



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 DSM Resource Plan

Reply Submissions of EfficiencyOne

M12780

FILED WITH THE NOVA SCOTIA ENERGY BOARD

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1. INTRODUCTION

Closing submissions on E1’s proposed 2027–2031 DSM Plan (the “Preferred Plan” or “Plan”) were filed by the Affordable Energy Coalition (“AEC”), the Consumer Advocate (“CA”), East Coast Environmental Law (“ECEL”), Eastward Energy (“Eastward”), the Ecology Action Centre (“EAC”), the Industrial Group (“IG”), the Kwiłmu’kw Maw-klusuaqn Negotiation Office and the Assembly of Nova Scotia Mi’kmaw Chiefs (“KMKNO/ANSMC”), Nova Scotia Power (“NS Power”), the Small Business Advocate (“SBA”) and Solar Nova Scotia (“SNS”). No party asks the Nova Scotia Energy Board (“NSEB” or the “Board”) to reject the Preferred Plan outright; the debate concerns refinements, and on most contested issues the intervenors are divided among themselves.

For the assistance of the Board, EfficiencyOne (“E1”) replies by subject area rather than party by party, addressing in turn the investment level and affordability; strategic electrification; solar-PV; demand response; unit costs and delivery; the DSM potential study; the Annual Adjustment Process and Mid-Term Check-In; low-income and equity programs; the study agreements; and reporting. Where a submission is not addressed below, E1 relies on its Closing Submissions¹ and asks that the requested direction be refused.

2. INVESTMENT LEVEL AND AFFORDABILITY

The AEC, EAC and ECEL submit that the Preferred Plan’s flat \$63.75 million per year is too low, and the AEC would have the Board direct investment and savings up to the 2022 Integrated Resource Plan (“IRP”) level.² The CA does not seek rejection, but states E1 made “a subjective decision to hold funding at current levels” and then compared that figure to the IRP, and asks the Board to confirm the IRP as the benchmark against which E1’s savings targets are to be assessed and to direct a mid-course adjustment for 2028–2031 that aligns the DSM Plan with the updated 2026 IRP currently underway by the Nova Scotia Independent Energy System Operator (IESO-Nova Scotia).³

¹ E1 Closing Submissions, September 11, 2026.

² AEC Closing Submissions, Recommendation 1, p. 1; EAC Closing Submissions, “The Proposed Overall Investment in DSM is Too Small”, p.1; ECEL Closing Submissions, pp. 1–2.

³ CA Closing Submissions, pp. 5–6, pp. 11–12 (recommending the Board confirm the IRP-identified level as the benchmark, approve 2027 as filed, and direct a mid-course adjustment within 90 days of the updated IRP and potential study).

1 While the difference between E1's Preferred Plan and the IRP is not in dispute, its reasonableness in
2 response to current affordability concerns has been questioned. The IRP Reference Plan identifies 683.1
3 GWh for 2027–2031; the Preferred Plan targets 435.4 GWh, a difference of 247.7 GWh, and on Mr. Love's
4 figures the Plan delivers 0.8 percent of load in year one and 0.6 percent by year five against an IRP goal of
5 approximately 1.2 percent.⁴ Four considerations support approval of the Preferred Plan level.

6
7 First, while the IRP is a highly significant reference point, it is not a binding target that displaces the other
8 factors the *Public Utilities Act* ("PUA") permits the Board to weigh in setting the appropriate savings level
9 for a particular period. The Board has endorsed this approach across four successive plan decisions, and
10 the IG's review of that jurisprudence is unanswered: affordability has always been relevant, but "the
11 overarching consideration continues to be the best interests of" customers, not IRP alignment.⁵ When the
12 Board Chair reviewed the record, E1 confirmed that several plans filed between 2016 and 2031, were, by
13 design, not fully aligned with the IRP energy savings.⁶ Treating the IRP savings figure as binding would read
14 s. 79I(1)'s "reasonably available" qualifier out of the PUA and ignore the rate stability the Board has the
15 direction to weigh under s. 79M(6)(b).

16
17 Second, affordability remains a relevant consideration the Board properly weighs within its overarching
18 mandate to approve a DSM Plan that is in the best interests of customers. Mr. Love accepted that short-
19 term affordability "may properly be considered," that his concern is "about what weight is to be put to it,
20 not that it should be ignored," and that he was "not suggesting that the Preferred Plan... is inconsistent
21 with the purpose of DSM under the PUA."⁷ The real question, as the IG frames it, is "the weight to be given"
22 to affordability. The energy savings level E1 chose, and its related investment level, sits within the 0.8
23 percent–1.0 percent of load range Apex (a third-party expert) identified as reasonable and that Mr. Love
24 agreed, on average, was not unreasonable; the IRP-aligned 1.2 percent sits above it.⁸

⁴ CA Closing Submissions, pp. 1, 3 (Evidence of Theodore Love, GEEG, E-21); Synapse IR-10, Table 2.

