MM12780

NOVA SCOTIA ENERGY BOARD

NON-CONFIDENTIAL RESPONSES OF H. GIL PEACH & ASSOCIATES LLC TO CONSUMER ADVOCATE INFORMATION REQUESTS

IN THE MATTER OF: *The Public Utilities Act, 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 Incorporated, the Establishment of a final agreement between the parties, and Approval of a 2027-2031 Demand Side Management (DSM) Resource Plan

From: **H Gil Peach**
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Prefatory Statement

These responses are provided from the perspective of the Verification Team and are informed by the scope of work defined in the Work Task Order (WTO) for DSM Verification 2025 and 2026. The Verification Team is engaged to provide consulting and expert witness services related to verification of energy and demand savings, including review of evaluation studies, monitoring of reported savings, conducting site visits, and preparation of verification reports.

Consistent with that defined scope, the Verification Team's role is limited to independent review, verification, and reporting activities at a program and portfolio level. The Verification Team does not administer DSM programs or make operational or policy decisions.

In addition, as described below, the Verification Team may report field-observed discrepancies or unusual activities identified incidental to its verification work.

Responses are limited to information contained in, or reasonably inferred from, Exhibit E-17 unless otherwise expressly stated.

Prefatory Statement (Addendum – Field Observations and Reporting of Unusual Activities)

During site visits and related inspection work, the Verification Team may encounter conditions described as "unusual activities." These observations are communicated to Board Staff and, where appropriate, EfficiencyOne. The Verification Team does not make legal determinations and does not characterize such matters as violations of law.

CA IR-1

Question

Reference: 2025 Savings Verification Review (Exhibit E-17), Introduction, p. 1; Savings Verification Approach, p. 24; and Evaluation Effort for 2025 Programs, p. 22:

"We have reviewed calculating methods, checked the math of some evaluations, conducted due diligence site visits to check installation counts and quality of work. In these site visits, we checked installed measures and discussed program experience with customers." (p. 1)

"We conducted 108 site visit inspections for the 2025 program year." (p. 24)

The report states that the Econoler impact evaluation work included "sixteen impact evaluations" (p. 22).

Please answer the following questions regarding the quotes and references above:

a. Of the sixteen 2025 impact evaluations, how many had their calculation methods reviewed and their math independently checked? Please identify which evaluations were checked.

b. What did "checked the math" entail — full independent computation of savings, targeted spot-checks of selected calculations, or a high-level reasonableness review?

c. Were any mathematical or calculation errors identified during this review, and if so, were they corrected?

d. Regarding the 108 site visit inspections: distribution, percentage, sampling, and data gathered?

e. Were all inspections conducted in person or remotely?

Response

Consistent with the Prefatory Statement, the Verification Team's review is limited to Exhibit E-17, and the report does not provide the level of detail requested.

(a)-(b) The report does not specify which evaluations were checked or define the scope of review. The Verification Team does not expand beyond the report.

(c) The report does not identify errors. The Verification Team may identify discrepancies or unusual activities and communicate them through appropriate channels. These are not findings of error.

(d) The report does not provide distribution or sampling details. Site visits are targeted verification activities and may give rise to observations of unusual activities. They are not statistically representative sampling.

(e) The report does not specify method of inspection.

CA IR-2

Question

Reference: 2025 Savings Verification Review, Evaluated Energy Savings at the Generator, p. 19-20.

"The multiplier is the ratio of Lifetime Evaluated Net Savings (GWh) to Annual Evaluated Net Savings (GWh) …" (p. 19)

"The multiplier represents the average lifetime of energy savings." (p. 20)

Figure 3 (p.19) ranks each program by this multiplier, rounded to the nearest whole number; the report gives sector multipliers of fourteen (Residential), ten (BNI), and eleven portfolio).

Please answer the following questions about the references above:

a. Please confirm that the "value multiplier" is, in substance, the savings-weighted average measure life for a program, consistent with the report's statement that it "represents the average lifetime of energy savings" (p. 20).

b. Does the verification team agree that a program could exhibit a high multiplier (long measure life) while delivering low annual savings and/or poor cost-effectiveness, such that the multiplier should not be read as an indicator of program value or ratepayer benefit?

Why or why not? Please confirm multiplier interpretation.

CA IR-2(a)

Response

The report defines the multiplier as a ratio of lifetime to annual savings and does not characterize it as a weighted measure life. No reinterpretation is provided.

CA IR-2(b)

Question

Relationship to cost-effectiveness?

Response

The report does not evaluate this relationship and no independent analysis was conducted.

CA IR-3

Reference: 2025 Savings Verification Review, Introduction, p. 1, Evaluation Effort for 2025 Programs, p. 22

> "Generally, the evaluator's goal is to conduct a full (comprehensive) evaluation of each program every three years, with condensed evaluations between. However, full evaluations may be assigned to mature programs less frequently, while complex situations may require more frequent full evaluations." (p.22) 14

The report also states that "Almost all programs can be considered as mature programs" (p. 1, footnote 1).

