Nova Scotia POWER
An Emera Company

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July 31, 2026

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

Re: Application for Renewall Energy-requested Updates to Renewable to Retail Market Elements

Dear Ms. Henwood:

On June 19, 2025, counsel for Renewall Energy Inc. (Renewall, REI) wrote to the Nova Scotia Energy Board (NSEB, Board) in matter M12339, requesting an expedited process to amend existing tariffs or to create a new tariff to enable distribution-connected generation and net billing for the Renewable to Retail (RtR) market. The request was made pursuant to section 3G(1) of the *Electricity Act* or alternatively pursuant to section 83(1) of the *Public Utilities Act*. In short, REI wants to access Nova Scotia Power Inc.'s (NS Power, Company) distribution system to aggregate[1] excess electricity from its customers or distribution connected generators.

The NSEB wrote to NS Power on July 9, 2025, advising that it would establish a process and timeline for the tariff request but wanted a response to the issues raised by Renewall from NS Power before doing so. On July 23, 2025, NS Power filed its response to the issues raised by Renewall. Renewall provided rebuttal submissions on August 8, 2025, and NS Power filed its reply on August 15, 2025.

The Board issued its Decision on November 19, 2025, and ordered:

> (1) NS Power must engage with interested parties, as contemplated under s. 22(1) of the *Electricity Act*, to develop or amend any tariffs, procedures or standards of conduct necessary to enable distribution-connected generation and net billing, while adhering to the requirements of s. 22(2).
>
> (2) The Board directs NS Power to file an application for the approval of the necessary tariffs, procedures or standards of conduct by April 1, 2026.[2]

[1] Meter aggregation is the combination of energy consumption and/or generation from multiple utility meters for the purpose of billing, settlement, reporting, etc.
[2] M12339 – Board Order, 325833, page 1. November 19, 2025.

Upon receipt of the Board's Decision and Order, NS Power internally assessed its capacity and ability to find a path forward that would appropriately balance all operational, regulatory, and stakeholder interests. As part of that process, NS Power considered whether the required tariff development work could and should be advanced solely through internal resources, recognizing the complexity of the issues and the evolving nature of retail market frameworks.

Following that assessment, in early February 2026, NS Power and REI agreed to engage Power Advisory LLC (Power Advisory) to assist with matter as Power Advisory has extensive experience and expertise in retail electricity market design and implementation and was well-positioned to support REI and NS Power in advancing a practical and informed path forward. Power Advisory has provided a letter confirming its support of this Application, attached as **Attachment 1**.

Following subsequent communications with the Board, the NSEB provided extensions to the application filing date to July 31, 2026. NS Power and REI ("the Parties") worked collaboratively through the stages of the workplan to assess RtR market tariffs and associated processes and determine the changes required to comply with the Board's directive. The Parties hosted a stakeholder session, led by Power Advisory, on May 14, 2026. On July 23, 2026, the Parties hosted an additional stakeholder engagement session. Materials from the two stakeholder engagements sessions are provided as **Attachments 2 and 3**.

The outcome of this work resulted in changes to the following Renewable to Retail Market elements:

- Standby Service (SS) Tariff;
- Energy Balancing Service (EBS) Tariff;
- Distribution Tariff; and
- Licensed Retail Supplier (LRS) Terms and Conditions.

In addition, a new RtR Tariff is proposed, the Distribution-connected Aggregation Service (DAS) Tariff, to establish the terms under which NS Power will provide distribution-connected generation aggregation service to LRSs. The DAS Tariff includes an administration fee for recovery of the incremental cost of providing the LRS with this service. The amount for this fee has not yet been determined. It is proposed that work on determining this charge continue and, subject to a Board determination in this matter, the proposed 2027 figure be included in the 2027 Annually Adjusted Rates (AARs) Application. If, prior to the effective date following a Board Decision on the 2027 AARs, operating costs are incurred to support the DAS Tariff function, these will be deferred for future recovery.

The proposed RtR market tariffs and revised LRS Terms and Conditions are provided as **Attachments 4 to 12**.

NS Power and REI have determined no changes are required to the following RtR Market elements:

- Code of Conduct for Renewable Low-impact Electricity Sales in Nova Scotia;
- Distribution-connected generation interconnection processes;
- Nova Scotia Wholesale and Renewable to Retail Electricity Market Rules;
- Open Access Transmission Tariff (OATT); and
- Renewable to Retail Market Transition Tariff.

The changes to the existing tariffs are limited and focused primarily on the requirement to segregate LRS customer load imported from the NS Power system for consumption by the retail customer and distribution-connected generation exported to the NS Power system for sale in the RtR market. The segregation is required because supply of electricity to retail customers and aggregation of distribution-connected energy (whether customer-owned behind-the-meter generation or LRS standalone generation) are two distinct services. Additionally, it is required because the OATT and Distribution Tariff employ customer load information only, while the SS and EBS tariffs require both customer load information and the LRS generation information in the development of the tariff charges. The segregation is enabled by the Company's Advanced Metering Infrastructure (AMI) technology which allows the creation of separate electricity import and export channels for the recording, communication, and billing of the bi-directional electricity flows.

Aside from the segregation of imports and exports, other notable revisions to the RtR market elements include:

- Additions to the SS Tariff to recognize that beyond the physical/operational capacity values of a resource as determined by the resource's Effective Load Carrying Capability (ELCC), there is a commercial commitment required of the LRS to allow NS Power to recognize this resource as providing long-term capacity value to the Nova Scotia system. The additions are based on terms previously approved for inclusion in the Wholesale Market Backup/Top-up Tariff for the same purpose.

- Changes proposed for the LRS Terms and Conditions primarily to incorporate reference to the DAS Tariff, among a number of minor administrative-related updates to align with recently approved definitions in related tariffs (e.g. addition of Storm Cost Recovery Charge definition from the DT to the LRS Terms and Conditions).

At the end of 2028, a review of the operation of the DAS Tariff and the broader RtR construct will be undertaken by NS Power. This is in recognition of the uncertain pace and scope of RtR market development in general and the uncertain implications of distribution-connected generation in particular for power system flows. If this review identifies the requirement for revision to the DAS Tariff or any other RtR-related market elements, revisions will be proposed for the Board's approval.

Issues identified by the Parties to date, for review post-2028, include:

- The effect of distribution-connected generation on system losses. It is understood that, in general, generation closer to load may reduce system losses; however, this is a function of system generation characteristics, distribution system configuration, local customer load profiles across the day and throughout the year, etc. In light of the significant estimated cost to incorporate this element, it is proposed this be considered as part of the post-2028 review;
- Alignment between distribution-connected generation and load across the day and throughout the year;
- Alignment between customers currently approved for net metering and new RtR customers;
- Capacity contribution factors applicable to LRS generation under various configurations;
- Ongoing administration costs;
- Development of the IESO Nova Scotia role in relation to the RtR market; and
- Evolution of the Nova Scotia electricity system.

It is anticipated that additional issues will be identified as experience grows with RtR market operations over the next two years.

The Parties are proposing no changes to the annual cost base which underpins the pricing of EBS Tariff top-up and spill amounts as this is an issue that remains under review in accordance with the Board's direction in the Company's 2026 AAR Application (M12551) and is subject to change.

Conclusion

The Company acknowledges and appreciates the collaborative effort put forth by REI on this matter. It is understood by both parties that Nova Scotia remains in the early stage of Renewable to Retail market development and further collaborative work will be required to support this market. The Company understands the proposed changes will affect other RtR/LRS processes (e.g. the Board-approved rate comparison). Subject to a Board Decision in this matter, NS Power will support that work as required.

The following additional attachments are provided for the Board's review and approval:

- New Distribution-connected Aggregation Service Tariff (**Attachment 4**);
- Revised Energy Balancing Service Tariff (**Attachment 5**) and provided in redline as **Attachment 9**;
- Revised Distribution Tariff (**Attachment 6**) and provided in redline as **Attachment 10**; and
- Revised Standby Service Tariff **(Attachment 7**) and provided in redline as **Attachment 11**;
- Revised LRS Terms and Conditions (**Attachment 8**) and provided in redline as **Attachment 12**.

Please address any questions to the undersigned.

Yours truly,

Jennifer Power
Director, Regulatory Affairs

POWER ADVISORY

Power Advisory
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Toronto, ON M5J 2H7

July 29, 2026

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

Dear Ms. Henwood,

Power Advisory LLC (Power Advisory) was pleased to have been selected to provide support to Nova Scotia Power Inc. (Nova Scotia Power) and Renewall Energy Inc. (Renewall) in relation to Matter 12339 regarding amending or creating tariffs to enable distribution-connected generation and net billing for the Renewable to Retail market.

Power Advisory is an energy sector management consulting firm focused on North American electricity markets with expertise in rate regulation, wholesale market design, and market products. Our consulting services are provided by seasoned energy sector professionals, offering a wide breadth and significant depth of industry knowledge. Since our founding in 2007 we have provided high quality and customized consulting services to clients across Canada. Power Advisory offers a well-balanced team of economists, engineers, and policy experts with experience working with Atlantic Canada's agencies, regulators, industry, and decision makers.

Nova Scotia Power, working closely with Renewall, engaged Power Advisory in February 2026. Since then, Power Advisory staff have worked closely with both parties in reviewing existing tariff documents and other related documents, such as the Licenced Retail Supplier Terms & Conditions, to identify any potential impacts from enabling distribution-connected generation and net billing for the Renewable to Retail market. Power Advisory led the initial stakeholder engagement on proposed updates to the tariff documents which included a jurisdictional scan regarding distribution-connected generation charges. Throughout the engagement, Power Advisory facilitated discussions between the two parties.

Power Advisory would like to commend both Nova Scotia Power and Renewall for working collaboratively in refining the tariff documents throughout this iterative process. Power Advisory is supportive of the new and amended tariff documents, which will expand the available supply options for the Renewable to Retail market while allowing for a review period to assess the impact of the changes.

Please contact me should you have any questions.

Sincerely,

Brendan Callery

Brendan Callery
Senior Manager, Eastern Canada
Power Advisory

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DRAFT-M12339
Distribution Connected Generation and Net Billing

Stakeholder Engagement

May 14, 2026

Contents

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M12339 Background – Distribution Connected Generation and Net Billing

Board Order Summary: M12339 – Distribution Connected Generation and Net Billing

From M12339 Board Order:

- “On June 19, 2025, Renewall Energy Inc. asked the Board to direct (NS Power to conduct) an expedited process to amend existing renewable to retail tariffs or create a new tariff to enable distribution-connected generation and net billing to participate in the renewable to retail program. NS Power took the position that the Board did not have the jurisdiction to consider Renewall’s request under the current legislative and regulatory framework.”

- “The Board issued its Decision on November 19, 2025, and found it has the jurisdiction to approve tariffs, procedures and standards of conduct relating to distribution-connected resources to supply retail suppliers with renewable low-impact electricity to sell to their customers and net billing arrangements between a retail supplier and its customers.”

- “The Board orders that:

  1. NS Power must engage with interested parties, as contemplated under s. 22(1) of the *Electricity Act*, to develop or amend any tariffs, procedures or standards of conduct necessary to enable distribution-connected generation and net billing, while adhering to the requirements of s. 22(2).
  2. The Board directs NS Power to file an application for the approval of the necessary tariffs, procedures or standards of conduct by April 1, 2026.”

     - NS Power subsequently got an extension from the Board to file the application on June 1, 2026.

Nova Scotia Power Engages Power Advisory

- In collaboration with Renewall Energy Inc. (Renewall), Nova Scotia Power Inc. (Nova Scotia Power) engaged Power Advisory to assist with the updates to the Renewable to Retail (RtR) program to allow for distribution connected resources (including net billing surplus) to participate in the program.
  - Both Renewall and Nova Scotia Power reviewed the scope of work for the project.
  - Until now, the Renewable to Retail program only considered transmission connected supply.
- This work follows on the order from the Nova Scotia Energy Board (Board) to amend existing renewable to retail tariffs or create a new tariff to enable distribution-connected generation and generation surplus from net billing customers (net billing surplus) and to file an application for the approval of the necessary tariffs with the Board.
- Power Advisory's scope of work is focused on assisting NS Power amend the existing renewable to retail tariff or create a new tariff to enable distribution-connected generation projects to participate and support net billing.
  - As part of this scope of work, Power Advisory is engaging with interested parties to develop or amend the impacted tariffs, procedures or standards of conduct necessary to enable distribution connected generation and net billing surplus, in advance of the filing with the Board.

Power Advisory's Scope of Work

In Scope:

- Potential changes to the 5 Renewable to Retail tariff documents, or drafting of a new tariff document
- Potential changes to related documents impacted by the proposed changes, such as the Licenced Retail Supplier (LRS) Terms & Conditions

Out of Scope:

- **Legislative/Regulatory changes:** Potential changes to legislation and/or regulations related to proposed changes to the tariffs
- **Net Metering**: As net metering is not directly contemplated within the tariffs, any proposed changes to tariff language is not intended to impact upon how net metering schemes function.

Tariff and Related Documents Reviewed

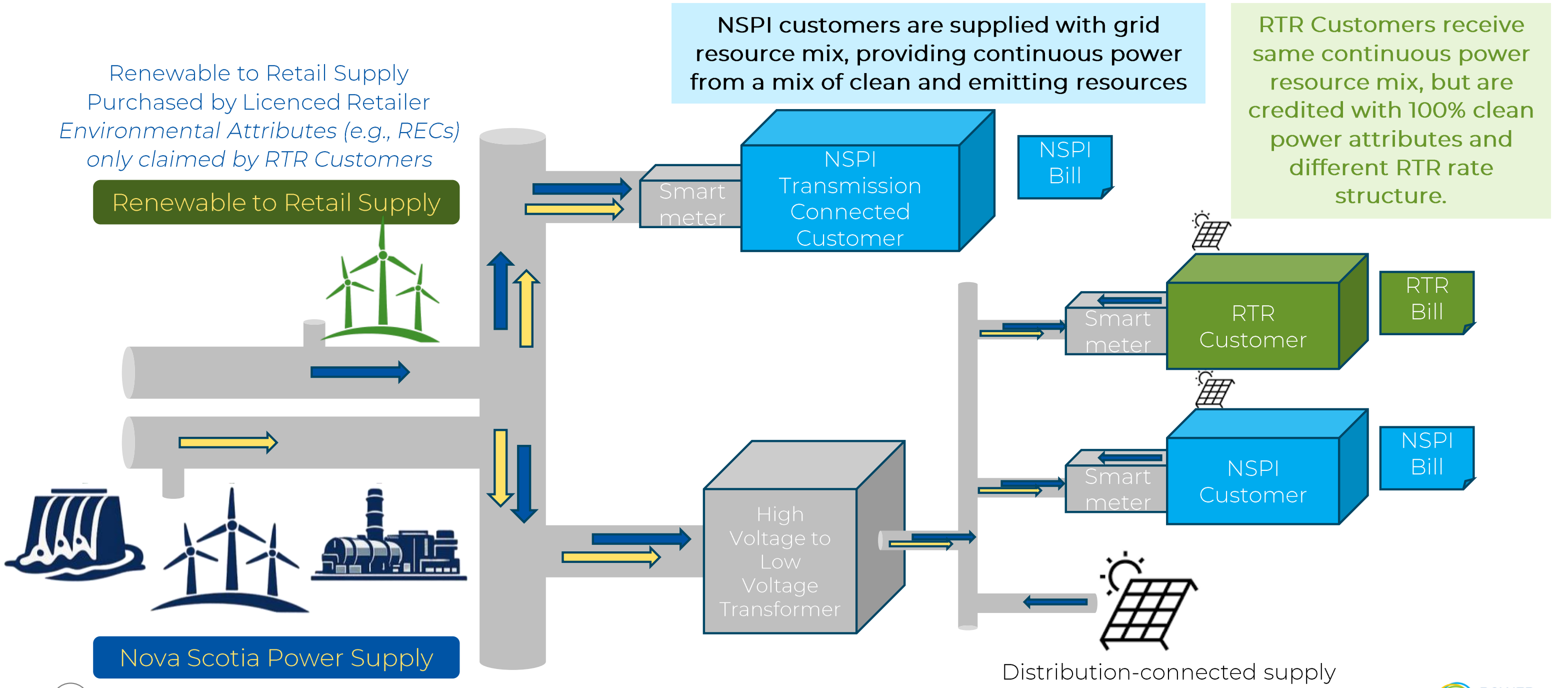
- Five Renewable to Retail Tariffs
  - Distribution Tariff, Energy Balancing Tariff, Standby Service Tariff, Open Access Transmission Tariff, RTR Market Transition Tariff
  - All tariff documents were initially reviewed and discussed by Renewall and Nova Scotia Power and Power Advisory.
  - Following the initial review, the RTR Market Transition Tariff did not have any proposed changes or impacts to consider.
- Licenced Retail Supplier Terms and Conditions: The Licenced Retail Supplier Terms and Conditions was initially reviewed by Power Advisory, with comments provided by Renewall and Nova Scotia Power.
- Interconnection Documents: In Power Advisory's opinion, the interconnection documents are not expected to be impacted by proposed changes to allow any LRS to expand its offerings to Dx connected generation and net metering excess supply, under the assumption that RtR surplus net billing customers would follow the same interconnection process as net metering customers. Leveraging existing documents should simplify implementation.
- Market Rules: In Power Advisory's opinion, the Market Rules would not be materially impacted by the proposed changes. It should also be noted that the Market Rules stipulate that, for any conflict between the Market Rules and another document, that the other document "shall govern".
- **Once the approach on the impacted tariff documents has been settled, the RTR Market Transition Tariff, the Licenced Retail Supplier Terms & Conditions, the Interconnection Documents and the Market Rules should all be revisited to confirm potential updates.**

Renewable to Retail Background

Renewable to Retail Background

- In 2014, "*Renewable Electricity Retail Sale Regulations*" (now "*Board Electricity Retailers Regulations*") became effective which enabled competition for Nova Scotia Power regarding sales to electricity customers in the province
    - Licenced Retailers must comply with the regulations as well as the Code of Conduct
- In 2021, the Nova Scotia Utility and Review Board (NSUARB) approved the first license for Renewable to Retail to a wholly owned subsidiary of Roswall Development Inc. (Roswall), later named Renewall Energy Inc.
    - As of May 11, 2026, there are no other applicants to become RtR Market Participants
- In March 2023, the 148.5 MW Mersey River Wind Farm development by Roswall received approval of its Environmental Assessment from the Ministry of Environment and Climate Change
    - The Mersey River Wind Farm will generate the energy for Renewall to provide to Renewable to Retail customers
    - the 148.5 MW wind farm will be connected to the grid in addition to the existing pool of wind resources in Nova Scotia (currently ~600 MW)
    - Mersey River Wind Farm is expected to begin operating by Spring 2027
- The Renewable to Retail program had initially been considered as supporting transmission connected wind energy supply.
- **The proposed changes to broaden the supply offerings for Renewable to Retail to include distribution connected generation and surplus net billing are likely to lead to resources other than wind, such as solar energy.**

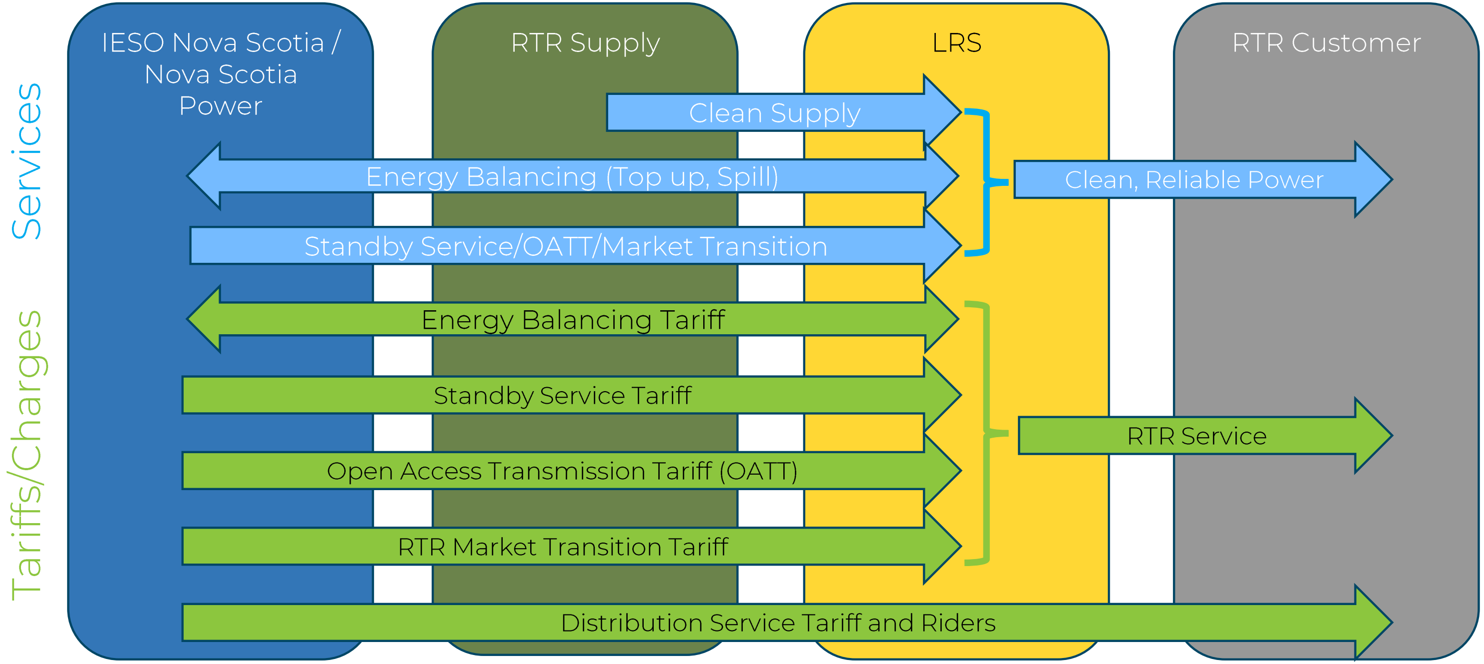
Renewable to Retail Program Overview



Applicable Renewable to Retail Tariffs

- There are five tariffs applicable for the Renewable to Retail program that were reviewed to consider whether updates were required to allow for distribution connected generation and surplus net billing as supply options for Licenced Retail Suppliers:
  - Distribution Tariff and Distribution Tariff Rates
    - Provides for Distribution System Access for distribution-connected RtR customers
  - Energy Balancing Service Tariff
    - hourly "top-up" energy (when load exceeds generation) and "spill" energy (when generation exceeds load)
  - Standby Service Tariff
    - provides capacity adequacy service and top-up capacity service (for the top-up energy from balancing)
  - Open Access Transmission Tariff
    - Provides access to the transmission system for the renewable energy (OATT Network Service)
  - Renewable to Retail Market Transition Tariff
    - Charge to cover generation related fixed costs and deferred costs of NS Power but can also result in a credit depending on the avoided cost and the average system fuel cost (credit cannot result in a net annual payment)
- Riders also apply to Renewable to Retail customers, such as Fuel Adjustment Mechanism, the Storm Cost Recovery Rider and the Demand Side Management Cost Recovery Rider.
- The Licenced Retail Supplier Terms & Conditions was also reviewed for potential impacts relating to this matter.

Overview of Renewable to Retail Services & Tariffs



LRS T&Cs: The LRS shall ensure that each RtR Customer Contract contains an acknowledgement from the RtR Customer that the RtR Customer will revert to NS Power's Bundled Service upon discontinuance of LRS Tariffed Service and the termination of the LRS Participation Agreement […].

Principles From the Electricity Act

Electricity Act – No Harm to Non-Participants

Nova Scotia Power obligations

22 **(1)** Notwithstanding Section 77 of the *Public Utilities Act*, Nova Scotia Power, or IESO in relation to matters falling under its scope of authority pursuant to the *More Access to Energy Act*, shall maintain in consultation with stakeholders, and file with the Board for approval, any tariffs, procedures and standards of conduct and any amendments to existing tariffs, procedures and standards of conduct that are necessary to facilitate the purchase of renewable low-impact electricity as provided for in Section 18, including

(a) a new or amended open access transmission tariff;

(b) a distribution tariff;

(c) a new or amended backup or top-up service tariff;

(d) a new or amended non-dispatchable supplier spill tariff;

(e) new or amended interconnection procedures;

(f) new or amended market rules; and

(g) any other tariffs, procedures or standards of conduct prescribed by the regulations or that the Board requires Nova Scotia Power to develop or amend in order to facilitate the purchase of renewable low-impact electricity as provided for in Section 18.

(2) In reviewing and approving the tariffs, procedures and standards of conduct required to be maintained or amended pursuant to this Section, the Board must be guided by the following principles:

(a) customers of Nova Scotia Power and persons who, as of March 18, 2014, were independent power producers or hold feed-in tariff approvals within the meaning of the regulations are not to be negatively affected if some retail customers choose to purchase renewable low-impact electricity from a retail supplier; and

(b) retail suppliers and their customers are to be responsible for all costs related to the provision of service by retail suppliers to their customers that would otherwise be the responsibility of Nova Scotia Power and its customers. 2025, c. 18, Sch., s. 22.

Electricity Act

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Proposed Tariff Changes to Discuss

Summary: Distribution Tariff & Distribution Tariff Rate

- The Distribution Tariff and the associated Distribution Tariff Rates relate to the provision of Distribution System Access to RtR Customers to enable the connection of the RtR Customer to the Distribution System.

- The Distribution Tariff is the only tariff to be paid directly by RtR Customers whereas other tariffs are paid by the Licenced Retail Supplier, with costs passed on to RtR Customers.

- The tariff covers the following sections:
  - Definitions
  - Purpose of the Distribution Tariff
  - Scope of the Distribution Tariff
  - Board Approval
  - Appendices
  - Applicability of NS Power Regulations
  - NS Power Responsibilities
  - RtR Customer Responsibilities
  - Interruption of Distribution System Access
  - Metering
  - Billing
  - Discontinuance of Distribution System Access

Proposed Changes: Distribution Tariff & Distribution Tariff Rate

1. **Clearly defined terms and definitions**
   - There appears to be general acceptance that consistent and clearly defined terminology as it relates to the Distribution Tariff (and other related tariffs) is necessary
   - REI has proposed initial definitions for two key terms below, which now reflect slight adjustments to specify that this is focused on the export channel of the bidirectional meter and at an hourly granularity (to reflect that the tariffs are settled on an hourly basis)
   - *"Net Billing Surplus" means renewable low-impact electricity generated behind the meter at an RtR Customer Premises and exported on an hourly basis to the Distribution System for sale to an LRS.*
   - *“Distribution-Connected Generation" means renewable low-impact electricity interconnected to the Distribution System.*

2. **Potential Distribution Tariff charges for distribution-connected generation and/or surplus net billing**
   - There remains uncertainty regarding the potential incremental system costs resulting from permitting RTR supply to include distribution-connected generation and surplus net billing and how related charges would apply (and apply to which party, the LRS or the generator/customer)
   - It was proposed that scenarios be developed to better describe the specific circumstances that could lead to incremental system costs, how such charges would apply and to which parties
   - Power Advisory provided a jurisdictional scan (see appendix) of related bilateral fees and how such fees are applied elsewhere

Proposed Changes: Distribution Tariff & Distribution Tariff Rate (continued)

3. **Address how losses would apply to both distribution connected generation and net billing surplus**
   - There remains uncertainty regarding the application of losses
   - An initial approach to be considered is to assume that the supply from distribution connected generation and surplus net billing is not subject to distribution system losses, which is a simplified approach and would be straightforward to implement. This approach requires confirmation from Nova Scotia Power that it would not lead to incremental system costs that may not be recovered from the party that caused such costs.

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Summary: Energy Balancing Tariff

- Under the Energy Balancing Tariff, the Energy Balancing Service is a “supplemental generation service provided to Licenced Retail Suppliers (LRS) in respect of the Licenced Retail Supplier’s Renewable to Retail (RtR) Customers utilizing the production from renewable low-impact generators”.
    - “top-up energy”: hourly LRS load in excess of generation
    - “spill energy”: hourly generation in excess of LRS load
- The Energy Balancing Tariff is provided with the Standby Service Tariff to ensure a reliability of service equivalent to the Bundled Service available to Nova Scotia Power customers.

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Proposed Changes: Energy Balancing Tariff

1. **If possible, maintain a simplified approach to energy balancing**
   - There appears to be general acceptance that a simplified approach to energy balancing would be preferable initially, such that the Energy Balancing Tariff would continue to be settled at the system wide level.
   - Nova Scotia Power should confirm if such a simplified approach is suitable that in consideration of the longer term implications of exports to the grid from RTR distribution connected generation and surplus net billing (i.e., during times of system curtailment).

Summary: Standby Service Tariff

- Standby Service is provided to Licenced Retail Suppliers (LRS) in combination with the Energy Balancing Service
- The service has two components:
  - Capacity adequacy service: the LRS has an obligation to either provide or pay for its share of firm capacity required to meet adequacy standards.
  - Top-up capacity service: provision of capacity to support energy delivery through the Energy Balancing Service.

Proposed Changes: Standby Service Tariff

1. **Gross Load Measurement under the Standby Service Tariff, Firm Demand and Monthly Standby Contract Demand**
   - REI proposed that renewable BTM generation should be allowed to offset firm load requirements, noting that the proposed approach measures firm demand and Monthly Standby Contract Demand prior to accounting for BTM generation. REI proposed that using firm load and actual measured demand may address this potential concern.
   - If renewable BTM generation is not allowed to offset firm load requirements, REI requested, at minimum, that a clear justification should be provided as to why renewable distributed generation cannot be relied upon to reduce firm demand.
     - In Power Advisory's opinion, such a justification should consider the capacity contribution of the resource in relation to the system peak, which party controls the asset, whether a commitment would be required for the resource to be considered a reliable asset from the System Operator's perspective, and the length of such a commitment.

2. **The calculation of the Standby Service Tariff**
   - REI suggested that actual measured demand should be used for the Standby Service Tariff, instead of "speculative gross or net assumptions".
   - This may refer to the Demand Adjustment Factors used in the calculation related to seasonality that are updated in the tariff itself.
   - This point requires additional discussion to ensure the concern raised by REI is correctly interpreted.

Summary: Open Access Transmission Tariff

- The Open Access Transmission Tariff (OATT) provides non-discriminatory access to Nova Scotia's transmission system.
- The OATT consists of ten schedules:
  1. Scheduling, System Control and Dispatch Service
  2. Reactive Supply and Voltage Control from Generation Sources Service
  3. Regulation and Frequency Response Service
  4. Energy Imbalance Service

     4A. Generation Forecasting Service (only applicable to Licenced Retail Suppliers)
  5. Operating Reserve – Spinning Reserve Service
  6. Operating Reserve – Supplemental Reserve Service
  7. Long-Term Firm and Short-Term Firm Point-to-Point Transmission Service
  8. Non-Firm Point-to-Point Transmission Service
  9. Real Power Loss Factors
  10. Network Integration Transmission Service Rate

Proposed Changes: OATT

1. **Single forecast for both transmission and distribution level generation**
   - There appears to be general acceptance that an initial, simplified approach to forecasting may be most suitable to allow for a single forecast provided that covers both transmission and distribution level generation to settle against actual metered generation.

