M12780

NOVA SCOTIA ENERGY BOARD

IN THE MATTER OF Section 35A of the *Public Utilities Act*, RSNS 1989, c 380, as amended

– and –

IN THE MATTER OF an APPLICATION by EFFICIENYONE 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

Opening Statement by

Department of Energy

Government of Nova Scotia

July 29, 2026

Good morning, Chair and Members of the Board.

My name is Thomas Kayter, counsel for the Department of Energy.

The Department intervenes in this proceeding to support approval, substantially as filed and subject to the Board's usual oversight, of EfficiencyOne's application for approval of the 2027–2031 Demand-Side Management Purchase Agreement with Nova Scotia Power Incorporated and the associated 2027–2031 Demand-Side Management Resource Plan.

The Department's position is straightforward. Demand-side management is one of the lowest-cost tools available to reduce pressure on Nova Scotia's electricity system, help customers manage bills, and support the Province's transition to cleaner electricity. The application before the Board is consistent with those objectives. It proposes a five-year DSM framework beginning January 1, 2027; it maintains annual DSM investment at the current 2026 level of $63.75 million, for a total planned investment of $318.75 million; and it is presented as delivering more than $680 million in electricity bill savings for ratepayers over time. Those figures are central to why the Department supports the application.

The application filed on March 31, 2026, seeks approval of the 2027–2031 DSM Purchase Agreement, establishment of a final agreement between EfficiencyOne and Nova Scotia Power, and approval of the 2027–2031 DSM Resource Plan. That is the proper focus of this hearing: whether the proposed plan, agreement, and resource commitments are prudent, cost-effective, and in the public interest.

The Department submits that the evidence supports approval for four reasons.

First, the application advances affordability. The Province's electricity system is entering a period of significant investment and transition. In that context, the least expensive kilowatt-hour is often the one that customers do not need to buy and the system does not need to produce, transmit, or deliver. Efficiency Nova Scotia programs reduce consumption and peak demand, thereby lowering customer bills directly for participants and reducing system costs for all customers over time. The proposed plan's anticipated bill savings materially exceed the proposed level of investment, and the decision to hold annual DSM investment flat at the 2026 level reflects an appropriate sensitivity to present affordability pressures.

Second, the application supports reliability and resource planning. The plan includes continued energy efficiency programming and demand response initiatives, including targeted available capacity from the electricity grid. Demand response and load reduction are not abstract policy preferences; they are practical system resources. They can reduce the need for more expensive supply-side resources, moderate peak demand, and provide system operators with additional flexibility during periods of strain.

Third, the application is aligned with Nova Scotia’s clean energy and greenhouse gas objectives. DSM reduces energy waste and avoids emissions associated with electricity production. EfficiencyOne’s public filing materials describe expected greenhouse gas reductions of approximately 380 kilotonnes over the plan period. The Department does not submit that DSM alone can achieve Nova Scotia’s energy transition. It cannot. But DSM is a necessary and cost-effective part of the broader portfolio, alongside generation, transmission, procurement, system planning, and regulatory reform.

Fourth, the application addresses equity and access. The plan maintains a strong focus on residential customers, low-income households, renters, Mi’kmaw communities, businesses, and large customers. Those program areas are important because the benefits of efficiency should not be limited to customers with the resources, information, or building control needed to invest on their own. Publicly administered DSM programs can remove barriers, improve comfort, lower bills, and ensure that the benefits of the energy transition are more broadly shared.

The Department recognizes that the Board must test the application through the evidence. Intervenors may raise issues about program design, cost allocation, targets, evaluation, measurement and verification, performance incentives, administrative costs, or the terms of the purchase agreement. Those are all proper matters for the Board. The Department’s support for approval is not a request that the Board avoid scrutiny. It is a submission that, after that scrutiny, the overall direction of the application is sound and should be approved if the Board is satisfied that the detailed record supports the proposed costs, targets, and agreement terms.

Nor should the Board view DSM as a discretionary add-on to the electricity system. It is a resource. Properly designed and evaluated, DSM competes with and complements supply-side resources by reducing demand, improving load shapes, and lowering long-term system costs. The evidence in this matter should therefore be assessed with the same discipline the Board applies to other resources: cost-effectiveness, prudence, transparency, accountability, and fairness among customers.

The Department also submits that multi-year DSM planning provides stability for program delivery, customer participation, contractor capacity, and market transformation. At the same time, Board oversight, reporting requirements, evaluation processes, and appropriate adjustment mechanisms can preserve accountability over the term. The Board has the tools to approve a plan that is stable enough to deliver results while remaining transparent and responsive to changing conditions.

For these reasons, the Department supports approval of EfficiencyOne’s application. The proposed DSM Purchase Agreement and Resource Plan are consistent with the public interest because they advance affordability, reliability, emissions reduction, and equitable access to energy savings. Subject to the Board’s review of the detailed evidence and any conditions the Board considers necessary, the Department asks the Board to approve the application.

The Department of Energy appreciates having the opportunity to offer this opening statement and to participate in these proceedings.

Thank you.

All of which is respectfully submitted,

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Thomas Kayter

Counsel for Department of Energy