
Lifetime benefits	Present value of the avoided costs attributable to DSM (energy, capacity, transmission, distribution, carbon). For Demand Response, benefits include avoided capacity, transmission, and distribution. Discount using NS Power's weighted average cost of capital (WACC).
Mid-Course Adjustment	Mechanism to adjust annual program-level budgets and savings in a given Plan year from those set out in the original approved DSM Plan, in order to respond to market conditions and program performance changes that were not known at the time of Plan development. Mid-course adjustments are not a mechanism to revise Board-approved Performance Targets.
NSEB	Nova Scotia Energy Board or Energy Board
NSIESO	Nova Scotia Independent Energy System Operator. Responsible for the IRP and development of avoided-cost inputs used in DSM planning.
NSUARB	Nova Scotia Utility and Review Board (predecessor to the NSEB)
Plan period	The five-year term covered by the DSM Resource Plan, unless otherwise directed.
Portfolio	Aggregate of all DSM resources proposed in a DSM Plan.
Preferred Plan	E1's proposed DSM Resource Plan for the upcoming period
Program Administrator Cost (PAC) test	Primary cost-effectiveness screen at the portfolio level, discount using NS Power's WACC. Strategic electrification is assessed using a modified PAC that includes the incremental utility revenues and must both greenhouse gas emissions and electricity costs for customers.
Rate and Bill Impact Analysis (RBIA)	Forward-looking RBIA assesses projected impacts of the proposed Plan; historical RBIA summarizes impacts of DSM to date.
Strategic Electrification	DSM activities that shift end-uses from fossil fuels to electricity while reducing both GHG emissions and electricity costs for customers.

Term	Definition
Weighted Average Measure Life	Average measure life weighted by each measure's share of total savings.

3.2 DSM Resource Plan Filing Content

E1 will provide the same metrics across the filing content (e.g., from the portfolio level to the program level and/or across sections) and provide rationale where a metric is zero or not applicable. Table 2, below, describes DSM Resource Plan filing content.

Table 2: DSM Resource Plan Filing Content

Item	Description
1. Introduction	Introduce the DSM Resource Plan and summarize any E1–NS Power agreements (attach as appendices). Include relevant background and history, including past DSM Plans. Include Glossary of Terms and/or List of Abbreviations.
2. Previous Plan Results	For the most recently completed Plan, provide approved and actual expenditures and savings (annual and cumulative) by portfolio and by DSM resource. Report portfolio metrics including E1 investment, first-year and lifetime energy savings, peak demand savings, available demand response capacity, weighted average measure life, lifetime benefits, PAC results, savings and investment by rate class. Provide cumulative expenditure and savings results since 2012. Provide discussion of results for the most recently completed DSM Resource Plan.
3. Plan Development	Summarize parties involved, latest IRP results, affordability considerations, cost-efficiency opportunities, and key global assumptions.
4. Proposed DSM Resource Plan	Overview of the proposed Plan and any significant changes in program delivery. Provide portfolio-level metrics for each Plan year and in total, both in aggregate and by DSM resource. Metrics include E1 investment, first-year and lifetime energy savings, peak demand savings, available demand response capacity, weighted average measure life, lifetime benefits, PAC results, savings and investment by rate class. Provide program-level savings and investment, reference benchmarks of plans from other jurisdictions that are comparable as appropriate (e.g., depth of savings to load). Apply the same metrics provided at the portfolio level to each program. Provide program descriptions (refer to Table 3, below), enabling strategies, evaluation approach, and reporting and performance metrics.
5. Alternate Scenarios	Provide one or more alternate scenarios with the same portfolio-level metrics as Section 4 (i.e., the proposed DSM Resource Plan) to enable rate-impact analysis.
6. Additional Items	Provide historical and forward-looking RBIA; NS Power is to provide a rate impact analysis for the proposed DSM Resource Plan and alternate scenarios of DSM budgets. Provide payback information and justifications for measures with ≤3-year payback; and specific justification for any measure that fails cost-effectiveness.
7. Conclusion	List of approvals sought.

3.2.1 Program Description Template

Program description content is described in Table 3.