2. **Impact of the treatment of losses**
   - Depending on how distribution losses are integrated into the tariffs, and working under the assumption that the OATT will continue to be calculated based on metered load, there exists the possibility that the LRS could be overcharged based on delivery of supply from the transmission system instead of reflecting distribution supply that would likely have lower (or no) losses. This point requires additional discussion.

Summary: RTR Market Transition Tariff

- The Renewable to Retail Market Transition Tariff is meant to recover Nova Scotia Power's embedded fixed costs and deferred costs typically recovered via the Bundled Service that is not otherwise recovered from the Licenced Retail Supplier.
    - NS Power's embedded fixed costs include (but are not limited to) generation related fixed costs (e.g. depreciation, cost of financing including return on common equity, income tax, and OM&G).
    - NS Power's deferred costs are those costs approved by the Nova Scotia Energy Board (NSEB, Board) for recovery by NS Power from customers at a future date.

Proposed Changes: RTR Market Transition Tariff

1. **To be resolved following clarifications in other tariff documents**
   - The priority should be to resolve the issues raised in relation to the key tariff documents.
   - Once the approach on the impacted tariff documents has been settled, the RTR Market Transition Tariff should be revisited to confirm potential updates.

Summary: LRS Terms & Conditions

- The Licenced Retail Supplier Terms and Conditions enable the supply of renewable low-impact electricity to RtR Customers in accordance with the provisions of the Act and the regulations made thereunder.
- The Terms & Conditions document includes:
  - Definitions
  - Purpose
  - Scope and Applicability
  - Board Approval
  - Appendices
  - Eligibility
  - LRS Participation in the NS Power Tariffs
  - LRS Responsibilities
  - LRS Arrangements with RtR Customers
  - NS Power Responsibilities
  - RtR Customer Transactions
  - LRS RtR Customer Information Inquiries
  - Metering
  - Billing and Settlement
  - Default for Non-Payment
  - Events of Default
  - Discontinuance of Service to RtR Customer by the LRS
  - Credit Assurance
  - Force Majeure and Indemnification

Proposed Changes: LRS T&C

1. To be resolved following clarifications in other tariff documents
    - The priority should be to resolve the issues raised in relation to the key tariff documents.
    - Once the approach on the impacted tariff documents has been settled, the Licenced Retail Supplier Terms & Conditions should be revisited to confirm potential updates.

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Appendix - Distribution-Connected Generation Charges: Jurisdictional Scan

Introduction

- Power Advisory has conducted a brief scan to understand how other jurisdictions compensate or charge (with a focus on charge) generation facilities that inject power into the distribution grid, specifically:
  - Net billing/net metering
  - Front-of-the-meter (FTM) distribution-connected generation
- Note that the distinction between these two kinds of distributed energy resources (DERs) is not always as clear-cut in other jurisdictions as it may be in Nova Scotia – specifically, net metering is not offered in all jurisdictions as a distinct program
- Additionally, in jurisdictions with unbundled electricity markets, there are separate rules governing purchase of energy from DERs (generally applicable to retailers) and how DERs are charged for use of the distribution network (generally applicable to distributors)
- As a result, policies and lessons learned from other jurisdictions may not directly map onto the Nova Scotia context
- We have surveyed distribution charges and/or policies in Ontario, Alberta, Australia and the United Kingdom
  - Ontario and Alberta are the only provinces aside from Nova Scotia with a retail market for electricity
  - Australia and the UK were selected because they have well-developed retail marketplaces and policies for distribution-connected generation in respect of both retailers and distributors

Summary of Findings

Jurisdiction	Is there a charge for use of the distribution system in respect of power injected by:	
	Net Metering/Net Billing Customers	Standalone Distribution-Connected Generators
Ontario	No	Very rarely
Alberta	No	Usually
Elsewhere in Canada	No	Very rarely
Australia	Sometimes *Net metering and standalone distributed generation not clearly differentiated for tariff purposes*	
UK	Usually *Net metering and standalone distributed generation not clearly differentiated for tariff purposes*	

Summary of Findings

- Jurisdictions with an unbundled/retail market for electricity generally have separate policy frameworks for retailers buying power generated by customers, and the charges assessed by a distributor for injection of customer-generated electricity
    - Where possible, these two frameworks are individually reviewed and discussed by jurisdiction
- Canada is at an early stage of developing policies/rates for these services
    - Most jurisdictions in Canada offer net metering or net billing; very few, if any, charge fees for net metering customers' access to/use of the distribution system, regardless of whether the jurisdiction operates under a retailer or integrated utility model
    - Most Canadian jurisdictions do not appear to have given much thought to the charges that could/ought to be levied for FTM distribution-connected generation, though Ontario may do so in the near future (see slide 5)
- At the same time, the sophisticated policy and rate structures seen in other jurisdictions suggests there is economic merit to such policies/rates; Canada's lack of policy in this matter might therefore be a result of:
    - The volume of distribution-connected generation has been low enough to obviate the need for allocation of those costs to a distinct rate class (rather than being absorbed by the entire customer base)
    - Government policy has prevented such allocation (e.g., Alberta, Nova Scotia) notwithstanding that there are incremental costs that need to be recovered
- Distributed generation clearly has the potential to cause costs to the distribution system, incremental to whatever the load customer (if one is present) causes and pays in its rates; **the general absence of distribution charges specific to DERs in Canada does not mean that there are no costs incurred by the system to accommodate the generation**

Ontario: Distribution Network Charges

- On the whole, Ontario has no broad policy on distribution network charges for supply injected into the distribution grid
  - At present two Ontario distributors (of approximately 50) have specific rate classes for distribution-connected generation, generally to reflect the cost of managing generation customer accounts (metering, settlement, etc.) – see next slide for further detail
  - The only province-wide policy relating to distributed generation charge is a uniform monthly charge ($5.00) for small customers who have renewable energy facilities contracted under the province's microFIT procurement, which ran in the early 2010s
    - The charge is set by the Ontario Energy Board annually and only recovers distributors' microFIT-related administrative costs, e.g. metering, billing, and general admin related thereto
    - Distributors may file for a higher fee if their actual costs would support it (which some have done)
- The Ontario Energy Board is understood to have recently (March 2026) made recommendations to the government on the question of if/how it should facilitate consistency in the development and application of specialized distribution rates for DERs
  - Power Advisory understands that the Government of Ontario is still considering the OEB's report/recommendations (which were made as part of a broader initiative on DERs)

Ontario: Distribution Generation Network Charges

The Ontario Energy Board has approved specific rate classes for distributed generation for two of the province's distributors

Hydro One Distributed Generation Rate Class

- Applies to an embedded retail generation facility connected to the distribution system (other than microFIT)
- Currently a fixed monthly charge of $192.43, plus a demand charge and riders for power consumed (station service)
- Fixed charge primarily reflects metering and settlement-related costs associated with processing metering information, and the ongoing management of embedded generators' accounts
- These are allocated to the Distributed Generation rate class in alignment with principles of cost causality

Hydro Ottawa distributed generation rate classes

- Hydro Ottawa has two such classes:
  - The feed-in tariff service class, which applies to a generation facility contracted under the Independent Electricity System Operator's FIT program – currently a fixed monthly charge of $266
  - The "HCI, RESOP, and other energy resource" class, which apply to a generation facility contacted under any of the specified or other IESO initiatives – currently a fixed monthly charge of $87

Ontario: Distribution Network Charges for Net Metering

- Ontario distributors are required to operate a net metering program whose parameters are set out in regulation
    - As noted above, Ontario has no uniform policy for if/how distributors should charge for injection of power
- One distributor (Hydro Ottawa) had a fixed monthly charge for net metering customers from ~2016-2022. Although this charge was approved by the Ontario Energy Board, the distributor ultimately abandoned it, due to a combination of:
    - A desire on the part of the utility's municipal shareholder (and other stakeholders) to support self-generation as policy/environmental objective;
    - The distributor's success in automating billing activities for net metering customers, leading to a reduction in the costs incurred by the distributor in respect of net metering customers; and
    - Net metering customers, unlike other generation customers, already incurring a monthly fixed service charge in respect of their load connection
- Regulation requires net metering customers who buy electricity from a retailer, rather than directly from the distributor, to have an agreement for such from the retailer; retailer must then confirm such agreement to the distributor
    - Given Ontario's largely moribund retail market, it is also unclear how many (if any) customers are both retailer-served and net metering customers
    - Ontario's *Retail Settlement Code* does not contain further guidance on how retailers are to handle injections of power from net metered customers

Alberta: Distribution Network Charges

- Alberta is the only other Canadian province (aside from Ontario and Nova Scotia) with a retail market for electricity, with retail service being the predominant way Alberta customers purchase electricity
- Alberta's *Micro-generation Regulation* governs the province's net billing programs, making such provisions as:
  - Costs of metering, meter data management, load settlement and, in general, actually connecting a net billing customer must be borne by the distributor, are eligible for recovery through rates, and must be socialized across the entire customer base
  - No special distribution tariff may be created for net billing customers; rather they must be charged on the same tariff as if they were not a net billing customer
  - Customers must notify their retailer in writing if they intend to participate in net billing; the retailer is then to sell the customer-generated electricity into the wholesale market on the customer's behalf and pay the customer either:
    - The customer's retail electricity rate for load consumption (for generation facilities <150 kW)
    - The Alberta pool price for each settlement interval in the billing period (generators 150 kW to 5 MW)
  - The regulation also sets out reporting of power injections to the Alberta system operator and protocols for settlement with retailers

Alberta: Distribution Network Charges

- Alberta distributors generally have regulated charges for distribution-connected generation, but as in Ontario there does not appear to be an overarching policy for how such charges are to be designed
- Uniformity exists insofar as a Generating Unit Owner's Contribution is required by the Alberta system operator's own tariff and applies to generators >1 MW, both distribution- and transmission-connected
  - The system operator calculates the contribution as the maximum capacity multiplied by the contribution rate, which is set on a regional basis – see table at right

Planning Region	Current Rate
Northwest	$10,000/MW
Northeast	$30,000/MW
Edmonton	$20,000/MW
Central	$50,000/MW
Calgary	$30,000/MW
South	$50,000/MW

2026 Generating Unit Owner's Contribution rates

https://www.aeso.ca/rules-standards-and-tariff/tariff/guoc-rates/

- Distributors also design their own tariffs, and most have provisions for distribution-connected generation. For example, Fortis Alberta:
  - Charges a monthly service charge of $43.962282
  - Requires distributed generation to prepay all operation and maintenance costs incurred by the distributor based on the service life of the generator
  - Provides a credit for transmission costs that the distributed generator helps the distributor avoid
- Recent/ongoing regulatory developments in Alberta may change if/how DERs are charged for injecting power

Other Canadian Jurisdictions

- Power Advisory has conducted a cursory review of other Canadian jurisdictions to understand what if any policies/charges they have with respect to injection of power to the distribution network
- BC Hydro does not charge a fee for net metering customers; however, it does have a rate class for distribution-connected customers who are also independent power producers (originally greenhouses with cogeneration units) and who wheel power through the distribution system to the transmission network for sale to BC Hydro and/or export
  - This rate (Rate 1268) has been in place since 2001 and is currently $0.00221/kWh and is only applicable to surplus energy (i.e., generation in excess of the customer's baseline consumption, which must be calculated)
  - While this does not appear to be directly analogous to the present situation in Nova Scotia, it could become a more relevant comparator in the longer term (e.g., if distributed generators eventually wish to access the transmission system)
- All other provinces offer net metering and/or distribution-connected generation but do not charge ongoing fees, have specific rate classes, etc. for use of the distribution system
  - Some jurisdictions charge a one-time meter upgrade or similar fee

Australia

- Australia has a largely unbundled utility industry, however, as a confederation, Australia has different policies in different states
  - In most of Australia, customers are served by retailers; distribution and transmission system operators have responsibility solely for their wires networks and not for electricity supply
  - As a result of this split, different policies and tariffs for injected power apply to the distribution and retail components of the industry
  - The main exception is Western Australia, which is not interconnected with the rest of the country and has separate policy/governance oversight
- Australia has a high rate of residential rooftop solar with about a third of homes having solar rooftop installations by 2024
- On the retail/electricity purchase side, retailers may (but are not required to) buy power from distribution-connected customers under feed-in tariff schemes
- On the distribution side, distributors may (but are not required to) develop charges that apply to the injection of electricity to the distribution grid, apart from the standard charges for load customers
  - In Australia this is sometimes referred to as "two-way pricing"
- The charges/credits that apply in respect of electricity injected into the distribution system (i.e., for the power itself and use of the distribution network) are set separately from one another, and discussed further in the subsequent slides

Australia: Energy Purchases

- Options vary across the country, depending on the competitive landscape of a particular state/territory
- In sub-national jurisdictions with competitive retail markets (not all have retail choice), suppliers are allowed to offer payment for exported solar (and other options like solar paired with battery)
  - Voluntary offering (not mandated like the United Kingdom). In most cases, there is no set minimum price (i.e., price of zero permitted); see table
  - Note: Victoria no longer sets minimum feed-in tariffs; from 1 July 2025 electricity retailers set their feed-in tariffs that cannot be below zero
  - Installation size thresholds are set by distribution network providers (varies across the country/utility: 10kW, 30kW, 100kW)
- Supplier of both import and export is the same (e.g., tied); no option to untie imports from exports

Jurisdiction	Solar FiT
Australian Capital Territory (no legislated solar FiT)	5-12 c/kWh – the range of solar FiT market offers in 2024-25
New South Wales (solar FiT benchmark range set by IPART)	4.8-7.3 c/kWh – the all-day benchmark range for 2025-26[17]
Northern Territory (no legislated solar FiT)	9.33 c/kWh – the standard solar FiT offered by government retailer in 2024-25
South Australia (no legislated solar FiT)	The average solar FiT market offer in 2023-24: • 4.9-6.3 c/kWh – residential • 8 c/kWh – small business:
South-east Queensland (no legislated solar FiT)	The average solar FiT market offer in 2023-24: • 4.9 c/kWh – residential • 5 c/kWh – small business
Tasmania (minimum solar FiT set by TER)	8.607 c/kWh – the solar FiT for 2025-26[18]
Victoria (minimum solar FiT set by ESC)	Solar FiT for 2025-26:[19] • 0.04 c/kWh – flat rate • 0.00-6.57 c/kWh – time varying
Western Australia (distributed energy buyback scheme for government retailers; rates approved by the government)	2-10 c/kWh; 3-10 c/kWh – time-varying solar FiT rates in 2024-25

Source: Queensland Competition Authority, Solar feed-in tariff 2025–26

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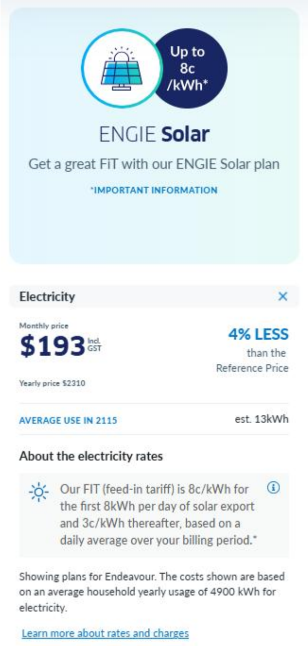
Australia: Energy Purchases

- Rules and terms governing these supplier-offered feed-in-tariffs are generally left to the discretion of program providers
  - Rate (fixed vs. time varying), contract length and other terms offered to generators (e.g., frequency of payments)
  - Some offer different plans depending on installation (e.g., solar vs. solar paired with battery storage)
- Default payment is exports applied as a bill credit with balance carried forward to next bill
- Some suppliers allow customers to select periodic credit payout options (e.g., "Annual Credit Balance Payment')



Source: Engie

6.3.5 At any time, you may request payment of your account credit balance (a '**Credit Balance Payment'**), at no cost to you. A Credit Balance Payment may be made by cheque and sent to the address to which bills are sent under your Electricity Sale Contract, by electronic funds transfer or by another payment method as determined by us from time to time.

Source: AGL

Australia: Energy Purchases

- Two types of tariffs are used in Australia
  - Net feed-in tariff
    - Customers credited for amount of electricity solar panels generate that is not consumed

      Net feed-in tariffs are used in:
      - Queensland
      - South Australia
      - Tasmania
      - Victoria
  - Gross feed-in tariff
    - Retailer credits all the electricity solar system feeds into grid, and then charges separately for all electricity used

      Gross feed-in tariffs are used in the:
      - Australian Capital Territory
      - Northern Territory
- Retailers in New South Wales can choose which tariff to offer with net and gross both used

Australia: Distribution Network Charges

- The Australian Energy Regulator (AER) publishes guidelines on designing charges for power injected into the distribution grid
- Key parameters of such charges include:
  - Subject to AER approval – distributor must justify the need, and tariff design must reflect both long run marginal cost and efficient cost pricing principles
  - Distributors must provide a "basic export level", a threshold below which customers can inject power at no charge
  - Advance declaration of intent to introduce such a charge so that customers can decide/plan how to invest in DERs
- The free "basic export level" is informed by existing grid capacity and forecast DER additions, and may vary by location within the distribution territory, time of day, customer/connection type, etc.
- The charge can be negative (i.e., a credit) for exports at certain times of day, as illustrated at right (UK is similar – see subsequent slides)
  - The full tariff also notes that a metering service charge of $0.036055/day applies to grid export accounts

How does two-way pricing work?

There are three parts to Ausgrid's two-way pricing:

1. **Free threshold:** No charge for the first 200kWh[1] exported each month between 10am and 3pm
2. **Charge:** A charge for electricity exported above the free threshold between 10am and 3pm
3. **Reward:** A credit for exporting between 4pm and 9pm

How much is the charge and reward?

- There is a charge of 1.23 cents/kWh.
- There is a reward of 3.85 cents/kWh.

Example from Ausgrid (distributor serving Sydney and other parts of New South Wales)

https://www.ausgrid.com.au/-/media/Documents/Tariff/Solar-Factsheet-two-way-pricing-for-grid-exports.pdf

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United Kingdom

- The UK, like most of Europe, has a fully unbundled utility industry
  - All customers are served by retailers; distribution and transmission system operators have responsibility solely for their wires networks and not for electricity supply
- On the retail/electricity purchase side, the UK government mandates the Smart Export Guarantee (SEG) initiative
- On the distribution side is the Common Distribution Charging Methodology (CDCM) that provides for harmonized distribution charge methodology across Great Britain's seven distribution network operators
- The charges/credits that apply in respect of electricity injected into the distribution system (i.e., for the power itself and use of the distribution network) are set individually under each of these two policies and discussed further in the subsequent slides

UK: Energy Purchases

- SEG is a government initiative launched in January 2020 (with regulatory oversight by Ofgem): Requires certain electricity retailers (SEG licensees) to pay small-scale generators for low-carbon electricity exported back into the grid (replaced feed-in-tariff program)

- SEG licensee does not need to be the same as the utility/party that provides customer energy

- Eligible generation (up to a capacity of 5 MW; micro-CHP capped at 50 kW)
  - solar photovoltaic (solar PV)
  - wind
  - micro combined heat and power (micro-CHP)
  - hydro
  - anaerobic digestion (AD)

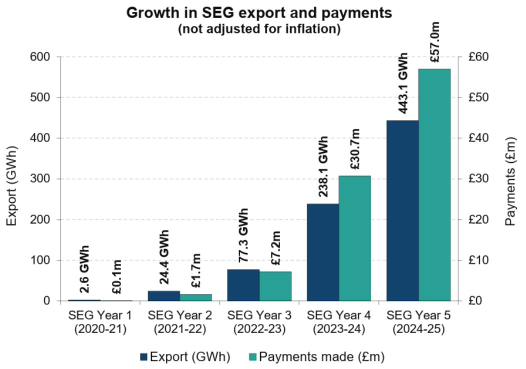
- SEG licensees set tariff rate (must be greater than 0 pence/kWh at all times), contract length and other terms offered to generators (e.g., frequency of payments); SEG licensees may elect to pay for non-eligible sources (e.g., storage paired with solar)

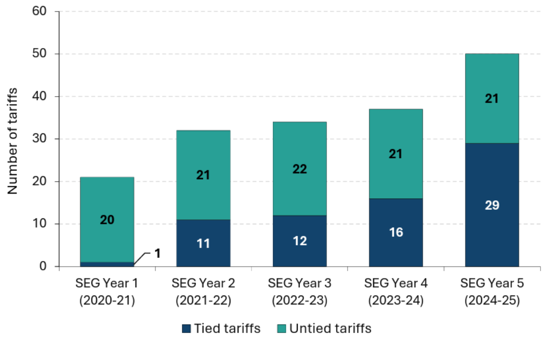
- Metering requirements: Must be capable of taking half-hourly measurements of exports

- Certification: Applicants asked to demonstrate that their installation and installer are suitably certified (e.g., Microgeneration Certification Scheme (MCS) certificate)

UK: Energy Purchases

- UK's energy regulation (Ofgem) publishes annual SEG reports
- 11 SEG licensees offered 50 tariffs to generators, up from 37 tariffs in Year 4
  - 21 tariffs were open ('untied') to all eligible generators; 29 tariffs applied only to generators meeting additional criteria (e.g., 'tied' to having same supplier for import and export)
- Total of 270,395 installations registered to a SEG tariff by end Year 5. Total installed capacity of 1,585 MW (99.98% solar PV)
  - 166,022 installations of 967 MW registered at end of Year 4
- Total of 443.1 GWh of low-carbon electricity export reported (95.45% came from solar PV installations; within solar PV, 85.14% of exports came from installations with capacity of 10 kW or less); total of £56.97 million paid to registered installations
  - 283.1 GWh exported and £30.75 million paid in SEG Year 4

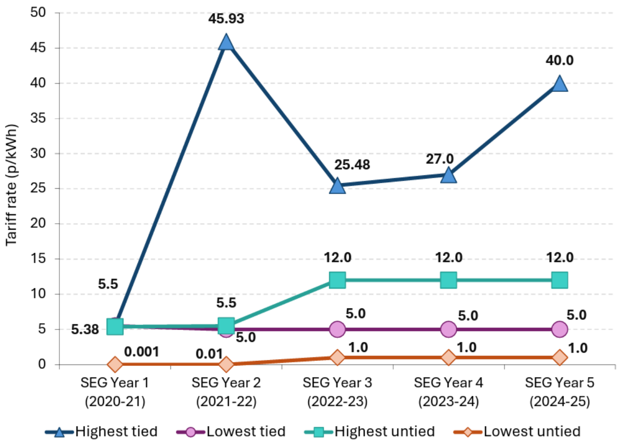


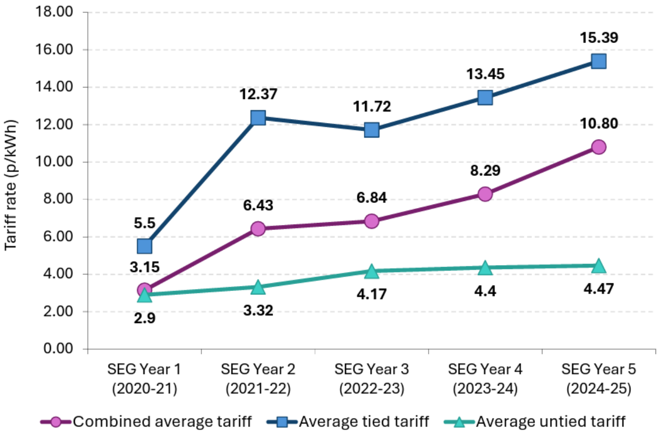


Source: Ofgem, [Smart Export Guarantee (SEG) Annual Report SEG Year 5 (1 April 2024 to 31 March 2025)]

UK: Energy Purchases

- Highest rate available for power purchase was 40p/kWh with E.ON's 'Next Export Premium Plus' tariff. Only available to customers that import from E.ON Next and purchased solar panels and a battery solution through E.ON Solar
- The average price of electricity is currently 27.7 p/kWh





Source: Ofgem, Smart Export Guarantee (SEG) Annual Report SEG Year 5 (1 April 2024 to 31 March 2025)

UK: Distribution Network Charges

- The CDCM, which has been in place since 2009/10, requires a specific tariff structure for distribution-connected generation
- The original premise of the tariff methodology is that

  The network is assumed to be demand dominated. Credit will be provided for offsetting demand on the distribution network above the voltage of connection… It is assumed that the generator will not cause additional reinforcement costs as there will be even dispersion of generation across the network. A generator will offset demand and provide benefits to higher voltage levels by delaying reinforcement

- This is particularly the case for generation <1 kV ("low voltage"), where the "charge" is entirely a credit a volumetric time-of-use credit
- However, distribution-connected generation at 1-22 kV ("high voltage") is charged a fixed daily charge (see next slide), and potentially a reactive power charge, in addition to the volumetric credits
- Distribution-connected generation 22-132 kV ("extra high voltage") are subject to a slightly different model, with a fixed daily charge, a variable injection capacity charge (£/kVA/day), as well as a variable excess capacity injection charge

UK: Distribution Network Charges

2026 general tariff for low- and high-voltage distribution-connected generation in London (UK Power Networks)

Tariff name	Red/black unit charge p/kWh	Amber/yellow unit charge p/kWh	Green unit charge p/kWh	Fixed charge p/MPAN/day	Capacity charge p/kVA/day	Exceeded capacity charge p/kVA/day	Reactive power charge p/kVArh
LV Generation Aggregated	-7.578	-0.516	-0.043	0.00			
LV Sub Generation Aggregated	-6.263	-0.436	-0.032	0.00			
LV Generation Site Specific	-7.578	-0.516	-0.043	0.00			0.480
LV Generation Site Specific no RP charge	-7.578	-0.516	-0.043	0.00			
LV Sub Generation Site Specific	-6.263	-0.436	-0.032	0.00			0.382
LV Sub Generation Site Specific no RP charge	-6.263	-0.436	-0.032	0.00			
HV Generation Site Specific	-4.094	-0.313	-0.010	8.55			0.338
HV Generation Site Specific no RP charge	-4.094	-0.313	-0.010	8.55			

Tariff for a sample of designated extra-high-voltage (i.e., >22 kV) distribution-connected customers

Import Unique Identifier	LLFC/ DUoS Tariff ID	Import MPANs/MSIDs	Export Unique Identifier	LLFC/ DUoS Tariff ID	Export MPANs/MSIDs	Name	Import Super Red unit charge (p/kWh)	Import fixed charge (p/day)	Import capacity charge (p/kVA/day)	Import exceeded capacity charge (p/kVA/day)	Export Super Red unit charge (p/kWh)	Export fixed charge (p/day)	Export capacity charge (p/kVA/day)	Export exceeded capacity charge (p/kVA/day)
BELVED	815	1200060787109	BELVED	711	1200060787118	BELVED	0.000	562.04	0.62	0.62	0.000	1064.58	0.05	0.05
SELCHP	827	1200010175650	SELCHP	730	1200010258304	SELCHP	0.200	1440.02	0.89	0.89	-0.200	5275.92	0.05	0.05
TLRSLN		MSID: 5538	TLRSLN		MSID: 5538	TLRSLN	0.026	942.58	0.86	0.86	-0.026	0.00	0.05	0.05

Source: https://media.umbraco.io/ukpn-cms/w5wpzrra/london-power-networks-schedule-of-charges-and-other-tables-2026-v1-3.xlsx

RTR Tariff Application – Distribution Connected Generation and Net-Billing Update Stakeholder Meeting (M12339)

July 23, 2026

Disclaimer

This presentation has been prepared by Nova Scotia Power for discussion purposes only.

Nothing in this presentation constitutes a binding commitment, offer, agreement, or representation on the part of NS Power or Renewall Energy Inc. All figures, estimates, timelines, and regulatory positions are preliminary, subject to change, and may not reflect the final position of NS Power or REI.

Agenda

1. Renewall Energy Inc. (REI) Proposal and Plan
2. NS Power June 1 Application for Extension
3. Renewable to Retail (RTR) Tariff Update Consideration
4. Nova Scotia Energy Board (NSEB) RTR Tariff Update Application

REI Proposal and Plan

- Original RtR application in 2016, Matter M06214, was premised on the possibility of both transmission and distribution connected generators for a licenced retail suppliers.
- Distribution-connected generation and net billing were always intended to be part of the RtR market
- REI expects to enter the market December 1, 2026, and complete entrance by COD date for Mersey Wind, Q1 2027
- This regulatory process was initiated by REI to fill the gap in the RtR tariffs approved by the Board
- When entering the market, REI intends to transfer over existing bundled customers on net-metering program (solar panelled homes)
- Once tariffs are confirmed, REI intends to contract with distribution connected generators (anticipated online in 2027)
- REI's planned model is to align local aggregated RtR distributed generation with local aggregated RtR load
- For BTM customers, the expected surplus is modest and highly localized, consistent with what has been seen in the net-metering program
- REI's planned distribution generation portfolio is expected to consist of small projects in the 1–5 MW range, which will not routinely use transmission infrastructure.
- Any distribution connected generators will go through DGIP process to confirm distribution capacity per zone and flag any possible transmission spill
- REI anticipates that the localized aggregation of energy and load will reduce system losses rather than increase costs to the system

NS Power Application for Extension – June 1, 2026

Issues List (1 of 2)

At a high level, issues that remain under discussion include:

- Whether a comprehensive approach is required or a simplified approach to the amendments is feasible;
- Potential incremental costs, or charges, arising from the use of the distribution system and possible back feeding onto the transmission system;
- If charges are warranted, how those charges will be recovered;
- How losses should be applied, or whether losses arise at all when aggregated within a designated distribution zone;
- The settlement approach for the distributed energy aggregation commercial model and examination of opportunities to simplify administration of this model;
- Potential system refinements to address separate tracking of import and export transactions;
- Whether distribution-connected generation should offset firm load obligations, considering factors like the resource type (e.g., solar's contribution to peak), who controls the asset, and whether the system operator can rely on it;

NS Power Application for Extension – June 1, 2026

Issues List (2 of 2)

- Other tariff implications (including the Open Access Transmission Tariff and RtR Transition Tariff), including:
  - How forecasted generation is settled against actual generation, for both distribution and transmission generated energy;
  - Whether assumptions regarding losses at the transmission level depend on the source of supply;
  - Determination as to whether additional tariffs are required (e.g. a tariff to apply to the Licensed Retail Supplier for the provision of distributed energy aggregation service); and
- RtR Market Distributed Energy Resource implementation, including:
  - Potential role of the Nova Scotia Independent Energy System Operator; and
  - Whether, in light of uncertainty as to the pace and form of market development, proceeding on a pilot basis or a set review period is warranted.

