CLOSING REMARKS of the AFFORDABLE ENERGY COALITION

Regarding Matter 12780 before the Nova Scotia Energy Board, the Application by EfficiencyOne for approval of the 2027–2031 Demand-Side Management (DSM) Purchase Agreement between EfficiencyOne and Nova Scotia Power Inc.

August 11, 2026

The Affordable Energy Coalition has long been a strong supporter of Efficiency NS' Demand Side Management programs. We continue to be. The best way to lower bills and increase affordability is through DSM programs.

We appreciate many elements of the proposed E1-NSP contract for services, especially the 4 programs targetting low income households and equity seeking communities, We also appreciate that low income and equity programs were added as a performance target in 2023-6 and the proposal is to continue using this as a performance target and indicator.[1] The re-introduction of the Affordable Single-family Home Program in 2023-6 to replace the program funded by Nova Scotia Power's charitable donations was necessary and welcome and we support efforts to continue this program in the current proposal. Similarly, we appreciate Affordable Multi-family Housing Program improvements in 2023-2026 and the stated intention to increase incentives for this program.[2]

However, we are also deeply concerned by some features of the proposed ENS-NSP contract and we urge the NS Energy Board to demand better, just as the UARB demanded better when NSP presented an inadequate Integrated Resource Plan years ago. You have the mandate and the authority to demand better and now is the time to exercise that authority.

[1] See P 3 of App A of E1 Plan (p 91) The four approved performance targets over the 2023–2026 Plan period. AND P 99 (187) of App A: Table 62: 2027–2031 DSM Preferred Plan Performance Indicators

[2] See P 7 (95) of App A of E1 Plan; P 25 (113) of App A: Table 6: Summary of Changes and Enhancements in the 2027–2031 DSM Preferred Plan - Affordable Multifamily Housing: Incentive levels increased following conclusion of provincial DSM top-up funding in 2025 that reduced participation; and p 39 (127) of Appendix A: … 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. 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. P 45 (133) of App A: 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.

Our concerns and recommendations arising from those concerns are:

1. **Concern: The significant cut in overall spending and savings by freezing spending levels.**
   Recommendation: increase DSM funding to IRP levels to meet short and long term affordability goals.

As the Consumer Advocate consultant (Theodore Love, GEEG), the Board Counsel consultant (Alice Napoleon, Synapse Energy Economics), the AEC and others stated, this leads to a significant loss of DSM investment and savings compared to the 2022 IRP. That IRP was thoroughly researched and vetted by many stakeholders.

These savings will never be recovered in spite of suggestions of catching up in future when the timing is better.

The primary argument for freezing spending levels is affordability for ratepayers who are non participants in E1 programs. However the small reduction in affordability for non participants is far outweighed by the very significant increases in affordability for participants. This is a false logic.

Affordability demands increased spending on DSM, Strategic Electrification and Demand Response and increased savings from each of them.

The Consumer Advocate's consultant Theodore Love of Green Energy Economics Group calculated the increase in bills for residential non participants using the investment levels in the IRP scenario versus the Preferred Plan as an annual average of 1.89% over the 2027-31 plan period[3] with annual increases ranging from 0.76% in 2027 to 2.44% in 2031[4]. E1 confirmed those calculations match the source documents provided by E1 in Undertaking U-11.

AEC conducted additional calculations based on a typical residential bill of 800 kWh/month to make the differential bill impact more understandable to the average residential customer. The result was a $1.77 increase per month in 2027 up to $4.58/month in 2031, for a total of $17.60/month over the 5 years covered by the Preferred Plan.[5] The Consumer Advocate's consultant confirmed in cross examination that AEC's methodology was reasonable.

The Affordable Energy Coalition recommends that the Board direct E1 to increase investment and savings to match the savings recommended in the 2022 IRP, to meet short and long term affordability goals.

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[3] E-21 Testimony of Theodore Love, Green Energy and Economics Group, for the Consumer Advocate - "Table 3. Change in Non-Participant Bills for IRP compared to E1 Preferred Plan during 2027 to 2031", PDF page 27.
[4] E-21-ii Non Participant Bills – IRP vs Preferred. Table re IRP Scenario -Non-Participant Bill Impacts Against Base
[5] See Appendix B for calculations.

