
Nova Scotia Energy Board

IN THE MATTER OF *The Public Utilities Act*, R.S.N.S. 1989, c.380, as amended

M12932

Time-Varying Pricing 2024/25 (Year Four) and 2025/26 (Year Five) Evaluation Reports

**NS Power
Reply Submission**

October 19, 2026

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TVP 2024/25 and 2025/26 Evaluation Reports – Reply Submission
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1.0 INTRODUCTION

Nova Scotia Power Incorporated (NS Power, Company) filed its 2024/25 (Year Four) and 2025/26 (Year Five) Time-Varying Pricing (TVP) Evaluation Reports on June 30 and July 31, 2026, respectively. The Nova Scotia Energy Board (NSEB, Board) subsequently directed that the reports be reviewed together through a paper hearing. The Company filed responses to information requests (IRs) from Board staff, the Consumer Advocate (CA), and the Small Business Advocate (SBA) on September 14, and submissions were filed by the CA and SBA on September 28. This correspondence is provided as NS Power’s Reply Submission.

NS Power notes that both the CA and SBA support the continuation of TVP and highlight the importance of building on the results observed to date.¹ The Company agrees that the TVP Pilot has generated meaningful insight into customer response to time-varying pricing in Nova Scotia and that the evaluation reports contribute to the growing body of evidence that will continue to inform TVP pricing innovation initiatives as TVP operations resume for the 2026/27 Season.

The recommendations advanced by the CA and SBA primarily relate to future enhancements to TVP, evaluation approaches, and customer participation. Many of these topics are already contemplated through the Company’s ongoing pricing innovation process, as outlined in the 2024 Consensus Agreement² and reflected in the 2026/27 Work Plan.³ The Company progressed a

¹ At page 1, the CA provided “The CA supports the TVP Pilot and supports its resumption for the 2026/27 Season. The CA’s interest is in expanding the pilot, while making it more effective using key findings from the Evaluation filing with the goal of a permanent TVP offering as soon as possible.” Discussion throughout, and recommendations within, the SBA’s Submission (pages 2-4) are supportive of the continuation of TVP and future refinement informed by pilot experience.

² The 2024 Consensus Agreement (filed as Appendix A in M11822), provides “The Parties also support ongoing pricing innovation in a structured, analytics-based and stakeholder engaged manner, including: i. Ongoing consultation with stakeholders in the identification of new opportunities for TVP tariffs; ii. Ongoing consultation with stakeholders in the evaluation of proposed changes to the Company’s existing TVP tariffs; iii. The continued use of pilots to evaluate pricing proposals; iv. Evaluation, measurement, and verification (EM&V); v. Adoption of a rate design scorecard for evaluating tariffs; and vi. Evergreen pricing innovation, refreshed on an annual cycle – e.g. recruitment, implementation, evaluation, engagement, and refinement.”

³ Please refer to the updated Areas of Focus Work Plan (i.e. 2026/27 Work Plan) filed as Attachment 1 to the Year Four Report letter.

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1 number of Work Plan items prior to the cybersecurity incident,⁴ the remaining items remained on
2 the Company's Work Plan during the temporary suspension of the Pilot in 2025/26. As explained
3 in response to SBA IR-6, the Company's immediate focus has been the resumption of the TVP
4 tariffs for the 2026/27 Season and supporting customers as they return to the program. Following
5 this, the Company will resume the stakeholder engagement activities outlined in the 2026/27 Work
6 Plan, providing an opportunity to review customer participation trends, recruitment approaches,
7 participant experience, and potential opportunities for future growth and refinement informed by
8 actual operating experience.

9
10 Accordingly, NS Power's focus in this Reply Submission is on how the matters raised by the CA
11 and SBA will continue to be assessed and discussed through the ongoing pricing innovation
12 process with stakeholders in a structured and analytics-based manner.

⁴ In addition to the updated Work Plan (Attachment 1 to the Year Four Report letter), please refer to the technical session materials provided as Year Four Report Appendix C and E and Year Five Report Appendix B.