NS Power Application for Extension – June 1, 2026

Work Plan

- During June, the parties will undertake focused issue resolution activities through collaborative working meetings with REI and NS Power, facilitated by Power Advisory. This phase will include defining the issues in detail, the sharing of requisite information and data, identifying and assessing alternatives and the benefits, determining NS Power and REI's views, preparing recommendations, and confirming each organization's support for those recommendations. This process may further identify and develop recommendations for:
  - Interconnection process revisions; and
  - Market rule revisions

RTR Tariff Update Consideration

- RTR Energy Balancing Service (EBS), Standby Service (SS), and the Market Transition (RTT) Tariff are costed and priced based on NS Power customer class costs and load profiles, while the RTR tariff pricing will be applied to actual LRS load/generation. Depending on RTR market development, it may be refinement to the costing and pricing will be required at some point in the future. However, for the foreseeable future the current costing and pricing approach will be retained.
- In order to appropriately charge LRS customers for NS Power Distribution Service and to track the dynamic exports from RTR customers (to be aggregated by the LRS and sold in the RTR market), distributed customer/generator imports and exports will need to be tracked separately.
- The aggregation of distributed generation by the LRS is a utility service provided to the LRS distinct from NS Power Distribution Service provided to retail customers. While utility practice in this area is developing, it has been determined this new service requires a new tariff, with distinct service conditions and charges. Based on the early stage of development of the RTR market in NS, and this element in particular, the associated charges would be incremental versus embedded cost-based and initially focused on the costs of administering this service.
- REI’s planned market model is, in general, to align local aggregated RTR distributed generation with local aggregated RTR load. However, unlike the NS Power net metering (NM) model there are no prohibitions on customer generation or generation exceeding customer load or the requirement that NM generation not exceed NM load at the individual feeder level. The NS Power NM construct serves to simplify the framework in that losses and distributed energy flows potentially moving to the transmission system can be ignored.
- The main unresolved issue for the new distribution service is the initial treatment of losses applicable to the RTR Distribution-Connected market remains under development.

RTR Tariff Update Consideration

- The Standby Service Tariff requires calculation of the capacity value of LRS' generation. The calculation and methodology relating to the capacity contribution factor and related credit remain under discussion. Amendments are required to the tariff to confirm NS Power access to the LRS generation as a system capacity resource and to ensure consistency with the approach in wholesale market.
- Uncertainty with RTR distributed generation market development presents challenges in developing a long-term RTR tariff/regulatory regime. To avoid delaying this work until greater certainty is available, it is likely:
  - Simplifying assumptions will be required.
  - The proposed RTR distributed generation regime should be subject to future review after a reasonable period of time during which experience with the construct has been developed.
- It may be the IESO-NS, will at some point assume responsibility for oversight of the RTR market. It is not expected that this will occur in the near future so the NSPSO and REI will need to continue to collaborate on these developments, but prepare as possible, for the IESO-NS to play an increased role.

RTR Tariff Update Application

- A new RTR Tariff, the Distribution-connected Aggregation Service (DAS) Tariff, be created to establish the terms under which NS Power provides distribution-connected generation aggregation service to LRSs.
- RTR Tariffs/Processes requiring update
  - Standby Service (SS) Tariff
  - Energy Balancing Service (EBS) Tariff
  - Distribution Tariff
  - Licensed Retail Supplier (LRS) Terms and Conditions
- Tariff/Processes unchanged
  - Standards of Conduct
  - Market Rules
  - Distribution-connected generation interconnection processes
  - OATT
  - RTR Transition Tariff

RTR Tariff Update Application

- Distribution-connected Aggregation Service (DAS) Tariff:
  - Under the DAS, the LRS will aggregate its customers' surplus generation and distribution-connected generation and use this to serve other LRS customers. To facilitate this, NS Power will separately track hourly customer imports of electricity and hourly LRS customer exports to the grid. Customer imports will be used to determine NS Power's charges to retail customers under the Distribution Tariff and will serve as an input to the demand and energy amounts applicable to the LRS under the OATT, Standby Service, Energy Balancing Service and RTR Transition tariffs. Customer exports will be tracked and reported to the LRS to support the LRS' commercial arrangement with the LRS' customer and will serve as an input to the generation amount applicable to the LRS under the Standby Service, Energy Balancing Service and RTR Transition tariffs.
  - In light of the early stages of RtR market development in general and distribution connected LRS generation market development in particular, following 2028, a review of the operation of this tariff and the broader RtR construct will be undertaken by NS Power and submitted to the Board for its review. If this review identifies the requirement for revision to the DAS Tariff or any other RtR-related tariff, revisions will be proposed for the Board's approval.
    - Areas of study identified to date include: alignment between distribution-connected generation and load across the day and throughout the year; losses arising from alternative generation/load configurations; alignment between customers currently approved for net metering and new RtR customers; capacity contribution factors under various configurations, ongoing administration costs
  - The DAS Tariff will include an Administration Charge. Work to determine this figure is ongoing, with the expectation a figure will be included in the 2027 AAR Application.

RTR Tariff Update Application

- Standby Service (SS) Tariff:
  - Under the Distribution-connected Aggregation Service, the LRS will aggregate its customers' surplus generation and distribution-connected generation and use this to serve other LRS customers. To facilitate this, NS Power will separately track hourly customer imports of electricity and hourly LRS customer exports to the grid. Customer imports will be used to determine NS Power's charges to retail customers under the Distribution Tariff and will serve as an input to demand and energy amounts the charges applicable to the LRS under the OATT, Standby Service, Energy Balancing Service, and RTR Transition tariffs. Customer exports will be tracked and reported to the LRS to support the LRS' commercial arrangement with the LRS' customer and will serve as an input to the generation amounts applicable to the LRS under the Standby Service, Energy Balancing Service, and RTR Transition tariffs.
  - Treatment of losses associated with distribution-connected generation remain under discussion.
  - Provisions added to describe LRS resource commitment (terms and period) in order to be assigned a capacity contribution credit (based on Wholesale Market BUTU Tariff provisions) also remain under discussion.

- Energy Balancing Service (EBS) Tariff:
  - Where the LRS purchases electricity from customers with Behind-the-Meter (BTM) generation, the LRS's aggregate customer load will include BTM customer imports only (i.e. exclude BTM customer exports to the system) and the aggregate renewable low-impact electricity supplied by the LRS, will include BTM customer exports only.
  - Treatment of losses associated with distribution-connected generation remain under discussion.
  - Pricing of top-up and spill energy to continue to be based on annual figure, subject to ongoing review of AAR pricing (M12551).

RTR Tariff Update Application

- Distribution Tariff:
  - Distribution Tariff (DT) energy and demand charges are applicable to Renewable to Retail Market customer metered energy and demand. Where LRSs are purchasing electricity from customers with Behind-the-Meter (BTM) generation, Distribution Tariff energy and demand charges are applicable to customer imports only (i.e. customer exports to the system are excluded).

- Licensed Retail Supplier (LRS) Terms and Conditions:
  - Under discussion, to be aligned with final tariff revisions.

RTR Tariff Update Application

- Plan to file application by July 31
  - While elements of the application remain to be finalized, it remains NS Power's objective to file an application with REI's support for all elements.
  - Goal to have a streamlined regulatory process for tariffs to be in place by Q4 2026 by preparing joint recommendations to the Board, engaging with stakeholders early in the process, and reducing the areas of disagreement.

DISTRIBUTION-CONNECTED AGGREGATION SERVICE

The Distribution-connected Aggregation Service (DAS) is provided by NS Power to Licenced Retail Suppliers (LRS) to facilitate the purchase by the LRS of LRS Customer Distribution-connected Generation surplus to LRS' Customer's requirements. The service will support the transport of this electricity between LRS customers across the NS Power grid and will enable identification and accumulation of hourly customer surplus generation (i.e. exports) and LRS Distribution-connected Generation for incorporation of this information within the Standby Service (SS) Tariff, Energy Balancing Service (EBS) Tariff, and Renewable to Retail Market Transition Tariff (RTT).

All capitalized terms herein shall, unless otherwise defined herein, have the meanings ascribed thereto in the LRS Terms and Conditions.

AVAILABILITY

This DAS Tariff is applicable to the LRS in order to facilitate the purchase of RtR Customer Distribution-connected Generation by the LRS and the delivery and sale of this generation and LRS Distribution-connected Generation to LRS Customers.

This DAS Tariff is provided under the following terms and conditions:

(1) The LRS must have a valid LRS Participation Agreement executed with NS Power;

(2) The LRS must be providing service to RtR Customers; and

(3) The purchaser of the LRS' DAS Tariff energy is an NS Power customer under the Distribution Tariff.

APPLICABILITY

(1) An LRS taking service under this DAS Tariff shall also take service under the Open Access Transmission Tariff (OATT), the Standby Service Tariff, the Energy Balancing Service Tariff, and the Renewable to Retail Market Transition Tariff.

(2) Under the DAS, the LRS will aggregate its customers' surplus generation and Distribution-connected Generation and use this to serve other LRS customers. To facilitate this, NS Power will separately track hourly customer imports of electricity and hourly LRS customer exports to the grid. Customer imports will be used to determine NS Power's charges to retail customers under the Distribution Tariff and will serve as an input to the demand and energy amounts applicable to the LRS under the OATT, Standby Service, Energy Balancing Service, and Renewable to Retail Market Transition tariffs. Customer exports will be tracked and reported to the LRS to support the LRS' commercial arrangement with the RtR Customer and will serve as

an input to the generation amount applicable to the LRS under the Standby Service, Energy Balancing Service, and Renewable to Retail Market Transition tariffs.

ADMINISTRATION CHARGE

As a new service offering, the cost of providing this service is uncertain and the applicable regulatory practice remains to be determined. Until reviewed and, if necessary, revised at some point in the future, it is assumed the cost of distribution service associated with DAS is recovered from the LRS' Customer under the applicable Distribution Tariff charges. As result, at least initially, the DAS Tariff charge is limited to an Administration Charge based on the forecast incremental cost for NS Power to provide this service. The monthly administration charge is applicable to each LRS and is set annually according to the following formula:

$$\text{Monthly charge} = \frac{\text{forecast annual administration costs}}{\text{forecast number of LRS' subscribed} * 12}$$

Information on the monthly administration charge will be provided to the Nova Scotia Energy Board (Board) for the Board's review and approval as part of the 2027 Annually Adjusted Rates Application.

MINIMUM MONTHLY CHARGE

The minimum monthly charge will be the Administration Charge.

SPECIAL CONDITIONS

(1) NS Power reserves the right to have a separate service agreement, if in the opinion of NS Power issues not specifically set out herein, must be addressed for the ongoing benefit of NS Power and its customers.

(2) The LRS' Customers and generators will make all necessary arrangements to ensure that their generation and load do not unduly deteriorate the integrity of the power supply system, either by its design and/or operation. These specific requirements shall be stipulated by way of a written operating agreement.

(3) In assessing issues which might unduly affect the integrity of the power supply system the following would be considered: reliability, harmonic voltage and current levels, voltage flicker, unbalance, rate of change in load levels, stability, fault levels, and other related conditions.

(4) Nothing contained in this DAS Tariff or any service agreement shall be construed as affecting or in any way limiting the right of NS Power to make application to the Nova Scotia Energy Board for a change in any rates, terms and conditions, charges, classification of service, service

agreement, rule or regulation, including, without limitation, the rates, charge or terms and conditions contained in this DAS Tariff, the Standby Service Tariff, the Energy Balancing Service Tariff, or the Renewable to Retail Market Transition Tariff.

DAS TARIFF REVIEW

In light of the early stages of RtR market development in general and, in particular, Distribution-connected Generation market development following 2028, a review of the operation of this tariff and the broader RtR construct will be undertaken by NS Power and submitted to the Board for its review. If this review identifies the requirement for revision to the DAS Tariff or any other RtR-related tariff, revisions will be proposed for the Board's approval.

If, at any time, NS Power or an LRS determines that the DAS Tariff or related RtR tariffs are not working effectively, the parties shall work together to try to resolve any such concerns. If the parties cannot resolve such concerns, either party may apply to the Board to adjust the DAS Tariff or the related RtR tariffs. If necessary, and to protect customers, the Board may grant such approval on an expedited basis.

ENERGY BALANCING SERVICE

The Energy Balancing Service is a supplemental generation service provided to Licenced Retail Suppliers (LRS) in respect of the Licenced Retail Supplier's Renewable to Retail (RtR) Customers utilizing the production from renewable low-impact generators. The service consists of delivery of complementary energy to RtR Customers and reception of surplus generation from qualifying generators. The service is required to be taken in conjunction with Standby Service under the Standby Service Tariff so that the reliability of service to RtR Customers is equivalent to that provided under Bundled Service. For the purposes of this Energy Balancing Service Tariff, hourly LRS load in excess of generation is defined as top-up energy and hourly generation in excess of LRS load is defined as spill energy.

All capitalized terms herein shall, unless otherwise defined herein, have the meanings ascribed thereto in the LRS Terms and Conditions.

AVAILABILITY

This Energy Balancing Service Tariff is applicable to the LRS in order to facilitate the purchase of renewable low-impact electricity by RtR Customers.

This Energy Balancing Service Tariff is provided under the following terms and conditions:

(1) The LRS must have a valid LRS Participation Agreement executed with NS Power; and

(2) The LRS must be providing service to RtR Customers.

APPLICABILITY

(1) An LRS taking service under this Energy Balancing Service Tariff shall also take service under the Open Access Transmission Tariff (OATT), the Standby Service Tariff, and the Renewable to Retail Market Transition Tariff.

(2) The service under this Energy Balancing Service Tariff is based on metered energy quantities and is independent of the LRS' forecasts. OATT Schedule 4 is not applicable, but the Generation Forecasting Service under Schedule 4A of the OATT is applicable.

(3) The hourly top-up and spill quantities are determined at the delivery point from the transmission system. Where the LRS purchases electricity from customers with Distribution-connected Generation, the LRS' aggregate customer load will include customer imports only (i.e. exclude customer exports to the system) and the aggregate renewable low-impact electricity supplied by the LRS, will include customer exports only. The hourly top-up quantity equals the excess in each hour, if positive, of the LRS' aggregate customer load adjusted by the addition of distribution

losses over the aggregate renewable low-impact electricity supplied by the LRS or its contracted generation adjusted by the deduction of transmission losses. The hourly spill quantity equals the excess in each hour, if positive, of the aggregate renewable low-impact electricity supplied by the LRS or its contracted generation adjusted by the deduction of transmission locational losses, as applicable to the geographic zone in which the generating facility is interconnected, over its aggregate customer load adjusted by the addition of distribution losses. The locational loss values will be published by the NS Power System Operator. The aggregate hourly load quantities are determined in accordance with the applicable provisions in the LRS Terms and Conditions.

(4) To qualify for this service, the LRS must ensure that the imbalance between low-impact renewable generation and energy consumption over the established compliance period conforms to Section 10 of the Board Electricity Retailers Regulations (Nova Scotia) enacted under the Act.

(5) Maximum Spill Capacity must be approved by NS Power prior to commencement of service and will be limited to a level agreed as being required to provide the contracted annual amount of participating LRS energy. Spill capacity will be reviewed annually and will include the LRS' proposal to mitigate it on a going forward basis. If NS Power is not satisfied with the LRS' proposal, it may impose a limit on hourly production of the LRS' generation portfolio.

(6) Under the Distribution-connected Aggregation Service, the LRS will aggregate its customers' Distribution-connected Generation and use this to serve other RtR Customers. To facilitate this, NS Power will separately track hourly customer imports of electricity and hourly LRS customer exports to the grid. Customer imports will be used to determine NS Power's charges to retail customers under the Distribution Tariff and will serve as an input to the demand and energy amounts applicable to the LRS under the OATT, Standby Service, Energy Balancing Service, and Renewable to Retail Market Transition tariffs. Customer exports will be tracked and reported to the LRS to support the LRS' commercial arrangement with the LRS' customer and will serve as an input to the generation amount applicable to the LRS under the Standby Service, Energy Balancing Service, and Renewable to Retail Market Transition tariffs.

ADMINISTRATION CHARGE

The monthly administration charge is applicable to each LRS and is set annually according to the following formula:

$$\text{Monthly charge} = \frac{\text{forecast annual administration costs}}{\text{forecast number of LRS' subscribed} * 12}$$

This charge will be $414.63 per month.

ENERGY CHARGE

Energy charge for top-up service is made up of the following two components:

(1) Annually adjusted fuel cost component based on NS Power's incremental cost of serving the LRS' forecasted incremental top-up load.

(2) Fixed cost adder reflective of fixed cost energy-related generation costs.

Energy Charge Components	cents per kWh
Fuel Cost	6.736
Fixed Cost Adder	2.155
Total	**8.891**

The charge is applicable to top-up energy consumed in each hour.

ENERGY CREDIT

6.736 cents per kilowatt-hour.

The Energy Credit for spill service is set annually and is applicable to spilled energy in each hour.

MINIMUM MONTHLY CHARGE

The minimum monthly charge will be the administration charge.

SPECIAL CONDITIONS

(1) NS Power reserves the right to have a separate service agreement, if in the opinion of NS Power issues not specifically set out herein, must be addressed for the ongoing benefit of NS Power and its customers.

(2) The LRS' RtR Customers and generators will make all necessary arrangements to ensure that their generation and load do not unduly deteriorate the integrity of the power supply system, either by its design and/or operation. These specific requirements shall be stipulated by way of a written operating agreement.

(3) In assessing issues which might unduly affect the integrity of the power supply system the following would be considered: reliability, harmonic voltage and current levels, voltage flicker, unbalance, rate of change in load levels, stability, fault levels and other related conditions.

(4) Nothing contained in this Energy Balancing Service Tariff or any service agreement shall be construed as affecting or in any way limiting the right of NS Power to make application to the Nova Scotia Energy Board for a change in any rates, terms and conditions, charges, classification of service, service agreement, rule or regulation, including, without limitation, the rates, charge or terms and conditions contained in this Energy Balancing Service Tariff, the Standby Service Tariff, the Distribution-connected Aggregation Service Tariff, or the Renewable to Retail Market Transition Tariff.

Nova Scotia Power Incorporated

Distribution Tariff

Nova Scotia Power Distribution Tariff

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1. DEFINITIONS

In this Distribution Tariff, the following terms shall have the following meanings:

Act: The *Electricity Act*, S.N.S. 2004, c. 25, as amended from time to time.

Ancillary Services: Services that are necessary to support the transport of capacity and energy from generation resources to loads while maintaining reliable operation of the Transmission Provider's Transmission System in accordance with Good Utility Practice.

Behind-the-Meter Generation: A renewable low-impact electricity generating facility or generating unit that is connected on the customer's side of the revenue meter or point of delivery that is primarily intended to supply all or a portion of the electrical requirements of the customer's premises. Behind-the-Meter Generation may export excess electricity to the distribution system where permitted by applicable laws, regulations, tariffs, or interconnection agreement.

Board: The Nova Scotia Energy Board.

Bundled Service: Electrical service taken from NS Power under NS Power tariffs approved by the Board. This takes the form of having generation, transmission, distribution, Ancillary Services and all other items associated with the provision of such service blended or bundled within the rate. For certainty, Bundled Service does not include services taken from NS Power under the Distribution Tariff, the Energy Balancing Service Tariff, the Standby Service Tariff, Distribution-connected Aggregation Service Tariff, or the Renewable to Retail Market Transition Tariff.

Customer Information: Information including, but not limited to, the name, telephone number, mailing address, e-mail address, service address, site contact name, site contact telephone number and information regarding electricity consumption, class of service and payment history of a Retail Customer or an RtR customer, as applicable.

Demand Side Management Recovery Charges: Costs of demand side management programs that NS Power is entitled to recover from RtR Customers in accordance with the Demand Side Management Cost Recovery Rider.

Distribution-connected Aggregation Service Tariff: A NS Power tariff, approved by the Board, which provides aggregation services to LRSs for the purchase of Distribution-connected Generation.

Distribution-connected Generation: A renewable low-impact electricity generating facility or generating unit that is electrically connected to the distribution system that is capable of injecting electrical energy into the distribution system.

Distribution System: NS Power's facilities and equipment (generally rated at less than 69 kV) used to distribute electricity to ultimate usage points such as homes and industries either directly from nearby generators or from interchanges from the Transmission System.

Distribution System Access: The services provided by NS Power to the RtR Customer under the Distribution Tariff provide for the connection of the RtR Customer to the Distribution System, and the services provided by NS Power to the LRS under the Distribution-connected Aggregation Service Tariff to provide for the receipt of electricity on the distribution system from Distribution-connected Generation. These RtR Customer-related services are comprised of delivery of electricity on the distribution system and related services including connections, disconnections, line and service extensions, inspection services, meter services, power restoration, meter reading, and customer service, all in accordance with applicable NS Power Regulations.

Distribution Tariff: This Distribution Tariff, its terms and conditions and all appendices and attachments referenced herein, including the Distribution Tariff Rate Schedules.

Distribution Tariff Rate Schedules: The rate schedules attached hereto as Appendix A, which outlines the pricing and availability provisions for Distribution System Access.

DT Charges: This term shall have the meaning set out in Section 11.2.

Good Utility Practice: Those practices, methods or acts (including but not limited to the practices, methods and acts engaged in or approved by a significant portion of the electric utility industry in North America) that at a particular time, in the exercise of reasonable judgment, would have been expected to accomplish the desired result in a manner consistent with regulations, reliability, safety, environmental protection, economy and expedition as applied and practiced in the utility industry with respect to power generation, delivery, purchase and sale.

Licenced Retail Supplier (LRS): A Retail Supplier who:

(a) holds a valid Retail Supplier Licence; and

(b) has a valid LRS Participation Agreement executed with NS Power. For certainty, a Wholesale Customer is not a Licenced Retail Supplier.

LRS Participation Agreement: The agreement (and any amendments or supplements thereto) between a Licenced Retail Supplier and NS Power with respect to the sale of renewable low-impact electricity by the LRS in the form approved by the Board.

NS Power: Nova Scotia Power Incorporated.

NS Power Regulations: NS Power Regulations approved by the Board pursuant to the Public Utilities Act (Nova Scotia) as such regulations may be amended from time to time with the approval of the Board.

Open Access Transmission Tariff (OATT): NS Power's Open Access Transmission Tariff, as approved by the Board.

Province: Province of Nova Scotia.

Real Power Losses: Resistive losses occurring as the result of current flow through primary distribution feeders, distribution transformers, secondary conductors and service drops.

Reasonable Efforts: With respect to an action required to be attempted or taken by a party, efforts that are timely and consistent with Good Utility Practice and are otherwise substantially equivalent to those a party would use to protect its own interests.

Renewable Low-Impact Electricity: This term has the same meaning as in the Renewable Electricity Regulations (Nova Scotia).

Retail Supplier: This term has the same meaning as under the Act.

Retail Supplier Licence: A Retail Supplier licence issued by the Board in accordance with the Act and regulations made thereunder which authorizes a person to sell renewable low-impact electricity generated within the Province.

Retail Customer: This term has the same meaning as under the Act. For certainty, a customer of a municipal utility (as defined under the Act) is not a Retail Customer for the purposes of this Distribution Tariff.

RtR Customer: A Retail Customer who is acquiring renewable low-impact electricity from an LRS at an individual RtR Customer Premises and is not receiving Bundled Service from NS Power at that RtR Customer Premises.

RtR Customer Premises: A premises that is provided with electricity through a single meter and, as the context requires, either:

(a) a complete building such as an office building, factory or house; or

(b) a part of a building such as a suite of offices in an office building or an apartment in an apartment building, and in such cases the part of the building occupied must be contiguous and include no space not controlled by the customer; or

(c) a group of buildings served by one electric service and at its discretion accepted by NS Power as one RtR Customer for LRS billing purposes.

RtR Customer Transaction Request Application: A NS Power document to be used by a Licenced Retail Supplier for the purpose of applying to NS Power to accept and process RtR Customer transactions.

Storm Cost Recovery Charges: Storm costs NS Power is to recover from RtR Customers in accordance with the Storm Cost Recovery Rider.

Transmission Provider: NS Power.

Transmission Services: The services obtained by market participants under the terms and conditions of the OATT to access the Transmission System for the purpose of transporting electric energy and Ancillary Services.

Transmission System: The facilities, generally rated at 69 kV and above, owned, controlled or operated by the Transmission Provider that are used to provide transmission service under the OATT.

Wholesale Customer: This term has the same meaning as under the Act.

2. PURPOSE OF THE DISTRIBUTION TARIFF

In accordance with the provisions of the Act and the regulations made thereunder, NS Power will, subject to the terms of this Distribution Tariff, provide Distribution System Access to RtR Customers to enable the connection of the RtR Customer to the Distribution System.

3. SCOPE OF THE DISTRIBUTION TARIFF

The Distribution Tariff is applicable to all RtR Customers connected to the Distribution System.

This Distribution Tariff is not applicable to RtR Customers directly connected to the Transmission System except for retail costs. Transmission-connected RtR Customers must have their Transmission System access arranged by the LRS under the provisions of the OATT.

The Distribution Tariff outlines the terms and conditions that apply to the provision of Distribution System Access to RtR Customers.

The Distribution Tariff Rate Schedules apply to the provision of Distribution System Access and retail services.

4. BOARD APPROVAL

The Distribution Tariff has been approved by the Board.

Nothing contained in the Distribution Tariff shall be construed as affecting in any way the right of NS Power to make application to the Board for a change in any rates (including the Distribution Tariff Rate Schedules), terms and conditions, charges, classification of service, rules or regulations.

5. APPENDICES

For greater certainty, Appendix A attached hereto forms part of the Distribution Tariff.

6. APPLICABILITY OF NS POWER REGULATIONS TO THE RTR CUSTOMER

The NS Power Regulations apply to an RtR Customer receiving Distribution System Access.

7. NS POWER RESPONSIBILITIES

NS Power shall be responsible for:

(a) provision of Distribution System Access;

(b) processing RtR Customer Transaction Request Applications that are received from an LRS on behalf of the RtR Customer;

(c) providing billing data for the RtR Customer's Distribution Tariff charges for inclusion on the RtR Customer's invoice; and

(d) acting as the point of contact for RtR Customers for matters related to the provision of Distribution Access Service.

NS Power shall not be responsible to the RtR Customer for the supply of electricity (whether renewable low-impact electricity or otherwise) which the RtR Customer shall be obligated to obtain from an LRS.

NS Power shall not be responsible for monitoring, reviewing or enforcing contracts or arrangements between the RtR Customer and the LRS and shall not be liable for any loss, damages, cost, injury, expense or other liability, whether direct, indirect, consequential or special in nature, howsoever caused, as a result of the LRS's failure to perform its obligations to its RtR Customer(s).

8. RTR CUSTOMER RESPONSIBILITIES

The RtR Customer shall be responsible for:

(a) payment of all fees and charges arising in connection with the Distribution Tariff;

(b) compliance with the terms and conditions of the Distribution Tariff and the NS Power Regulations;

(c) obtaining a supply of renewable low-impact electricity from an LRS; and

(d) all contractual arrangements with an LRS for the supply of renewable low-impact electricity.

9. INTERRUPTION OF DISTRIBUTION SYSTEM ACCESS

Notwithstanding any term of this Distribution Tariff, NS Power shall have the right to suspend or interrupt, in whole or in part, the provision of Distribution System Access for the purpose of safeguarding life or property, for making repairs, changes, renewals, improvements or replacements to the Distribution System provided NS Power shall make Reasonable Efforts to ensure all such suspensions or interruptions are of a minimum duration consistent with the exigencies of the case, provided, however, any such suspensions or interruptions shall not release the RtR Customer from its obligation to pay all charges pursuant to this Distribution Tariff during the period of any such suspensions or interruption and to resume the use of power and energy when the supply is restored.

9A. Limitation of Liability

(a) NS Power shall not be responsible for any claim, loss, cost, liability, action, judgment, suit, proceeding, expense, disbursement or damage whatsoever arising, either directly or indirectly, whether in contract or tort (including negligence) or otherwise, in respect of any interruptions, diversions, curtailments, or other procedures necessary to maintain the efficient and effective operation of the Distribution System or the Transmission System. This would include all Distribution Access Service as permitted by this Distribution Tariff.

(b) NS Power is not liable for damages in respect of any delay, interruption or other partial or complete failure in supplying Distribution System Access where such damages are caused by something which is beyond the ability of the Company to control by reasonable and practicable effort.

(c) Notwithstanding any other provision herein or applicable law to the contrary, NS Power shall not be liable for:

i. any indirect or consequential loss or incidental or special damages, including, without limitation, any punitive or aggravated damages;

ii. any loss of profit, loss of contract, loss of opportunity or loss of goodwill; or

iii. damages for loss of use, arising, directly or indirectly, with the performance or delivery of the Distribution Access Service or any other obligations of NS Power under this Distribution Tariff, including but not limited to interruptions, diversions, curtailments or suspensions of any of the Distribution Access Services or from any acts or omissions of its employees and agents, and whether arising in contract, indemnity, tort (including negligence) or any other legal theory.

10. METERING

10.1 Provision and Ownership

NS Power will provide, install and seal all revenue class meters as necessary for application of this Distribution Tariff. The meters will be used for determining charges for Distribution System Access under the Distribution Tariff applicable to the RtR Customers.

Interval meters with remote polling capability shall be installed for all RtR Customers.

All meters and associated revenue metering equipment shall remain the property of NS Power. All revenue metering equipment installations shall meet the requirements under the Electricity and Gas Inspection Act regulations in effect at the time.

RtR Customer metering requirements are set out in the NS Power Regulations Section 4 – Metering.

10.2 Meter Reading

RtR Customer meter reading requirements are set out in NS Power Regulations Section 5 – Meter Reading and Billing.

11. BILLING

11.1 Application of Distribution Tariff Rates

The Distribution Tariff amounts payable by the RtR Customer will be calculated by NS Power using the RtR Customer's meter readings and the Distribution Tariff Rate Schedule applicable to the RtR Customer's rate class.

If the operational or consumption characteristics of the RtR Customer change, such that the RtR Customer, in NS Power's determination, no longer qualifies for its current rate class, NS Power shall apply a Distribution Tariff rate appropriate to the RtR Customer's new operational or consumption characteristics.

11.2 Billing

Unless NS Power directs otherwise, the RtR Customer shall be invoiced by the LRS and will pay the LRS for any charges or fees, inclusive of all applicable taxes, owing by the RtR Customer to NS Power under this Distribution Tariff (DT Charges).

For greater certainty, the DT Charges shall include:

(a) All fees and charges for the provision of Distribution System Access under this Distribution Tariff;

(b) Demand Side Management Cost Recovery Charges;

(c) any applicable costs incurred by NS Power resulting from performance of repairs, changes, renewals, improvements or replacements outside of normal working hours, at the RtR Customer's request;

(d) Storm Cost Recovery Charges; and

(e) Other items as may be approved by the Board.