2. **Concern: A large reduction in savings for Low Income & Equity programs**
   Recommendation: increase savings levels for Low Income & Equity programs to the levels achieved in the 2023-6 plan.

E1 maintains that their commitment to Low Income & Equity programs has not been affected by changing their method of establishing the target to 11% of residential savings.

Yet we calculate that there will be a 45% cut in annual savings from 2023-2026 plan to the 2027-31 preferred plan, for dedicated Low Income and Equity (LI & E) programs. The reduction of Annual Average savings is from 5.15 GWh to 2.8 GWh between the two plan periods[6]. The Consumer Advocate Consultant Theodore Love of Green Energy Economics Group (GEEG) shows similar reductions in savings in ***Figure 4: Low-Income Annual First Year Savings Over Time*** of Exhibit E-21 (PDF p 22).

The reason given by E1 is that the 2024 DSM evaluation downgraded the savings created by these programs. We certainly support verification to ensure quoted savings are actually achieved. However, our understanding is that the reduced savings levels generated by the 2024 evaluation were applied in 2025-6 of the 2023-2026 plan. In spite of this, savings rose considerably in 2025-6.

We don't have enough information to figure out the reasons for this dramatic drop in savings completely, but the impact of inflation on real spending is likely one cause for lower savings achieved.

The savings that matter to program participants are different from the savings that matter in this E1-NSP contract approval process. This process focusses on savings that can be attributed to a program, excluding savings that might otherwise be achieved. The actual reductions in bills are what count to customers. For low income customers, there should be little difference between the two. Average savings from HomeWarming were reported as $1,100 per year in E1's online Annual Report for 2025, page 13. Such savings make a big difference in the energy affordability and energy security of low and moderate income homeowners.

The Affordable Energy Coalition recommends that the Board direct E1 to make sufficient investment in low income and equity programs to ensure higher savings similar to the levels reported for the 2023-6 plan.

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[6] See Appendix A to this Closing Statement for calculations based on evidence presented during the hearing process.

3. **Concern: The unequal treatment of tenants vs homeowners in the AMHP vs the ASHP**
   Recommendation: Direct E1 to implement an ASHP style program for tenants who pay all their home energy bills

The Affordable Single-family Home Program (ASHP) is a very well designed program that offers income qualified homeowners 100% incentives for efficiency upgrades, identifies efficiency upgrade priorities and organizes contractors to do the work. It has provided substantial bill reductions to over 25,000 low income homeowners over the years. As noted above, average savings from HomeWarming were reported as $1,100 per year in E1's online Annual Report for 2025.

Some tenants pay all their energy bills, just as homeowners do. The average incentive for participants in the AMHP is 20% for efficiency upgrade compared to 100% in the ASHP. It will rise somewhat under the proposed plan (E1 RIR to AEC IR 06).

The Preferred Plan proposes spending $43.7 Million on the ASHP from 2027 to 2031. It proposes to spend only $11.3 Million on the AMHP during the same 5 year plan[7].

About half of low income households are tenants. Tenants generally have lower incomes than homeowners. Their energy bills are often smaller due to living in smaller units and due to their landlord often paying for heat and sometimes for heat and electricity. Tenants who pay all of their energy bills pay significantly more, especially if they rent a townhouse, semi detached or single family home.

E1 provided evidence in Undertaking U-3 that a program similar to ASHP for tenants who pay their heat and electricity costs would cost about $7.5 Million.

The imbalance in spending and incentives between ASHP and AMHP is not fair, especially for tenants who pay all of their home energy costs. It is more complicated and difficult to help low income tenants with their bills; but an ASHP style program for AMHP tenants who pay all of their energy bills is sensible, feasible and would help tenants facing the highest energy burdens.

The Affordable Energy Coalition recommends that the Board direct E1 to institute an ASHP style program with 100% incentives plus contractor organized upgrades as part of the AMHP, for tenants who pay their own heat and electricity bills, to bring better balance and fairness to the AMHP vs ASHP.