2.0 PARTICIPATION AND CUSTOMER EXPERIENCE

The CA recommends that NS Power develop recruitment plans and enrolment targets for the 2027/28 Season, including for low-income, renter, and multi-unit customers, and report on commercial customer engagement and incentive structures in the Year Six Report.⁵ The SBA similarly recommends that interested Commercial customers be permitted to join the program during the next TVP pilot period and that the Company report on participant attrition.⁶

Customer participation is an important consideration in assessing customer response to TVP offerings and informing future program development. As noted throughout this proceeding, the temporary suspension of the Pilot interrupted customer participation and the progression of enrolment in TVP. With the resumption of TVP for the 2026/27 Season, the Company's immediate priority is supporting the return of existing participants and re-establishing program operations. Once program operations have been re-established and it is feasible to do so, the Company intends to resume broader customer engagement and recruitment activities, including outreach to interested commercial customers. The Company expects future operating experience and customer feedback to provide additional insight into participation trends, participant experience, customer engagement approaches, and opportunities to strengthen customer understanding of TVP offerings.

The Company notes that many of the topics raised by the CA and SBA, including customer engagement, marketing and communications, accessibility considerations, and commercial customer participation, have been the subject of prior stakeholder discussions and remain areas of focus within the Company's pricing innovation activities. Several of these topics were advanced

⁵ At page 8, the CA recommends the Board direct NS Power to develop "a recruitment plan and enrolment targets for the 2027/28 Season covering residential and commercial customers, informed by the electrification forecast and reaching low-income, renter and multi-unit customers," and file that plan with the Year Six Report. The CA also requests that NS Power "report, in the Year Six Report, the review of commercial customer engagement and of the commercial TVP incentive structure required by the Board's direction in M11823."

⁶ On pages 4-5, the SBA recommends the Board direct the Company to "allow for interested Commercial participants to join the program during the next TVP pilot program" and "[r]eport on the number of the Commercial participants in the TVP program who have dropped out to-date as well as those who drop out before the next pilot begins and include a survey result with explanations for their decision to leave the pilot."

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1 through Technical Sessions prior to the cybersecurity incident (as reflected in Year Four Report
2 Appendix C and E and Year Five Report Appendix B) and remain under consideration as
3 stakeholder engagement activities resume.

4
5 The CA also recommended that NS Power report on measures intended to improve first-year
6 participant satisfaction.⁷ The Company notes that participant onboarding, communications, and
7 overall customer experience have been recurring areas of focus throughout the TVP Pilot and are
8 reflected in the 2026/27 Work Plan. As additional customer feedback becomes available following
9 the resumption of the TVP Pilot, NS Power will continue to evaluate participant satisfaction
10 through its annual evaluation process, including the customer surveys conducted as part of that
11 process, and will use those insights to inform future program refinements.

⁷ Recommendation 7 on page 8 of the CA’s Submission provides, “Direct NS Power to report, before the Pilot resumes, the steps it will take to improve first-year participant satisfaction, including a personalised bill estimate at enrolment, a comparison against the standard rate after the first winter, onboarding, and disclosure of the winter and non-winter bill profile.”

3.0 EVALUATION METHODOLOGIES AND REPORTING

The CA recommends several additions to future evaluation reports, including reporting aggregate peak load reductions, monetized avoided-cost benefits, separate reporting of Small General and General customer results, and additional reporting for low-income participants where sample sizes permit.⁸ The CA also recommended that NS Power complete an avoided-cost recalculation against the August 2024 avoided cost series and provide a date for doing so.⁹

The Company's annual evaluation process is a key component of the TVP Pilot. NS Power prepared the Year Four and Year Five Reports in accordance with the Board-approved EM&V framework; both reports provide transparent discussion of the evaluation findings and the limitations associated with those findings. Several of the CA's recommendations relate to potential enhancements to the current evaluation framework. The Company notes that topics such as customer segmentation, avoided costs, commercial customer performance, and potential reporting enhancements were previously identified for stakeholder review and remain under consideration as stakeholder engagement activities resume. The Company submits that consideration of additional analyses, reporting metrics, and evaluation methodologies is an item on the 2026/27 Work Plan, and should be informed by future operating experience and evaluation results following the resumption of TVP for the 2026/27 Season.

With respect to avoided costs, the Company notes that assessment of the extent to which TVP offerings reflect avoided costs and review of system planning related values are both identified as areas for stakeholder review as part of the 2026/27 Work Plan. The Company expects those discussions to continue following the resumption of stakeholder engagement activities.

⁸ At page 8, the CA recommends that the Board direct that "the evaluation plan for the next reporting year add (a) aggregate peak load reduction in megawatts calculated on actual enrolment, and (b) the value of that reduction against the current DSM avoided cost series," "Small General and General results be reported separately in future evaluation reports," and "future evaluation reports state enrolment, and load and bill impacts, for low-income participants as the sample permits."