NS Power may, at its discretion, include fees for any special customer services provided at the LRS' or the RtR Customer's request, pursuant to NS Power Regulation 7.1 – Schedule of Charges.

The RtR Customer consents to NS Power providing the LRS with Customer Information for the purposes of facilitating the billing arrangements between the LRS and the RtR Customer.

The RtR Customer acknowledges and agrees that unless NS Power directs otherwise, it shall be responsible to the LRS with respect to all matters relating to the payment and collection of the DT Charges and any other amounts owing by it under this Distribution Tariff.

The RtR Customer shall not make or bring any claim, action or demand against NS Power arising out of or in any way attributable to the collection of the DT Charges by the LRS, its servants, agents or employees.

11.3 Real Power Losses

Distribution System Real Power Losses associated with Distribution System Access are incorporated in the Distribution Tariff rates applicable to each RtR Customer's rate class. The RtR Customer is responsible for the costs of such Real Power Losses.

12. DISCONTINUANCE OF DISTRIBUTION SYSTEM ACCESS BY NS POWER

For certainty, NS Power may discontinue Distribution System Access to an RtR Customer in accordance with the requirements of NS Power Regulations Section 6 – Collection of Accounts, Regulations 6.1 – Disconnection of Electric Service, 6.2 – Rules Governing Disconnection and 6.3 – Medical Emergency.

APPENDIX A: DISTRIBUTION TARIFF RATE SCHEDULES

*Note: for certainty, all capitalized terms shall, unless otherwise defined herein, have the meanings ascribed thereto in the Distribution Tariff.

APPLICABILITY

This schedule provides charges for Distribution System Access applicable to distribution-connected[1] Renewable to Retail (RtR) Customers receiving supply of renewable low-impact electricity from a Licenced Retail Supplier as provided for under the *Electricity Act* (Nova Scotia).

CHARGES

Distribution Tariff energy and demand charges are applicable to RtR Customer metered energy and demand. Where LRSs are purchasing electricity from customers with Distribution-connected Generation, Distribution Tariff energy and demand charges are applicable to customer imports only (i.e. customer exports to the system are excluded).

Domestic Service	**Customer Charge ($/month)**	**Distribution Charge (¢/kWh)**	**Minimum Monthly Charge ($/month)**
Effective upon the date of the Board's Order	$20.08	2.957	$20.08
Effective January 1, 2027	$21.04	3.185	$21.04

Small General	**Customer Charge ($/month)**	**Distribution Charge (¢/kWh)**	**Minimum Monthly Charge ($/month)**
Effective upon the date of the Board's Order	$22.00	2.495	$22.00
Effective January 1, 2027	$22.73	2.685	$22.73

General	**Demand Charge ($/kW)**	**Minimum Monthly Charge ($/month)**	**Transformer Ownership Credit ($/kVA)**
Effective upon the date of the Board's Order	$6.383	$22.00	(0.32)
Effective January 1, 2027	$6.800	$22.73	(0.32)

[1] The Distribution Tariff provides charges for distribution system access for distribution-connected customers; however, the tariff also includes charges for retail costs which are also applicable to transmission-connected customers.

Large General	**Demand Charge ($/kVA)**	**Minimum Monthly Charge ($/month)**	**Transformer Ownership Credit ($/kVA)**
Effective upon the date of the Board's Order	$3.247	$22.00	(0.32)
Effective January 1, 2027	$3.325	$22.73	(0.32)

Small Industrial	**Demand Charge ($/kVA)**	**Minimum Monthly Charge ($/month)**	**Transformer Ownership Credit ($/kVA)**
Effective upon the date of the Board's Order	$5.232	$22.00	(0.32)
Effective January 1, 2027	$5.544	$22.73	(0.32)

Medium Industrial	**Demand Charge ($/kVA)**	**Minimum Monthly Charge ($/month)**	**Transformer Ownership Credit ($/kVA)**
Effective upon the date of the Board's Order	$3.354	$22.00	(0.32)
Effective January 1, 2027	$3.378	$22.73	(0.32)

Large Industrial (Distribution-connected)	**Demand Charge ($/kVA)**	**Minimum Monthly Charge ($/month)**	**Transformer Ownership Credit ($/kVA)**
Effective upon the date of the Board's Order	$2.728	$22.00	(0.32)
Effective January 1, 2027	$2.876	$22.73	(0.32)

Large Industrial (Transmission-connected)	**Demand Charge ($/kVA)**	**Minimum Monthly Charge ($/month)**
Effective upon the date of the Board's Order	$0.433	$22.00
Effective January 1, 2027	$0.415	$22.73

Outdoor Recreational Lights	**Distribution Charge (¢/kWh)**
Effective upon the date of the Board's Order	6.019
Effective January 1, 2027	6.343

Unmetered	**Demand Charge ($/kVA)**	**Minimum Monthly Charge ($/month)**
Effective upon the date of the Board's Order	$23.264	$22.00
Effective January 1, 2027	$24.333	$22.73

Unmetered – Miscellaneous Small Loads	**Demand Charge ($/kVA)**	**Minimum Monthly Charge ($/month)**
Effective upon the date of the Board's Order	$23.264	$22.00
Effective January 1, 2027	$24.333	$22.73

Note 1. Demand Charges and credits are applicable to kilovolt-ampere of maximum (kVA) demand of the current month or the maximum actual demand of the previous December, January, or February occurring in the previous eleven months regardless of whether service was taken under the bundled or unbundled service.

DEMAND SIDE MANAGEMENT (DSM) COST RECOVERY RIDER

The Demand Side Management Cost Recovery Charge (in cents per kilowatt-hour) applicable to the Tariff for the current rate year, shown in the Demand Side Management Cost Recovery Rider, shall apply, in addition to the energy charge.

STORM COST RECOVERY RIDER

Storm Cost Recovery charges or credits (in cents per kilowatt-hour) applicable to the Tariff for the current rate year, shown in the Storm Cost Recovery Rider, shall apply, in addition to the energy charge.

MAXIMUM PER KWH CHARGE/MINIMUM BILL

The same maximum per kWh charges and minimum bills will apply as stated in tariffs for NS Power Bundled Service for each Rate Class listed above.

AVAILABILITY

The same Availability conditions will apply as stated in tariffs for NS Power Bundled Service for each Rate Class listed above, saving and excepting the Interruptible Rider to the Large Industrial Tariff (Rate Code 25) which will not apply.

SPECIAL CONDITIONS

The same Special Conditions will apply as stated in tariffs for NS Power Bundled Service for each Rate Class listed above, saving and excepting the Interruptible Rider to the Large Industrial Tariff (Rate Code 25) which will not apply.

STREET AND AREA LIGHTING RATES

Note: 2026 rates shall be in effect upon the date of the Board's Order and 2027 rates shall be in effect January 1, 2027.

(1) Incandescent

(a) Operating, Maintenance, and Capital (full charge)

Rate Code	Watts	kWh per month	per month ($)		Other
			2026	2027	
001	300 and less	97	13.18	14.03	
002	Greater than 300	154	17.29	18.32	

(b) Operating Only

Rate Code	Watts	kWh per month	per month ($)		Other
			2026	2027	
003	300 and less	97	6.77	7.08	

(2) Mercury Vapour

(a) Operating, Maintenance, and Capital (full charge)

Rate Code	Watts	kWh per month	per month ($)		Other
			2026	2027	
100	100	43	10.44	11.17	
101	125	52	11.31	12.07	
102	175	69	12.07	12.87	

Rate Code	Watts	kWh per month	per month ($)		Other
			2026	2027	
103	250	97	14.62	15.55	
104	400	154	18.67	19.78	
105	700	260	27.07	28.57	
106	1,000	363	35.12	37.01	
107	250	212	15.84	16.79	continuous operation

(b) Operating and Maintenance Only

Rate Code	Watts	kWh per month	per month ($)		Other
			2026	2027	
201	125	52	5.27	5.48	
202	175	69	6.05	6.30	
203	250	97	8.00	8.34	
204	400	154	11.98	12.50	
205	700	260	19.38	20.24	
206	1,000	363	26.56	27.76	

(c) Operating Only

Rate Code	Watts	kWh per month	per month ($)		Other
			2026	2027	
301	125	52	3.63	3.80	
302	175	69	4.82	5.04	
303	250	97	6.77	7.08	
304	400	154	10.75	11.24	
305	700	260	18.15	18.98	
306	1,000	363	25.33	26.50	

(3) Fluorescent

(a) Operating, Maintenance, and Capital (full charge)

Rate Code	Bulb Length	Number of Bulbs per Unit	kWh per month	per month ($)		Other
				2026	2027	
110	24	2	30	10.30	10.99	
111	48	2	85	14.39	15.28	
112	72	2	116	17.04	18.04	
113	72	4	222	25.60	27.01	
114	96	1	47	12.03	12.80	
115	72	1	60	12.55	13.34	
116	48	4	166	20.63	21.80	

(b) Operating and Maintenance Only

Rate Code	Bulb Length	Number of Bulbs per Unit	kWh per month	per month ($)		Other
				2026	2027	
213	72	4	222	17.95	18.73	
214	96	1	47	5.74	5.95	
215	72	1	60	6.65	6.90	
216	48	4	166	14.05	14.64	
217	48	1	49	5.88	6.10	
218	48	2	85	8.39	8.73	

(c) Operating Only

Rate Code	Bulb Length	Number of Bulbs per Unit	kWh per month	per month ($)		Other
				2026	2027	
330	35	4	47	3.28	3.43	

(4) Fluorescent Crosswalk

(a) Continuous Burning – Operating Only

Rate Code	Bulb Length	Number of Bulbs per Unit	kWh per month	per month ($)		Other
				2026	2027	
117	72	4	486	15.49	16.20	
118	24	2	66	2.10	2.20	
119	48	4	364	11.60	12.13	
120	96	2	254	8.09	8.47	
150	96	4	613	19.54	20.43	

(b) Photocell Operation – Operating Only

Rate Code	Bulb Length	Number of Bulbs per Unit	kWh per month	per month ($)		Other
				2026	2027	
310	24	2	30	2.09	2.19	
311	48	4	166	11.59	12.12	
312	72	2	116	8.10	8.47	
313	72	4	222	15.49	16.21	
314	96	1	47	3.28	3.43	
315	72	1	60	4.19	4.38	
350	96	4	280	19.54	20.44	

(5) Low Pressure Sodium

(a) Operating, Maintenance, and Capital (full charge)

Rate Code	Watts	kWh per month	per month ($)		Other
			2026	2027	
130	135	60	16.28	17.23	
131	180	80	19.86	21.00	
132	90	45	15.23	16.14	

(b) Operating and Maintenance Only

Rate Code	Watts	kWh per month	per month ($)		Other
			2026	2027	
231	180	80	9.28	9.61	

(c) Operating Only

Rate Code	Watts	kWh per month	per month ($)		Other
			2026	2027	
331	180	80	5.58	5.84	

(6) High Pressure Sodium

(a) Operating, Maintenance, and Capital (full charge)

Rate Code	Watts	kWh per month	per month ($)		Other
			2026	2027	
121	250	100	14.43	15.34	
122	400	150	18.02	19.10	
123	70	32	9.52	10.21	
124	100	45	10.45	11.18	
125	150	65	12.00	12.80	
126	100	99	11.69	12.45	continuous operation

(b) Operating and Maintenance Only

Rate Code	Watts	kWh per month	per month ($)		Other
			2026	2027	
221	250	100	8.21	8.56	
222	70	32	3.46	3.60	
223	100	45	4.37	4.55	
224	150	65	5.77	6.01	

(c) Operating Only

Rate Code	Watts	kWh per month	per month ($)		Other
			2026	2027	
321	250	100	6.98	7.30	
322	70	32	2.23	2.34	
323	100	45	3.14	3.29	
324	150	65	4.54	4.75	
326	400	150	10.47	10.95	
327	500	183	12.77	13.36	
328	1,000	363	25.33	26.50	
329	1,500	500	34.90	36.50	

(7) Metallic Additive

(a) Operating, Maintenance, and Capital (full charge)

Rate Code	Watts	kWh per month	per month ($)		Other
			2026	2027	
140	400	150	19.16	20.27	
141	1,000	360	36.28	38.17	
142	250	100	16.60	17.58	
143	150	67	14.30	15.17	
144	100	50	13.11	13.93	

(b) Operating Only

Rate Code	Watts	kWh per month	per month ($)		Other
			2026	2027	
341	1,000	360	25.12	26.28	
342	400	150	10.47	10.95	
343	250	100	6.98	7.30	
344	175	75	5.23	5.48	
345	150	67	4.68	4.89	
346	100	50	3.49	3.65	

(8) Light Emitting Diode (LED) less than 30 Watts for Traffic Control Signals Only

Rate Code	Watts	kWh per month	per month ($)		Other
			2026	2027	
530	4.6	3	0.11	0.11	non-continuous
531	7.5	5	0.18	0.18	continuous

(9) Light Emitting Diode (LED) – Operating Only

Rate Code	Watts	kWh per month	per month ($)		Other
			2026	2027	
532	44	15	1.05	1.10	
533	66	22	1.54	1.61	
534	88	29	2.02	2.12	
535	92	31	2.16	2.26	
536	105	35	2.44	2.56	
537	173	57	3.98	4.16	
538	44	15	1.05	1.10	
539	110	37	2.58	2.70	
540	65	22	1.54	1.61	
541	55	18	1.26	1.31	
542	83	28	1.95	2.04	
543	48	16	1.12	1.17	
544	72	24	1.67	1.75	
546	43	14	0.98	1.02	
547	50	17	1.19	1.24	
548	53	18	1.26	1.31	
549	80	27	1.88	1.97	
550	200	67	4.68	4.89	
551	60	20	1.40	1.46	
552	70	23	1.61	1.68	
553	87	29	2.02	2.12	
554	173	58	4.05	4.23	
555	35	12	0.84	0.88	

Rate Code	Watts	kWh per month	per month ($)		Other
			2026	2027	
556	51	17	1.19	1.24	
557	172	57	3.98	4.16	
558	91	30	2.09	2.19	
559	42	14	0.98	1.02	
560	13	4	0.28	0.29	
561	8	3	0.21	0.22	
562	150	50	3.49	3.65	
563	60	20	1.40	1.46	
564	28	9	0.63	0.66	
565	86	29	2.02	2.12	
567	100	33	2.30	2.41	
569	143	48	3.35	3.50	
570	200	67	4.68	4.89	
572	250	83	5.79	6.06	
573	52	17	1.19	1.24	
574	140	47	3.28	3.43	
575	185	62	4.33	4.53	
576	95	32	2.23	2.34	
578	75	25	1.74	1.83	
579	138	46	3.21	3.36	
582	54	18	1.26	1.31	
583	175	58	4.05	4.23	
584	46	15	1.05	1.10	
585	69	23	1.61	1.68	
586	108	36	2.51	2.63	
587	158	53	3.70	3.87	
589	48	16	1.12	1.17	
590	90	30	2.09	2.19	
591	240	80	5.58	5.84	
592	135	45	3.14	3.29	

Rate Code	Watts	kWh per month	per month ($)		Other
			2026	2027	
593	30	10	0.70	0.73	
594	133	44	3.07	3.21	
595	55	18	1.26	1.31	
596	52	17	1.19	1.24	
597	41	14	0.98	1.02	
598	68	23	1.61	1.68	
599	117	39	2.72	2.85	

(10) Light Emitting Diode (LED) – Operating, Maintenance, and Capital (full charge)

Rate Code	Watts	kWh per month	per month ($)		Other
			2026	2027	
615	44	15	9.95	10.54	
616	55	18	10.16	10.75	
623	28	9	9.53	10.10	
624	50	17	10.09	10.68	
625	72	24	10.57	11.19	
626	100	33	11.20	11.85	
627	200	67	13.58	14.33	

(11) Light Emitting Diode (LED) – Operating, Maintenance, and Capital (full charge)

Rate Code	Watts	kWh per month	per month ($)		Other
			2026	2027	
724	55	18	7.63	8.14	
740	190	63	18.32	19.21	
741	261	87	21.56	22.58	
742	124	41	14.18	14.92	
743	84	28	12.66	13.34	

STANDBY SERVICE

Standby Service is a supplemental generation capacity service provided to Licensed Retail Suppliers (LRS). The service is provided in combination with Energy Balancing Service under the Energy Balancing Service Tariff. The service has two components:

> **Capacity adequacy service** – fulfillment of the LRS' obligation to provide or pay for its share of firm capacity required to meet adequacy standards of the Nova Scotia electricity system arising from forced and unforced generation outages. Energy delivered during generation outages will be billed under the Energy Balancing Service Tariff.
>
> **Top-up capacity service** – provision of capacity to support energy delivery through the Energy Balancing Service in respect of imbalance between load and generation.

All capitalized terms herein shall, unless otherwise defined herein, have the meanings ascribed thereto in the LRS Terms and Conditions.

AVAILABILITY

This Standby Service Tariff is applicable to the LRS in order to facilitate the purchase of renewable low-impact electricity by Renewable to Retail (RtR) Customers.

This Standby Service Tariff is provided under the following terms and conditions:

(1) The LRS must have a valid LRS Participation Agreement executed with NS Power;

(2) The LRS must be providing service to RtR Customers; and

(3) Under the Distribution-connected Aggregation Service Tariff, the LRS will aggregate its customers' Distribution-connected Generation and use this to serve other RtR Customers. To facilitate this, NS Power will separately track hourly customer imports of electricity and hourly LRS customer exports to the grid. Customer imports will be used to determine NS Power's charges to retail customers under the Distribution Tariff and will serve as an input to demand and energy amounts applicable to the LRS under the OATT, Standby Service, Energy Balancing Service, and Renewable to Retail Market Transition tariffs. Customer exports will be tracked and reported to the LRS to support the LRS' commercial arrangement with the LRS' customer and will serve as an input to the generation amounts applicable to the LRS under the Standby Service, Energy Balancing Service, and Renewable to Retail Market Transition tariffs.

APPLICABILITY

(1) An LRS taking service under this Standby Service Tariff shall also take service under the Open Access Transmission Tariff (OATT), the Energy Balancing Service Tariff, and the Renewable to Retail Market Transition Tariff.

(2) The service under this Standby Service Tariff is complementary to the generation ancillary services to the Renewable to Retail market under OATT.

(3) The aggregate hourly load quantities are determined at the delivery point from the transmission system, inclusive of distribution system losses, in accordance with the provisions of the LRS Terms and Conditions.

(4) This service is applicable to firm load only.

ADMINISTRATION CHARGE

The monthly administration charge is applicable to each LRS and is set annually according to the following formula:

$$\text{Monthly charge} = \frac{\text{forecast annual administration costs}}{\text{forecast number of LRS' subscribed} * 12}$$

This charge will be $414.63 per month.

DEMAND CHARGE

$5.601 per month, per kilowatt (kW) of monthly standby contract demand.

MINIMUM MONTHLY CHARGE

The minimum monthly charge will be the administration charge.

DETERMINATION OF MONTHLY STANDBY CONTRACT DEMAND

Monthly Standby Contract Demand (MSCD) in kW is determined using the following formula:

$$\text{MSCD} = \text{LWPFD} - \mathit{min}\ (\mathit{LWPFD}, (\Sigma_{ii=1}^{nn}\ \mathit{CCi} * \mathit{GCi})/(1+\mathit{PR}))$$

Where:

- "LWPFD" is LRS Winter Peak Firm Demand in respect of each billing month calculated as follows:

LWPFD = $\Sigma_{i=1}^{k}(CMPFDi * CMDAFi)$

Where:

- “k” is the number of otherwise applicable bundled service rate classes to RtR customers of an LRS.

- “CMPFDi” is hourly kW Class Monthly Peak Firm Demand (CMPFD) of the LRS firm load in each tariff class at the time of system coincident firm load peak in each month at transmission delivery points (i.e. inclusive of distribution system losses). Where the LRS purchases electricity from customers with Behind-the-Meter Generation, demand will include customer imports only (i.e. exclude customer exports to the system). The CMPFD for the unmetered customer class shall be determined by use of research-based class load profile data.

- “CMDAFi” is the Class Monthly Demand Adjustment Factor applicable to each class as set out below:

Classes	**Jan, Feb, Dec**	**Mar, Apr**	**May, Jun**	**Jul, Aug, Sep**	**Oct, Nov**
Domestic	1.00	1.34	2.13	2.26	1.65
Small General	1.00	1.24	1.62	1.59	1.35
General	1.00	1.21	1.47	1.36	1.20
Large General	1.00	0.99	0.93	0.86	0.99
Small Industrial	1.00	1.25	1.23	1.27	1.16
Medium Industrial	1.00	1.11	1.04	1.03	0.96
Large Industrial Firm	1.00	1.04	0.92	0.89	0.92
Unmetered	1.00	1.19	1.99	1.98	1.33

- “PR” is Planning Reserve (%) based on Northeast Power Coordinating Council planning criteria (i.e. 20% or as updated).

- “CCi” is a capacity contribution factor of LRS’ generator to NS Power’s system peak as determined by NS Power. The capacity contribution factor may be the subject of periodic adjustment if operating conditions of the generator, such as a prolonged deration, depart from those assumed by NS Power. For non-dispatchable resources, the capacity contribution factor shall be determined using the Effective Load Carrying Capability (ELCC) methodology as set out in the most recently approved Integrated Resource Plan, or as otherwise updated by the Nova

Scotia Power System Operator (NSPSO) or IESO Nova Scotia. NS Power shall provide the LRS with the applicable ELCC value and the basis for its determination upon request.

- "GCi" is the generator capacity dedicated to serving LRS load. Where the LRS purchases surplus electricity from customers with Distribution-connected Generation, GCi, if applicable to this generation, will include exports only.

- "n" is the total number of LRS' generators including those under contract.

SPECIAL CONDITIONS

(1) NS Power reserves the right to have a separate service agreement, if in the opinion of NS Power issues not specifically set out herein, must be addressed for the ongoing benefit of NS Power and its customers.

(2) The LRS' RtR Customers and generators will make all necessary arrangements to ensure that their generation and load do not unduly deteriorate the integrity of the power supply system, either by its design or operation. These specific requirements shall be stipulated by way of a written operating agreement.

(3) In assessing issues which might unduly affect the integrity of the power supply system the following would be considered: reliability, harmonic voltage and current levels, voltage flicker, unbalance, rate of change in load levels, stability, fault levels and other related conditions.

(4) Nothing contained in this Standby Service Tariff or any service agreement shall be construed as affecting or in any way limiting the right of NS Power to make application to the Nova Scotia Energy Board for a change in any rates, terms and conditions, charges, classification of service, service agreement, rule or regulation, including, without limitation, the rates, charge or terms and conditions contained in this Standby Service Tariff, the Energy Balancing Service Tariff, Distribution-connected Aggregation Service Tariff, or the Renewable to Retail Market Transition Tariff.

(5) Unless the following can be demonstrated by the LRS to the satisfaction of NS Power, the capacity contribution factor shall be attributed a value of zero in the billing demand calculation of the demand charge:

(i) If the LRS' resource is dispatchable, that it can start up and deliver energy contracted to, but unused by, the LRS to NS Power, if directed to do so by the NSPSO, in the event of a resource adequacy need;

(ii) If the LRS' resource is non-dispatchable, that it makes its full output for which it is provided an ELCC value contracted to, but unused by, the LRS available to deliver energy to NS Power, in the event of a resource adequacy need;

(iii) The LRS' resource will remain available for dispatch, if called upon by the NSPSO, by coordinating with the NSPSO and refraining from taking planned outages during certain critical times of the year, as determined by the NSPSO;

(iv) Any export transactions utilizing energy from the LRS' resource will be recallable by the NSPSO, up to the amount contracted to the LRS, for delivery to the NS Power system in the event of a resource adequacy need;

(v) The LRS' resource, as applicable, will perform as needed to meet NS Power's reliability requirements; and

(vi) The capacity derived based on the capacity contribution factor is procured and available to the LRS on a minimum three-year forward basis, unless this requirement is waived by NS Power.

(6) In the event of a failure by the LRS' resource, as applicable, to deliver scheduled energy or capacity following a direction to do so by the NSPSO, in accordance with Special Condition (5), then the LRS will be required to make payment to NS Power of an amount equal to the costs incurred by NS Power to procure or to self-supply the undelivered capacity, as applicable, less the charge paid by the LRS to NS Power under this Tariff with respect to any such undelivered capacity, as applicable. If delivery of an LRS' resource, as applicable, is affected by circumstances that are inconsistent with the information and/or documentation provided to NS Power pursuant to Special Condition (5), then NS Power and the LRS shall attempt to negotiate an adjustment to the capacity contribution factor for the LRS' resource as applicable. If NS Power and the LRS are unable to agree on an adjustment to the capacity contribution factor, the matter may be submitted to the Board by either party on an expedited basis for adjudication.

Nova Scotia Power Incorporated

Licenced Retail Supplier Terms and Conditions

Table of Contents

1.0 DEFINITIONS

1.1 The following terms shall have the following meanings:

Act: The *Electricity Act*, S.N.S. 2004, c. 25, as amended from time to time.

Ancillary Services: Services that are necessary to support the transport of capacity and energy from generation resources to loads while maintaining reliable operation of the Transmission Provider's Transmission System in accordance with Good Utility Practice.

Behind-the-Meter Generation: A renewable low-impact electricity generating facility or generating unit that is connected on the customer's side of the revenue meter or point of delivery that is primarily intended to supply all or a portion of the electrical requirements of the customer's premises. Behind-the-Meter Generation may export excess electricity to the distribution system where permitted by applicable laws, regulations, tariffs, or interconnection agreement.

Billing Period: The time between two consecutive meter readings, or estimates, or a combination thereof.

Board: Nova Scotia Energy Board.

Bundled Service: Electrical service taken from NS Power under NS Power tariffs approved by the Board. This takes the form of having generation, transmission, distribution, Ancillary Services and all other items associated with the provision of such service blended or bundled within the rate. For certainty, Bundled Service does not include services taken from NS Power under the Distribution Tariff, the Energy Balancing Service Tariff, the Standby Service Tariff, Distribution-connected Aggregation Service Tariff, or the Renewable to Retail Market Transition Tariff.

Business Day: A Business Day is Monday to Friday, inclusive, excluding holidays. The regular business hours on a Business Day are from 08:30 to 16:30 Atlantic Time.

Calendar Day: Any day including Saturday, Sunday, or a holiday.

Credit Assurance: Collateral in the form of cash, a Letter(s) of Credit, or other security acceptable to NS Power.

Credit Rating: With respect to an entity, the lowest of the ratings then assigned to such entity's unsecured, senior long-term debt obligations (not supported by third party credit enhancements), or issuer or general corporate rating.

Confidential Information: Information that is (a) designated as confidential in LRS Terms and Conditions or LRS Participation Agreement; or (b) identified in writing as confidential by the disclosing person at the time of disclosure. The following information will not constitute Confidential Information: (i) information which is or becomes generally available to the public other than as a result of a disclosure by NS Power; (ii) information which was already known to NS Power on a non-confidential basis prior to being furnished by the disclosing party; (iii) information which becomes available to NS Power on a non-confidential basis from a source other than the disclosing party or a representative of the disclosing party if such source was not subject to any prohibition against transmitting the information to NS Power and was not bound by a confidentiality agreement with the disclosing party; or (iv) information which was independently developed by NS Power or its representatives without reference to the Confidential Information.

Customer Information: Information including, but not limited to, the name, telephone number, mailing address, e-mail address, service address, site contact name, site contact telephone number and information regarding electricity consumption, class of service and payment history of a Retail Customer or an RtR customer, as applicable.

DBRS: DBRS Limited or its successor.

Demand Side Management (DSM) Recovery Charges: Costs of DSM programs that NS Power is entitled to recover from RtR Customers in accordance with the Demand Side Management Cost Recovery Rider.

Distribution-connected Aggregation Service Tariff: A NS Power tariff, approved by the Board, which provides aggregation services to LRSs for the purchase of Distribution-connected Generation.

Distribution-connected Generation: A renewable low-impact electricity generating facility or generating unit that is electrically connected to the distribution system that is capable of injecting electrical energy into the distribution system.

Distribution System: NS Power's facilities and equipment (generally rated at less than 69 kV) used to distribute electricity to ultimate usage points such as homes and industries either directly from nearby generators or from interchanges from the Transmission System.

Distribution System Access: The services provided by NS Power to the RtR Customer under the Distribution Tariff provide for the connection of the RtR Customer to the Distribution System, and the services provided by NS Power to the LRS under the Distribution-connected Aggregation Service Tariff to provide for the receipt of electricity on the distribution system from Distribution-connected Generation. These RtR Customer-related services are comprised of delivery of electricity on the distribution system and related services including connections, disconnections, line and service extensions, inspection services, meter services, power restoration, meter reading, and customer service, all in accordance with applicable NS Power Regulations.

Distribution Tariff: The NS Power Distribution Tariff approved by the Board which provides for Distribution System Access by the RtR Customer receiving renewable low-impact electricity supplied by the LRS.

Distribution Tariff Rate Schedules: The rate schedules attached to the Distribution Tariff which outline the pricing and availability provisions for Distribution System Access.

DT Charges: Any and all charges or fees owing by the LRS' RtR Customers to NS Power under the Distribution Tariff relating to the delivery of electricity to the RtR Customer, including applicable taxes. For certainty, the DT Charges shall include:

(a) All fees and charges for the provision of Distribution System Access;

(b) Demand Side Management Recovery Charges;

(c) Storm Cost Recovery Charges; and

(d) Other items as may be approved by the Board.

Energy Balancing Service Tariff: A NS Power tariff, approved by the Board, which provides supplementary generation service to Licenced Retail Suppliers for the delivery of energy to RtR Customers and reception by NS Power of surplus generation from qualifying generators through the LRS.

Good Utility Practice: Those practices, methods or acts (including but not limited to the practices, methods and acts engaged in or approved by a significant portion of the electric utility industry in North America) that at a particular time, in the exercise of reasonable judgment, would have been expected to accomplish the desired result in a manner consistent with regulations, reliability, safety, environmental protection, economy and expedition as applied and practiced in the utility industry with respect to power generation, delivery, purchase and sale.

Letter of Credit: One or more irrevocable, transferable standby letters of credit issued by a Schedule 1 Canadian Chartered Bank with such bank having a Credit Rating of A from S&P or DBRS or A2 from Moody's (or other ratings agency acceptable to NS Power), in a form and manner acceptable to NS Power.

Licenced Retail Supplier (LRS): A Retail Supplier who:

(a) holds a valid Retail Supplier Licence; and

(b) has a valid LRS Participation Agreement executed with NS Power.

For certainty, a Wholesale Customer is not a Licenced Retail Supplier.

Load Settlement: The process used by NS Power to determine the aggregate consumption of an LRS's RtR Customers in each hour for the purpose of determining charges for services under the Energy Balancing Service Tariff, Standby Service Tariff, the Renewable to Retail Market Transition Tariff, the Distribution-connected Aggregation Service Tariff, and for Transmission Services and Ancillary Services under the OATT.

