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August 12, 2026

Crystal Henwood
Clerk of the Board
Nova Scotia Energy Board
1601 Lower Water Street, 3rd Floor
Halifax, NS B3J 3S3

Re: M12920 – Customer Energy Management (CEM) 2025 Evaluation, Measurement and Verification (EM&V) Report – Reply Comments

Dear Ms. Henwood:

On June 29, 2026, Nova Scotia Power Inc. (NS Power, Company) submitted its CEM EM&V Year 4 Report (Report) to the Nova Scotia Energy Board (NSEB, Board). By letter on July 7, 2026, the NSEB invited comments from interested parties by July 28, 2026, and reply comments from NS Power by August 12, 2026. Comments were received from Green Energy Economics Group, Inc. (GEEG) on behalf of the Consumer Advocate (CA) and by the Small Business Advocate (SBA). This submission provides NS Power's reply to the CA (GEEG) and SBA's comments.

As NS Power noted in its June 29, 2026 cover letter, the CEM portal and My Energy Insights platform have been unavailable to customers since April 2025. Consequently, associated data, analysis, and customer alerts are unavailable and AMI data is only available from January 1, 2025, to March 31, 2025. As a result of these limitations, NS Power and Econoler developed an approach for the 2025 CEM EM&V which differed from prior Reports. NS Power appreciates that both the SBA and the CA have engaged constructively with the Report notwithstanding these constraints and responds to their comments in the sections that follow.

Cybersecurity Incident

Both the CA and the SBA provide comments on the limitations of the CEM EM&V Report resulting from the 2025 cyber incident. The SBA generally acknowledges that the cyber security incident limited the available data to the first three months of 2025 and understands the resulting constraints on the evaluation. GEEG's 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."[1]

The three-month period evaluated for the 2025 EM&V was a result of the unique circumstances associated with the cybersecurity incident. NS Power and Econoler agree with the SBA and CA that a three-month window is a limitation relative to a full year evaluation and acknowledge that a full-year evaluation period increases the relevance and value of the results. As noted in the cover letter and Report:

> Care should be taken when interpreting energy and bill savings presented above, as they only reflect impacts for the period of January to March 2025 and therefore do not include variations in savings across the entire year. Indeed, based on previous CEM evaluations, energy and bill savings tend to not be uniformly distributed throughout the year.[2]

The intent of the Year 4 Report approach was to provide the NSEB and stakeholders information based on all available data following the cyber incident in accordance with the approved CEM EM&V plan and annual reporting directives. The results presented in the Report remain valid measured impacts for the period evaluated.

NS Power and Econoler disagree with the suggestion that the limitations of the Year 4 Report were intentionally understated. The limitations were discussed in numerous sections of the Report. Specifically, in addition to the quote noted above, the Report outlines the following:

- Customers have not been able to access the CEM portal following the cyber incident in April 2025, and AMI data has not been available;[3]
- All evaluation metrics, except paperless billing uptake, were only measured for the period of January to March 2025;
  - Energy usage as well as load and billing impacts were only evaluated for the period from January to March 2025.
  - Service cost efficiency metrics (changes in Customer Care Centre call lengths and volumes) could not be evaluated as the required data were not available for the entire 2025 calendar year.
  - Paperless billing uptake data has not been affected by the cyber incident, and this metric was evaluated for January to December 2025.[4]

[1] GEEG Comments on behalf of the CA, CEM 2025 Evaluation, Measurement and Verification (EM&V) Report, July 24, 2026, page 1.
[2] NS Power CEM 2025 Evaluation, Measurement and Verification (EM&V) Report, Attachment 1, June 25, 2026, page 27.
[3] NS Power CEM 2025 Evaluation, Measurement and Verification (EM&V) Report, Attachment 1, June 25, 2026, page 6.
[4] NS Power CEM 2025 Evaluation, Measurement and Verification (EM&V) Report, Attachment 1, June 25, 2026, page 11.

- In addition to evaluation metrics, the unrealized impacts of the CEM for the period following the cyber incident were estimated. These estimated unrealized impacts fundamentally differ from evaluated impacts and should instead be interpreted as directional estimates that are intended to provide information to stakeholders in the interim.[5]

GEEG commented that it found the "estimated unrealized impacts" provided for April–December 2025 (Section 5 of the Report) to be of little to no value.[6] Econoler's inclusion of these estimates was explicitly caveated as differing fundamentally from evaluated results and, as noted above, this information was intended only to give stakeholders directional, interim information pending platform restoration. NS Power understands that reasonable parties may differ on the usefulness of certain analyses conducted under the unique constraints experienced in 2025 and this information will not be included in future EM&V reports.

Customer Engagement and Results

Both the SBA and the CA provide comments pertaining to customer engagement and results. GEEG states the following:

> 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.[7]

NS Power and Econoler note that the Total Number of Customers with Activated CEM has increased for all rate codes year over year and that the Average Number of Logins -January-March has remained relatively stable.[8] Econoler does not agree with GEEG's assertion that the evaluation measures impacts for non-users. Only customers who use CEM are included in the treatment group for analyses, whereas non-users can only be included in the control group.