⁹ In recommendation 4, the CA recommends the Board direct "NS Power to complete the avoided-cost recalculation against the August 2024 series and to report a certain date for doing so."

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1 The Company also notes that avoided cost methodologies and assumptions continue to evolve
2 through separate regulatory and stakeholder processes, namely the Integrated Resource Planning
3 process currently underway. Further, following the enactment of the *More Access to Energy Act*,
4 responsibility for development of avoided costs associated with demand side management
5 activities now falls within the jurisdiction of the Nova Scotia Independent Energy System Operator
6 (IESO-NS). Accordingly, NS Power expects to engage IESO-NS as part of its future assessment
7 of TVP as it relates to avoided costs.

8
9 NS Power submits that ongoing stakeholder engagement through the pricing innovation process
10 provides an appropriate forum for review of potential evaluation enhancements, including
11 consideration of avoided costs, evaluation methodology, and reporting approaches for future
12 reports. This process provides an opportunity for stakeholders to provide input and feedback, and
13 for the Company to assess and consider whether and how enhancements may be implemented for
14 future reports.

4.0 TARIFF DESIGN AND FUTURE PROGRAM ENHANCEMENTS

The CA recommends that the Board direct NS Power and EfficiencyOne (E1) to pursue additional coordination between TVP and Eco Shift, including the filing of a joint cross-promotion plan and additional reporting on cross-enrolment and measured load impacts.¹⁰

With respect to the CA’s recommendation regarding coordination between TVP and Eco Shift, the Company agrees that opportunities for coordination should be explored where evidence suggests that such coordination may create additional customer and/or system benefits. NS Power notes E1’s 2027-2031 DSM Plan remains an open matter before the Board (M12780) and the final form of E1’s approved programming, including Eco Shift, remains to be determined through that proceeding.

The Company welcomes continued collaboration with E1 regarding the interaction between these programs. However, NS Power does not consider additional Board-directed filings or reporting requirements necessary at this time. The Company submits that any future opportunities for coordination, including whether additional analysis or reporting would provide meaningful value to stakeholders, can be assessed through existing stakeholder engagement processes as further operational experience, through both TVP and E1’s DR programming, becomes available.

The CA further recommended that the Board direct additional analysis relating to demand charges and potential modifications to those structures.¹¹ The SBA submits that lessons learned through the pilot should be used to support future program improvements and that stakeholders should receive further updates regarding the ongoing pricing innovation process.¹²

¹⁰ CA Submission, recommendation 8, page 8.

¹¹ Specifically, at page 8, the CA recommends that the Board direct “that the 2026/27 Work Plan include an analysis of where demand charges apply across the TVP tariffs, their effect on a participating customer who shifts load, and whether any could be reduced or removed in advance of the Customer Information System replacement.”

¹² At page 4, the SBA recommended that the Board direct “NSPI to provide an update to stakeholders about the activities and interim results of the above referenced on-going price innovation process as soon as possible, within this matter (M12932), or prior to April 1st of 2027.”

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1 The Company agrees that the Year Four and Year Five evaluations provide useful insight that can
2 inform future discussions regarding tariff design and program enhancements. At the same time,
3 many of the topics identified by the CA and SBA, including demand charges, customer tools,
4 avoided costs, commercial customer participation, and potential tariff enhancements, extend
5 beyond the scope of the evaluation process and have already been identified for review through
6 the Company's pricing innovation process, which includes stakeholder technical sessions.¹³
7

¹³ For clarity, the referenced pricing innovation process is reflected in the 2024 Consensus Agreement (M11822) and an update on the activities slated for future review was provided as Attachment 1 to the Year Four Report cover letter.

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5.0 CONCLUSION

NS Power submits that the Year Four and Year Five Evaluation Reports provide a reasonable and transparent assessment of customer response to the approved TVP tariffs and contribute meaningfully to the understanding of time-varying pricing in Nova Scotia.

The Company agrees with parties that there is value in continuing to build on the lessons learned through the TVP Pilot. With the resumption of TVP for the 2026/27 Season, future operating experience and evaluation results will provide further opportunities to assess customer participation, evaluation methodologies, tariff design, and potential program enhancements.

The Company respectfully submits that no Board direction is required at this time. Rather, these topics can continue to be assessed through the structured, analytics-based, and stakeholder engaged process contemplated by the 2024 Consensus Agreement (M11822) and reflected in the ongoing Work Plan. The Company looks forward to continuing those discussions with stakeholders and to building on the growing body of evidence regarding customer response to time-varying pricing in Nova Scotia.