LRS Participation Agreement: The agreement (and any amendments or supplements thereto) between a Licenced Retail Supplier and NS Power in the form attached hereto as Appendix B, which incorporates the LRS Terms and Conditions.

LRS Terms and Conditions (LRS T&Cs): This term has the meaning set out in Section 2.0 herein.

LRS Tariffed Services: The services provided to the LRS by NS Power under the Energy Balancing Service Tariff, the Standby Service Tariff, the OATT (including Transmission Service and Ancillary Services), the Renewable to Retail Market Transition Tariff (RTT), and, if applicable, the Distribution-connected Aggregation Service (DAS) Tariff. For certainty, the LRS Tariffed Services exclude any services provided to the RtR Customer by NS Power under the Distribution Tariff.

Market Participant: A person who has executed a wholesale market Participation Agreement (as defined in the Nova Scotia Wholesale and Renewable to Retail Electricity Market Rules Appendix IA) with the NSPSO in accordance with the requirements of the Nova Scotia Wholesale and Renewable to Retail Electricity Market Rules.

Moody's: Moody's Investors Services, Inc. or its successor.

Nova Scotia Wholesale and Renewable to Retail Electricity Market Rules: The Wholesale and Renewable to Retail Market Rules made by the Nova Scotia Department of Energy as amended from time to time in accordance with section 2.4 of those rules.

NS Power: Nova Scotia Power Incorporated.

NS Power Regulations: NS Power Regulations approved by the Board pursuant to the *Public Utilities Act* (Nova Scotia) as such regulations may be amended from time to time with the approval of the Board.

NSPSO: NS Power System Operator.

Open Access Transmission Tariff (OATT): NS Power's Open Access Transmission Tariff, as approved by the Board.

Province: Province of Nova Scotia.

Reasonable Efforts: With respect to an action required to be attempted or taken by a party, efforts that are timely and consistent with Good Utility Practice and are otherwise substantially equivalent to those a party would use to protect its own interests.

Renewable Low-Impact Electricity: This term has the same meaning as in the *Renewable Electricity Regulations* (Nova Scotia).

Retail Customer: This term has the same meaning as under the Act. For certainty, a customer of a municipal utility (as defined under the Act) is not a Retail Customer.

Retail Supplier: This term has the same meaning as under the Act.

Retail Supplier Licence: A Retail Supplier licence issued by the Board in accordance with the Act and regulations made thereunder which authorizes a person to sell renewable low-impact electricity generated within the Province.

RtR Customer: A Retail Customer who is acquiring renewable low-impact electricity from an LRS at an individual RtR Customer Premises and is not receiving Bundled Service from NS Power at that RtR Customer Premises.

RtR Customer Contract: This term shall have the meaning set out in Section 9.1 herein.

RtR Customer Premises: A premises that is provided with electricity through a single meter and, as the context requires, either:

(a) a complete building such as an office building, factory or house; or

(b) a part of a building such as a suite of offices in an office building or an apartment in an apartment building, and in such cases the part of the building occupied must be contiguous and include no space not controlled by the customer; or

(c) a group of buildings served by one electric service and at its discretion accepted by NS Power as one RtR Customer for LRS billing purposes.

RtR Customer Transaction Request Application: A NS Power document to be used by a Licenced Retail Supplier for the purpose of applying to NS Power to accept and process RtR Customer transactions.

Renewable to Retail Market Transition Tariff (RTT): The NS Power tariff approved by the Board which provides for recovery from each LRS the amount of NS Power's fixed or embedded costs, including deferred costs.

S&P: The Standard & Poor's Rating Group (a division of McGraw-Hill, Inc.) or its successor.

Standby Service Tariff: A NS Power tariff, approved by the Board, which provides supplemental generation capacity service to Licenced Retail Suppliers. The service has two components:

(1) capacity adequacy service required meeting adequacy standards of the Nova Scotia electricity system; and

(2) top-up capacity service associated with energy delivery in respect of forced or unplanned outages of the Licenced Retail Supplier's contracted generation resources.

Storm Cost Recovery Charges: Storm costs NS Power is to recover from RtR Customers in accordance with the Storm Cost Recovery Rider.

Transmission Provider: NS Power.

Transmission Services: The services obtained by market participants under the terms and conditions of the OATT to access the Transmission System for the purpose of transporting electric energy and Ancillary Services.

Transmission System: The facilities, generally rated at 69 kV and above, owned, controlled, or operated by the Transmission Provider that are used to provide transmission service under the OATT.

Wholesale Customer: This term has the same meaning as under the Act.

2.0 PURPOSE OF THE LRS TERMS AND CONDITIONS

2.1 These procedures and terms and conditions (collectively referred to as the "LRS Terms and Conditions" or "LRS T&Cs") are applicable to Licenced Retail Suppliers for the purpose of enabling the supply of renewable low-impact electricity to RtR Customers in accordance with the provisions of the Act and the regulations made thereunder.

3.0 SCOPE AND APPLICABILITY OF THE LRS T&CS

3.1 These LRS T&Cs are applicable to an LRS who enters into an LRS Participation Agreement with NS Power for provision of LRS Tariffed Services to the LRS.

3.2 The LRS T&Cs and are deemed to form part of the LRS Participation Agreement and address, among other things, the procedures for RtR Customer transactions, metering, Load Settlement and LRS billing.

3.3 An LRS is required to execute an LRS Participation Agreement with NS Power in order for the LRS to be eligible for LRS Tariffed Services from NS Power. The LRS Participation Agreement shall give contractual force to the LRS T&Cs with respect to the relationship between NS Power and the LRS.

3.4 Distribution System Access under the Distribution Tariff for receipt of power from the LRS is provided directly to the RtR Customer by NS Power and is not included in the scope of the LRS Participation Agreement.

3.5 The Distribution-connected Aggregation Service Tariff, as it relates to LRS access for generating back into the distribution system is not included in the scope of the LRS Participation Agreement.

4.0 BOARD APPROVAL

4.1 The LRS T&Cs have been approved by the Board.

4.2 Nothing contained in the LRS T&Cs or the LRS Participation Agreement shall be construed as affecting in any way the right of NS Power to unilaterally make application to the Board for a change in any rates, procedures, rules or regulations, including, the LRS T&Cs, the Energy Balancing Service Tariff, the Standby Service Tariff, the OATT, the Renewable to Retail Market Transition Tariff, the Distribution-connected Aggregation Service Tariff, or the Distribution Tariff.

5.0 APPENDICES

5.1 For greater certainty, the following appendices are attached to, and form part of, the LRS T&Cs:

(a) Appendix A: RtR Customer Transaction Request Application Form

(b) Appendix B: LRS Participation Agreement.

6.0 ELIGIBILITY OF THE LRS

6.1 Subject to the terms and conditions set out herein, an LRS shall be eligible for LRS Tariffed Services from NS Power, if the following conditions are met to the satisfaction of NS Power:

(a) LRS has a valid Retail Supplier Licence and provides NS Power with its unique licence identification number;

(b) NS Power is in receipt of a valid LRS Participation Agreement duly executed by the LRS and NS Power;

(c) LRS meets and adheres to the Credit Assurance requirements of NS Power as described in Section 19.0 herein; and

(d) LRS provides NS Power with confirmation that the LRS has been qualified by the NSPSO as a Market Participant within the NS Power operating area.

6.2 NS Power shall have the right to terminate the LRS Participation Agreement and discontinue the LRS Tariffed Services without liability or penalty if at any time the LRS fails to satisfy any of the conditions set out in Section 6.1.

6.3 There shall be only one (1) LRS in respect of an RtR Customer Premises at any given time.

6.4 There shall be only one (1) RtR Customer for an RtR Customer Premises at any given time.

7.0 LRS PARTICIPATION IN NS POWER TARIFFS

7.1 The LRS shall subscribe to all of the LRS Tariffed Services. For certainty, the LRS shall not be entitled to receive one or more of the individual LRS Tariffed Services without accepting and receiving all of the LRS Tariffed Services in the aggregate.

8.0 LRS RESPONSIBILITIES

8.1 The LRS shall be responsible for:

(a) the procurement of electricity from qualified low-impact renewable electricity generators;

(b) acquiring the services delivered under, and remaining in compliance with, the OATT, Energy Balancing Service Tariff, Standby Service Tariff, Renewable to Retail Market Transition Tariff, Distribution-connected Aggregation Service Tariff, and the Distribution Tariff;

(c) payment to NS Power of all fees and charges for the LRS Tariffed Services;

(d) payment to NS Power of all DT Charges applicable to the LRS' RtR Customer(s);

(e) adhering to the Credit Assurance requirements of NS Power as described in Section 19.0;

(f) obtaining and providing the RtR Customer's written consent, in a form acceptable to NS Power, in support of any transaction requests submitted to NS Power on behalf of the RtR Customer;

(g) obtaining any consents from the RtR Customer required by NS Power with respect to the use or disclosure of Customer Information;

(h) providing NS Power, in a timely manner, with up-to-date RtR Customer Information for all RtR Customers served by the LRS;

(i) acting as the point of contact for RtR Customers served by the LRS on all matters related to billing and collection of accounts;

(j) ensuring that the LRS' RtR Customers are aware of the terms and conditions of any NS Power tariff to which the LRS subscribes that may affect the RtR Customer;

(k) ensuring that the RtR Customers are aware of their responsibilities under the NS Power Regulations; and

(l) notifying NS Power of the discontinuance of service to any RtR Customer by the LRS.

8.2 The LRS shall adhere to and comply with the requirements of the applicable NS Power Regulations identified herein.

8.3. The LRS shall adhere to and comply with Board Electricity Retailers Regulations (Nova Scotia) and the Code of Conduct for the sale of Renewable Low-Impact Electricity Sales in Nova Scotia.

9.0 LRS ARRANGEMENTS WITH RTR CUSTOMERS

9.1 The LRS shall enter into a contract with each of its RtR Customer(s) with respect to any sale of renewable low-impact electricity by the LRS to such RtR Customer ("RtR Customer Contract"). The RtR Customer Contract will also include the terms under which an LRS Customer is supplying surplus Distribution-connected Generation to the LRS.

9.2 NS Power shall not be responsible for monitoring, reviewing or enforcing the RtR Customer Contract(s).

9.3 NS Power shall not be liable for any loss, damages, cost, injury, expense or other liability, whether direct, indirect, consequential or special in nature, howsoever caused, as a result of any breach of an RtR Customer Contract by either the LRS or the RtR Customer.

9.4 The LRS shall ensure that each RtR Customer Contract contains a statement to the effect that NS Power shall not be liable in damages to the RtR Customer in respect of any breach of the

RtR Customer Contract by the LRS or for any delay, interruption or other partial or complete failure in the supply of electricity to the RtR Customer.

9.5 The LRS shall defend, protect, release, indemnify, keep indemnified and shall hold NS Power harmless from and against and be liable to NS Power for any and all damages, losses, claims or expenses which NS Power may at any time sustain or incur to the extent arising, directly or indirectly, from (i) any acts or omissions of the LRS or any agent, employee, of the LRS or person acting on behalf of any of them; and (b) any claims by a third party, including an RtR Customer, arising out of a breach of the RtR Customer Contract.

9.6 The LRS shall ensure that each RtR Customer Contract contains an acknowledgement from the RtR Customer that the RtR Customer will revert to NS Power's Bundled Service upon discontinuance of LRS Tariffed Service and the termination of the LRS Participation Agreement unless an RtR Customer Transaction Request Application has submitted by an alternate LRS on behalf of the RtR Customer to NS Power nominating an alternate LRS.

9.7 Any assignment, sale or transfer of an RtR Customer Contract by an LRS shall not be effective until the LRS has submitted and NS Power has accepted an RtR Customer Transaction Request Application for the applicable RtR Customer.

9.8 The LRS shall inform its distribution-connected generators that termination of an LRS' net billing arrangement in the RtR market and return to NS Power service under a net metering option could result in de-rating of the customer's distribution-connected behind-the-meter generator to respect the legislated limits of NS Power's net metering options as governed by the *Electricity Act*.

10.0 NS POWER RESPONSIBILITIES

10.1 NS Power shall be responsible for:

(a) the processing all RtR Customer Transaction Request Applications submitted by an LRS in accordance with Section 11.0;

(b) provision of the services delivered under the OATT, Energy Balancing Service Tariff, Standby Service Tariff, the Renewable to Retail Market Transition Tariff, and, as applicable, the Distribution-connected Aggregation Service Tariff to the LRS;

(c) provision of Distribution System Access to applicable RtR Customers;

(d) providing metering services;

(e) performing Load Settlement for each LRS;

(f) issuing invoices to the LRS;

(g) maintaining Customer Information for all customer sites as necessary to perform Load Settlement;

(h) maintaining Customer Information as it is supplied and updated by the RtR Customer; and

(i) acting as the point of contact for RtR Customers for matters related to the provision of Distribution Access Service.

10.2 Interruption of LRS Tariffed Services

10.2.1 NS Power shall have the right to suspend or interrupt the delivery of Distribution System Access, relating to either the delivery of electricity to RtR Customers from the LRS or the provision of electricity from the LRS onto the distribution system from Distribution-connected Generation, or any or all of the LRS Tariffed Services for the purpose of safeguarding life or property, for making repairs, changes, renewals, improvements or replacements to the Transmission System or Distribution System provided NS Power shall make Reasonable Efforts to ensure all such interruptions or suspensions are of a minimum duration consistent with the exigencies of the case. Further, provided, however, any such interruption or suspensions shall not release the LRS from its obligation to pay all charges pursuant to any NS Power tariffs applicable to the LRS Tariffed Services, or otherwise owing to NS Power under the LRS T&Cs, including the DT Charges, during the period of any such suspensions.

10.3 Limitation of Liability

10.3.1 Notwithstanding any other provision herein, NS Power shall not be liable for any claim, loss, cost, liability, actions, judgment, suit, proceeding, expense, disbursement or damage whatsoever arising, either directly or indirectly, whether in contract or tort (including negligence) or otherwise, from any interruptions, diversions, curtailments, suspension or other procedures necessary to maintain the efficient and effective operation of either the Distribution System or the Transmission System. This would include Distribution System Access and any or all LRS Tariff Services provided by NS Power to the LRS.

10.3.2 Notwithstanding any other provision herein, and in addition to Section 10.3.1, NS Power shall not be liable for any claims, losses, costs, liabilities, obligations, actions, judgments, suits, expenses, disbursements or damages of an LRS or its directors, officers or employees whatsoever, whether in contract or in tort (including negligence) or any other legal theory, arising, directly or indirectly, out of any act or omission of NS Power in the exercise of any power or obligation under the LRS T&Cs or any applicable tariff, including the Distribution Tariff, the Energy Balancing Service Tariff, the Standby Service Tariff, the OATT, the Distribution-connected Aggregation Service Tariff, and the Renewable to Retail Market Transition Tariff, except to the extent such claim, loss or damages results from the gross negligence or willful misconduct of NS Power.

10.3.3 For the purposes of Section 10.3.2, an act or omission of NS Power effected in compliance with the LRS T&Cs or the applicable tariffs shall be deemed not to constitute willful misconduct or a negligent act or omission.

10.3.4 Notwithstanding any other provision herein or applicable law to the contrary, NS Power shall not be liable to the LRS for:

(a) any indirect or consequential loss or incidental or special damages, including, without limitation, any punitive or aggravated damages;

(b) any loss of profit, loss of contract, loss of opportunity or loss of goodwill; or

(c) damages for loss of use,

arising, directly or indirectly, with the performance or delivery of the LRS Tariff Services or Distribution System Access, including, but not limited, to interruptions, diversions, curtailments or suspensions of any of the LRS Tariffed Services or Distribution System Access or from any acts or omissions of its employees or agents, and whether arising in contract, indemnity, tort (including negligence) or any other legal theory.

11.0 RTR CUSTOMER TRANSACTIONS

11.1 Prior to enrollment of a new RtR Customer or modifying the enrollment of an existing RtR Customer, the LRS shall complete and submit to NS Power an RtR Customer Transaction Request Application duly executed by the LRS and the applicant customer. NS Power will review the RtR Customer Transaction Request Application and notify the LRS upon its acceptance or rejection. For certainty, completed RtR Customer Transaction Request Applications duly executed by the LRS and the applicable customer shall be required for each of the following categories of transactions:

(a) A request to enroll a current NS Power Bundled Service customer as an RtR Customer of the LRS;

(b) A request to enroll a Retail Customer, that is not currently an NS Power Bundled Service customer, as an RtR Customer of the LRS;

(c) A request for return of an LRS' RtR Customer to NS Power's Bundled Service;

(d) A request, initiated by the LRS of record, to transfer an existing RtR Customer from the current LRS to another LRS (Assignee), subject to the written authorization of the Assignee;

(e) A request to obtain Customer Information from NS Power;

(f) Notification to NS Power of updated Customer Information; and

(g) Such other service request types as determined by NS Power.

11.2 The LRS shall provide complete Customer Information with each application for RtR Customer enrollment or transfer.

11.3 NS Power reserves the right to refuse to accept an RtR Customer Transaction Request Application for any Retail Customer who has outstanding debt payable to NS Power in relation to previous electric service.

11.4 NS Power reserves the right to refuse to accept an RtR Customer Transaction Request Application for any Retail Customer whose premises is physically connected to the Transmission System until the Retail Customer has executed a separate operating agreement with NS Power in a form satisfactory to NS Power. Such an operating agreement will address operational issues including, but not limited to the following: descriptions of facilities and delivery points, characteristics of supply, metering, load balance, harmonics, right of way, right of access and general obligations of both the transmission-connected Retail Customer and NS Power.

11.5 RtR Customer Transaction Request Applications will be processed based on the order in which they are received by NS Power. NS Power will use Reasonable Efforts to process each RtR Customer Transaction Request Application and complete the installation of interval metering devices and communications equipment and services as necessary to effect transfer of the RtR Customer to LRS supply within fourteen (14) Calendar Days of receipt of the RtR Customer Transaction Request Application.

11.6 Upon acceptance of an RtR Customer Transaction Request Application, NS Power will notify the LRS and record the LRS as the LRS of record for the particular RtR Customer Premises. If an RtR Customer Transaction Request Application is rejected, NS Power will provide the LRS with the reason(s) for the rejection.

11.7 All indebtedness of the RtR Customer to NS Power in respect of any NS Power electrical service supplied to the RtR Customer that is in arrears must be paid in full before NS Power can accept the enrollment of the RtR Customer with the LRS or the transfer of the RtR Customer to an alternate LRS.

11.8 Following acceptance of the Customer Transaction Request Application by NS Power, the RtR Customer transactions will be effective for the period following the next meter reading for the RtR Customer.

11.9 NS Power shall ensure that each distribution connected RtR Customer is provided with a copy of the Distribution Tariff.

12.0 LRS RTR CUSTOMER INFORMATION INQUIRIES

12.1 Provision of NS Power Customer Information to LRS

12.1.1 Subject to receipt of the consent of the Retail Customer, NS Power will provide Customer Information to an LRS with which it has an executed LRS Participation Agreement.

12.1.2 An LRS with a fully executed LRS Participation Agreement with NS Power may request Customer Information prior to the RtR Customer subscribing with the LRS provided the RtR Customer has consented in writing to the disclosure of such information to the LRS.

12.1.3 The LRS shall initiate this request by submitting an RtR Customer Transaction Request Application.

12.2 Provision of RtR Customer Information between the LRS and NS Power

12.2.1 The LRS shall notify NS Power promptly of any changes to the Customer Information.

12.2.2 Subject to any confidentiality, NS Power and the LRS shall each supply to the other data, materials or other information that may be reasonably required in connection with the performance of its obligations under the LRS T&Cs.

13.0 TECHNICAL REQUIREMENTS FOR INTERCONNECTION OF RTR BEHIND-THE-METER AND DISTRIBUTION-CONNECTED GENERATION

13.1 Behind-the-Meter Generation and Distribution-connected Generation facilities participating in the RtR market shall be subject to the same interconnection technical requirements established for comparable net metering and/or behind-the-meter generation options available to NS Power Bundled Service customers as governed by the *Electricity Act*. Interconnection technical requirements shall be determined based on the nameplate generating capacity of the facility and will be applied using the same thresholds applicable to NS Power's Self-generating Option and Commercial Net Metering Program as identified in sections 6 and 7, respectively, of the *Electricity Act*. For clarity, sizing limits applicable to NS Power's net metering programs do not apply.

14.0 METERING

14.1 Provision and Ownership

14.1.1 NS Power will install and seal all revenue class meters for the purpose of measuring the output of the LRS' generation resources and the RtR Customer's load, including any export from bi-directional meters, as necessary for application of the applicable NS Power tariffs. Meter data from such meters will be used for Load Settlement for the purpose of determining the charges for the LRS Tariffed Services. The meters will also be used to determine charges for Distribution System Access under the Distribution Tariff.

14.1.2 Interval meters with remote polling capability shall be installed for all RtR Customers. NS Power will charge the costs of the supply and installation of metering devices and communications equipment and services which are incremental to the metering requirements applicable to NS Power's Bundled Service. Metering for LRS generation resources (whether owned or contracted) will be provided in accordance with the applicable Generator Interconnection Agreement.

14.1.3 Meters and associated revenue metering equipment shall remain the property of NS Power.

14.1.4 All revenue metering equipment installations shall meet the Electricity and Gas Inspection Act regulations requirements in effect at the time.

14.1.5 NS Power Regulations with respect to metering shall apply to metering of RtR Customer loads, including any export from bi-directional meters, for the purpose of billing the LRS for LRS Tariffed Services.

<u>14.2 Meter Reading</u>

14.2.1 NS Power shall use Reasonable Efforts to obtain a meter reading for each RtR Customer Premises in accordance with NS Power's meter reading cycle. If NS Power is unable to obtain a meter reading, the amount of power and energy used by the RtR Customer in the Billing Period shall be estimated by NS Power.

14.2.2 At the request of the LRS, NS Power shall use Reasonable Efforts to obtain an actual meter reading at a time other than the regularly scheduled meter reading. NS Power will charge the LRS for additional meter reading expense in accordance with NS Power Regulation 7.1 – Schedule of Charges.

14.2.3 NS Power Regulations with respect to meter reading shall apply to metering of RtR Customer loads for the purpose of billing the LRS for LRS Tariffed Services and DT Charges.

15.0 BILLING ADJUSTMENT

<u>15.1 Billing of RtR Customers</u>

15.1.1 In order that the LRS may bill its RtR Customers for the sale of renewable low-impact electricity, NS Power will provide the LRS with the metering data applicable to each of the LRS' RtR Customers.

15.1.2 All DT Charges will be calculated by NS Power using the RtR Customer's meter readings and the Distribution Tariff Rate Schedule applicable to the RtR Customer's rate class.

15.1.3 The LRS shall invoice the LRS' RtR Customer for the DT Charges and consolidate such charges and fees on the LRS' invoice to the RtR Customer. The DT Charges shall not be marked-up, added to, aggregated, bundled, unbundled, or otherwise altered by the LRS. DT Charges related to special customer services will be itemized and provide the total amount of the charge.

15.1.4 NS Power may, at its discretion, include fees for any special customer services provided at the LRS' or the RtR Customer's request, pursuant to NS Power Regulation 7.1 – Schedule of Charges.

15.2 NS Power Settlement and Billing to LRS for Aggregated Charges

15.2.1 Charges for LRS Tariffed Services provided to the LRS shall be based on the aggregated RtR Customer load and the LRS aggregate generation (whether owned or contracted, including transmission and Distribution-connected Generation). The charge determinant shall be based on the aggregate energy and peak hourly aggregate demand of an LRS' RtR Customer loads in conjunction with the hourly aggregate energy of the LRS generation (whether owned or contracted, including transmission and Distribution-connected Generation). NS Power will invoice for each of the services provided to the LRS under the Energy Balancing Service Tariff, Standby Service Tariff, Renewable to Retail Transition Tariff, and, if applicable, the Distribution-connected Aggregation Service Tariff in accordance with the rates, terms and conditions set out in those tariffs.

15.2.2 NS Power will invoice the LRS for Transmission Services and associated Ancillary Services in accordance with the rates, terms, riders and conditions set out in the OATT and in accordance with the Nova Scotia Wholesale and Renewable to Retail Electricity Market Rules and Procedures.

15.3 Settlement Methodology for Determining the Aggregated Charges

15.3.1 To determine the charges described in Section 15.2, NS Power shall determine the aggregate load for each hour in the Billing Period for the total of all RtR Customers of the LRS, and the aggregate output for each hour in the Billing Period of all RtR generation serving the LRS.

15.3.2 To determine the aggregated LRS hourly load and generation profiles using interval meters, NS Power will aggregate the individual meter interval readings for each hour in the Billing Period. The aggregated hourly load and generation profiles will be used in the settlement calculations.

15.4 Determination of RtR Load Requirement at Transmission Voltage

15.4.1 Meter readings for distribution-connected RtR Customer loads will be adjusted for distribution losses using established average annual rate class losses for the purpose of

Load Settlement for each of the LRS Tariffed Services which are applicable at the transmission voltage level for transmission-connected generation.

15.5 NS Power Billing Procedure

15.5.1 Within a reasonable time after the first day of each month, NS Power shall submit an invoice to the LRS for the charges for all LRS Tariffed Services received by the LRS during the preceding month. Unless NS Power directs otherwise in writing, NS Power will also invoice the LRS for the DT Charges.

15.5.2 LRS agrees to pay NS Power in full for the DT Charges in the manner set out herein and the LRS shall have the right to seek reimbursement from its applicable RtR Customers for such DT Charges.

15.5.3 The LRS shall be liable to NS Power for payment of the full amount of any and all DT Charges applicable to the LRS' RtR Customers invoiced by NS Power, notwithstanding the ability of the LRS to obtain payment of such amounts from its RtR Customers. Non-payment of the DT Charges by an LRS' RtR Customer shall not constitute a valid defence for non-payment by the LRS to NS Power.

15.5.4 The LRS shall consolidate the DT Charges on the LRS' invoice to the RtR Customer; provided; however, the DT Charges shall not be marked-up, added to, aggregated, bundled, unbundled, or otherwise altered by the LRS.

15.5.5 Unless, NS Power directs otherwise in writing, the LRS shall be responsible for the collection of all DT Charges owing by its RtR Customers. LRS shall at all times indemnify, defend, and save NS Power harmless from and against any and all damages, losses, claims, costs, liabilities, actions, judgments, suits, proceedings, expenses or disbursement whatsoever arising out of, either directly or indirectly, whether in contract or tort (including negligence) or otherwise, the collection of DT Charges by the LRS, its employees or its agents.

15.5.6 All invoices issued by NS Power, including an invoice for the DT Charges, shall be paid by the LRS to NS Power in full within twenty (20) Calendar Days of the billing date. All payments shall be made in immediately available funds payable to NS Power. Invoiced amounts which are not paid by the LRS within twenty (20) Calendar Days after the billing date shall be subject to an interest charge as set forth in Section 15.6.

15.5.7 Each invoice shall state the period to which the invoice applies and describe the services provided. The amount due within the twenty (20) day period set out in Section 15.5.6 and the effective date of the interest charge shall be clearly shown on the invoice. Where practicable, NS Power will address credits and payment obligations due under any tariff on the same invoice through netting, including interest payments or credits.

15.5.8 Unless otherwise expressly stated, all references in the tariffs, a settlement statement or an invoice to a monetary amount shall be expressed in Canadian dollars.

15.6 Interest on Unpaid Balances

15.6.1 Interest on any unpaid amounts (including amounts placed in escrow) shall be calculated in accordance with the methodology specified in NS Power Regulation 5.4. When payments are made by mail, invoices shall be considered as paid on time if the envelope is postmarked on or before the last date for net payment.

16.0 DEFAULT FOR NON-PAYMENT

16.1 In the event a Licenced Retail Supplier fails, for any reason other than a billing dispute as described below, to make payment to NS Power on or before the due date as described in Section 15.5.6, and such failure of payment is not corrected within thirty (30) Calendar Days after NS Power notifies the LRS to cure such failure, a default by the LRS shall be deemed to exist. Upon the occurrence of such a default by the LRS, NS Power may discontinue the LRS Tariffed Services and terminate the LRS Participation Agreement without any liability or responsibility whatsoever, except for obligations arising prior to the date of termination.

16.2 In the event of a billing dispute between NS Power and the LRS, NS Power shall continue to provide LRS Tariffed Services as long as the LRS (i) gives written notice of the dispute to NS Power on or before the due date for the payment, detailing the amount and reasons for the dispute; (ii) continues to make all payments not in dispute, and (iii) prior to the due date for payment pays into an independent escrow account the portion of the invoice in dispute, pending resolution of such dispute. If the Licenced Retail Supplier fails to meet these three requirements for continuation of service, then NS Power may provide notice to the Licenced Retail Supplier of its intention to discontinue the LRS Tariffed Service and terminate the LRS Participation Agreement in thirty (30) Calendar Days.

17.0 EVENTS OF DEFAULT

17.1 In addition to its rights of discontinuation and termination under Section 16.0, NS Power may, without prejudice to any other rights or remedies it may have, immediately discontinue the LRS Tariffed Services and terminate the LRS Participation Agreement upon notice in writing to the LRS:

(a) if the LRS' Retail Supplier Licence has been cancelled or otherwise revoked;

(b) if the LRS has failed to meet or maintain the Credit Assurance requirements set out in

Section 19.0;

(c) if the LRS is disqualified (or no longer qualifies) as a Market Participant within the NS Power operating area;

(d) if the LRS fails to adhere to the NS Power Regulations identified herein as applicable to the LRS following the expiration of any applicable cure period set out in the NS Power Regulations;

(e) if the LRS defaults in the performance of any of its obligations under the LRS T&Cs (other than those set out in Section 16.0 and Section 17.1(a) to (d) above) and fails to cure such default within twenty (20) Calendar Days of notice of such default by NS Power; or

(f) in the event of any liquidation, winding up or bankruptcy of the LRS, whether voluntary or compulsory, or any composition with creditors or scheme of arrangement.

17.2 Upon discontinuance of LRS Tariffed Service and the termination of the LRS Participation Agreement, and in the absence of an RtR Customer Transaction Request Application accepted by NS Power requesting the RtR Customer be assigned to an alternate LRS, the provision of Bundled Service to the affected RtR Customers(s) shall be assumed by NS Power as the default supplier, in accordance with NS Power's Regulations.

17.3 In the event an RtR Customer breaches, defaults upon or otherwise fails to adhere to NS Power Regulations ("Defaulting RtR Customer"), NS Power shall have the right, without liability or penalty, to immediately terminate or suspend any service to the Defaulting RtR Customer upon notice in writing to the LRS.

18.0 DISCONTINUANCE OF SERVICE TO RTR CUSTOMER BY THE LRS

18.1 To discontinue LRS Tariffed Services to an RtR Customer Premises, an LRS shall complete and provide to NS Power, an RtR Customer Transaction Request Application, in accordance with Section 11.0.