Table 3: Program Description Template

Item	Description
1. Overview	Intent, target market, and type of service or rebate.
2. Objectives	Long-term objectives for the program.
3. Opportunity	Summary of market potential for the program, including target customers (indicate if for hard-to-reach customers), barriers, program history.
4. Program Design	
4.1 Measures	Summary of services, rebates, or financing options including technical data by measure.
4.2 Implementation	Implementation strategy including marketing, use of delivery agents, quality assurance.
4.3 Program Performance Indicators	Annual and cumulative targets for E1 investment, energy savings (first-year and lifetime), demand savings, available demand response capacity, participation, PAC, and levelized cost of saved energy (lifetime unit cost of energy $/kWh).
4.4 Low-Income & Equity Performance Indicators	Annual and cumulative program-level low-income and equity impacts including E1 investment, energy savings (first-year and lifetime), peak demand savings, participation. Include dedicated and incidental impacts.
5. Program Alternatives	Comparison of proposed elements to the alternate scenarios.

4. DEMAND SIDE MANAGEMENT STANDARDS

4.1 Objectives

- Ensure consistency in the overall Demand Side Management (DSM) planning, evaluation, reporting in Nova Scotia;
- Consolidate Board decisions and directives as they pertain to DSM; and
- Ensure that DSM Resource Plans balance the multiple objectives of DSM.

4.2 DSM Resource Plan Research

4.2.1 DSM Baseline Study

E1 will work with the NSIESO on IRP activities,[6] which may include commissioning a DSM baseline study in advance of each DSM Potential Study to identify current stocks of electricity consuming devices in all market sectors.

4.2.2 DSM Potential Study

E1 will work with the NSIESO on IRP activities,[6] including the commission of a DSM Potential study in advance of each IRP exercise. The DSM Potential study identifies DSM resources that are achievable over the planning horizon, and will inform the development of Candidate Resource Plans for the IRP.

4.2.3 Integrated Resource Plan

Integrated resource planning establishes directional information for DSM planning. The Preferred Resource Plan identified in the IRP will inform the development of a preferred DSM Resource Plan by E1, including analysis of alternate scenarios of DSM activity, in accordance with the Framework.

4.2.4 Avoided Costs

NSIESO will work with the DSM franchise holder to develop avoided cost calculations for demand-side management resources.[6]

4.3 DSM Resource Plan Development

4.3.1 Balanced Plan Approach

E1 will produce DSM Resource Plans that balance multiple aspects of DSM for the benefit of customers, including:

- Short-term and long-term energy and capacity avoidance;
- Program delivery costs;
- Avoided energy and capacity investments;
- Non-electric and non-energy benefits;
- Diversity of program delivery;
- Business relationships and maintenance of market presence;

- Access to programs by all market sectors and rate classes by addressing barriers to participation; and
- Rate impacts.

4.3.2 Cost-Effectiveness Testing

E1 will apply the Board-approved cost-effectiveness test at the portfolio level under the *Public Utilities Act*.

As directed under M12282, the PAC test is the primary screening test, using NS Power's Weighted Average Cost of Capital (WACC) as the discount rate in this assessment. Strategic electrification is assessed using a modified PAC and must both reduce GHG emissions and electricity costs for customers.[5]

E1 will provide portfolio level cost-effectiveness results. It will also provide cost-effectiveness test results at the measure, program component, program, sector and DSM resource level for informational purposes.[5]

E1 is to provide specific justification, on an individual basis, for each measure that fails cost-effectiveness testing in Plan applications.[3]

4.3.3 Performance Metrics

The following performance metric definitions and performance requirements were established under the 2016–2018 DSM Plan.[1]

4.3.3.1 Definitions

The following definitions are used:

Performance Metric: A quantifiable measure that is used to track and assess the status of a specific achievement.

Performance Indicators: A set of particular performance metrics used to indicate or monitor progress toward performance targets. Performance Indicators are management tools that provide information to allow an organization to take action to help it deliver on performance targets.

Performance Target: A performance metric expressed as a specific quantified goal that identifies the desired outcome of an activity at a specific point in time. In this Application, Performance Targets refer to Board-approved targets.

Performance Threshold: A predefined quantity, percentage, or range, which identifies the allowable deviation from a Performance Target within which the actual outcome is considered to have achieved success. In this Application, Performance Thresholds refer to Board-approved thresholds.

4.3.3.2 Requirements

Performance Targets

Performance targets apply over the Plan period as reflected in the Board-approved DSM Purchase Agreement or as ordered by the Board.

E1 is in substantial compliance if it achieves 90 percent or greater on each approved performance target. If less than 90 percent of any performance target is achieved, E1 understands that the Board would use its discretion to determine appropriate action.

E1 will propose DSM resource specific performance targets within each DSM Resource Plan application for consideration and approval by the Board. These may include cumulative energy savings, cumulative peak demand savings, energy savings applicable to low-income and equity customers, available demand response capacity, and any others as ordered by the Board.