⁵ IG Closing Submissions, pp. 2–6, reviewing 2015 NSUARB 204 at para. 82; 2019 NSUARB 105 at para. 30; 2022 NSUARB 137 at para. 43; and 2025 NSEB 18.

⁶ IG Closing Submissions, p. 9 (Transcript, August 5, 2026, pp. 538–540).

⁷ E1 Closing Submissions, pp. 17–18 (Transcript, August 6, 2026, pp. 744–745, 756–757); CA Closing Submissions, pp. 4–5.

⁸ IG Closing Submissions, p. 6 (Transcript, August 6, 2026, pp. 771–774); E1 Closing Submissions, pp. 18–19.

1 The CA’s Consumer Price Index (CPI) evidence does not change this. The CA shows July 2026 CPI at about
2 3.0 percent nationally (approximately 5.0 percent in Nova Scotia), and notes that in 2022 — when the last
3 full DSM Plan was filed and found affordable — Nova Scotia CPI was 7.5 percent.⁹ But affordability is not
4 a single index. The residential rate increases from NS Power’s recent General Rate Application (GRA) (3.1
5 percent and 3.9 percent in 2026 and 2027), the pending IESO-Nova Scotia cost-recovery mechanism, and
6 the cumulative Path-to-2030 pressures the IG catalogues — GRA outcomes, an anticipated Fuel
7 Adjustment Mechanism (FAM) balance over \$140 million, the IESO-Nova Scotia transition and the
8 Wasoqonatl Transmission Line (WTI) Reliability Tie — are the practical context. The CPI comparison
9 confirms only that consumer prices continue to increase annually, and that short-term affordability has
10 been a live concern across DSM plan cycles, which is a reason to weigh it, not to disregard it.¹⁰

11
12 Third, the “arbitrary” characterization is not made out. The EAC calls the flat budget arbitrary because E1
13 ran no economic study or opinion survey.¹¹ That conflates reasoned judgment with caprice. The level
14 reflects a considered balancing of affordability, achievability, rate-class equity, customer value and
15 implementation risk, informed by Demand Side Management Advisory Group (DSMAG) feedback, iterative
16 rounds of modelling, and the Apex jurisdictional scan.¹² The EAC’s own figures are not borne out by the
17 record: E1’s Opening Statement (Exhibit 42) concerned energy savings, not GHG reductions, and the
18 assertion that program changes left the Plan “\$50–150 million short” of the IRP is unsupported.¹³ Despite
19 restraint, the Plan provides significant value: the portfolio returns more than 70% of spending to
20 customers, carries a portfolio Program Administrator Cost (PAC) test result of 2.4, and delivers lifetime
21 energy savings at roughly \$0.05/kWh against \$0.09/kWh for the supply it displaces.¹⁴

22
23 Fourth, E1’s position is widely shared, and the range of views confirms the level is reasonable. The IG views
24 E1’s proposed cap on overall portfolio investment amount as a “reasonable balance of cost-effectiveness,
25 achievability, affordability, and customer interests.”¹⁵ The SBA accepts \$318.75 million as “a reasonable
26 balance,” the Department of Energy supports the approach, and NS Power’s expert, through Brattle, called

⁹ CA Closing Submissions, pp. 7–8.

¹⁰ SBA Closing Submissions, p. 2; IG Closing Submissions, p. 8.

¹¹ EAC Closing Submissions, p. 1.

¹² E1 Closing Submissions, pp. 12, 18–20.

¹³ EAC Closing Submissions, pp. 2–3; Exhibit 42, E1 Opening Statement, p. 3; Hearing Transcript, Oral Presentation by Mr. Liam Cook, Navigate Energy, p. 83.

¹⁴ E1 Closing Submissions, pp. 15–16.

¹⁵ IG Closing Submissions, p. 1.

the total budget “directionally appropriate” and “very close” to NS Power’s own inflation-escalated concept of roughly \$312 million — disputing only the mix, not the total.¹⁶ A record ranging from the IG, NS Power’s and the Department’s acceptance of E1’s level to the higher level urged by the CA and Synapse (Board counsel expert) is itself strong evidence that the Preferred Plan sits within a range of reasonable outcomes. E1 does not contend its level is the only reasonable one; it submits only that it is reasonable, properly balances the statutory considerations, and should be approved, while the weight ultimately assigned to near-term affordability remains for the Board.