18.2 The LRS shall provide the RtR Customer with advance notice of any request to discontinue the provision of service to that RtR Customer, and be responsible to the RtR Customer for consequences of any such discontinuance. NS Power will not be held liable for any RtR Customer disputes with the LRS regarding the discontinuance of LRS Tariffed Services to an RtR Customer Premises.

18.3 The LRS Tariffed Services shall continue in effect and the LRS shall remain responsible for payment of the LRS Tariffed Services until the next meter reading is obtained. If NS Power has received and accepted an RtR Customer Transaction Request Application from an alternate LRS ("Assignee") for an RtR Customer, that Assignee will be appointed as the new LRS of record for the RtR Customer, otherwise the RtR Customer will be returned to NS Power's Bundled Service.

18.4 NS Power reserves the right to refuse an RtR Customer Transaction Request Application from any Retail Customer who has outstanding debt payable to NS Power in relation to previous electric service. NS Power Regulations including, but not limited to application for service, connection and disconnection of service, payment of accounts and deposits will apply to the RtR Customer's return to NS Power's Bundled Service.

19.0 CREDIT ASSURANCE

19.1 An LRS must provide, in advance, Credit Assurance as security for the payment and performance of the LRS' obligations to NS Power, including payment for the LRS Tariffed Services and payment of the DT Charges, regardless of payment history, before NS Power provides any of the LRS Tariffed Services to the LRS.

19.2 On any Business Day (but no more frequently than once per calendar month), NS Power will provide the LRS with written notice requesting Credit Assurance in an amount determined by NS Power and based upon an amount equal to two hundred percent (200%) of the forecasted payment for the LRS Tariffed Services and DT Charges combined (rounded upwards for any fractional amount to the nearest $1,000). Upon receipt of such notice the LRS shall have three (3) Business Days to provide such Credit Assurance to NS Power. In the event that the LRS fails to provide such Credit Assurance acceptable to NS Power within three (3) Business Days of such request, then a default will be deemed to have occurred in accordance with Section 17.1(b).

19.3 NS Power shall be entitled to draw upon or otherwise realize upon the Credit Assurance in the event of any default pursuant to Section 16.0 or Section 17.0 herein and apply such funds against the LRS' payment obligations until such time as all of the LRS' obligations have been satisfied. If the Credit Assurance is insufficient to satisfy the LRS' payment obligations, the LRS shall remain liable to NS Power for the balance of the amount owing. If NS Power draws upon or otherwise realizes upon the Credit Assurance as permitted hereunder, then the LRS shall provide additional or replacement Credit Assurance which is sufficient to maintain the Credit Assurance in an amount determined by NS Power as set out herein.

19.4 Costs of a Letter of Credit shall be the responsibility of the LRS and not NS Power. To the extent that a Letter of Credit introduces a lag time and there are additional costs to NS Power, these costs will be paid by the LRS.

19.5 To the extent the LRS delivers Credit Assurance hereunder in the form of cash to NS Power, the LRS shall be deemed to have pledged and assigned to NS Power, as security for the payment and performance of such LRS' obligations owing to NS Power, a present and continuing security interest in, and lien on (and right of setoff against), all such cash collateral and any and all proceeds resulting therefrom or the liquidation thereof, whether now or hereafter held by, on behalf of, or for the benefit of NS Power. The LRS shall also take such action as NS Power reasonably requires in order to perfect NS Power's security interest in, and lien on (and right of setoff against), such collateral and any and all proceeds resulting therefrom or from the liquidation thereof.

19.6 All cash held by NS Power as Credit Assurance shall be held without interest.

20.0 FORCE MAJEURE AND INDEMNIFICATION

20.1 Force Majeure

20.1.1 Force Majeure is any cause beyond the reasonable control of NS Power including, without limiting the generality of the foregoing, an act of God, failure of facilities or equipment, flood, earthquake, storm, nuclear disaster, lightning, fire, epidemic, war, riot, civil disturbance, labour trouble, strike, sabotage, terrorism and restraint by court or public authority which by exercise of Good Utility Practice NS Power could not be expected to reasonably avoid. If NS Power is rendered unable to fulfill any obligations by reason of Force Majeure, it shall be excused from performing to the extent it is prevented from so doing but it shall exercise Good Utility Practice to correct such inability with all reasonable dispatch, and it shall not be liable for any injury, damage or loss resulting from such inability. However, settlement of strikes and labour disturbances shall be wholly within the discretion of NS Power.

20.2 Indemnity by LRS

20.2.1 The LRS shall at all times indemnify, defend, and save NS Power harmless from, any and all damages, losses, claims, including claims and actions relating to injury to or death of any person or damage to property, demands, suits, recoveries, costs and expenses, court costs, legal fees, and all other obligations by or to third parties, including, without limitation the RtR Customer, arising out of or resulting from NS Power's performance of its obligations on behalf of the LRS in respect of the LRS Tariffed Services on behalf of the LRS, except to the extent such claim, loss or damages results from the gross negligence or willful misconduct of NS Power.

21.0 APPENDIX A

RtR Customer Transaction Request Application Form
[to be developed during implementation]

22.0 APPENDIX B

LRS Participation Agreement

ENERGY BALANCING SERVICE

The Energy Balancing Service is a supplemental generation service provided to Licenced Retail Suppliers (LRS) in respect of the Licenced Retail Supplier's Renewable to Retail (RtR) Customers utilizing the production from renewable low-impact generators. The service consists of delivery of complementary energy to RtR Customers and reception of surplus generation from qualifying generators. The service is required to be taken in conjunction with Standby Service under the Standby Service Tariff so that the reliability of service to RtR Customers is equivalent to that provided under Bundled Service. For the purposes of this Energy Balancing Service Tariff, hourly LRS load in excess of generation is defined as top-up energy and hourly generation in excess of LRS load is defined as spill energy.

All capitalized terms herein shall, unless otherwise defined herein, have the meanings ascribed thereto in the LRS Terms and Conditions.

AVAILABILITY

This Energy Balancing Service Tariff is applicable to the LRS in order to facilitate the purchase of renewable low-impact electricity by RtR Customers.

This Energy Balancing Service Tariff is provided under the following terms and conditions:

(1) The LRS must have a valid LRS Participation Agreement executed with NS Power; and

(2) The LRS must be providing service to RtR Customers.

APPLICABILITY

(1) An LRS taking service under this Energy Balancing Service Tariff shall also take service under the Open Access Transmission Tariff (OATT), the Standby Service Tariff, and the Renewable to Retail Market Transition Tariff.

(2) The service under this Energy Balancing Service Tariff is based on metered energy quantities and is independent of the LRS' forecasts. OATT Schedule 4 is not applicable, but the Generation Forecasting Service under Schedule 4A of the OATT is applicable.

(3) The hourly top-up and spill quantities are determined at the delivery point from the transmission system. Where the LRS purchases electricity from customers with Distribution-connected Generation, the LRS' aggregate customer load will include customer imports only (i.e. exclude customer exports to the system) and the aggregate renewable low-impact electricity supplied by the LRS, will include customer exports only. The hourly top-up quantity equals the excess in each hour, if positive, of the LRS' aggregate customer load adjusted by the addition of distribution

losses over the aggregate renewable low-impact electricity supplied by the LRS or its contracted generation adjusted by the deduction of transmission losses. The hourly spill quantity equals the excess in each hour, if positive, of the aggregate renewable low-impact electricity supplied by the LRS or its contracted generation adjusted by the deduction of transmission locational losses, as applicable to the geographic zone in which the generating facility is interconnected, over its aggregate customer load adjusted by the addition of distribution losses. The locational loss values will be published by the NS Power System Operator. The aggregate hourly load quantities are determined in accordance with the applicable provisions in the LRS Terms and Conditions.

(4) To qualify for this service, the LRS must ensure that the imbalance between low-impact renewable generation and energy consumption over the established compliance period conforms to Section 10 of the Board Electricity Retailers Regulations (Nova Scotia) enacted under the Act.

(5) Maximum Spill Capacity must be approved by NS Power prior to commencement of service and will be limited to a level agreed as being required to provide the contracted annual amount of participating LRS energy. Spill capacity will be reviewed annually and will include the LRS' proposal to mitigate it on a going forward basis. If NS Power is not satisfied with the LRS' proposal, it may impose a limit on hourly production of the LRS' generation portfolio.

(6) Under the Distribution-connected Aggregation Service, the LRS will aggregate its customers' Distribution-connected Generation and use this to serve other RtR Customers. To facilitate this, NS Power will separately track hourly customer imports of electricity and hourly LRS customer exports to the grid. Customer imports will be used to determine NS Power's charges to retail customers under the Distribution Tariff and will serve as an input to the demand and energy amounts applicable to the LRS under the OATT, Standby Service, Energy Balancing Service, and Renewable to Retail Market Transition tariffs. Customer exports will be tracked and reported to the LRS to support the LRS' commercial arrangement with the LRS' customer and will serve as an input to the generation amount applicable to the LRS under the Standby Service, Energy Balancing Service, and Renewable to Retail Market Transition tariffs.

ADMINISTRATION CHARGE

The monthly administration charge is applicable to each LRS and is set annually according to the following formula:

$$\text{Monthly charge} = \frac{\text{forecast annual administration costs}}{\text{forecast number of LRS' subscribed} * 12}$$

This charge will be $414.63 per month.

ENERGY CHARGE

Energy charge for top-up service is made up of the following two components:

(1) Annually adjusted fuel cost component based on NS Power's incremental cost of serving the LRS' forecasted incremental top-up load.

(2) Fixed cost adder reflective of fixed cost energy-related generation costs.

Energy Charge Components	cents per kWh
Fuel Cost	6.736
Fixed Cost Adder	2.155
Total	**8.891**

The charge is applicable to top-up energy consumed in each hour.

ENERGY CREDIT

6.736 cents per kilowatt-hour.

The Energy Credit for spill service is set annually and is applicable to spilled energy in each hour.

MINIMUM MONTHLY CHARGE

The minimum monthly charge will be the administration charge.

SPECIAL CONDITIONS

(1) NS Power reserves the right to have a separate service agreement, if in the opinion of NS Power issues not specifically set out herein, must be addressed for the ongoing benefit of NS Power and its customers.

(2) The LRS' RtR Customers and generators will make all necessary arrangements to ensure that their generation and load do not unduly deteriorate the integrity of the power supply system, either by its design and/or operation. These specific requirements shall be stipulated by way of a written operating agreement.

(3) In assessing issues which might unduly affect the integrity of the power supply system the following would be considered: reliability, harmonic voltage and current levels, voltage flicker, unbalance, rate of change in load levels, stability, fault levels and other related conditions.

(4) Nothing contained in this Energy Balancing Service Tariff or any service agreement shall be construed as affecting or in any way limiting the right of NS Power to make application to the Nova Scotia Energy Board for a change in any rates, terms and conditions, charges, classification of service, service agreement, rule or regulation, including, without limitation, the rates, charge or terms and conditions contained in this Energy Balancing Service Tariff, the Standby Service Tariff, the Distribution-connected Aggregation Service Tariff, or the Renewable to Retail Market Transition Tariff.

Nova Scotia Power Incorporated

Distribution Tariff

Nova Scotia Power Distribution Tariff

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1. DEFINITIONS

In this Distribution Tariff, the following terms shall have the following meanings:

Act: The *Electricity Act*, S.N.S. 2004, c. 25, as amended from time to time.

Ancillary Services: Services that are necessary to support the transport of capacity and energy from generation resources to loads while maintaining reliable operation of the Transmission Provider's Transmission System in accordance with Good Utility Practice.

Behind-the-Meter Generation: A renewable low-impact electricity generating facility or generating unit that is connected on the customer's side of the revenue meter or point of delivery that is primarily intended to supply all or a portion of the electrical requirements of the customer's premises. Behind-the-Meter Generation may export excess electricity to the distribution system where permitted by applicable laws, regulations, tariffs, or interconnection agreement.

Board: The Nova Scotia Energy Board.

Bundled Service: Electrical service taken from NS Power under NS Power tariffs approved by the Board. This takes the form of having generation, transmission, distribution, Ancillary Services and all other items associated with the provision of such service blended or bundled within the rate. For certainty, Bundled Service does not include services taken from NS Power under the Distribution Tariff, the Energy Balancing Service Tariff, the Standby Service Tariff, Distribution-connected Aggregation Service Tariff, or the Renewable to Retail Market Transition Tariff.

Customer Information: Information including, but not limited to, the name, telephone number, mailing address, e-mail address, service address, site contact name, site contact telephone number and information regarding electricity consumption, class of service and payment history of a Retail Customer or an RtR customer, as applicable.

Demand Side Management Recovery Charges: Costs of demand side management programs that NS Power is entitled to recover from RtR Customers in accordance with the Demand Side Management Cost Recovery Rider.

Distribution-connected Aggregation Service Tariff: A NS Power tariff, approved by the Board, which provides aggregation services to LRSs for the purchase of Distribution-connected Generation.

Distribution-connected Generation: A renewable low-impact electricity generating facility or generating unit that is electrically connected to the distribution system that is capable of injecting electrical energy into the distribution system.

Distribution System: NS Power's facilities and equipment (generally rated at less than 69 kV) used to distribute electricity to ultimate usage points such as homes and industries either directly from nearby generators or from interchanges from the Transmission System.

Distribution System Access: The services provided by NS Power to the RtR Customer under the Distribution Tariff provide for the connection of the RtR Customer to the Distribution System, and the services provided by NS Power to the LRS under the Distribution-connected Aggregation Service Tariff to provide for the receipt of electricity on the distribution system from Distribution-connected Generation ~~but does not include the provision of electricity~~. These RtR Customer-related services are comprised of delivery of electricity on the distribution system and related services including connections, disconnections, line and service extensions, inspection services, meter services, power restoration, meter reading, and customer service, all in accordance with applicable NS Power Regulations.

Distribution Tariff: This Distribution Tariff, its terms and conditions and all appendices and attachments referenced herein, including the Distribution Tariff Rate Schedules.

Distribution Tariff Rate Schedules: The rate schedules attached hereto as Appendix A, which outlines the pricing and availability provisions for Distribution System Access.

DT Charges: This term shall have the meaning set out in Section 11.2.

Good Utility Practice: Those practices, methods or acts (including but not limited to the practices, methods and acts engaged in or approved by a significant portion of the electric utility industry in North America) that at a particular time, in the exercise of reasonable judgment, would have been expected to accomplish the desired result in a manner consistent with regulations, reliability, safety, environmental protection, economy and expedition as applied and practiced in the utility industry with respect to power generation, delivery, purchase and sale.

Licenced Retail Supplier (LRS): A Retail Supplier who:

(a) holds a valid Retail Supplier Licence; and

(b) has a valid LRS Participation Agreement executed with NS Power. For certainty, a Wholesale Customer is not a Licenced Retail Supplier.

LRS Participation Agreement: The agreement (and any amendments or supplements thereto) between a Licenced Retail Supplier and NS Power with respect to the sale of renewable low-impact electricity by the LRS in the form approved by the Board.

NS Power: Nova Scotia Power Incorporated.

NS Power Regulations: NS Power Regulations approved by the Board pursuant to the Public Utilities Act (Nova Scotia) as such regulations may be amended from time to time with the approval of the

Board.

Open Access Transmission Tariff (OATT): NS Power's Open Access Transmission Tariff, as approved by the Board.

Province: Province of Nova Scotia.

Real Power Losses: Resistive losses occurring as the result of current flow through primary distribution feeders, distribution transformers, secondary conductors and service drops.

Reasonable Efforts: With respect to an action required to be attempted or taken by a party, efforts that are timely and consistent with Good Utility Practice and are otherwise substantially equivalent to those a party would use to protect its own interests.

Renewable Low-Impact Electricity: This term has the same meaning as in the Renewable Electricity Regulations (Nova Scotia).

Retail Supplier: This term has the same meaning as under the Act.

Retail Supplier Licence: A Retail Supplier licence issued by the Board in accordance with the Act and regulations made thereunder which authorizes a person to sell renewable low-impact electricity generated within the Province.

Retail Customer: This term has the same meaning as under the Act. For certainty, a customer of a municipal utility (as defined under the Act) is not a Retail Customer for the purposes of this Distribution Tariff.

RtR Customer: A Retail Customer who is acquiring renewable low-impact electricity from an LRS at an individual RtR Customer Premises and is not receiving Bundled Service from NS Power at that RtR Customer Premises.

RtR Customer Premises: A premises that is provided with electricity through a single meter and, as the context requires, either:

(a) a complete building such as an office building, factory or house; or

(b) a part of a building such as a suite of offices in an office building or an apartment in an apartment building, and in such cases the part of the building occupied must be contiguous and include no space not controlled by the customer; or

(c) a group of buildings served by one electric service and at its discretion accepted by NS Power as one RtR Customer for LRS billing purposes.

RtR Customer Transaction Request Application: A NS Power document to be used by a Licenced

Retail Supplier for the purpose of applying to NS Power to accept and process RtR Customer transactions.

Storm Cost Recovery Charges: Storm costs NS Power is to recover from RtR Customers in accordance with the Storm Cost Recovery Rider.

Transmission Provider: NS Power.

Transmission Services: The services obtained by market participants under the terms and conditions of the OATT to access the Transmission System for the purpose of transporting electric energy and Ancillary Services.

Transmission System: The facilities, generally rated at 69 kV and above, owned, controlled or operated by the Transmission Provider that are used to provide transmission service under the OATT.

Wholesale Customer: This term has the same meaning as under the Act.

2. PURPOSE OF THE DISTRIBUTION TARIFF

In accordance with the provisions of the Act and the regulations made thereunder, NS Power will, subject to the terms of this Distribution Tariff, provide Distribution System Access to RtR Customers to enable the connection of the RtR Customer to the Distribution System.

3. SCOPE OF THE DISTRIBUTION TARIFF

The Distribution Tariff is applicable to all RtR Customers connected to the Distribution System.

This Distribution Tariff is not applicable to RtR Customers directly connected to the Transmission System except for retail costs. Transmission-connected RtR Customers must have their Transmission System access arranged by the LRS under the provisions of the OATT.

The Distribution Tariff outlines the terms and conditions that apply to the provision of Distribution System Access to RtR Customers.

The Distribution Tariff Rate Schedules apply to the provision of Distribution System Access and retail services.

4. BOARD APPROVAL

The Distribution Tariff has been approved by the Board.

Nothing contained in the Distribution Tariff shall be construed as affecting in any way the right of NS Power to make application to the Board for a change in any rates (including the Distribution Tariff Rate Schedules), terms and conditions, charges, classification of service, rules or regulations.

5. APPENDICES

For greater certainty, Appendix A attached hereto forms part of the Distribution Tariff.

6. APPLICABILITY OF NS POWER REGULATIONS TO THE RTR CUSTOMER

The NS Power Regulations apply to an RtR Customer receiving Distribution System Access.

7. NS POWER RESPONSIBILITIES

NS Power shall be responsible for:

(a) provision of Distribution System Access;

(b) processing RtR Customer Transaction Request Applications that are received from an LRS on behalf of the RtR Customer;

(c) providing billing data for the RtR Customer's Distribution Tariff charges for inclusion on the RtR Customer's invoice; and

(d) acting as the point of contact for RtR Customers for matters related to the provision of Distribution Access Service.

NS Power shall not be responsible to the RtR Customer for the supply of electricity (whether renewable low-impact electricity or otherwise) which the RtR Customer shall be obligated to obtain from an LRS.

NS Power shall not be responsible for monitoring, reviewing or enforcing contracts or arrangements between the RtR Customer and the LRS and shall not be liable for any loss, damages, cost, injury, expense or other liability, whether direct, indirect, consequential or special in nature, howsoever caused, as a result of the LRS's failure to perform its obligations to its RtR Customer(s).

8. RTR CUSTOMER RESPONSIBILITIES

The RtR Customer shall be responsible for:

(a) payment of all fees and charges arising in connection with the Distribution Tariff;

(b) compliance with the terms and conditions of the Distribution Tariff and the NS Power Regulations;

(c) obtaining a supply of renewable low-impact electricity from an LRS; and

(d) all contractual arrangements with an LRS for the supply of renewable low-impact electricity.

9. INTERRUPTION OF DISTRIBUTION SYSTEM ACCESS

Notwithstanding any term of this Distribution Tariff, NS Power shall have the right to suspend or interrupt, in whole or in part, the provision of Distribution System Access for the purpose of safeguarding life or property, for making repairs, changes, renewals, improvements or replacements to the Distribution System provided NS Power shall make Reasonable Efforts to ensure all such suspensions or interruptions are of a minimum duration consistent with the exigencies of the case, provided, however, any such suspensions or interruptions shall not release the RtR Customer from its obligation to pay all charges pursuant to this Distribution Tariff during the period of any such suspensions or interruption and to resume the use of power and energy when the supply is restored.

9A. Limitation of Liability

(a) NS Power shall not be responsible for any claim, loss, cost, liability, action, judgment, suit, proceeding, expense, disbursement or damage whatsoever arising, either directly or indirectly, whether in contract or tort (including negligence) or otherwise, in respect of any interruptions, diversions, curtailments, or other procedures necessary to maintain the efficient and effective operation of the Distribution System or the Transmission System. This would include all Distribution Access Service as permitted by this Distribution Tariff.

(b) NS Power is not liable for damages in respect of any delay, interruption or other partial or complete failure in supplying Distribution System Access where such damages are caused by something which is beyond the ability of the Company to control by reasonable and practicable effort.

(c) Notwithstanding any other provision herein or applicable law to the contrary, NS Power shall not be liable for:

i. any indirect or consequential loss or incidental or special damages, including, without limitation, any punitive or aggravated damages;

ii. any loss of profit, loss of contract, loss of opportunity or loss of goodwill; or

iii. damages for loss of use, arising, directly or indirectly, with the performance or delivery of the Distribution Access Service or any other obligations of NS Power under this Distribution Tariff, including but not limited to interruptions, diversions, curtailments or suspensions of any of the Distribution Access Services or from any acts or omissions of its employees and agents, and whether arising in contract, indemnity, tort (including negligence) or any other legal theory.

10. METERING

10.1 Provision and Ownership

NS Power will provide, install and seal all revenue class meters as necessary for application of this Distribution Tariff. The meters will be used for determining charges for Distribution System Access under the Distribution Tariff applicable to the RtR Customers.

Interval meters with remote polling capability shall be installed for all RtR Customers.

All meters and associated revenue metering equipment shall remain the property of NS Power. All revenue metering equipment installations shall meet the requirements under the Electricity and Gas Inspection Act regulations in effect at the time.

RtR Customer metering requirements are set out in the NS Power Regulations Section 4 – Metering.

10.2 Meter Reading

RtR Customer meter reading requirements are set out in NS Power Regulations Section 5 – Meter Reading and Billing.

11. BILLING

11.1 Application of Distribution Tariff Rates

The Distribution Tariff amounts payable by the RtR Customer will be calculated by NS Power using the RtR Customer's meter readings and the Distribution Tariff Rate Schedule applicable to the RtR Customer's rate class.

If the operational or consumption characteristics of the RtR Customer change, such that the RtR Customer, in NS Power's determination, no longer qualifies for its current rate class, NS Power shall apply a Distribution Tariff rate appropriate to the RtR Customer's new operational or consumption characteristics.

11.2 Billing

Unless NS Power directs otherwise, the RtR Customer shall be invoiced by the LRS and will pay the LRS for any charges or fees, inclusive of all applicable taxes, owing by the RtR Customer to NS Power under this Distribution Tariff (DT Charges).

For greater certainty, the DT Charges shall include:

(a) All fees and charges for the provision of Distribution System Access under this Distribution Tariff;

(b) Demand Side Management Cost Recovery Charges;

(c) any applicable costs incurred by NS Power resulting from performance of repairs, changes, renewals, improvements or replacements outside of normal working hours, at the RtR Customer's request;

(d) Storm Cost Recovery Charges; and

(e) Other items as may be approved by the Board.

NS Power may, at its discretion, include fees for any special customer services provided at the LRS'~~s~~ or the RtR Customer's request, pursuant to NS Power Regulation 7.1 – Schedule of Charges.

The RtR Customer consents to NS Power providing the LRS with Customer Information for the purposes of facilitating the billing arrangements between the LRS and the RtR Customer.

The RtR Customer acknowledges and agrees that unless NS Power directs otherwise, it shall be responsible to the LRS with respect to all matters relating to the payment and collection of the DT Charges and any other amounts owing by it under this Distribution Tariff.

The RtR Customer shall not make or bring any claim, action or demand against NS Power arising out of or in any way attributable to the collection of the DT Charges by the LRS, its servants, agents or employees.

11.3 Real Power Losses

Distribution System Real Power Losses associated with Distribution System Access are incorporated in the Distribution Tariff rates applicable to each RtR Customer's rate class. The RtR Customer is responsible for the costs of such Real Power Losses.

12. DISCONTINUANCE OF DISTRIBUTION SYSTEM ACCESS BY NS POWER

For certainty, NS Power may discontinue Distribution System Access to an RtR Customer in accordance with the requirements of NS Power Regulations Section 6 – Collection of Accounts, Regulations 6.1 – Disconnection of Electric Service, 6.2 – Rules Governing Disconnection and 6.3 – Medical Emergency.

APPENDIX A: DISTRIBUTION TARIFF RATE SCHEDULES

*Note: for certainty, all capitalized terms shall, unless otherwise defined herein, have the meanings ascribed thereto in the Distribution Tariff.

APPLICABILITY

This schedule provides charges for Distribution System Access applicable to distribution-connected[1] Renewable to Retail (RtR) Customers receiving supply of renewable low-impact electricity from a Licenced Retail Supplier as provided for under the *Electricity Act* (Nova Scotia).

CHARGES

Distribution Tariff energy and demand charges are applicable to RtR Customer metered energy and demand. Where LRSs are purchasing electricity from customers with Distribution-connected Generation, Distribution Tariff energy and demand charges are applicable to customer imports only (i.e. customer exports to the system are excluded).

Domestic Service	**Customer Charge ($/month)**	**Distribution Charge (¢/kWh)**	**Minimum Monthly Charge ($/month)**
Effective upon the date of the Board's Order	$20.08	2.957	$20.08
Effective January 1, 2027	$21.04	3.185	$21.04

Small General	**Customer Charge ($/month)**	**Distribution Charge (¢/kWh)**	**Minimum Monthly Charge ($/month)**
Effective upon the date of the Board's Order	$22.00	2.495	$22.00
Effective January 1, 2027	$22.73	2.685	$22.73

General	**Demand Charge ($/kW)**	**Minimum Monthly Charge ($/month)**	**Transformer Ownership Credit ($/kVA)**
Effective upon the date of the Board's Order	$6.383	$22.00	(0.32)
Effective January 1, 2027	$6.800	$22.73	(0.32)

[1] The Distribution Tariff provides charges for distribution system access for distribution-connected customers; however, the tariff also includes charges for retail costs which are also applicable to transmission-connected customers.

Large General	**Demand Charge ($/kVA)**	**Minimum Monthly Charge ($/month)**	**Transformer Ownership Credit ($/kVA)**
Effective upon the date of the Board's Order	$3.247	$22.00	(0.32)
Effective January 1, 2027	$3.325	$22.73	(0.32)

Small Industrial	**Demand Charge ($/kVA)**	**Minimum Monthly Charge ($/month)**	**Transformer Ownership Credit ($/kVA)**
Effective upon the date of the Board's Order	$5.232	$22.00	(0.32)
Effective January 1, 2027	$5.544	$22.73	(0.32)

Medium Industrial	**Demand Charge ($/kVA)**	**Minimum Monthly Charge ($/month)**	**Transformer Ownership Credit ($/kVA)**
Effective upon the date of the Board's Order	$3.354	$22.00	(0.32)
Effective January 1, 2027	$3.378	$22.73	(0.32)

Large Industrial (Distribution-connected)	**Demand Charge ($/kVA)**	**Minimum Monthly Charge ($/month)**	**Transformer Ownership Credit ($/kVA)**
Effective upon the date of the Board's Order	$2.728	$22.00	(0.32)
Effective January 1, 2027	$2.876	$22.73	(0.32)

Large Industrial (Transmission-connected)	**Demand Charge ($/kVA)**	**Minimum Monthly Charge ($/month)**
Effective upon the date of the Board's Order	$0.433	$22.00
Effective January 1, 2027	$0.415	$22.73

Outdoor Recreational Lights	**Distribution Charge (¢/kWh)**
Effective upon the date of the Board's Order	6.019
Effective January 1, 2027	6.343

Unmetered	**Demand Charge ($/kVA)**	**Minimum Monthly Charge ($/month)**
Effective upon the date of the Board's Order	$23.264	$22.00
Effective January 1, 2027	$24.333	$22.73

Unmetered – Miscellaneous Small Loads	**Demand Charge ($/kVA)**	**Minimum Monthly Charge ($/month)**
Effective upon the date of the Board's Order	$23.264	$22.00
Effective January 1, 2027	$24.333	$22.73

Note 1. Demand Charges and credits are applicable to kilovolt-ampere of maximum (kVA) demand of the current month or the maximum actual demand of the previous December, January, or February occurring in the previous eleven months regardless of whether service was taken under the bundled or unbundled service.

DEMAND SIDE MANAGEMENT (DSM) COST RECOVERY RIDER

The Demand Side Management Cost Recovery Charge (in cents per kilowatt-hour) applicable to the Tariff for the current rate year, shown in the Demand Side Management Cost Recovery Rider, shall apply, in addition to the energy charge.

STORM COST RECOVERY RIDER

Storm Cost Recovery charges or credits (in cents per kilowatt-hour) applicable to the Tariff for the current rate year, shown in the Storm Cost Recovery Rider, shall apply, in addition to the energy charge.

MAXIMUM PER KWH CHARGE/MINIMUM BILL

The same maximum per kWh charges and minimum bills will apply as stated in tariffs for NS Power Bundled Service for each Rate Class listed above.

AVAILABILITY

The same Availability conditions will apply as stated in tariffs for NS Power Bundled Service for each Rate Class listed above, saving and excepting the Interruptible Rider to the Large Industrial Tariff (Rate Code 25) which will not apply.

SPECIAL CONDITIONS

The same Special Conditions will apply as stated in tariffs for NS Power Bundled Service for each Rate Class listed above, saving and excepting the Interruptible Rider to the Large Industrial Tariff (Rate Code 25) which will not apply.

STREET AND AREA LIGHTING RATES

Note: 2026 rates shall be in effect upon the date of the Board's Order and 2027 rates shall be in effect January 1, 2027.