Performance Indicators

E1 will propose DSM resource specific performance indicators within each DSM Resource Plan application for consideration and approval by the Board. Performance indicators may include annual incremental and cumulative energy savings (reported by program and rate class), annual and cumulative lifetime energy savings (reported by program and rate class), annual incremental and cumulative peak demand savings (reported by program and rate class), annual and cumulative low-income and equity impacts (from dedicated low-income & equity programs and incidental impacts), available demand response capacity (reported by program and rate class); lifetime ratepayer benefits, total spending (reported by program and rate class), customer satisfaction, actual PAC test results[4], and other indicators as ordered by the Board.

4.3.4 DSM Programs

E1 will propose DSM programs for Residential and the Business, Non-profit and Institutional (BNI) sectors which may include Residential Efficient Product Rebates, Existing Residential, New Residential, BNI Efficient Product Rebates, Custom Incentives, Direct Installation, Demand Response and other programs as proposed.

4.3.4.1 Low Income and Equity Considerations

Consistent with the Balanced Plan Approach, E1 will design and deliver programs and services that benefit low-income and equity customers, including both dedicated programs and incidental impacts from non-targeted programs.

4.3.5 Enabling Strategies

E1 will propose Enabling Strategies such as Education and Outreach, Development and Research, Other Enabling Strategies; and additional categories as proposed.

For activities requiring an annual investment of $100,000 or more that benefit a specific rate class or classes, will have the participant benefit portion (75%) of their investment allocated to the

specific rate class or classes that receive the benefit. Investments under $100,000, or any investment benefiting all rate classes, will have their participant benefit portion (75%) allocated according to the per-rate class investment of program expenditures.[7] In all cases, the system benefit portion (25%) is allocated on the basis of class energy and demand requirements. [Section 4.3.5 is to be updated to reflect the NSEB's Decision in Matter M12451, NS Power's 2026 General Rate Application].

4.4 DSM Tracking, Evaluation and Verification

4.4.1 Tracking

E1 will track the energy and capacity savings by program and report results in quarterly reports.

4.4.2 Evaluation

E1 will retain the services of an independent DSM evaluation firm to conduct annual impact evaluations for each DSM program or process evaluations as needed.

4.4.3 Verification

The Board's savings verification consultant provides a verification review of the evaluated savings.

4.5 DSM Resource Plans (5-year cycle)

E1 will file DSM Resource Plans on a five-year cycle unless otherwise directed by legislation or Board order.[8]

4.6 Mid-Course Adjustments

[to be updated to reflect the NSEB's Decision on E1's 2027–2031 DSM Plan Application]

4.7 Mid-Term Check-In

[to be updated to reflect the NSEB's Decision on E1's 2027–2031 DSM Plan Application]

4.8 Reporting Requirements

E1 proposes reporting within each DSM Resource Plan application.

4.8.1 Annual Progress Reports

Reporting requirements were established under the 2013–2015 DSM Plan Settlement Agreement and continue to evolve.[9]

In the first quarter of the calendar year, E1 will file an Annual Progress Report (APR) which will include the following information:

- context, activities and milestones achieved in the prior year, with status of annual performance indicators;

- management discussion and analysis of any major discrepancies relative to the original plan's intent and approved targets (20 percent or greater variances);
- program-level expenditures and savings;
- cumulative progress towards Board-approved performance targets;
- Plan period forecast (savings and expenditures);[10]
- Plan period forecast by rate class[4] and discussion of 15 percent or greater variances to the approved Plan;
- status updates on all Evaluator and Verification recommendations;
- actual Program Administrator Cost test results;
- provide written advance notice of its intent to implement mid-course adjustments;
- advance notice of significant proposed changes to elements within an approved Plan (i.e., add a new program, terminate an existing program); and
- other reporting proposed and/or ordered by the Board.

4.8.2 Quarterly Reports

E1 will file quarterly reports with the Board for quarters one through three of each year. Reporting requirements were established under the 2013–2015 DSM Plan Settlement Agreement and continue to evolve: [9]

- quarterly and year-to-date status updates and highlights and communicate mid-course adjustments;
- explanations of 20 percent or greater variances in savings or investment at a program level;[1]
- discussion of 10 percent or greater variances in incentive levels at the measure level;[3]
- updated year-end forecasts for savings and expenditures;[10]
- program and sector highlights including low-income and equity results;
- rate class reporting[1] including YTD and forecast expenditures by rate class compared to the approved Plan[4] and discussion of 15 percent or greater variances to the approved Plan;
- status updates of annual Evaluator and Verification recommendations;
- highlights of Enabling Strategies activities;
- YTD and cumulative results relative to the approved five-year Plan investment and savings, expressed as a percent cumulative to date of approved targets; and
- other reporting proposed and/or ordered by the Board.