[5] NS Power CEM 2025 Evaluation, Measurement and Verification (EM&V) Report, Attachment 1, June 25, 2026, page 6.
[6] GEEG Comments on behalf of the CA, NS Power CEM 2025 Evaluation, Measurement and Verification (EM&V) Report, July 24, 2026, page 3.
[7] GEEG Comments on behalf of the CA, NS Power CEM 2025 Evaluation, Measurement and Verification (EM&V) Report, July 24, 2026, page 2.
[8] NS Power CEM 2025 Evaluation, Measurement and Verification (EM&V) Report, Attachment 1, June 25, 2026, Table 3: CEM Logins per Commercial Customer in 2024 and 2025, page 18.

The SBA highlights the importance of continued momentum with respect to the activation of commercial customers. With respect to NS Power's commercial customer engagement strategy, they state:

> As noted by NSPI in its cover letter accompanying the Report, the Board directed NSPI in its decision on the Year 3 CEM EM&V Report to undertake additional work with respect to the CEM specifically to engage and incentivize more commercial customers to use the CEM platform. NSPI states that, due to the cyber security event, it was not able to implement any new initiatives in this regard. The SBA understands the issue with timing but respectfully submits that this should be a priority for NSPI going forward.[9]

Efforts continue to be focused on restoration of the platform at this time. However, NS Power confirms that additional work to engage commercial customers to use the CEM platform will remain a priority for NS Power once the platform is restored.

The SBA also provides the following comment with respect to commercial customer activations:

> The Report shows only limited increases in activation of CEM accounts for commercial customers and a reduction in the customers who logged in even once since activating their account [reference is report page 10, Table 3]. It is therefore crucial that Nova Scotia Power Inc. (NSPI) works to maintain and increase the activation levels for Year 5.[10]

Given the different evaluation periods in the 2024 and 2025 Reports (three months in 2025, twelve months in the 2024 report), the total number of logins is not directly comparable. A more comparable measure is the average number of logins for the January-March period in both years. These numbers are very similar year over year (0.07 and 0.06 for General and Small General in 2025 compared to 0.07 and 0.05 for General and Small General in 2024).[11]

Regardless, as noted above, NS Power remains committed to initiatives aimed at boosting commercial customer participation and to increasing customer awareness and adoption of CEM and My Energy Insights once access has been restored to customers.

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[9] SBA Comments, NS Power CEM 2025 Evaluation, Measurement and Verification (EM&V) Report, July 24, 2026, page 1.
[10] SBA Comments, NS Power CEM 2025 Evaluation, Measurement and Verification (EM&V) Report, July 24, 2026, page 1.
[11] NS Power CEM 2025 Evaluation, Measurement and Verification (EM&V) Report, Attachment 1, June 25, 2026, Table 3: CEM Logins per Commercial Customer in 2024 and 2025, page 18.

The SBA also notes a different trend in the first three months of 2024 compared to 2025 in Figure 13: Monthly Energy Usage Savings, Commercial General-High Users and indicates it would appreciate any insight that NSPI or Econoler may be able to provide for that difference.[12]

Econoler acknowledges that there does appear to be a difference between the 2025 and 2024 savings for January to March for the Commercial General/High User subset; however, was unable identify any clear reason or trend which would explain the change. Econoler notes that several factors may be contributing to the change, for example, the very small sample size for this group (on average, 39 customers in this group were included in the monthly savings analysis, as presented in Table 6 of the Evaluation Report) and the fact that heterogeneity of consumption profiles among General Commercial customers are generally associated with higher variance in the results.

NS Power and Econoler will continue to monitor the year-over-year trend in future CEM EM&V Reports.

Role of Electrification

With respect to electrification, the SBA and GEEG's comments both reference the following statement provided by Econoler in the Report:

> The evaluation results for high and low users under the Commercial General code and for low users under the Commercial Small General rate code appear to be statistically significant, but they result in negative energy savings. **Econoler suspects that some electrification (heating and non-heating related) may still be captured by the analysis even though only customers identified as electrically heated in both the baseline and post periods were considered in the analysis. [emphasis added].** Ideally, only customers consuming high levels of electricity would have been considered (as was the case for the Residential Standard rate code), but the relatively small sample of available CEM users in the Commercial rate codes made this option impractical.[13]

The commercial customer groups are characterized by relatively small sample sizes and heterogeneous consumption profiles, leading to results that are inherently subject to greater variability and uncertainty. Under these conditions, a wider range

[12] SBA Comments, NS Power CEM 2025 Evaluation, Measurement and Verification (EM&V) Report, July 24, 2026, page 1.
[13] NS Power CEM 2025 Evaluation, Measurement and Verification (EM&V) Report, Attachment 1, June 25, 2026, page 27.

of factors may plausibly contribute to the observed changes in consumption, and the results may be more sensitive to customer-specific circumstances than would be the case for larger and more homogeneous samples.