(1) Incandescent

(a) Operating, Maintenance, and Capital (full charge)

Rate Code	Watts	kWh per month	per month ($)		Other
			2026	2027	
001	300 and less	97	13.18	14.03	
002	Greater than 300	154	17.29	18.32	

(b) Operating Only

Rate Code	Watts	kWh per month	per month ($)		Other
			2026	2027	
003	300 and less	97	6.77	7.08	

(2) Mercury Vapour

(a) Operating, Maintenance, and Capital (full charge)

Rate Code	Watts	kWh per month	per month ($)		Other
			2026	2027	
100	100	43	10.44	11.17	
101	125	52	11.31	12.07	
102	175	69	12.07	12.87	

Rate Code	Watts	kWh per month	per month ($)		Other
			2026	2027	
103	250	97	14.62	15.55	
104	400	154	18.67	19.78	
105	700	260	27.07	28.57	
106	1,000	363	35.12	37.01	
107	250	212	15.84	16.79	continuous operation

(b) Operating and Maintenance Only

Rate Code	Watts	kWh per month	per month ($)		Other
			2026	2027	
201	125	52	5.27	5.48	
202	175	69	6.05	6.30	
203	250	97	8.00	8.34	
204	400	154	11.98	12.50	
205	700	260	19.38	20.24	
206	1,000	363	26.56	27.76	

(c) Operating Only

Rate Code	Watts	kWh per month	per month ($)		Other
			2026	2027	
301	125	52	3.63	3.80	
302	175	69	4.82	5.04	
303	250	97	6.77	7.08	
304	400	154	10.75	11.24	
305	700	260	18.15	18.98	
306	1,000	363	25.33	26.50	

(3) Fluorescent

(a) Operating, Maintenance, and Capital (full charge)

Rate Code	Bulb Length	Number of Bulbs per Unit	kWh per month	per month ($)		Other
				2026	2027	
110	24	2	30	10.30	10.99	
111	48	2	85	14.39	15.28	
112	72	2	116	17.04	18.04	
113	72	4	222	25.60	27.01	
114	96	1	47	12.03	12.80	
115	72	1	60	12.55	13.34	
116	48	4	166	20.63	21.80	

(b) Operating and Maintenance Only

Rate Code	Bulb Length	Number of Bulbs per Unit	kWh per month	per month ($)		Other
				2026	2027	
213	72	4	222	17.95	18.73	
214	96	1	47	5.74	5.95	
215	72	1	60	6.65	6.90	
216	48	4	166	14.05	14.64	
217	48	1	49	5.88	6.10	
218	48	2	85	8.39	8.73	

(c) Operating Only

Rate Code	Bulb Length	Number of Bulbs per Unit	kWh per month	per month ($)		Other
				2026	2027	
330	35	4	47	3.28	3.43	

(4) Fluorescent Crosswalk

(a) Continuous Burning – Operating Only

Rate Code	Bulb Length	Number of Bulbs per Unit	kWh per month	per month ($)		Other
				2026	2027	
117	72	4	486	15.49	16.20	
118	24	2	66	2.10	2.20	
119	48	4	364	11.60	12.13	
120	96	2	254	8.09	8.47	
150	96	4	613	19.54	20.43	

(b) Photocell Operation – Operating Only

Rate Code	Bulb Length	Number of Bulbs per Unit	kWh per month	per month ($)		Other
				2026	2027	
310	24	2	30	2.09	2.19	
311	48	4	166	11.59	12.12	
312	72	2	116	8.10	8.47	
313	72	4	222	15.49	16.21	
314	96	1	47	3.28	3.43	
315	72	1	60	4.19	4.38	
350	96	4	280	19.54	20.44	

(5) Low Pressure Sodium

(a) Operating, Maintenance, and Capital (full charge)

Rate Code	Watts	kWh per month	per month ($)		Other
			2026	2027	
130	135	60	16.28	17.23	
131	180	80	19.86	21.00	
132	90	45	15.23	16.14	

(b) Operating and Maintenance Only

Rate Code	Watts	kWh per month	per month ($)		Other
			2026	2027	
231	180	80	9.28	9.61	

(c) Operating Only

Rate Code	Watts	kWh per month	per month ($)		Other
			2026	2027	
331	180	80	5.58	5.84	

(6) High Pressure Sodium

(a) Operating, Maintenance, and Capital (full charge)

Rate Code	Watts	kWh per month	per month ($)		Other
			2026	2027	
121	250	100	14.43	15.34	
122	400	150	18.02	19.10	
123	70	32	9.52	10.21	
124	100	45	10.45	11.18	
125	150	65	12.00	12.80	
126	100	99	11.69	12.45	continuous operation

(b) Operating and Maintenance Only

Rate Code	Watts	kWh per month	per month ($)		Other
			2026	2027	
221	250	100	8.21	8.56	
222	70	32	3.46	3.60	
223	100	45	4.37	4.55	
224	150	65	5.77	6.01	

(c) Operating Only

Rate Code	Watts	kWh per month	per month ($)		Other
			2026	2027	
321	250	100	6.98	7.30	
322	70	32	2.23	2.34	
323	100	45	3.14	3.29	
324	150	65	4.54	4.75	
326	400	150	10.47	10.95	
327	500	183	12.77	13.36	
328	1,000	363	25.33	26.50	
329	1,500	500	34.90	36.50	

(7) Metallic Additive

(a) Operating, Maintenance, and Capital (full charge)

Rate Code	Watts	kWh per month	per month ($)		Other
			2026	2027	
140	400	150	19.16	20.27	
141	1,000	360	36.28	38.17	
142	250	100	16.60	17.58	
143	150	67	14.30	15.17	
144	100	50	13.11	13.93	

(b) Operating Only

Rate Code	Watts	kWh per month	per month ($)		Other
			2026	2027	
341	1,000	360	25.12	26.28	
342	400	150	10.47	10.95	
343	250	100	6.98	7.30	
344	175	75	5.23	5.48	
345	150	67	4.68	4.89	
346	100	50	3.49	3.65	

(8) Light Emitting Diode (LED) less than 30 Watts for Traffic Control Signals Only

Rate Code	Watts	kWh per month	per month ($)		Other
			2026	2027	
530	4.6	3	0.11	0.11	non-continuous
531	7.5	5	0.18	0.18	continuous

(9) Light Emitting Diode (LED) – Operating Only

Rate Code	Watts	kWh per month	per month ($)		Other
			2026	2027	
532	44	15	1.05	1.10	
533	66	22	1.54	1.61	
534	88	29	2.02	2.12	
535	92	31	2.16	2.26	
536	105	35	2.44	2.56	
537	173	57	3.98	4.16	
538	44	15	1.05	1.10	
539	110	37	2.58	2.70	
540	65	22	1.54	1.61	
541	55	18	1.26	1.31	
542	83	28	1.95	2.04	
543	48	16	1.12	1.17	
544	72	24	1.67	1.75	
546	43	14	0.98	1.02	
547	50	17	1.19	1.24	
548	53	18	1.26	1.31	
549	80	27	1.88	1.97	
550	200	67	4.68	4.89	
551	60	20	1.40	1.46	
552	70	23	1.61	1.68	
553	87	29	2.02	2.12	
554	173	58	4.05	4.23	
555	35	12	0.84	0.88	

Rate Code	Watts	kWh per month	per month ($)		Other
			2026	2027	
556	51	17	1.19	1.24	
557	172	57	3.98	4.16	
558	91	30	2.09	2.19	
559	42	14	0.98	1.02	
560	13	4	0.28	0.29	
561	8	3	0.21	0.22	
562	150	50	3.49	3.65	
563	60	20	1.40	1.46	
564	28	9	0.63	0.66	
565	86	29	2.02	2.12	
567	100	33	2.30	2.41	
569	143	48	3.35	3.50	
570	200	67	4.68	4.89	
572	250	83	5.79	6.06	
573	52	17	1.19	1.24	
574	140	47	3.28	3.43	
575	185	62	4.33	4.53	
576	95	32	2.23	2.34	
578	75	25	1.74	1.83	
579	138	46	3.21	3.36	
582	54	18	1.26	1.31	
583	175	58	4.05	4.23	
584	46	15	1.05	1.10	
585	69	23	1.61	1.68	
586	108	36	2.51	2.63	
587	158	53	3.70	3.87	
589	48	16	1.12	1.17	
590	90	30	2.09	2.19	
591	240	80	5.58	5.84	
592	135	45	3.14	3.29	

Rate Code	Watts	kWh per month	per month ($)		Other
			2026	2027	
593	30	10	0.70	0.73	
594	133	44	3.07	3.21	
595	55	18	1.26	1.31	
596	52	17	1.19	1.24	
597	41	14	0.98	1.02	
598	68	23	1.61	1.68	
599	117	39	2.72	2.85	

(10) Light Emitting Diode (LED) – Operating, Maintenance, and Capital (full charge)

Rate Code	Watts	kWh per month	per month ($)		Other
			2026	2027	
615	44	15	9.95	10.54	
616	55	18	10.16	10.75	
623	28	9	9.53	10.10	
624	50	17	10.09	10.68	
625	72	24	10.57	11.19	
626	100	33	11.20	11.85	
627	200	67	13.58	14.33	

(11) Light Emitting Diode (LED) – Operating, Maintenance, and Capital (full charge)

Rate Code	Watts	kWh per month	per month ($)		Other
			2026	2027	
724	55	18	7.63	8.14	
740	190	63	18.32	19.21	
741	261	87	21.56	22.58	
742	124	41	14.18	14.92	
743	84	28	12.66	13.34	

STANDBY SERVICE

Standby Service is a supplemental generation capacity service provided to Licensed Retail Suppliers (LRS). The service is provided in combination with Energy Balancing Service under the Energy Balancing Service Tariff. The service has two components:

> **Capacity adequacy service** – fulfillment of the LRS' obligation to provide or pay for its share of firm capacity required to meet adequacy standards of the Nova Scotia electricity system arising from forced and unforced generation outages. Energy delivered during generation outages will be billed under the Energy Balancing Service Tariff.
>
> **Top-up capacity service** – provision of capacity to support energy delivery through the Energy Balancing Service in respect of imbalance between load and generation.

All capitalized terms herein shall, unless otherwise defined herein, have the meanings ascribed thereto in the LRS Terms and Conditions.

AVAILABILITY

This Standby Service Tariff is applicable to the LRS in order to facilitate the purchase of renewable low-impact electricity by Renewable to Retail (RtR) Customers.

This Standby Service Tariff is provided under the following terms and conditions:

(1) The LRS must have a valid LRS Participation Agreement executed with NS Power;~~ and~~

(2) The LRS must be providing service to RtR Customers~~.~~; and

(3) Under the Distribution-connected Aggregation Service Tariff, the LRS will aggregate its customers' Distribution-connected Generation and use this to serve other RtR Customers. To facilitate this, NS Power will separately track hourly customer imports of electricity and hourly LRS customer exports to the grid. Customer imports will be used to determine NS Power's charges to retail customers under the Distribution Tariff and will serve as an input to demand and energy amounts applicable to the LRS under the OATT, Standby Service, Energy Balancing Service, and Renewable to Retail Market Transition tariffs. Customer exports will be tracked and reported to the LRS to support the LRS' commercial arrangement with the LRS' customer and will serve as an input to the generation amounts applicable to the LRS under the Standby Service, Energy Balancing Service, and Renewable to Retail Market Transition tariffs.

APPLICABILITY

(1) An LRS taking service under this Standby Service Tariff shall also take service under the Open Access Transmission Tariff (OATT), the Energy Balancing Service Tariff, and the Renewable to Retail Market Transition Tariff.

(2) The service under this Standby Service Tariff is complementary to the generation ancillary services to the Renewable to Retail market under OATT.

(3) The aggregate hourly load quantities are determined at the delivery point from the transmission system, inclusive of distribution system losses, in accordance with the provisions of the LRS Terms and Conditions.

(4) This service is applicable to firm load only.

ADMINISTRATION CHARGE

The monthly administration charge is applicable to each LRS and is set annually according to the following formula:

$$\text{Monthly charge} = \frac{\text{forecast annual administration costs}}{\text{forecast number of LRS' subscribed * 12}}$$

This charge will be $414.63 per month.

DEMAND CHARGE

$5.601 per month, per kilowatt (kW) of monthly standby contract demand.

MINIMUM MONTHLY CHARGE

The minimum monthly charge will be the administration charge.

DETERMINATION OF MONTHLY STANDBY CONTRACT DEMAND

Monthly Standby Contract Demand (MSCD) in kW is determined using the following formula:

$$\text{MSCD} = \text{LWPFD} - \mathit{min}\ (\mathit{LWPFD}, (\Sigma_{ii=1}^{nn}\ \mathit{CCi} * \mathit{GCi})/(1+\mathit{PR}))$$

Where:

- "LWPFD" is LRS Winter Peak Firm Demand in respect of each billing month calculated as follows:

$$\text{LWPFD} = \Sigma_{i=1}^{k}(CMPFDi * CMDAFi)$$

Where:

- "k" is the number of otherwise applicable bundled service rate classes to RtR customers of an LRS.

- "CMPFDi" is hourly kW Class Monthly Peak Firm Demand (CMPFD) of the LRS firm load in each tariff class at the time of system coincident firm load peak in each month at transmission delivery points (i.e. inclusive of distribution system losses). Where the LRS purchases electricity from customers with Behind-the-Meter Generation, demand will include customer imports only (i.e. exclude customer exports to the system). The CMPFD for the unmetered customer class shall be determined by use of research-based class load profile data.

- "CMDAFi" is the Class Monthly Demand Adjustment Factor applicable to each class as set out below:

Classes	Jan, Feb, Dec	Mar, Apr	May, Jun	Jul, Aug, Sep	Oct, Nov
Domestic	1.00	1.34	2.13	2.26	1.65
Small General	1.00	1.24	1.62	1.59	1.35
General	1.00	1.21	1.47	1.36	1.20
Large General	1.00	0.99	0.93	0.86	0.99
Small Industrial	1.00	1.25	1.23	1.27	1.16
Medium Industrial	1.00	1.11	1.04	1.03	0.96
Large Industrial Firm	1.00	1.04	0.92	0.89	0.92
Unmetered	1.00	1.19	1.99	1.98	1.33

- "PR" is Planning Reserve (%) based on Northeast Power Coordinating Council planning criteria (i.e. 20% or as updated).

- "CCi" is a capacity contribution factor of LRS' generator to NS Power's system peak as determined by NS Power. The capacity contribution factor may be the subject of periodic adjustment if operating conditions of the generator, such as a prolonged deration, depart from those assumed by NS Power. For non-dispatchable resources, the capacity contribution factor shall be determined using the Effective Load Carrying Capability (ELCC) methodology as set out in the most recently approved Integrated Resource Plan, or as otherwise updated by the Nova

Scotia Power System Operator (NSPSO) or IESO Nova Scotia. NS Power shall provide the LRS with the applicable ELCC value and the basis for its determination upon request.

- "GCi" is the generator capacity dedicated to serving LRS load. Where the LRS purchases surplus electricity from customers with Distribution-connected Generation, GCi, if applicable to this generation, will include exports only.

- "n" is the total number of LRS' generators including those under contract.

SPECIAL CONDITIONS

(1) NS Power reserves the right to have a separate service agreement, if in the opinion of NS Power issues not specifically set out herein, must be addressed for the ongoing benefit of NS Power and its customers.

(2) The LRS' RtR Customers and generators will make all necessary arrangements to ensure that their generation and load do not unduly deteriorate the integrity of the power supply system, either by its design or operation. These specific requirements shall be stipulated by way of a written operating agreement.

(3) In assessing issues which might unduly affect the integrity of the power supply system the following would be considered: reliability, harmonic voltage and current levels, voltage flicker, unbalance, rate of change in load levels, stability, fault levels and other related conditions.

(4) Nothing contained in this Standby Service Tariff or any service agreement shall be construed as affecting or in any way limiting the right of NS Power to make application to the Nova Scotia Energy Board for a change in any rates, terms and conditions, charges, classification of service, service agreement, rule or regulation, including, without limitation, the rates, charge or terms and conditions contained in this Standby Service Tariff, the Energy Balancing Service Tariff, Distribution-connected Aggregation Service Tariff, or the Renewable to Retail Market Transition Tariff.

(5) Unless the following can be demonstrated by the LRS to the satisfaction of NS Power, the capacity contribution factor shall be attributed a value of zero in the billing demand calculation of the demand charge:

(i) If the LRS' resource is dispatchable, that it can start up and deliver energy contracted to, but unused by, the LRS to NS Power, if directed to do so by the NSPSO, in the event of a resource adequacy need;

(ii) If the LRS' resource is non-dispatchable, that it makes its full output for which it is provided an ELCC value contracted to, but unused by, the LRS available to deliver energy to NS Power, in the event of a resource adequacy need;

(iii) The LRS' resource will remain available for dispatch, if called upon by the NSPSO, by coordinating with the NSPSO and refraining from taking planned outages during certain critical times of the year, as determined by the NSPSO;

(iv) Any export transactions utilizing energy from the LRS' resource will be recallable by the NSPSO, up to the amount contracted to the LRS, for delivery to the NS Power system in the event of a resource adequacy need;

(v) The LRS' resource, as applicable, will perform as needed to meet NS Power's reliability requirements; and

(vi) The capacity derived based on the capacity contribution factor is procured and available to the LRS on a minimum three-year forward basis, unless this requirement is waived by NS Power.

(6) In the event of a failure by the LRS' resource, as applicable, to deliver scheduled energy or capacity following a direction to do so by the NSPSO, in accordance with Special Condition (5), then the LRS will be required to make payment to NS Power of an amount equal to the costs incurred by NS Power to procure or to self-supply the undelivered capacity, as applicable, less the charge paid by the LRS to NS Power under this Tariff with respect to any such undelivered capacity, as applicable. If delivery of an LRS' resource, as applicable, is affected by circumstances that are inconsistent with the information and/or documentation provided to NS Power pursuant to Special Condition (5), then NS Power and the LRS shall attempt to negotiate an adjustment to the capacity contribution factor for the LRS' resource as applicable. If NS Power and the LRS are unable to agree on an adjustment to the capacity contribution factor, the matter may be submitted to the Board by either party on an expedited basis for adjudication.

Nova Scotia Power Incorporated

Licenced Retail Supplier
Terms and Conditions

Table of Contents

1.0 DEFINITIONS

1.1 The following terms shall have the following meanings:

Act: The *Electricity Act*, S.N.S. 2004, c. 25, as amended from time to time.

Ancillary Services: Services that are necessary to support the transport of capacity and energy from generation resources to loads while maintaining reliable operation of the Transmission Provider's Transmission System in accordance with Good Utility Practice.

Behind-the-Meter Generation: A renewable low-impact electricity generating facility or generating unit that is connected on the customer's side of the revenue meter or point of delivery that is primarily intended to supply all or a portion of the electrical requirements of the customer's premises. Behind-the-Meter Generation may export excess electricity to the distribution system where permitted by applicable laws, regulations, tariffs, or interconnection agreement.

Billing Period: The time between two consecutive meter readings, or estimates, or a combination thereof.

Board: Nova Scotia ~~Utility and Review~~Energy Board.

Bundled Service: Electrical service taken from NS Power under NS Power tariffs approved by the Board. This takes the form of having generation, transmission, distribution, Ancillary Services and all other items associated with the provision of such service blended or bundled within the rate. For certainty, Bundled Service does not include services taken from NS Power under the Distribution Tariff, the Energy Balancing Service Tariff, the Standby Service Tariff, Distribution-connected Aggregation Service Tariff, or the Renewable to Retail Market Transition Tariff.

Business Day: A Business Day is Monday to Friday, inclusive, excluding holidays. The regular business hours on a Business Day are from 08:30 to 16:30 Atlantic Time.

Calendar Day: Any day including Saturday, Sunday, or a holiday.

Credit Assurance: Collateral in the form of cash, a Letter(s) of Credit, or other security acceptable to NS Power.

Credit Rating: With respect to an entity, the lowest of the ratings then assigned to such entity's unsecured, senior long-term debt obligations (not supported by third party credit enhancements), or issuer or general corporate rating.

Confidential Information: Information that is (a) designated as confidential in LRS Terms and Conditions or LRS Participation Agreement; or (b) identified in writing as confidential by the disclosing person at the time of disclosure. The following information will not constitute Confidential Information: (i) information which is or becomes generally available to the public other than as a result of a disclosure by NS Power; (ii) information which was already known to NS Power on a non-confidential basis prior to being furnished by the disclosing party; (iii) information which becomes available to NS Power on a non-confidential basis from a source other than the disclosing party or a representative of the disclosing party if such source was not subject to any prohibition against transmitting the information to NS Power and was not bound by a confidentiality agreement with the disclosing party; or (iv) information which was independently developed by NS Power or its representatives without reference to the Confidential Information.

Customer Information: Information including, but not limited to, the name, telephone number, mailing address, e-mail address, service address, site contact name, site contact telephone number and information regarding electricity consumption, class of service and payment history of a Retail Customer or an RtR customer, as applicable.

DBRS: DBRS Limited or its successor.

Demand Side Management (DSM) Recovery Charges: Costs of DSM programs that NS Power is entitled to recover from RtR Customers in accordance with the Demand Side Management Cost Recovery Rider.

Distribution-connected Aggregation Service Tariff: A NS Power tariff, approved by the Board, which provides aggregation services to LRSs for the purchase of Distribution-connected Generation.

Distribution-connected Generation: A renewable low-impact electricity generating facility or generating unit that is electrically connected to the distribution system that is capable of injecting electrical energy into the distribution system.

Distribution System: NS Power's facilities and equipment (generally rated at less than 69 kV) used to distribute electricity to ultimate usage points such as homes and industries either directly from nearby generators or from interchanges from the Transmission System.

Distribution System Access: The services provided by NS Power to the RtR Customer under the Distribution Tariff provide for the connection of the RtR Customer to the Distribution System, and the services provided by NS Power to the LRS under the Distribution-connected Aggregation Service Tariff to provide for the receipt of electricity on the distribution system from Distribution-connected Generation~~but does not include the provision of electricity~~. These RtR Customer-related services are comprised of delivery of electricity on the distribution system and related services including connections, disconnections, line and service extensions, inspection services, meter services, power restoration, meter reading, and customer service, all in accordance with applicable NS Power Regulations.

Distribution Tariff: The NS Power ~~d~~Distribution ~~t~~Tariff approved by the Board which provides for

Distribution System Access by the RtR Customer receiving renewable low-impact ~~renewable~~ electricity supplied by the LRS.

Distribution Tariff Rate Schedules: The rate schedules attached to the Distribution Tariff which outline the pricing and availability provisions for Distribution System Access.

DT Charges: Any and all charges or fees owing by the LRS' RtR Customers to NS Power under the Distribution Tariff relating to the delivery of electricity to the RtR Customer, including applicable taxes. For certainty, the DT~~R~~ Charges shall include:

(a) All fees and charges for the provision of Distribution System Access;

(b) Demand Side Management Recovery Charges;

(c) Storm Cost Recovery Charges; and

(~~c~~d) Other items as may be approved by the Board.

Energy Balancing Service Tariff: A NS Power tariff, approved by the Board, which provides supplementary generation service to Licenced Retail Suppliers for the delivery of energy to RtR Customers and reception by NS Power of surplus generation from qualifying generators through the LRS.

Good Utility Practice: Those practices, methods or acts (including but not limited to the practices, methods and acts engaged in or approved by a significant portion of the electric utility industry in North America) that at a particular time, in the exercise of reasonable judgment, would have been expected to accomplish the desired result in a manner consistent with regulations, reliability, safety, environmental protection, economy and expedition as applied and practiced in the utility industry with respect to power generation, delivery, purchase and sale.

Letter of Credit: One or more irrevocable, transferable standby letters of credit issued by a Schedule 1 Canadian Chartered Bank with such bank having a Credit Rating of A from S&P or DBRS or A2 from Moody's (or other ratings agency acceptable to NS Power), in a form and manner acceptable to NS Power.

Licenced Retail Supplier (LRS): A Retail Supplier who:

(a) holds a valid Retail Supplier Licence; and

(b) has a valid LRS Participation Agreement executed with NS Power.

For certainty, a Wholesale Customer is not a Licenced Retail Supplier.

Load Settlement: The process used by NS Power to determine the aggregate consumption of an LRS's RtR Customers in each hour for the purpose of determining charges for services under the Energy Balancing Service Tariff, Standby Service Tariff, the Renewable to Retail Market Transition Tariff, the Distribution-connected Aggregation Service Tariff, and for Transmission Services and Ancillary

Services under the OATT.

LRS Participation Agreement: The agreement (and any amendments or supplements thereto) between a Licenced Retail Supplier and NS Power in the form attached hereto as Appendix B, which incorporates the LRS Terms and Conditions.

LRS Terms and Conditions (LRS T&Cs): This term has the meaning set out in Section 2.0 herein.

LRS Tariffed Services: The services provided to the LRS by NS Power under the Energy Balancing Service Tariff, the Standby Service Tariff, the OATT (including Transmission Service and Ancillary Services), ~~and~~ the Renewable to Retail Market Transition Tariff (RTT), and, if applicable, the Distribution-connected Aggregation Service (DAS) Tariff. For certainty, the LRS Tariffed Services exclude any services provided to the RtR Customer by NS Power under the Distribution Tariff.

Market Participant: A person who has executed a wholesale market Participation Agreement (as defined in the Nova Scotia Wholesale and Renewable to Retail Electricity Market Rules Appendix IA) with the NSPSO in accordance with the requirements of the Nova Scotia Wholesale and Renewable to Retail Electricity Market Rules.

Moody's: Moody's Investors Services, Inc. or its successor.

Nova Scotia Wholesale and Renewable to Retail Electricity Market Rules: The Wholesale and Renewable to Retail Market Rules made by the Nova Scotia Department of Energy as amended from time to time in accordance with section 2.4 of those rules.

NS Power: Nova Scotia Power Incorporated.

NS Power Regulations: NS Power Regulations approved by the Board pursuant to the *Public Utilities Act* (Nova Scotia) as such regulations may be amended from time to time with the approval of the Board.

NSPSO: NS Power System Operator.

Open Access Transmission Tariff (OATT): NS Power's Open Access Transmission Tariff, as approved by the Board.

Province: Province of Nova Scotia.

Reasonable Efforts: With respect to an action required to be attempted or taken by a party, efforts that are timely and consistent with Good Utility Practice and are otherwise substantially equivalent to those a party would use to protect its own interests.

Renewable ~~l~~Low-~~i~~Impact ~~e~~Electricity: This term has the same meaning as in the *Renewable*

Electricity Regulations (Nova Scotia).

Retail Customer: This term has the same meaning as under the Act. For certainty, a customer of a municipal utility (as defined under the Act) is not a Retail Customer.

Retail Supplier: This term has the same meaning as under the Act.

Retail Supplier Licence: A Retail Supplier licence issued by the Board in accordance with the Act and regulations made thereunder which authorizes a person to sell renewable low-impact electricity generated within the Province.

RtR Customer: A Retail Customer who is acquiring renewable low-impact electricity from an LRS at an individual RtR Customer Premises and is not receiving Bundled Service from NS Power at that RtR Customer Premises.

RtR Customer Contract: This term shall have the meaning set out in Section 9.1 herein.

RtR Customer Premises: A premises that is provided with electricity through a single meter and, as the context requires, either:

(a) a complete building such as an office building, factory or house; or

(b) a part of a building such as a suite of offices in an office building or an apartment in an apartment building, and in such cases the part of the building occupied must be contiguous and include no space not controlled by the customer; or

(c) a group of buildings served by one electric service and at its discretion accepted by NS Power as one RtR Customer for LRS billing purposes.

RtR Customer Transaction Request Application: A NS Power document to be used by a Licenced Retail Supplier for the purpose of applying to NS Power to accept and process RtR Customer transactions.

Renewable to Retail Market Transition Tariff (RTT): The NS Power tariff approved by the Board which provides for recovery from each LRS the amount of NS Power's fixed or embedded costs, including deferred costs.

S&P: The Standard & Poor's Rating Group (a division of McGraw-Hill, Inc.) or its successor.

Standby Service Tariff: A NS Power tariff, approved by the Board, which provides supplemental generation capacity service to Licenced Retail Suppliers. The service has two components:

(1) capacity adequacy service required meeting adequacy standards of the Nova Scotia electricity system; and

(2) top-up capacity service associated with energy delivery in respect of forced or unplanned outages

of the Licenced Retail Supplier's contracted generation resources.

Storm Cost Recovery Charges: Storm costs NS Power is to recover from RtR Customers in accordance with the Storm Cost Recovery Rider.

Transmission Provider: NS Power.

Transmission Services: The services obtained by market participants under the terms and conditions of the OATT to access the Transmission System for the purpose of transporting electric energy and Ancillary Services.

Transmission System: The facilities, generally rated at 69 kV and above, owned, controlled, or operated by the Transmission Provider that are used to provide transmission service under the OATT.

Wholesale Customer: This term has the same meaning as under the Act.

2.0 PURPOSE OF THE LRS TERMS AND CONDITIONS

2.1 These procedures and terms and conditions (collectively referred to as the "LRS Terms and Conditions" or "LRS T&Cs") are applicable to Licenced Retail Suppliers for the purpose of enabling the supply of renewable low-impact electricity to RtR Customers in accordance with the provisions of the Act and the regulations made thereunder.

3.0 SCOPE AND APPLICABILITY OF THE LRS T&CS

3.1 These LRS T&Cs are applicable to an LRS who enters into an LRS Participation Agreement with NS Power for provision of LRS Tariffed Services to the LRS.

3.2 The LRS T&Cs and are deemed to form part of the LRS Participation Agreement and address, among other things, the procedures for RtR Customer transactions, metering, Load Settlement and LRS billing.

3.3 An LRS is required to execute an LRS Participation Agreement with NS Power in order for the LRS to be eligible for LRS Tariffed Services from NS Power. The LRS Participation Agreement shall give contractual force to the LRS T&Cs with respect to the relationship between NS Power and the LRS.

3.4 Distribution System Access under the Distribution Tariff for receipt of power from the LRS is provided directly to the RtR Customer by NS Power and is not included in the scope of the LRS Participation Agreement.

3.5 The Distribution-connected Aggregation Service Tariff, as it relates to LRS access for generating back into the distribution system is not included in the scope of the LRS Participation Agreement.

4.0 BOARD APPROVAL

4.1 The LRS T&Cs have been approved by the Board.

4.2 Nothing contained in the LRS T&Cs or the LRS Participation Agreement shall be construed as affecting in any way the right of NS Power to unilaterally make application to the Board for a change in any rates, procedures, rules or regulations, including, the LRS T&Cs, the Energy Balancing Service Tariff, the Standby Service Tariff, the OATT, the Renewable to Retail Market Transition Tariff, the Distribution-connected Aggregation Service Tariff, or the Distribution Tariff.

5.0 APPENDICES

5.1 For greater certainty, the following appendices are attached to, and form part of, the LRS T&Cs:

(a) Appendix A: RtR Customer Transaction Request Application Form

(b) Appendix B: LRS Participation Agreement.