3. STRATEGIC ELECTRIFICATION

SNS, ECEL, the EAC and NS Power urge the Board to permit strategic electrification (“SE”) that does not individually satisfy the modified-PAC test to be justified at the portfolio level; SNS frames this as its Direction 1, and NS Power seeks a directed SE pathway maintaining a portfolio PAC greater than 1.0.¹⁷

The Board should refuse Direction 1, because on E1’s interpretation, the *PUA* does not permit it. Section 79A(b)(iv) defines what qualifies as DSM in the first instance: an SE measure qualifies only where it reduces both greenhouse gas emissions *and* electricity costs. That threshold is anterior to, and separate from, the portfolio-level screen in s. 79H(2); a measure that fails the definition is not DSM at all, and a strong portfolio result cannot restore it. The IG reaches the same conclusion: the s. 79H(2) portfolio screen and the s. 79A(b)(iv) SE definition “are separate,” and a portfolio-level pass “would be meaningless” if it could substitute for the definitional test.¹⁸

Paragraph 168 of the Benefit-Cost Analysis Test Decision does not say otherwise.¹⁹ It addresses how the cost-effectiveness test applies at the portfolio level to measures that already *qualify* as DSM. At para. 114 the Board held it would be “inconsistent to limit strategic electrification activities to a requirement to reduce electricity costs, as s. 79A(b)(iv) very clearly does,” and at para. 163 that “both requirements... must be met.” E1’s reading is shared by Eastward, which is unsure whether the Board “has the legislative

¹⁶ SBA Closing Submissions, pp. 2–3; E1 Closing Submissions, pp. 17–18 (Brattle Evidence, Attachment 1, pp. 6–7, 10).

¹⁷ SNS Closing Submissions, paras 41–45, 85–87 (Directions 1–3); ECEL Closing Submissions, pp. 2–5; EAC Closing Submissions, p. 3; NS Power Closing Submissions, pp. 5, 17–19.

¹⁸ IG Closing Submissions, pp. 13–15.

¹⁹ M12282, Benefit-Cost Analysis Test Decision, 2025 NSEB 18, at para. 168; and see paras 114, 128–129, 163.

authority” to include SE that fails the twin test,²⁰ and is accepted by the CA, whose position is that E1’s interpretation “is correct, subject to any further clarification the Board may provide.”²¹

Two points are decisive. First, no party has identified a single SE measure that passes the test as E1 applied it; every scenario returned a modified-PAC of approximately 0.7, and Synapse’s own analysis shows the portfolio remains cost-effective whether SE is included or not (2.6 without, 2.3 with).²² Second, E1 has not foreclosed the resource: Schedule “A” preserves SE for study and piloting under the Enabling Strategies budget until it passes the modified PAC test or is otherwise justified, with a standing place at both the Annual Adjustment Process and Mid-Term Check-In and enhanced reporting provided through E1’s quarterly and annual progress reports on innovation-framework activities including SE.²³ The remaining directions therefore need not be granted: SNS’s Directions 2 and 3, NS Power’s portfolio-PAC pathway, the ECEL’s obligation to exhaust SE opportunities, and the AEC’s oil-heat SE offerings are unnecessary or, where the measure does not reduce electricity costs, unavailable under the *PUA*.²⁴ If the Board reads the framework as Synapse does, E1 welcomes clarification.

4. SOLAR-PV PROGRAM

NS Power is the only party requesting that customer-sited Solar PV be removed from the Plan — or, failing that, that E1 develop solar-specific avoided costs in consultation with the IESO-Nova Scotia, include the utility cost of net metering in the PAC, and re-file before launch — on grounds of limited winter-peak value, “double-funding” through net metering plus DSM, and approach.²⁵ Every other party to address the proposed Solar-PV program supports it: the CA, KMKNO/ANSMC and the AEC support it, with the AEC seeking expansion, and ECEL rejects Brattle’s exclusion recommendation.²⁶

²⁰ Eastward Energy Closing Submissions, pp. 3–4.

²¹ CA Closing Submissions, p. 14.

²² IG Closing Submissions, p. 13 (Synapse IR-2, Attachment 2, Table 10); SNS Closing Submissions, paras 37–38 (Synapse Evidence, E-23, p. 26).

²³ Exhibit 42, Schedule “A” to E1’s Opening Statement, s. 5; IG Closing Submissions, p. 14.

²⁴ SNS Closing Submissions, paras 85–87; NS Power Closing Submissions, pp. 17–19; AEC Closing Submissions, pp. 5–6.

²⁵ NS Power Closing Submissions, pp. 12–17 (Brattle Evidence, Section VI; Sergici, Transcript, August 5, 2026, pp. 597–599, 697–698).

²⁶ ECEL Closing Submissions, pp. 6–7; CA Closing Submissions, p. 14; KMKNO/ANSMC Closing Submissions, p. 2; AEC Closing Submissions, p. 5.