Econoler has confirmed that its intention of including this comment was to provide additional context to help with the interpretation of the results, not to suggest the commercial results are "contaminated" or to formally attribute the negative energy savings to electrification.[14] The observation regarding possible electrification effects reflects Econoler's professional judgement and experience in the Nova Scotia market and should be understood as a plausible contributing factor, rather than a finding directly arising from the evaluation analyses.

The SBA submits that NS Power should confirm whether some electrification may be captured by the analysis and, if so, how that can be accounted for in future evaluations.[15] The CEM evaluation methodology was not designed to directly quantify the contribution of electrification to the observed results and such quantification is not within the scope of the CEM evaluation. In addition, the small sample of available CEM users in the Commercial rate codes does not support additional filtering of customers considered in the analysis. As indicated in the report under Table 9, "Ideally, only customers consuming high levels of electricity would have been considered (as was the case for the Residential Standard rate code), but the relatively small sample of available CEM users in the Commercial rate codes made this option impractical."[16] However, to better understand whether commercial CEM customers have electrified since accessing the platform, NS Power commits to including a relevant question in its next CEM customer survey. Any findings would be reported as qualitative, directional indicators of customer behaviour and would not form part of the EM&V evaluation.

GEEG recommends 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.[17] As noted above, the commercial results were determined using the approved evaluation methodology and NS Power and Econoler believe the results continue to provide useful information regarding the measured impacts observed for these customer groups. Accordingly, NS Power and Econoler do not believe any change is required to how commercial impact results are reported at this time.

[14] GEEG Comments on behalf of the CA, NS Power CEM 2025 Evaluation, Measurement and Verification (EM&V) Report, July 24, 2026, page 2.
[15] SBA Comments, NS Power CEM 2025 Evaluation, Measurement and Verification (EM&V) Report, July 24, 2026, page 2.
[16] NS Power CEM 2025 Evaluation, Measurement and Verification (EM&V) Report, Attachment 1, June 25, 2026, page 27.
[17] GEEG Comments on behalf of the CA, NS Power CEM 2025 Evaluation, Measurement and Verification (EM&V) Report, July 24, 2026, page 2.

Clarification of Evaluation Methodology

The SBA states that it is unclear how the statement in the Report that "The evaluation results for high and low users under the Commercial General code and for low users under the Commercial Small General rate code appear to be statistically significant, but they result in negative energy savings."[18] ties into the following Report finding:

> For Commercial General customers, load savings were measured for the monthly peak demand. Figure 16 below illustrates that these load savings are usually near zero and generally remain between the confidence interval, which corresponds to statistically nonsignificant savings. [19]

The first statement specifically refers to energy savings values in Table 9, which presents overall average energy and peak demand savings for the January-March period. The finding from page 25 is in reference to Figure 16 which presents the average peak demand savings for each individual month. Figure 16 illustrates that these load savings are generally near zero and that their confidence intervals typically include zero, indicating that the results are not statistically significant. These two sets of results offer complementary insights and should not be compared directly.

GEEG notes the following concern with respect to Critical Peak Pricing (CPP) Peak Savings:

> 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.[20]

In the case of each TVP rate (CPP and Time of Use (TOU)), the control group is made up of customers on the same rate as the treatment group being considered, but who did not log into the CEM platform for a given month. As a result, the effects of the

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[18] NS Power CEM 2025 Evaluation, Measurement and Verification (EM&V) Report, Attachment 1, June 25, 2026, page 27.
[19] NS Power CEM 2025 Evaluation, Measurement and Verification (EM&V) Report, Attachment 1, June 25, 2026, page 25.
[20] GEEG Comments on behalf of the CA, NS Power CEM 2025 Evaluation, Measurement and Verification (EM&V) Report, July 24, 2026, page 2.

underlying rate signal are controlled for through the DID approach, as both the treatment and control groups are exposed to the same CPP or TOU price signal.

Future Evaluations

The CA provides the following recommendation with respect to 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.[21]

NS Power and Econoler agree that a full-year evaluation period increases the relevance and value of the results. NS Power supports GEEG's recommendation to defer future evaluations until customers have had sufficient opportunity to fully access and utilize the CEM platform. Specifically, NS Power proposes that:

- The next CEM EM&V Report be filed on May 1, 2028;
- The scope of the May 1, 2028 CEM EM&V Report cover the full calendar year (January 2027-December 2027) to maintain consistency with prior reporting and evaluation periods;
- In lieu of an EM&V report for 2026, NS Power provide an update on the CEM platform restoration and on initiatives aimed at boosting commercial customer participation on May 1, 2027.

Updates on the status of CEM platform restoration will also continue to be provided to the Board in NS Power's Monthly Update Reports for M12273.

Yours truly,

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[21] GEEG Comments on behalf of the CA, NS Power CEM 2025 Evaluation, Measurement and Verification (EM&V) Report, July 24, 2026, page 3.