6.0 ELIGIBILITY OF THE LRS

6.1 Subject to the terms and conditions set out herein, an LRS shall be eligible for LRS Tariffed Services from NS Power, if the following conditions are met to the satisfaction of NS Power:

(a) LRS has a valid Retail Supplier Licence and provides NS Power with its unique licence identification number;

(b) NS Power is in receipt of a valid LRS Participation Agreement duly executed by the LRS and NS Power;

(c) LRS meets and adheres to the Credit Assurance requirements of NS Power as described in Section 19.0~~18~~ herein; and

(d) LRS provides NS Power with confirmation that the LRS has been qualified by the NSPSO as a Market Participant within the NS Power operating area.

6.2 NS Power shall have the right to terminate the LRS Participation Agreement and discontinue the LRS Tariffed Services without liability or penalty if at any time the LRS fails to satisfy any of the conditions set out in Section 6.1.

6.3 There shall be only one (1) LRS in respect of an RtR Customer Premises at any given time.

6.4 There shall be only one (1) RtR Customer for an RtR Customer Premises at any given time.

7.0 LRS PARTICIPATION IN NS POWER TARIFFS

7.1 The LRS shall subscribe to all of the LRS Tariffed Services. For certainty, the LRS shall not be entitled to receive one or more of the individual LRS Tariffed Services without accepting and receiving all of the LRS Tariffed Services in the aggregate.

8.0 LRS RESPONSIBILITIES

8.1 The LRS shall be responsible for:

(a) the procurement of electricity from qualified low-impact renewable electricity generators;

(b) acquiring the services delivered under, and remaining in compliance with, the OATT, Energy Balancing Service Tariff, Standby Service Tariff, ~~and the~~ Renewable to Retail Market Transition Tariff, Distribution-connected Aggregation Service Tariff, and the Distribution Tariff;

(c) payment to NS Power of all fees and charges for the LRS Tariffed Services;

(d) payment to NS Power of all DT ~~c~~Charges applicable to the LRS’~~s~~ RtR Customer(s);

(e) adhering to the Credit Assurance requirements of NS Power as described in Section 19.0~~18~~;

(f) obtaining and providing the RtR Customer’s written consent, in a form acceptable to NS Power, in support of any transaction requests submitted to NS Power on behalf of the RtR Customer;

(g) obtaining any consents from the RtR Customer required by NS Power with respect to the use or disclosure of Customer Information;

(h) providing NS Power, in a timely manner, with up-to-date RtR Customer Information for all RtR Customers served by the LRS;

(i) acting as the point of contact for RtR Customers served by the LRS on all matters related to billing and collection of accounts;

(j) ensuring that the LRS’~~s~~ RtR Customers are aware of the terms and conditions of any NS Power tariff to which the LRS subscribes that may affect the RtR Customer;

(k) ensuring that the RtR Customers are aware of their responsibilities under the NS Power Regulations; and

(l) notifying NS Power of the discontinuance of service to any RtR Customer by the LRS.

8.2 The LRS shall adhere to and comply with the requirements of the applicable NS Power Regulations identified herein.

8.3. The LRS shall adhere to and comply with Board Electricity Retailers Regulations (Nova Scotia) and the Code of Conduct for the sale of Renewable Low-Impact Electricity Sales in Nova Scotia.

9.0 LRS ARRANGEMENTS WITH RTR CUSTOMERS

9.1 The LRS shall enter into a contract with each of its RtR Customer(s) with respect to any sale of renewable low-impact electricity by the LRS to such RtR Customer (“RtR Customer Contract”). The RtR Customer Contract will also include the terms under which an LRS Customer is supplying surplus Distribution-connected Generation to the LRS.

9.2 NS Power shall not be responsible for monitoring, reviewing or enforcing the RtR Customer Contract(s).

9.3 NS Power shall not be liable for any loss, damages, cost, injury, expense or other liability, whether direct, indirect, consequential or special in nature, howsoever caused, as a result of any breach of an RtR Customer Contract by either the LRS or the RtR Customer.

9.4 The LRS shall ensure that each RtR Customer Contract contains a statement to the effect that NS Power shall not be liable in damages to the RtR Customer in respect of any breach of the RtR Customer Contract by the LRS or for any delay, interruption or other partial or complete failure in the supply of electricity to the RtR Customer.

9.5 The LRS shall defend, protect, release, indemnify, keep indemnified and shall hold NS Power harmless from and against and be liable to NS Power for any and all damages, losses, claims or expenses which NS Power may at any time sustain or incur to the extent arising, directly or indirectly, from (i) any acts or omissions of the LRS or any agent, employee, of the LRS or person acting on behalf of any of them; and (b) any claims by a third party, including an RtR Customer, arising out of a breach of the RtR Customer Contract.

9.6 The LRS shall ensure that each RtR Customer Contract contains an acknowledgement from the RtR Customer that the RtR Customer will revert to NS Power's Bundled Service upon discontinuance of LRS Tariffed Service and the termination of the LRS Participation Agreement unless an RtR Customer Transaction Request Application has submitted by an alternate LRS on behalf of the RtR Customer to NS Power nominating an alternate LRS.

9.7 Any assignment, sale or transfer of an RtR Customer Contract by an LRS shall not be effective until the LRS has submitted and NS Power has accepted an RtR Customer Transaction Request Application for the applicable RtR Customer.

9.8 The LRS shall inform its distribution-connected generators that termination of an LRS' net billing arrangement in the RtR market and return to NS Power service under a net metering option could result in de-rating of the customer's distribution-connected behind-the-meter generator to respect the legislated limits of NS Power's net metering options as governed by the *Electricity Act*.

10.0 NS POWER RESPONSIBILITIES

10.1 NS Power shall be responsible for:

(a) the processing all RtR Customer Transaction Request Applications submitted by an LRS in accordance with Section 11.0;

(b) provision of the services delivered under the OATT, Energy Balancing Service Tariff, Standby Service Tariff~~, and~~ the Renewable to Retail Market Transition Tariff, and, as applicable, the Distribution-connected Aggregation Service Tariff to the LRS;

(c) provision of Distribution System Access to applicable RtR Customers;

(d) providing metering services;

(e) performing Load Settlement for each LRS;

(f) issuing invoices to the LRS;

(g) maintaining Customer Information for all customer sites as necessary to perform Load Settlement;

(h) maintaining Customer Information as it is supplied and updated by the RtR Customer; and

(i) acting as the point of contact for RtR Customers for matters related to the provision of Distribution Access Service.

10.2 Interruption of LRS Tariffed Services

10.2.1 NS Power shall have the right to suspend or interrupt the delivery of Distribution System Access, relating to either the delivery of electricity to RtR Customers from the LRS or the provision of electricity from the LRS onto the distribution system from Distribution-connected Generation, or any or all of the LRS Tariffed Services for the purpose of safeguarding life or property, for making repairs, changes, renewals, improvements or replacements to the Transmission System or Distribution System provided NS Power shall make Reasonable Efforts to ensure all such interruptions or suspensions are of a minimum duration consistent with the exigencies of the case. Further, provided, however, any such interruption or suspensions shall not release the LRS from its obligation to pay all charges pursuant to any NS Power tariffs applicable to the LRS Tariffed Services, or otherwise owing to NS Power under the LRS T&Cs, including the DT Charges, during the period of any such suspensions.

10.3 Limitation of Liability

10.3.1 Notwithstanding any other provision herein, NS Power shall not be liable for any claim, loss, cost, liability, actions, judgment, suit, proceeding, expense, disbursement or damage whatsoever arising, either directly or indirectly, whether in contract or tort (including negligence) or otherwise, from any interruptions, diversions, curtailments, suspension or other procedures necessary to maintain the efficient and effective operation of either the Distribution System or the Transmission System. This would include Distribution System Access and any or all LRS Tariff Services provided by NS Power to the LRS.

10.3.2 Notwithstanding any other provision herein, and in addition to Section~~s~~ 10.3.1, NS Power shall not be liable for any claims, losses, costs, liabilities, obligations, actions, judgments, suits, expenses, disbursements or damages of an LRS or its directors, officers or employees whatsoever, whether in contract or in tort (including negligence) or any other legal theory, arising, directly or indirectly, out of any act or omission of NS Power in the exercise of any power or obligation under the LRS T&Cs or any applicable tariff, including the Distribution Tariff, the Energy Balancing Service Tariff, the Standby Service Tariff, the OATT, the Distribution-connected Aggregation Service Tariff, and the Renewable to Retail Market Transition Tariff, except to the extent such claim, loss or damages results from the gross negligence or willful misconduct of NS Power.

10.3.3 For the purposes of Section 10.3.2, an act or omission of NS Power effected in compliance with the LRS T&Cs or the applicable tariffs shall be deemed not to constitute willful misconduct or a negligent act or omission.

10.3.4 Notwithstanding any other provision herein or applicable law to the contrary, NS Power shall not be liable to the LRS for:

(a) any indirect or consequential loss or incidental or special damages, including, without limitation, any punitive or aggravated damages;

(b) any loss of profit, loss of contract, loss of opportunity or loss of goodwill; or

(c) damages for loss of use,

arising, directly or indirectly, with the performance or delivery of the LRS Tariff Services or Distribution System Access, including, but not limited, to interruptions, diversions, curtailments or suspensions of any of the LRS Tariffed Services or Distribution System Access or from any acts or omissions of its employees or agents, and whether arising in contract, indemnity, tort (including negligence) or any other legal theory.

11.0 RTR CUSTOMER TRANSACTIONS

11.1 Prior to enrollment of a new RtR Customer or modifying the enrollment of an existing RtR Customer, the LRS shall complete and submit to NS Power an RtR Customer Transaction Request Application duly executed by the LRS and the applicant customer. NS Power will review the RtR Customer Transaction Request Application and notify the LRS upon its acceptance or rejection. For certainty, completed RtR Customer Transaction Request Applications duly executed by the LRS and the applicable customer shall be required for each of the following categories of transactions:

(a) A request to enroll a current NS Power Bundled Service customer as an RtR Customer of the LRS;

(b) A request to enroll a Retail Customer, that is not currently an NS Power Bundled Service customer, as an RtR Customer of the LRS;

(c) A request for return of an LRS'~~s~~ RtR Customer to NS Power's Bundled Service;

(d) A request, initiated by the LRS of record, to transfer an existing RtR Customer from the current LRS to another LRS (Assignee), subject to the written authorization of the Assignee;

(e) A request to obtain Customer Information from NS Power;

(f) Notification to NS Power of updated Customer Information; and

(g) Such other service request types as determined by NS Power.

11.2 The LRS shall provide complete Customer Information with each application for RtR Customer enrollment or transfer.

11.3 NS Power reserves the right to refuse to accept an RtR Customer Transaction Request Application for any Retail Customer who has outstanding debt payable to NS Power in relation to previous electric service.

11.4 NS Power reserves the right to refuse to accept an RtR Customer Transaction Request Application for any Retail Customer whose premises is physically connected to the Transmission System until the Retail Customer has executed a separate operating agreement with NS Power in a form satisfactory to NS Power. Such an operating agreement will address operational issues including, but not limited to the following: descriptions of facilities and delivery points, characteristics of supply, metering, load balance, harmonics, right of way, right of access and general obligations of both the transmission-connected Retail Customer and NS Power.

11.5 RtR Customer Transaction Request Applications will be processed based on the order in which they are received by NS Power. NS Power will use Reasonable Efforts to process each RtR Customer Transaction Request Application and complete the installation of interval metering devices and communications equipment and services as necessary to effect transfer of the RtR Customer to LRS supply within fourteen (14) Calendar Days of receipt of the RtR Customer Transaction Request Application.

11.6 Upon acceptance of an RtR Customer Transaction Request Application, NS Power will notify the LRS and record the LRS as the LRS of record for the particular RtR Customer Premises. If an RtR Customer Transaction Request Application is rejected, NS Power will provide the LRS with the reason(s) for the rejection.

11.7 All indebtedness of the RtR Customer to NS Power in respect of any NS Power electrical service supplied to the RtR Customer that is in arrears must be paid in full before NS Power can accept the enrollment of the RtR Customer with the LRS or the transfer of the RtR Customer to an alternate LRS.

11.8 Following acceptance of the Customer Transaction Request Application by NS Power, the RtR Customer transactions will be effective for the period following the next meter reading for the RtR Customer.

11.9 NS Power shall ensure that each distribution connected RtR Customer is provided with a copy of the Distribution Tariff.

12.0 LRS RTR CUSTOMER INFORMATION INQUIRIES

12.1 Provision of NS Power Customer Information to LRS

12.1.1 Subject to receipt of the consent of the Retail Customer, NS Power will provide Customer Information to an LRS with which it has an executed LRS Participation Agreement.

12.1.2 An LRS with a fully executed LRS Participation Agreement with NS Power may request Customer Information prior to the RtR Customer subscribing with the LRS provided the RtR Customer has consented in writing to the disclosure of such information to the LRS.

12.1.3 The LRS shall initiate this request by submitting an RtR Customer Transaction Request Application.

12.2 Provision of RtR Customer Information between the LRS and NS Power

12.2.1 The LRS shall notify NS Power promptly of any changes to the Customer Information.

12.2.2 Subject to any confidentiality, NS Power and the LRS shall each supply to the other data, materials or other information that may be reasonably required in connection with the performance of its obligations under the LRS T&Cs.

13.0 TECHNICAL REQUIREMENTS FOR INTERCONNECTION OF RTR BEHIND-THE-METER AND DISTRIBUTION-CONNECTED GENERATION

13.1 Behind-the-Meter Generation and Distribution-connected Generation facilities participating in the RtR market shall be subject to the same interconnection technical requirements established for comparable net metering and/or behind-the-meter generation options available to NS Power Bundled Service customers as governed by the *Electricity Act*. Interconnection technical requirements shall be determined based on the nameplate generating capacity of the facility and will be applied using the same thresholds applicable to NS Power's Self-generating Option and Commercial Net Metering Program as identified in sections 6 and 7, respectively, of the *Electricity Act*. For clarity, sizing limits applicable to NS Power's net metering programs do not apply.

~~13.0~~14.0 METERING

~~13.1~~14.1 Provision and Ownership

~~13.1.1~~14.1.1 NS Power will install and seal all revenue class meters for the purpose of measuring the output of the LRS'~~s~~ generation resources and the RtR Customer's load, including any export from bi-directional meters, as necessary for application of the applicable NS Power tariffs.

Meter data from such meters will be used for Load Settlement for the purpose of determining the charges for the LRS Tariffed Services. The meters will also be used to determine charges for Distribution System Access under the Distribution Tariff.

~~13.1.2~~14.1.2 Interval meters with remote polling capability shall be installed for all RtR Customers. NS Power will charge the costs of the supply and installation of metering devices and communications equipment and services which are incremental to the metering requirements applicable to NS Power's Bundled Service. Metering for LRS generation resources (whether owned or contracted) will be provided in accordance with the applicable Generator Interconnection Agreement.

~~13.1.3~~14.1.3 Meters and associated revenue metering equipment shall remain the property of NS Power.

~~13.1.4~~14.1.4 All revenue metering equipment installations shall meet the Electricity and Gas Inspection Act regulations requirements in effect at the time.

~~13.1.5~~14.1.5 NS Power Regulations with respect to metering shall apply to metering of RtR Customer loads, including any export from bi-directional meters, for the purpose of billing the LRS for LRS Tariffed Services.

~~13.2~~14.2 Meter Reading

~~13.2.1~~14.2.1 NS Power shall use Reasonable Efforts to obtain a meter reading for each RtR Customer Premises in accordance with NS Power's meter reading cycle. If NS Power is unable to obtain a meter reading, the amount of power and energy used by the RtR Customer in the Billing Period shall be estimated by NS Power.

~~13.2.2~~14.2.2 At the request of the LRS, NS Power shall use Reasonable Efforts to obtain an actual meter reading at a time other than the regularly scheduled meter reading. NS Power will charge the LRS for additional meter reading expense in accordance with NS Power Regulation 7.1 – Schedule of Charges.

~~13.2.3~~14.2.3 NS Power Regulations with respect to meter reading shall apply to metering of RtR Customer loads for the purpose of billing the LRS for LRS Tariffed Services and DT Charges.

~~14.0~~15.0 BILLING ADJUSTMENT

~~14.1~~15.1 Billing of RtR Customers

~~14.1.1~~15.1.1 In order that the LRS may bill its RtR Customers for the sale of renewable low-impact electricity, NS Power will provide the LRS with the metering data applicable to each of the LRS'~~s~~ RtR Customers.

~~14.1.2~~15.1.2 All DT Charges will be calculated by NS Power using the RtR Customer's meter readings and the Distribution Tariff Rate Schedule applicable to the RtR Customer's rate class.

~~14.1.3~~15.1.3 The LRS shall invoice the LRS'~~s~~ RtR Customer for the DT Charges and consolidate such charges and fees on the LRS'~~s~~ invoice to the RtR Customer. The DT Charges shall not be marked-up, added to, aggregated, bundled, unbundled, or otherwise altered by the LRS. DT Charges related to special customer services will be itemized and provide the total amount of the charge.

~~14.1.4~~15.1.4 NS Power may, at its discretion, include fees for any special customer services provided at the LRS'~~s~~ or the RtR Customer's request, pursuant to NS Power Regulation 7.1 – Schedule of Charges.

~~14.2~~15.2 NS Power Settlement and Billing to LRS for Aggregated Charges

~~14.2.1~~15.2.1 Charges for LRS Tariffed Services provided to the LRS shall be based on the aggregated RtR Customer load and the LRS aggregate generation (whether owned or contracted, including transmission and Distribution-connected Generation). The charge determinant shall be based on the aggregate energy and peak hourly aggregate demand of an LRS'~~s~~ RtR Customer loads in conjunction with the hourly aggregate energy of the LRS generation (whether owned or contracted, including transmission and Distribution-connected Generation). NS Power will invoice for each of the services provided to the LRS under the Energy Balancing Service Tariff, Standby Service Tariff, ~~and the~~ Renewable to Retail Transition Tariff, and, if applicable, the Distribution-connected Aggregation Service Tariff in accordance with the rates, terms and conditions set out in those tariffs.

~~14.2.2~~15.2.2 NS Power will invoice the LRS for Transmission Services and associated Ancillary Services in accordance with the rates, terms, riders and conditions set out in the OATT and in accordance with the Nova Scotia Wholesale and Renewable to Retail Electricity Market Rules and Procedures.

~~14.3~~15.3 Settlement Methodology for Determining the Aggregated Charges

~~14.3.1~~15.3.1 To determine the charges described in Section ~~14.2~~15.2, NS Power shall determine the aggregate load for each hour in the Billing Period for the total of all RtR Customers of the LRS, and the aggregate output for each hour in the Billing Period of all RtR generation serving the LRS.

~~14.3.2~~15.3.2 To determine the aggregated LRS hourly load and generation profiles using interval meters, NS Power will aggregate the individual meter interval readings for each hour in the Billing Period. The aggregated hourly load and generation profiles will be used in the settlement calculations.

~~14.4~~15.4 Determination of RtR Load Requirement at Transmission Voltage

~~14.4.1~~15.4.1 Meter readings for distribution-connected RtR Customer loads will be adjusted for distribution losses using established average annual rate class losses for the purpose of Load Settlement for each of the LRS Tariffed Services which are applicable at the transmission voltage level for transmission-connected generation.

~~14.5~~15.5 NS Power Billing Procedure

~~14.5.1~~15.5.1 Within a reasonable time after the first day of each month, NS Power shall submit an invoice to the LRS for the charges for all LRS Tariffed Services received by the LRS during the preceding month. Unless NS Power directs otherwise in writing, NS Power will also invoice the LRS for the DT Charges.

~~14.5.2~~15.5.2 LRS agrees to pay NS Power in full for the DT Charges in the manner set out herein and the LRS shall have the right to seek reimbursement from its applicable RtR Customers for such DT Charges.

~~14.5.3~~15.5.3 The LRS shall be liable to NS Power for payment of the full amount of any and all DT Charges applicable to the LRS'~~s~~ RtR Customers invoiced by NS Power, notwithstanding the ability of the LRS to obtain payment of such amounts from its RtR Customers. Non-payment of the DT Charges by an LRS'~~s~~ RtR Customer shall not constitute a valid defence for non-payment by the LRS to NS Power.

~~14.5.4~~15.5.4 The LRS shall consolidate the DT Charges on the LRS'~~s~~ invoice to the RtR Customer; provided~~,~~; however, the DT Charges shall not be marked-up, added to, aggregated, bundled, unbundled, or otherwise altered by the LRS.

~~14.5.5~~15.5.5 Unless, NS Power directs otherwise in writing, the LRS shall be responsible for the collection of all DT Charges owing by its RtR Customers. LRS shall at all times indemnify, defend, and save NS Power harmless from and against any and all damages, losses, claims, costs, liabilities, actions, judgments, suits, proceedings, expenses or disbursement whatsoever arising out of, either directly or indirectly, whether in contract or tort (including negligence) or otherwise, the collection of DT Charges by the LRS, its employees or its agents.

~~14.5.6~~15.5.6 All invoices issued by NS Power, including an invoice for the DT Charges, shall be paid by the LRS to NS Power in full within twenty (20) Calendar Days of the billing date. All payments shall be made in immediately available funds payable to NS Power. Invoiced amounts which are not paid by the LRS within twenty (20) Calendar Days after the billing date shall be subject to an interest charge as set forth in Section ~~14.6~~15.6.

~~14.5.7~~15.5.7 Each invoice shall state the period to which the invoice applies and describe the services provided. The amount due within the twenty (20) day period set out in Section ~~14.5.6~~15.5.6 and the effective date of the interest charge shall be clearly shown on the invoice. Where practicable, NS Power will address credits and payment obligations due under any tariff on the same invoice through netting, including interest payments or credits.

~~14.5.8~~15.5.8 Unless otherwise expressly stated, all references in the tariffs, a settlement statement or an invoice to a monetary amount shall be expressed in Canadian dollars.

~~14.6~~15.6 Interest on Unpaid Balances

~~14.6.1~~15.6.1 Interest on any unpaid amounts (including amounts placed in escrow) shall be calculated in accordance with the methodology specified in NS Power Regulation 5.4. When payments are made by mail, invoices shall be considered as paid on time if the envelope is postmarked on or before the last date for net payment.

~~15.0~~16.0 DEFAULT FOR NON-PAYMENT

~~15.1~~16.1 In the event a Licenced Retail Supplier fails, for any reason other than a billing dispute as described below, to make payment to NS Power on or before the due date as described in Section ~~14.5.6~~15.5.6, and such failure of payment is not corrected within thirty (30) Calendar Days after NS Power notifies the LRS to cure such failure, a default by the LRS shall be deemed to exist. Upon the occurrence of such a default by the LRS, NS Power may discontinue the LRS Tariffed Services and terminate the LRS Participation Agreement without any liability or responsibility whatsoever, except for obligations arising prior to the date of termination.

~~15.2~~16.2 In the event of a billing dispute between NS Power and the LRS, NS Power shall continue to provide LRS Tariffed Services as long as the LRS (i) gives written notice of the dispute to NS Power on or before the due date for the payment, detailing the amount and reasons for the dispute; (ii) continues to make all payments not in dispute, and (iii) prior to the due date for payment pays into an independent escrow account the portion of the invoice in dispute, pending resolution of such dispute. If the Licenced Retail Supplier fails to meet these three requirements for continuation of service, then NS Power may provide notice to the Licenced Retail Supplier of its intention to discontinue the LRS Tariffed Service and terminate the LRS Participation Agreement in thirty (30) Calendar Days.

~~16.0~~17.0 EVENTS OF DEFAULT

~~16.1~~17.1 In addition to its rights of discontinuation and termination under Section ~~15~~16.0, NS Power may, without prejudice to any other rights or remedies it may have, immediately discontinue the LRS Tariffed Services and terminate the LRS Participation Agreement upon notice in writing to the LRS:

(a) if the LRS'~~s~~ Retail Supplier Licence has been cancelled or otherwise revoked;

(b) if the LRS has failed to meet or maintain the Credit Assurance requirements set out in Section ~~18~~19.0;

(c) if the LRS is disqualified (or no longer qualifies) as a Market Participant within the NS Power operating area;

(d) if the LRS fails to adhere to the NS Power Regulations identified herein as applicable to the LRS following the expiration of any applicable cure period set out in the NS Power Regulations;

(e) if the LRS defaults in the performance of any of its obligations under the LRS T&Cs (other than those set out in Section ~~15~~16.0 and Section ~~16.1~~17.1(a) to (d) above) and fails to cure such default within twenty (20) Calendar Days of notice of such default by NS Power; or

(f) in the event of any liquidation, winding up or bankruptcy of the LRS, whether voluntary or compulsory, or any composition with creditors or scheme of arrangement.

~~16.2~~17.2 Upon discontinuance of LRS Tariffed Service and the termination of the LRS Participation Agreement, and in the absence of an RtR Customer Transaction Request Application accepted by NS Power requesting the RtR Customer be assigned to an alternate LRS, the provision of Bundled Service to the affected RtR Customers(s) shall be assumed by NS Power as the default supplier, in accordance with NS Power's Regulations.

~~16.3~~17.3 In the event an RtR Customer breaches, defaults upon or otherwise fails to adhere to NS Power Regulations ("Defaulting RtR Customer"), NS Power shall have the right, without liability or penalty, to immediately terminate or suspend any service to the Defaulting RtR Customer upon notice in writing to the LRS.

~~17.0~~18.0 DISCONTINUANCE OF SERVICE TO RTR CUSTOMER BY THE LRS

~~17.1~~18.1 To discontinue LRS Tariffed Services to an RtR Customer Premises, an LRS shall complete and provide to NS Power, an RtR Customer Transaction Request Application, in accordance with Section 11.0.

~~17.2~~18.2 The LRS shall provide the RtR Customer with advance notice of any request to discontinue the provision of service to that RtR Customer, and be responsible to the RtR Customer for consequences of any such discontinuance. NS Power will not be held liable for any RtR Customer disputes with the LRS regarding the discontinuance of LRS Tariffed Services to an RtR Customer Premises.

~~17.3~~18.3 The LRS Tariffed Services shall continue in effect and the LRS shall remain responsible for payment of the LRS Tariffed Services until the next meter reading is obtained. If NS Power has received and accepted an RtR Customer Transaction Request Application from an alternate LRS ("Assignee") for an RtR Customer, that Assignee will be appointed as the new LRS of record for the RtR Customer, otherwise the RtR Customer will be returned to NS Power's Bundled Service.

~~17.4~~18.4 NS Power reserves the right to refuse an RtR Customer Transaction Request Application from any Retail Customer who has outstanding debt payable to NS Power in relation to previous electric service. NS Power Regulations including, but not limited to application for service, connection and disconnection of service, payment of accounts and deposits will apply to the RtR Customer's return to NS Power's Bundled Service.

~~18.0~~19.0 CREDIT ASSURANCE

~~18.1~~19.1 An LRS must provide, in advance, Credit Assurance as security for the payment and performance of the LRS'~~s~~ obligations to NS Power, including payment for the LRS Tariffed Services and payment of the DT Charges, regardless of payment history, before NS Power provides any of the LRS Tariffed Services to the LRS.

~~18.2~~19.2 On any Business Day (but no more frequently than once per calendar month), NS Power will provide the LRS with written notice requesting Credit Assurance in an amount determined by NS Power and based upon an amount equal to two hundred percent (200%) of the forecasted payment for the LRS Tariffed Services and DT Charges combined (rounded upwards for any fractional amount to the nearest $1,000). Upon receipt of such notice the LRS shall have three (3) Business Days to provide such Credit Assurance to NS Power. In the event that the LRS fails to provide such Credit Assurance acceptable to NS Power within three (3) Business Days of such request, then a default will be deemed to have occurred in accordance with Section ~~16.1~~17.1(b).

~~18.3~~19.3 NS Power shall be entitled to draw upon or otherwise realize upon the Credit Assurance in the event of any default pursuant to Section 16.0~~15~~ or Section 17.0~~16~~ herein and apply such funds against the LRS'~~s~~ payment obligations until such time as all of the LRS'~~s~~ obligations have been satisfied. If the Credit Assurance is insufficient to satisfy the LRS' payment obligations, the LRS shall remain liable to NS Power for the balance of the amount owing. If NS Power draws upon or otherwise realizes upon the Credit Assurance as permitted hereunder, then the LRS shall provide additional or replacement Credit Assurance which is sufficient to maintain the Credit Assurance in an amount determined by NS Power as set out herein.

~~18.4~~19.4 Costs of a Letter of Credit shall be the responsibility of the LRS and not NS Power. To the extent that a Letter of Credit introduces a lag time and there are additional costs to NS Power, these costs will be paid by the LRS.

~~18.5~~19.5 To the extent the LRS delivers Credit Assurance hereunder in the form of cash to NS Power, the LRS shall be deemed to have pledged and assigned to NS Power, as security for the payment and performance of such LRS'~~s~~ obligations owing to NS Power, a present and continuing security interest in, and lien on (and right of setoff against), all such cash collateral and any and all proceeds resulting therefrom or the liquidation thereof, whether now or hereafter held by, on behalf of, or for the benefit of NS Power. The LRS shall also take such action as NS Power reasonably requires in order to perfect NS Power's security interest in, and lien on (and right of setoff against), such collateral and any and all proceeds resulting therefrom or from the liquidation thereof.

~~18.6~~19.6 All cash held by NS Power as Credit Assurance shall be held without interest.

~~19.0~~20.0 FORCE MAJEURE AND INDEMNIFICATION

~~19.1~~20.1 Force Majeure

~~19.1.1~~20.1.1 Force Majeure is any cause beyond the reasonable control of NS Power including, without limiting the generality of the foregoing, an act of God, failure of facilities or equipment, flood, earthquake, storm, nuclear disaster, lightning, fire, epidemic, war, riot, civil disturbance, labour trouble, strike, sabotage, terrorism and restraint by court or public authority which by exercise of Good Utility Practice NS Power could not be expected to reasonably avoid. If NS Power is rendered unable to fulfill any obligations by reason of Force Majeure, it shall be excused from performing to the extent it is prevented from so doing but it shall exercise Good Utility Practice to correct such inability with all reasonable dispatch, and it shall not be liable for any injury, damage or loss resulting from such inability. However, settlement of strikes and labour disturbances shall be wholly within the discretion of NS Power.

~~19.2~~20.2 Indemnity by LRS

~~19.2.1~~20.2.1 The LRS shall at all times indemnify, defend, and save NS Power harmless from, any and all damages, losses, claims, including claims and actions relating to injury to or death of any person or damage to property, demands, suits, recoveries, costs and expenses, court costs, legal fees, and all other obligations by or to third parties, including, without limitation the RtR Customer, arising out of or resulting from NS Power's performance of its obligations on behalf of the LRS in respect of the LRS Tariffed Services on behalf of the LRS, except to the extent such claim, loss or damages results from the gross negligence or willful misconduct of NS Power.

~~20.0~~21.0 APPENDIX A

RtR Customer Transaction Request Application Form
[to be developed during implementation]

~~21.0~~22.0 APPENDIX B

LRS Participation Agreement