4.8.3 Audited Financial Statements

E1 will file audited annual financial statement in Q2 of the following year.

4.8.4 Evaluation

E1 will file annual impact evaluations for each program prepared by an independent third party DSM program evaluator.

E1 will file process evaluations for individual programs, produced by an independent third party DSM program evaluator as necessary (e.g., for new program components, major changes, numerous evaluator recommendations, or variances larger than >25% of planned).

4.8.5 Rate and Bill Impact Analysis

Each DSM Resource Plan application will include:

- a historical RBIA summarizing the long-term impact to rates and bills of all DSM activities up to and including those of the previous calendar year;[11] and
- a forward-looking RBIA as part of each DSM Resource Plan application. The forward-looking RBIA estimates the high-level, long-term impact to rates and bills of all DSM activities conducted as part of the proposed DSM Resource Plan. NS Power will provide a rate-impact analysis for the proposed DSM Plan and any alternate scenarios.[1]

4.9 Demand Side Management Advisory Group

The DSM Advisory Group is a forum intended to facilitate the timely sharing of information, exchanging of ideas, and meaningful discussion amount members on current or emerging DSM issues.

5. CONSOLIDATED ENDNOTES AND SOURCES

1. M06733 – E1 2016–2018 DSM Resource Plan, NSUARB Order, October 7, 2015. The Order approved the 2016–2018 DSM Plan and the Consensus Agreement. (Parties agreed to establish the Standardized Filing Framework and agreed on Performance Targets, Indicators, and Thresholds and Evaluation and Reporting (i.e., explanations of substantial changes and rate class). Related Board directives included the provision of alternate scenarios and NS Power rate-impact analysis.
2. M07543 – E1 2016–2018 DSM Deferred Matters, Consensus Agreement, July 22, 2016. NSUARB acceptance of the Standardized Filing Framework for use in future DSM Resource Plan applications, September 13, 2016.
3. M10473 – E1 2023–2025 DSM Resource Plan, NSUARB Decision, September 6, 2022. Board directives include a review of the Standardized Fling Framework with the DSMAG; inclusion of payback information and justifications for measures with ≤3-year payback and specific justification for any measure that fails cost-effectiveness in future Plan applications; and quarterly report discussion of >10% adjustments in incentive levels at the measure level from approved-Plan.
4. M12249 – E1 2026 DSM Extension, NSEB Decision, December 22, 2025. Directive to continue DSMAG engagement on the Standardized Filing Framework and Balanced Plan

considerations. 2026 DSM Extension included commitments to enhanced rate class reporting. 2026 DSM Extension Board Directive "to include PAC test results for 2023-2025 in its 2025 Annual Progress Report and to report results for future years each year in its annual report."

5. M12282 – E1 application for approval of a new Benefit-Cost Analysis (BCA) Test for Evaluating Demand Side Management Plans, NSEB Decision, December 10, 2025. Directive to use the Program Administrator Cost (PAC) test as the primary test for screening the cost-effectiveness of a proposed DSM Resource Plan, using NS Power's Weighted Average Cost of Capital (WACC) as the discount rate. Strategic electrification uses a modified PAC and must reduce greenhouse gas (GHG) and customer electricity costs.

6. *Energy Reform (2024) Act*, Schedule B: *More Access to Energy Act*. Establishes Nova Scotia Independent Energy System Operator, including IRP and avoided-cost duties (in force April 1, 2025).

7. M07151 – NS Power, DSM Cost Allocation and Recovery, NSUARB Decision Letter, April 11, 2016, at page 6.

8. *Public Utilities Act*, s. 79 I (2a).

9. M04819 – E1 2013–2015 DSM Resource Plan, NSUARB Order, June 4, 2012. The Order approved the DSM Settlement Agreement, Schedule A: Minutes of Settlement, refer to section 2(a) Annual Progress Report and (b) Significant Changes and (d) Quarterly Meetings and Reports, page 3-4.

10. M09096 – E1 2020–2022 DSM Resource Plan and related matter M09750, E1's Performance Alignment Study. E1 proposed reporting enhancements such as annual forecasts in quarterly reports and Plan period forecasts in the Annual Progress Report; recommendations were accepted by the Board (June 29, 2020).

11. M10830 – E1 2022 Rate and Bill Impact Analysis (RBIA), NSUARB Letter, February 24, 2023, page 5.