Please answer the following questions regarding the references above:

a. Does the verification team consider the current evaluation cadence — comprehensive evaluation roughly every three years, condensed evaluations in intervening years, and less-frequent comprehensive evaluation for mature programs — adequate to ensure the accuracy of reported savings? Please explain.

b. In the team's opinion, are there 2025 program components for which the comprehensive evaluation interval should be shortened? If so, which, and why?

CA IR-3(a)

Question

Is cadence adequate?

Response

The report describes cadence but does not assess adequacy. No independent assessment was performed.

CA IR-3(b)

Question

Shorter intervals?

Response

The report does not identify any. No independent assessment performed.

CA IR-4

Reference: 2025 Savings Verification Review, Determinations Regarding Evaluation Results, p. vi; Key Findings — Residential and BNI DR, pp. 71–72.

In regard to Residential Demand Response programs the Verification report states:

> "… we caution that the resulting savings and demand reductions are small in magnitude and may lack practical significance currently." (p. vi)

> "… the programs should continue to be developed for at least five to seven years to see if both participation levels and demand response results can be meaningfully increased." (p. vi)

In 2025, Eco Shift delivered 0.854 MW against a 7.135 MW target and BNI DR delivered 5.941MW against a 10.726 MW target (pp. 71–72).

Please answer the following questions regarding the references above:

a. What specific participation or available-capacity milestones would the verification team use to judge whether the demand response programs are achieving "practical significance" during the recommended five-to-seven-year development window?

b. Does the team have a view on the point at which continued ratepayer investment in a demand response program that is persistently below its capacity target should be re-examined rather than continued?

CA IR-4(a)

Question

Milestones for practical significance?

Response

The report discusses practical significance qualitatively and does not define thresholds.

CA IR-4(b)

Question

When re-examine investment?

Response

No threshold or trigger established in the report.

CA IR-5

Reference: 2025 Savings Verification Review, Recommendations, p. vi-vii; General Recommendation SVR25-G-2, p. 74.; M12249 CA IR-5

"Evaluators should explicitly identify programs with negligible practical savings, regardless of statistical significance." (p. 74)

In the Program Year 2024 Savings Verification proceeding (Matter M12249), in response to Consumer Advocate IR-5, the authors stated they did not have a specific number for "real" energy savings at the household level. Please answer the following questions regarding the references above:

a. The report characterizes the Demand Response program as having savings that "may lack practical significance." (p.vi) Beyond this program component, are there other 2025 program components that the verification team considers to deliver "negligible practical savings"? Please list any, or confirm the list is limited to the Demand Response program component.

b. What threshold — expressed, for example, in MWh, in $/kWh acquisition cost, or as a share of sector or portfolio savings — does the team use, or recommend, to distinguish "negligible practical savings" from meaningful savings?

c. In Matter M12249 the authors declined to specify a threshold for "real" savings. Given the team now recommends that evaluators explicitly identify programs with negligible practical savings, please reconcile the present recommendation with that earlier position and explain how an evaluator is to apply the recommendation without a defined threshold.

CA IR-5(a)

Question

Other negligible programs?

Response

Demand Response identified as currently small for the 2025 Program Year; no others.

CA IR-5(b)

Question

Threshold?

Response

No quantitative threshold defined.

CA IR-5(c)

Question

Reconcile definitions?

Response

No reconciliation provided in the report.

CA IR-6

Reference: 2025 Savings Verification Review, Recommendations, p. vii, General Recommendation SVR25-G-3, p. 74; Normalized Metered Energy Consumption Evaluation Framework, p. 10.

> "Evaluation reports include enhanced transparency in statistical methods and, in particular, provide more focus on explanation of data limitations similar to that required for California NMEC evaluations." (SVR25-G-3, p. 74)

> "Since the CPUC has adopted and then expanded the application of NMEC for utility energy efficiency projects, there is good current experience with the

approach." (p. 10)

Please answer the following questions regarding the references above:

a. Recommendation SVR25-G-3 is framed in terms of transparency and documentation of data limitations "similar to that required for California NMEC evaluations." Does the verification team also recommend that Efficiency Nova Scotia and/or Econoler adopt NMEC-based evaluation methods for any programs, or is the recommendation limited to transparency and documentation practices?

b. for which programs would NMEC be appropriate, and what advantages would it offer over the current evaluation approach?

c. What specific transparency or documentation elements drawn from the CPUC NMEC framework does the team recommend that Econoler adopt?

CA IR-6(a)

Question

Recommend NMEC?

Response

Referenced but not recommended.

CA IR-6(b)

Question

Which programs?

Response

No programs identified.

CA IR-6(c)

Question

Transparency elements?

Response

General recommendation only; no specific implementation steps provided.

Certification

DATED at Beaverton, Oregon this 13th day of June, 2026.

H. Gil Peach

H. Gil Peach & Associates LLC