MEMORANDUM

DATE: July 24, 2026

TO: Nova Scotia Consumer Advocate

FROM: Green Energy Economics Group, Inc

RE: Comments on NS Power CEM EM&V Year 4 Report

Summary

Nova Scotia Power filed its Year 4 Customer Energy Management (CEM) Evaluation, Measurement and Verification (EM&V) Report, prepared by Econoler, on June 29, 2026. GEEG has reviewed the report against the issues we raised on the Year 1 and Year 2 reports. While we find that some of the issues have been addressed, specifically netting out program effects from EfficiencyOne (E1), we do have a few new concerns. Our overall assessment is that the April 2025 cybersecurity incident has fundamentally compromised what the Year 4 report can tell stakeholders, and that several of the framing choices in the report understate that limitation.

Status of the Issues Raised for Prior Reports

Weather / difference-in-difference (DID). We previously accepted Econoler's position that the month-by-month DID design controls for weather by differencing the treatment and control groups over the same calendar months. That logic still holds in principle. However, it is materially weaker this year: the entire evaluation now rests on a three-month window (January–March 2025) compared against January–March of the baseline year. Any anomaly in the relative severity of those two specific winters now flows directly into the headline results, with no offsetting shoulder- or summer-season months to average against. The weather control is only as good as the comparability of two short winter windows, and the report does not test that comparability.

DSM / E1 participation. Econoler continues to net out E1 savings using average annual savings per participant, now applied program-by-program (Section 3.2), which is the approach we endorsed in Year 2 and an improvement on participation-rate proxies. We have no concerns here.

Electrification. The report retains the electrification controls we supported (restricting to electrically heated customers; the top-third-consumption screen and one-for-one matching on Residential Standard). The recommendation in our Year 2 memo — that the EM&V begin reporting the levels of and changes in electrification of space and water

heating — has not been taken up, even though the report repeatedly mentions electrification as a confounding factor. Additionally, Econoler concedes that residual electrification is probably still contaminating the commercial results (p. 19), which we discuss further below.

Integrated CEM and Behaviour program EM&V. The discontinuation of the E1 Behaviour program addresses our request that the two programs be evaluated in concert.

The Cyber Incident Severely Limits Report Relevance

Because the CEM platform and AMI data have been unavailable since April 2025, every impact metric except paperless billing was evaluated for January–March 2025 only. This limits the relevance of any evaluation results. Econoler's own prior reports establish that Standard and TOD savings are positive in winter (heat-pump season) and negative in summer, and the report acknowledges (pages 18–19) that savings "tend to not be uniformly distributed throughout the year." A winter-only window therefore captures the CEM at its most favorable and omits the periods that previously dragged annual savings down.

Engagement Has Fallen and the Commercial Evaluation Is Not Informative

The engagement picture is weak and, in places, deteriorating. The share of analyzed customers who did not log in during the evaluation period rose year-over-year for every rate code. Only 14% of residential customers included in the analysis logged in at least once, and for commercial customers the figure is 4–5% (95–96% never logged in). The report attributes much of this to the three-month window, which is fair, but the commercial numbers are low enough that the commercial evaluation is effectively measuring non-users

This shows in the results. Commercial General customers post statistically significant negative energy savings, which Econoler attributes to residual electrification its screening could not remove given the small commercial sample. In other words, the commercial impact figures are acknowledged to be capturing electrification rather than CEM behavior. We would suggest that, until commercial engagement and sample sizes improve, the commercial impact results be reported as inconclusive rather than as savings (positive or negative) attributable to the CEM.

Critical Peak Pricing (CPP) Peak Savings are Confounded with the Rate Signal.

The report highlights that CPP customers show the largest peak-load reductions and reads this as CEM-driven behavior. However, CPP customers also face the largest peak surge pricing, with a price of roughly 169 ¢/kWh during critical events compared to14 ¢/kWh during non-critical peak hours (Appendix I). CPP customer peak-shifting is at least as plausibly a response to that price signal as to the CEM platform, since the CEM platform may just be a way for the customer to confirm peak event timing, with the rate structure as the main driver of action.

Extrapolating Results to a Full Year Provides Minimal Value

Year 4 impact figures are not comparable to the full-year figures in previous years and should not be read as an annual result. The attempt to provide an annual figure that uses "estimated unrealized impacts" (Section 5) is pointless in an evaluation that is meant to look at measured impacts of the CEM. While Econoler provides caveats to the effect that these results "fundamentally differ from evaluated results" (p. 36), they still present these results in the evaluation. It would be one thing if customers were able to utilize the CEM during the months that data was not available, but they were not, which makes this an evaluation of a hypothetical scenario, which we find to have very little to no value at best, and to be misleading at worst.

Recommendation for Future Evaluations

Given the ongoing challenges with AMI data retention and access, we recommend that any future evaluations should be put on hold until data access has been restored and customers can meaningfully interact with the CEM. Specifically, we recommend that there be at least nine months, and ideally a full year, of time over which customers had full access before a new evaluation should be performed.

Regards,

Theodore Love, President