1 Solar-PV should be retained because it qualifies as DSM and is cost-effective. It falls within s. 79A(b)(v) of
2 the *PUA*, satisfied by a reduction in the amount of electrical energy *or* capacity — the provision uses “or,”
3 not “and” — and NS Power’s own expert conceded the measure has “a textual basis in the statutory”
4 definition.²⁷ The reading in a capacity requirement would render s. 79A(b)(v) redundant of s. 79A(b)(iii),
5 contrary to the presumption against tautology.²⁸ The program retains a PAC of 1.1, and the filed Rate and
6 Bill Impact Analysis shows participant bill savings of 66 percent against a non-participant impact of 0.02
7 percent.²⁹

8
9 ECEL’s point reaches beyond this program: confining s. 79A(b)(v) to winter-peak reductions would read in
10 a limitation the words do not contain and “would have far-reaching implications for the assessment of
11 low-income and equity measures” in future plans.³⁰ On double-funding and methodology, net-metering
12 credits are compensated at the retail rate and are a lost-revenue transfer the PAC framework properly
13 excludes; s. 7(4) of the *Electricity Act* caps any obligation for excess generation at the customer’s annual
14 consumption;³¹ and Dr. Sergici (NS Power expert) identified no specific, quantified utility cost excluded
15 from the analysis.³² E1 does not support the use of the solar-specific avoided costs referenced by NS Power.
16 These values are older than the current avoided costs, have not been reviewed by the DSMAG, and could
17 result in inconsistent treatment of resources that provide the same system value. A kWh of energy
18 reduction delivered at a given time should be assigned the same value regardless of the resource providing
19 it, ensuring all resources are evaluated on a consistent and equitable basis. To the extent that resources
20 differ in character, magnitude, or timing of impacts, those differences should be reflected through the
21 identification and quantification of all relevant benefit streams and the application of time-differentiated
22 avoided costs. E1 would support collaborative efforts with IESO-Nova Scotia and NS Power to further refine
23 avoided cost methodologies and end-use load shapes for all resources using more temporally granular
24 data than the existing four-period structure. That prospective refinement is no basis for NS Power’s
25 primary recommendation to remove customer-sited solar from the Preferred Plan, nor for its alternative
26 that E1 develop new avoided costs, rework the PAC to include net-metering utility costs, and re-file for
27 approval before launch: NS Power stands alone in seeking removal, every other party to address the

²⁷ E1 Closing Submissions, p. 42.

²⁸ E1 Closing Submissions, pp. 42–46 (Transcript, August 5, 2026, p. 635).

²⁹ E1 Closing Submissions, pp. 47, 49–50 (Appendix B RBIA, Attachment 1, “Preferred Plan”, “Solar-PV”).

³⁰ ECEL Closing Submissions, pp. 6–7.

³¹ E1 Closing Submissions, pp. 49–50.

³² E1 Closing Submissions, pp. 48–50; (s. 7(4), *Electricity Act*, SNS 2004, c. 25).

1 program supports it, and the program is already cost-effective on the record, with a PAC of 1.1 and a
2 negligible non-participant bill impact.

3
4 The broader low- and moderate-income solar the AEC seeks is a matter for the future, and E1 confirms
5 that its proposed solar-PV program is limited to Mi'kmaw communities; it does not intend to expand Solar-
6 PV to other customer segments during the 2027–2031 DSM Plan period.³³

8 5. DEMAND RESPONSE

9 NS Power seeks a directed residential DR strategy adding net-new participants and capacity now, and
10 reform of the evaluation, measurement and verification (“EM&V”) schedule; SNS seeks lower-cost, point-
11 of-installation or new construction acquisition, a long-duration product, and recognition of the customer-
12 sited battery barrier (its Directions 12–14); and the EAC points to the missed opportunity with batteries
13 and vehicle-to-grid charging.³⁴

14
15 The DR portfolio design is guided by cost-effectiveness and achievability. Residential DR carries a PAC of
16 0.7 and is not cost-effective in any year of the Preferred Plan, whereas BNI DR (2.4) and energy efficiency
17 (2.5) are; it would not be prudent to shift funds from those resources before the optimization work is
18 complete, and overall DR available capacity grows by approximately 80 percent, from 16.3 MW in 2026 to
19 29.3 MW by 2031.³⁵ The IG expressly “agrees with the approach taken by E1 in Schedule ‘A’ to cap
20 enrolment growth in the Residential Demand Response (Eco Shift) program,” and notes SNS’s smart-
21 thermostat proposals are “worth consideration.”³⁶ The CA also expressly supports E1’s position regarding
22 Demand Response programs.³⁷ The Mid-Term Check-In provides an avenue to consider growing the
23 resource once the evidence justifies it.

24
25 NS Power’s call for aggressive expansion is answered on its own record: Dr. Sergici ran no Nova Scotia-
26 specific DR potential study, her “1.3% of peak” figure applies to 2036 not 2031, the 2026 IESO-Nova Scotia
27 10-Year System Outlook improved the reserve margin by roughly five percentage points, and Dr. Sergici

³³ E1 Closing Submission, Schedule A, 4 (a).

³⁴ NS Power Closing Submissions, pp. 20–26; SNS Closing Submissions, paras 68–83, 96–98 (Directions 12–14); EAC Closing Submissions, pp. 3–4.

³⁵ E1 Closing Submissions, pp. 36–39 (Appendix A, Table 8; NSEB IR-12, Table 2; E1 Rebuttal Evidence, p. 20).

