

July 6, 2026

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Karynne Munroe
Manager, Regulatory Affairs
Nova Scotia Power Inc.
P.O. Box 910
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Dear Ms. Munroe:

M12783 – Nova Scotia Power Inc. – Regulation 3.6 – 2025 Net Metering Report

The Board has reviewed Nova Scotia Power Incorporated's (NS Power) Net Metering Report filed March 31, 2026, for the 2025 calendar year.

The Board members considering this matter are Stephen T. McGrath, K.C., Chair; Roland A. Deveau, K.C., Vice Chair and Richard L. Melanson, LL.B., Member.

In April 2022, the *Electricity Act* was updated to allow customers to install a renewable low-impact generator or energy storage device with a total nameplate capacity of up to 27 kW as of right, with no requirement to participate in a NS Power program and no requirement to enter a contract with NS Power for the sale of their generated electricity.

Appendix A of the report stated that during the 2025 calendar year 1,943 new interconnection customers began net metering. These additions increased the total number of active net metering customers by 18%, to 13,045. The majority of new customers are residential; the remaining are comprised of four small industrial, 20 commercial and 12 charitable or community organizations who pay the domestic rate under s. 73 of the *Public Utilities Act*. All new installations in 2025 were solar and no new customers elected to aggregate their net metering during 2025.

Halifax County continued to account for the greatest number of new interconnections, representing 51.5% of all installations in 2025. In total, Halifax County has 6,559 net metered installations, followed by Kings County at 1,102 and Colchester County at 921. The remaining 4,463 net metering installations are in other counties.

New interconnections added a total rated generation capacity of 18,597.14 kW/ac in 2025. This represents a 26% decrease compared to the amount of new capacity that was added in 2024. However, the average nameplate capacity of new installations in 2025 of 9.57 kW/ac was higher than in 2024 (8.94 kW/ac). With the 2025 additions, the total installed capacity increased by 19% from December 31, 2024 (97,647.42 kW/ac) to December 31, 2025 (116,271.56 kW/ac).

The estimated total annual generation by active customers in 2025 was 128,054,257 kWh; an approximate 19% increase from 2024. This level of generation is projected to have displaced approximately \$23,289,228 in 2025 retail electricity sales. The volume of excess customer generated energy exported to the grid, resulting in payments to customers, increased by 21% in 2025, totaling 3,474 MWh. The corresponding payouts increased by 27% to \$646,146.

The Report compared NS Power's 2025 net metering data with the projections from the 2019 Dunsy Energy Consulting model. The comparison highlights that total installation capacity was 116.3 MW, which is much higher than Dunsy's model, which projected between 35 MW and 44 MW by 2025. Although participation in net metering is strong, the Report explained that net metering customers' production varies between producing more power than they need and consuming power from NS Power throughout the day. Due to the variable nature of renewable generation, customers do not reduce their energy demand during the system's peak, which is typically during winter evenings when it is not possible to generate solar electricity.

The Board's decision for the 2024 Net Metering Report, matter M12165, directed NS Power to identify the factors contributing to the decline in excess generation compensation in 2024 and provide the underlying supporting data in the 2025 Net Metering Report. NS Power submitted three appendices with its report in response to this directive. Appendix B provided data on historical payouts from 2011-2019 and 2025; however, data for 2020-2024 were not recovered following NS Power's cybersecurity incident. Appendix C contained the payout amounts to customers on a \$/kWh basis for all active customers between 2015 and 2024. Appendix D provided a payout analysis report examining the change in excess banked energy payouts between 2023 and 2024 and the key drivers behind that change.

The Board sent Information Requests (IRs) to NS Power on April 30, 2026. NS Power requested an extension to respond to the IRs to May 13, 2026, which the Board granted. The responses provided greater detail on some of the content of the report and addressed questions about potential data impacts from the cybersecurity incident.

NS Power explained that through net metering:

- The energy that customers' self-generated and consumed behind the meter allowed NS Power to avoid \$3.5 million in costs.
- Self-generated energy sent to the grid allowed NS Power to avoid \$7.1 million in costs.

However, it cost NS Power \$16.3 million to supply electricity to these customers during times when they use their energy credits instead of paying for power. After subtracting the \$7.1 million in avoided costs from exported energy to the grid, NS Power calculated that the net cost of that exported solar energy is \$9.2 million.

The Board directs the following:

1. Appendix D provided significant insights into the factors affecting Net Metering program performance. The Board directs NS Power to continue providing Table 1: Weather & Technological Driving Factors in future Net Metering reports.
2. The Board directs NS Power to continue filing Appendix B in future Net Metering Reports, and to include 2020-2024 if the data has been recovered.



3. The Board directs NS Power to provide a similar analysis as conducted in its response to IR-4 and summarized in Table 1 in that response in its future reports.

In matter M11553, the Board found that as the Commercial Net Metering Program had only recently begun it would be appropriate to keep the Net Metering reports separate until the Commercial Net Metering Program's operation and performance are well understood by both the Board and stakeholders. While the data provided in the report and IRs does provide insight in the net metering activity, the Board considers that separate reports should continue to be filed for the time being.

The Board notes that the 2025 Net Metering statistics presented in the Report reflect the continued interest of Nova Scotians in producing their own renewable electricity. The Board accepts the 2025 Net Metering Report as filed.

Yours very truly,

Lisa Wallace

for Crystal Henwood
Clerk of the Board

c. William Mahody, K.C., Board Counsel