[7]Both figures are from Table 8: 2027-2032 DSM Preferred Savings and Investment by Program Component - P 28 of Appendix A of E1's submission (PDF p 116).

4. Concern: Solar program limited to Mi’kmaw communities
Recommendation: Develop a solar program for low and moderate income tenants

We support the Mi’kmaw solar program. We believe solar programs should be offered to low and moderate income tenants. We do not support E1’s decision to implement no other solar programs (E1 RIR to NSP IR 03).

We urge the Board to direct E1 to expand solar offerings to low and moderate income tenants, including a mix of solar gardens, plug in balcony solar and rooftop solar. As with the previous recommendation, this would bring better balance and fairness to tenants as compared to homeowners. Plug in balcony solar is especially suitable for tenants and has become very popular in places as diverse as Germany, Pakistan and some US states.

The Affordable Energy Coalition recommends that the Board direct E1 to implement solar offerings to low and moderate income tenants, including solar gardens, plug in balcony solar and rooftop solar.

5. Concern: Deferral of Strategic Electrification
Recommendation: Develop strategic electrification offerings for low and moderate income customers who heat with oil.

In the evidence presented by the Board Counsel’s consultant Alice Napoleon of Synapse Energy Economics, she argues that “E1 could develop strategic electrification offerings for low- and moderate-income customers who heat with oil.”[8] Part of her reasoning for this is that “According to a 2024 report commissioned by the Nova Scotia Energy Poverty Task Force, oil-heated households spend 80 percent more on home energy than electrically heated households. Any solutions that focus on reducing the reliance of customers on oil for home heating will help with affordability.”

E1’s Energy Poverty Visualization Tool (EPVT) provides the best available estimate of energy poverty in Nova Scotia, as incomes, energy prices and the degree of electrification change. One of the primary reasons for increased Energy Poverty in Nova Scotia is the price of oil. Increases in oil prices due to the start of the Ukraine war in 2022 and the Iran war in 2026 led to spikes in Nova Scotia’s energy poverty.[9] According to the EPVT, energy poverty in Nova Scotia has ranged from a high of 48% in October 2022 to as low as 31% in January 2025. The energy poverty rate has increased again in 2026 to 40% as world events once again affect local oil prices.[10] The 2 recent spikes in energy poverty in Nova Scotia are directly related to spikes in oil prices arising from two wars.

Oil consumers are also electricity consumers. Treating the two as independent is an artificial distinction in the real world. Strategic electrification is the way to recognize this real-world fact.

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[8] Evidence of Alice Napoleon On Behalf of Counsel to Nova Scotia Energy Board On the Topic of 2027–2031 Demand Side Management (DSM) Resource Plan June 23, 2026 Page 27.

[9] See E1RIR to AEC IR 08, Table 1: Estimate of Energy Poverty Rates in Nova Scotia since January 2022.

[10] See Table 1 in E1 RIR to AEC IR08.

Ms. Napoleon has provided a sound rationale that answers E1's interpretation of the requirement to reduce both GHGs and electricity prices.

AEC members have spent considerable effort and funds aiding Nova Scotians with their fuel bills. We see the effects of oil pricing on struggling households experiencing energy poverty. The Affordable Energy Coalition supports Ms. Napoleon's proposal for strategic electrification targeting low and moderate income Nova Scotians who heat with oil.

The Affordable Energy Coalition recommends that the Board direct E1 to develop strategic electrification offerings for low and moderate income customers who heat with oil.