³⁶ IG Closing Submissions, pp. 9–10.

³⁷ CA Closing Submissions, p. 2.

1 agreed with E1 that it can improve residential DR delivery within its approved budgets.³⁸ SNS urged that
2 DR play a substantially larger role, pointing to opportunities in new construction, EVs, heat pumps, water
3 heaters, and battery storage.³⁹ As E1 noted in its Closing Submissions, both NS Power and SNS's criticism's
4 are addressed through E1's cost effectiveness position: it would not be prudent to direct additional
5 ratepayer funds to residential DR before that component is demonstrated to be cost-effective, and the
6 Mid-Term Check-In provides an avenue to consider growing the resource should cost-effectiveness
7 improve.⁴⁰ Furthermore, DR remains a focus area of the 2027–2031 Innovation Framework, Process and
8 Plan, and enhanced reporting on the DR innovation activities will be included in Quarterly and Annual DSM
9 reports.⁴¹

10
11 With respect to evaluation, measurement and verification (EM&V) timing, E1 is "agreeable to ensuring
12 that the demand response evaluation results are available before the next demand response season
13 begins."⁴² E1 is able to file the DR Evaluation Report earlier, or if two separate Evaluation filings are not
14 preferred by the Board, E1 is able to make the DR Evaluation Report available through the DSMAG. E1
15 appreciates that the schedule for the verification and regulatory process that follows is the Board's to set,
16 and the DR and energy-efficiency evaluation cycles do not align — DR results are final mid-year, EE results
17 the following spring. E1 would welcome the Board's direction on whether it prefers one combined process
18 or two.

20 6. UNIT COSTS, INCENTIVES AND DELIVERY

21 SNS submits that acquisition costs are climbing with no mechanism to discipline them and seeks unit cost
22 reporting changes, the incorporation of unit cost within the Annual Adjustment process, and dedicated
23 Enabling Strategies investment to delivery-cost innovation (its Directions 4–11); the CA and NS Power
24 prefer the 2026 American Council for an Energy-Efficient Economy (ACEEE) benchmark to the Apex
25 jurisdictional scan.⁴³

³⁸ E1 Closing Submissions, pp. 33–35 (Transcript, August 5, 2026, pp. 603, 629–630; NS Power (IG) IR-6). Gil Peach's five-to-seven-year build-out recommendation is consistent with an optimization-first pathway. See E-17, Savings Verification Report, H. Gil Peach, p. vi.

³⁹ SNS Closing Submissions, paras 72–79.

⁴⁰ E1 Closing Submissions, p 33.

⁴¹ E-42, E1 Opening Statement, Schedule A, s 6 (a).

⁴² NS Power Closing Submissions, pp. 25–26 (Exhibit E-13, E1 (NSPI) IR-9).

⁴³ SNS Closing Submissions, paras 46–67 (Directions 4–11; Transcript, August 4, 2026); E-21, CA Evidence, p. 30-31; E-22, NS Power Evidence, Attachment 1, p. 10.

1 E1 is committed to unit-cost discipline. The rising trajectory is structural, largely caused by low-cost lighting
2 baselined out, federal co-delivery funding ended, the removal of the residential behaviour program
3 component from the portfolio and recent evaluation results. It is not a product of inattention, and SNS
4 accepts as much.⁴⁴ E1 has reduced the administrative share so that incentives now represent 71 percent
5 of Preferred Plan costs, up from 66 percent in the 2026 DSM Extension, and has committed to reporting
6 first-year unit cost by program and portfolio-wide. In its proposed reporting for 2027–2031, E1 committed
7 to discussing program-level variances of 20 percent or more in savings or investment results. E1 confirms
8 that this includes discussion of unit cost variances of 20 percent or more at the program level (unit costs
9 are calculated using E1’s investment and savings over a defined period). E1 also confirms that the
10 enhanced reporting in support of the Annual Adjustment Process under Schedule A will include the unit
11 cost metric, and follow the 20 percent variance threshold for spending and savings at the program level.
12 For clarity, the 10% threshold applies to variances in incentive levels at the measure level per the Board’s
13 directive to E1.⁴⁵ The more substantive directions, including mandated innovation set-asides, external-
14 funding quotas, and directed delivery-model studies — belong with the DSMAG and the Mid-Term Check-
15 In, not in an order from this proceeding. The Preferred Plan reflects a continuation of proven programs
16 with enhancements informed by evaluation findings, recent trends and cost-effectiveness considerations.
17 E1 has committed innovation investment as outlined in the Innovation Framework, Process and Plan for
18 2027–2031 which includes researching delivery models, improving existing DSM programs and offerings
19 and conducting pilots to new enhancements and delivery approaches. E1 has committed to enhanced
20 reporting on the innovation activities in its quarterly and annual reports as well as bringing results into the
21 Mid-Term Check in as applicable.

22
23 On benchmarking, Apex is the more appropriate comparator: it selected comparators on climate and other
24 relevant factors — which matters for a winter-peaking province — and placed E1 “squarely in the middle
25 of the range.”⁴⁶ The 2026 ACEEE report covers 42 large U.S. utilities, none selected for comparability, and
26 E1’s expert Mr. Goldman gave un rebutted evidence that the jurisdictions are not an appropriate
27 comparator group; neither Mr. Love nor Dr. Sergici confirmed the contrary.⁴⁷ The concern that incentives

⁴⁴ SNS Closing Submissions, para 47; E1 Closing Submissions, pp. 60–64.

⁴⁵ M10473, NSEB Order, 2023-2025 DSM Plan, November 8, 2022, p. 2.

⁴⁶ E1 Closing Submissions, p. 60.

⁴⁷ E1 Closing Submissions, pp. 63–64 (Apex Report, IG IR-10; E1 Rebuttal Evidence, Appendix A).

1 may exceed the minimum necessary on oversubscribed programs is answered by the E1–CA incentive
2 study, which will undertake research for high-value measures.
3

4 7. DSM POTENTIAL STUDY AND PORTFOLIO REMODELLING

5 NS Power and the CA raise the timing of the potential study stating that the last comprehensive study was
6 completed in 2019, and the current one is run on a compressed timeline and, in effect, after the proposed
7 2027–2031 DSM Plan rather than before it. NS Power would have the Board order a full potential study
8 “as soon as reasonably practicable” and once the most current IRP information is available, have the DSM
9 portfolio for the remainder of the Plan period remodelled and brought back for approval.⁴⁸
10

11 Consistent with Mr. Love’s evidence, E1 will commit to completing an updated potential study before filing
12 its next DSM Plan.⁴⁹ But an automatic re-opening of the 2027–2031 Plan mid-term for a fresh approval
13 from the Board is neither appropriate nor reasonable. Whether the Plan should be re-opened turns on
14 the results of the updated potential study and IRP, not on the fact that a new study has been completed.
15 The prudent and measured course is to develop a process to assess whether those results warrant re-
16 opening the Plan - which is precisely the intended purpose of the Mid-Term Check-In. The Mid-Term Check-
17 In process from Schedule A already outlines events-based triggers — including the 2026 potential study
18 and the IESO-Nova Scotia IRP — that draw updated information into the approved five-year framework.
19 Requiring the 2027–2031 DSM Plan to automatically return for approval midway through would frustrate
20 the Legislature’s purpose in extending the DSM plan term from three to five years and impact, both from
21 a cost and regulatory burden perspective, the stability the five-year model is designed to provide.
22

23 8. ANNUAL ADJUSTMENT PROCESS AND MID-TERM CHECK-IN

24 The SBA supports the annual adjustment process and asks that it and the Mid-Term Check-in be settled by
25 the end of Q2 2027; NS Power seeks defined triggers and outcomes and flags that E1 has “no definition of
26 what we would consider material.”⁵⁰ The IG supports the annual adjustment as refined in Schedule “A” —
27 the ± 20 percent program and ± 15 percent rate-class thresholds, measured cumulatively over five years
28 within an 85–115 percent collar — but asks the Board to direct E1 to develop, with the DSMAG, a

⁴⁸ NS Power Closing Submissions, pp. 7–11 (Hearing Transcript, pp. 301–311, 667); CA Closing Submissions, pp. 15–16. Both Dr. Sergici and Mr. Love describe the preferred sequence as potential study → IRP → DSM plan.

⁴⁹ E1 Closing Submissions, p. 21; CA Closing Submissions, p. 16.

⁵⁰ SBA Closing Submissions, pp. 4–5; NS Power Closing Submissions, pp. 27–29 (Hearing Transcript, p. 710).

1 mechanism allowing a stakeholder to bring a proposed adjustment that falls *below* the collar before the
2 Board, invoking the Board’s finding in the 2026 Extension Decision that the prior process was
3 “unbalanced.”⁵¹

4
5 Material adjustments, as described above, will be supported by evidence of rate-class impact
6 consideration and variance explanation, provided to the DSMAG and subject to a meaningful opportunity
7 for comment prior to being advanced in the Q3 DSM Report. By way of illustration, for the 2028 adjustment
8 year, E1 expects to circulate the proposed adjustment and its reasoning to the DSMAG; hold a DSMAG
9 session, after which stakeholders would have two weeks to comment; receive those comments and
10 incorporate feedback in advance of filing; and file the adjustment in the Q3 Report in late November 2027,
11 showing the 2028 changes against the approved Plan and the full five-year (2027–2031) projection,
12 together with red/yellow/green (stop-light) signaling of variances. Where that cumulative projection is
13 outside of the rate-class threshold ($\pm 15\%$) or the program threshold ($\pm 20\%$), E1 will seek the Board’s
14 approval.⁵²