6. SUMMARY OF AEC RECOMMENDATIONS:

a. MAJOR recommendations:

i. **The Affordable Energy Coalition recommends that the Board direct E1 to increase investment and savings to match the savings recommended in the 2022 IRP, to meet short and long term affordability goals.**

ii. **The Affordable Energy Coalition recommends that the Board direct E1 to make sufficient investment in low income and equity programs to ensure higher savings similar to the levels reported for the 2023-6 plan.**

iii. **The Affordable Energy Coalition recommends that the Board direct E1 to institute an ASHP style program with 100% incentives plus contractor organized upgrades as part of the AMHP, for tenants who pay their own heat and electricity bills, to bring better balance and fairness to the AMHP vs ASHP.**

iv. **The Affordable Energy Coalition recommends that the Board direct E1 to implement solar offerings to low and moderate income tenants, including solar gardens and/or plug in balcony solar and/or rooftop solar.**

v. **The Affordable Energy Coalition recommends that the Board direct E1 to develop strategic electrification offerings for low and moderate income customers who heat with oil.**

b. MINOR recommendations:

i. The AEC recommends that the Board direct E1 to include investment levels for dedicated Low Income & Equity programs for each year of the plan, in Annual Progress Reports. This is in addition to showing the savings levels for each year by adding a column to the equivalent of Table 4 (PDF p 18) of the Exhibit 2, 2025 DSM Annual Progress Report. This is an important element of assessing the commitment to and progress on the Low Income & Equity indicator.

ii. The AEC recommends that the Board direct E1 to translate % increases in rate and bill impacts to dollar increases, based on median annual consumption (such as 800 KWh for residential customers) for illustrative purposes to make the impacts more understandable and real to customers.

iii. The AEC recommends that the Board direct E1 to create consistency in terminology on energy savings – 1st year, energy savings, at the generator energy savings are variously used to describe the same thing in various tables and figures.

We look forward to the decisions made by the Nova Scotia Energy Board on this matter and to five more years of successful DSM programs.

Respectfully submitted

Brian Gifford

Brian Gifford for the
Affordable Energy Coalition

APPENDIX A – Calculations showing a 45% cut in annual savings from 2023-2026 plan to the 2027-31 preferred plan, for dedicated Low Income and Equity (LI & E) programs

1. *SAVINGS in the 2023-2026 Plan:*
    a. Source: Table 4 – 2023-2026 DSM Plan Period, (PDF p 18) of the 2025 DSM Annual Progress Report;
    b. Total First Year savings from dedicated LI & E programs are 20.6 GWh, as shown in the column titled "Energy Savings applicable to Affordable Single-family Homes, Affordable Multi-family Housing, and Mi'kmaw Home Energy Efficiency Project (GWh)", showing 2023-25 results and the 2026 plan.
    c. AVERAGE ANNUAL 1st year savings from dedicated LI & E: 20.6 GWh divided by 4 years = 5.15 GWh per year.

2. *SAVINGS in the 2027-31 Preferred Plan:*
    a. Sources: Table 8 App A in the Preferred Plan (PDF p 116), Table 14 App A (PDF p 123) and summarized in Table 1 of E1's RIR to AEC IR-02 (PDF p 3)
    b. Total First Year savings from LI & E programs are 14 GWh. This is shown in E1's RIR to AEC's IR2 as 11.1% of total residential savings of 126.1 GWh, as explained in the RIR. This meets the new target for LI & E program savings as proposed by the Preferred Plan [Page].
    c. AVERAGE ANNUAL 1st year savings from dedicated LI & E: 14 GWh divided by 5 years = 2.8 GWh per year.

3. ***REDUCTION IN AVERAGE ANNUAL SAVINGS in dedicated Low Income & Equity programs from the 2023-2026 Plan to the 2027-2031 Preferred Plan: 5.15 GWh per year to 2.8 GWh per year of 45%***

APPENDIX B: Converting % bill impacts to $ impacts using 810 KWh typical bill

Using 2026 JULY NSP bill charges (base + per kWh)

Base charge $20.08 Rate/kWh $ 0.19128 5% GST

At 810 KWh USED % TO INCREASE FROM LAST YEAR'S AMOUNT

	DIFFERENCE IN BILLS	$ 183.77	per month
2027	0.96%	$ 1.77	$ 185.54
2028	1.71%	$ 3.17	$ 186.91
2029	2.11%	$ 3.94	$ 187.64
2030	2.20%	$ 4.14	$ 187.82
2031	2.44%	$ 4.58	$ 188.25
TOTAL INCREASE	9.6%	$ 17.60	