15
16 E1 diverges from the IG only on the in-collar case. Permitting a stakeholder to bring before the Board an
17 adjustment that remains *within* the cumulative collar would undermine the collars, which are fundamental
18 to the five-year model, and reintroduce the annual-approval friction the *PUA* amendments were designed
19 to remove. E1 would nonetheless welcome the Board’s guidance on how such a concern could
20 appropriately be raised at the Q3 Report stage, where E1 is not otherwise seeking approval. On the Mid-
21 Term Check-In, E1 has committed to engage with the DSMAG to develop the process and procedure and
22 does not oppose the SBA’s Q2 2027 deadline.⁵³

24 9. LOW-INCOME AND EQUITY PROGRAMS

25 The AEC states that dedicated low-income and equity energy savings fall as compared to the 2023–2026
26 DSM Plan — a claimed 45 percent cut, from an average 5.15 GWh/year to 2.8 GWh/year — and seeks
27 restoration, a 100 percent-incentive Affordable Single-Family Homes (ASFH)-style program for tenants who
28 pay their own heat and electricity bills, an expanded solar-PV program for low and moderate income
29 tenants, and SE offerings for low and moderate income customers who heat with oil; the CA seeks a 14.9

⁵¹ IG Closing Submissions, pp. 10–12, citing 2025 NSEB 21 at para. 73.

⁵² E-42, Schedule “A” to E1’s Opening Statement, s. 1(b); E1 Closing Submissions, pp. 5–7.

⁵³ IG Closing Submissions, pp. 12–13; NS Power Closing Submissions, pp. 27–29; SBA Closing Submissions, pp. 4–5.

1 percent low-income energy savings target; and KMKNO/ANSMC ask that Mi'kmaw programming remain
2 proportionate as the Mi'kmaw Home Energy Efficiency Project winds down.⁵⁴

3
4 E1's commitment has not diminished. The lower savings the AEC references are the result of the updated
5 evaluation values adopted after the 2024 evaluation, not from a reduction in effort or investment; rather,
6 average annual investment for dedicated low-income and equity programs increases under the Preferred
7 Plan, from approximately \$10.7 million per year in the 2023-2026 DSM Plan to approximately \$12.1 million
8 per year in the proposed 2027–2031 DSM Plan. The 11 percent figure is a savings-share metric
9 representing the percentage of residential energy savings from dedicated low-income and equity program
10 components (aligned with the 2023–2026 Plan's 10.5 percent), while the commitment is better seen in
11 investment, where 42 percent of total residential energy-efficiency investment is dedicated to low-income
12 and equity programs and 51 percent supports those customers overall (inclusive of both dedicated and
13 incidental low income and equity investment).⁵⁵ Because those dedicated programs already represent 42
14 percent of residential investment, materially increasing the savings share would raise costs and reduce
15 support for other residential ratepayers at a time of acute affordability pressure.

16
17 On pre-weatherization barriers, E1 collects the data for the Affordable Single-family Homes program
18 component as referenced in the CA's Closing and Undertaking U-1 which shows such barriers accounted
19 for about 6 percent of discontinued projects (220 projects) over 2023–2025 — and is prepared to continue
20 collecting this data and reporting the number and proportion of customers who cannot proceed and the
21 nature of those barriers, as the CA asks.⁵⁶

22
23 The AEC's proposed tenant program carries an incremental cost. As referenced in Undertaking U-3, a 100
24 percent -incentive homeowner-style program for tenants who pay their own heating and electricity bills
25 would cost approximately \$7.5 million in additional investment over 2027–2031,⁵⁷ which cannot be
26 accommodated within the approved envelope without displacing other measures. The appropriate course
27 is to assess Affordable Multifamily implementation progress and opportunities within the proposed 2027–

⁵⁴ AEC Closing Submissions, pp. 2–4, Appendix A; CA Closing Submissions, pp. 12–13; KMKNO/ANSMC Closing Submissions, pp. 2–3.

⁵⁵ E1 Closing Submissions, pp. 30–31, 34 (E1 (AEC) IR-02, Table 1; Appendix A, Table 14).

⁵⁶ CA Closing Submissions, pp. 12–13 (Undertaking U-1).

⁵⁷ The homeowner-style program would have a similar delivery model to E1's Affordable Single-family Homes program component where contracted delivery agents perform free audits and upgrades for eligible participants.

2031 DSM Plan and to consider enhancements through the Annual Adjustment Process and/or the Mid-Term Check-In as applicable.

E1 is grateful for KMKNO/ANSMC's support and is committed to keeping Mi'kmaw programming representative and proportionate as the Mi'kmaw Home Energy Efficiency Project winds down, with transparent reporting throughout. One correction for the record: the Green Schools Program is not included in the Preferred Plan and concludes at the end of 2026.⁵⁸

10. STUDY AGREEMENTS — SCOPE AND COST ALLOCATION

The SBA, NS Power and the IG request the NSEB to direct that the scopes of the three study agreements (the E1–CA incentive study, the E1–Eastward hybrid-heating study, and the E1–IG Large Industrial Interruptible Rider (LIIR study) be shaped with DSMAG input before they are finalized, that study and pilot costs be charged to the rate classes that benefit, and — for NS Power — that it be involved in the LIIR study from the outset, given the interaction with the interruptible tariff and system-operator reliability requirements.⁵⁹

E1 is open to this approach, and largely already commits to this. It will document the scope, plans and timelines for each research study and take them to the DSMAG prior to implementation; it accepts that the E1–CA incentive-study scope should be vetted with the full DSMAG ; and it agrees study and pilot costs should be allocated to the benefiting rate classes. The E1–IG agreement already recognizes “the importance of the LIIR obligations to the system operator” and provides that any pilot “shall be designed so as not to diminish those obligations,” proceeding only where the study confirms it is cost-effective and operationally feasible.⁶⁰ The one caveat is timing: the full detail of scope, cost and allocation will not be ready for the Compliance Filing in this matter, so E1 will provide it through its ongoing reporting. Updates on the study agreements will be provided to the Board and DSMAG in its Quarterly and Annual Progress Reports.⁶¹

⁵⁸ KMKNO/ANSMC Closing Submissions, pp. 2–3.

⁵⁹ SBA Closing Submissions, pp. 5–7; NS Power Closing Submissions, pp. 30–33; IG Closing Submissions, p. 15; Eastward Energy Closing Submissions, pp. 3–4.

⁶⁰ IG Closing Submissions, p. 10; Agreement between E1 and the IG. E1 confirms Eastward's understanding that the Innovation, Regulatory and Evaluation investment covers the study costs: Eastward Energy Closing Submissions, p. 4.

⁶¹ E1 Closing Submissions, p. 11.

11. REPORTING AND TERMINOLOGY

The AEC’s minor recommendations seek annual reporting of dedicated low-income and equity investment, translation of rate and bill percentage impacts into dollars, and consistent savings terminology.⁶² The first is largely already done. Dedicated low-income and equity investment is reported in the DSM Annual Progress Report, and E1 will continue to report it.⁶³ On the second, E1 can commit to translate percentage rate and bill impacts into illustrative dollars at mean consumption - this is consistent with the existing Rate and Bill Impact Analysis model, which is built around mean average consumption.⁶⁴ This would provide similar insights, without requiring a new analysis to estimate the median consumption by rate class. Lastly, E1 will tighten its savings terminology, including a clearer “First-Year savings” definition in the Glossary of Terms and, if of assistance to the Board, appending that Glossary to its Quarterly and Annual reports.⁶⁵

12. RELIEF SOUGHT

E1 submits that the 2027–2031 Preferred DSM Plan is an appropriate and effective plan for providing Nova Scotia with DSM services outlined in the *PUA*. The Preferred Plan falls within its legal mandate under the *PUA* – including the solar-PV program, and the exclusion of SE that does not reduce electricity costs. The Preferred Plan is affordable, and strongly cost-effective, with a 2.4 PAC result at the portfolio level. Furthermore, E1 is confident that based on its past experience, the proposed targets are achievable and provide material benefits to Nova Scotia ratepayers.

E1 confirms its willingness to continue working with the DSMAG to implement appropriate refinements as discussed above and in its Closing Submissions. However, where intervenors seek additional directives that remain unsupported by E1 and the evidence on the record, E1 respectfully requests that these be declined.

E1 respectfully requests that the Board approve its 2027–2031 DSM Plan as submitted in its Application, and amended by Schedule A to its Opening Statement inclusive of the following performance targets and investment level:

- 435.4 GWh of cumulative net first year energy savings;

⁶² AEC Closing Submissions, pp. 6–7.

⁶³ Exhibit 2, 2025 DSM Annual Progress Report, Table 1 and Table 12.

⁶⁴ Exhibit 1, E1 2027–2031 DSM Resource Plan Application, Appendix B, Attachment 9.

⁶⁵ Application, Appendix A (Glossary of Terms) and Appendix F (Standardized Filing Framework); AEC Closing Submissions, p. 2.

- 85.0 MW of cumulative net peak demand savings;
- 14.0 GWh of cumulative net first-year energy savings dedicated low-income and equity program components (Affordable Multifamily Housing, Affordable Single-family Homes, Mi'kmaw Home Energy Efficiency Project, Mi'kmaw New Home Construction);
- 29.3 MW of available capacity from DR;
- 1.7 GWh of solar-PV generation; and
- \$318.75 million.

In the alternative, should the Board be unable to issue its decision before the commencement of the 2027 program year, E1 requests that the Board approve the 2027 investment and associated activities on an interim basis, to permit continuity of DSM program delivery pending the Board's final determination on the 2027–2031 DSM Plan.

All of which is respectfully submitted this 18th day of September, 2026.