

File No: SM064773-00002

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Delivered by E-mail

Crystal Henwood
Regulatory Affairs Officer/Clerk
Nova Scotia Energy Board
3rd Floor, 1601 Lower Water Street
PO Box 1692, Unit "M"
Halifax NS B3J 3S3

Dear Ms. Henwood:

Re: M13008 – NSPI – RtR Market Elements Application – Approval of necessary tariffs, Terms and Conditions

These written submissions are filed on behalf of Renewall Energy Inc. (“**REI**”) in respect of Nova Scotia Power Incorporated’s (“**NSPI**”) Application for approval of a new Distribution-connected Aggregation Service (“**DAS**”) Tariff and related amendments to the existing Renewable to Retail (“**RtR**”) market elements.

REI supports the Application as filed and respectfully requests that the Board approve the proposed DAS Tariff and related amendments to the RtR Tariffs and Terms and Conditions. The Application reflects a mutually acceptable resolution that will enable distribution-connected generation and net billing in the RtR market.

REI also wishes to acknowledge and express its appreciation for the collaborative manner in which the parties developed the proposed approach. Following the Board’s November 19, 2025 Decision and Order in Matter M12339, NSPI and REI, with the assistance of Power Advisory LLC, worked diligently to assess the existing RtR Tariffs, and related processes, and to identify the amendments required to facilitate distribution-connected generation and net billing. REI is hopeful that this constructive engagement will contribute to a streamlined regulatory process for all participants.

It is submitted that the proposed tariff package is reasonable and balanced. REI supports the amendments to the Standby Service Tariff, Energy Balancing Service Tariff, Distribution Tariff, and Licensed Retail Supplier Terms and Conditions, together with the creation of the separate DAS Tariff. In REI’s view, the package provides a practical framework for integrating RtR customer surplus generation and distribution-connected generation into the market, while appropriately tracking hourly customer imports and exports for billing, settlement, and the application of the related RtR Tariffs.

REI also supports the proposed review following 2028. That review represents an appropriate compromise that will allow the RtR market to proceed without delay, while providing an opportunity to assess the experience and data gathered through implementation. The review will permit further consideration of system losses, load, capacity contribution, administrative costs,

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and other relevant implementation matters, with a view to ensuring that costs are appropriately allocated between RtR customers and bundled service customers.

In REI's submission, the framework established by the Application is consistent with the cost-causation principles reflected in the *Electricity Act*. It provides a reasonable means of ensuring that RtR customers bear the costs attributable to their participation in the market and that those costs are not inappropriately borne by bundled service customers.

RESPONSE TO QUESTIONS RAISED

Although no intervenor filed evidence in this proceeding, a number of Information Requests identified potential issues or concerns. Information Requests were filed by the Consumer Advocate, the Small Business Advocate, NSEB Staff, and Synapse Energy Economics. NSPI responded to those requests and addressed any potential issues flagged. In addition to NSPI's responses, REI offers the following submissions.

Incremental costs and cost causation

Intervenors asked whether distribution-connected generation and surplus net billing in the RtR market could give rise to incremental distribution-system costs, including system-upgrade costs and changes in distribution losses, and asked who would bear those costs.¹ NSPI confirmed that, although incremental costs *may* arise, the RtR market (unlike NSPI's net metering programs, under which the utility bears incremental costs as a legislative requirement) is founded on a principle of cost neutrality.² Accordingly, incremental costs, if there are any, associated with distribution-connected generation and surplus net billing would be borne by RtR market participants, rather than bundled service customers.

REI notes that the converse may also be true: these services may produce system savings and benefits as well. Until operational experience is available, neither NSPI nor REI can determine the overall effect on the system or on customers. Implementing the approach proposed, with a review in two years, balances the interests of all, and ensures that if any costs or savings do arise, they can be identified and appropriately addressed through the review process.

REI acknowledges that NSPI has not yet quantified the incremental distribution-level costs, if any, attributable specifically to distribution-connected generation and has not yet developed the DAS Administration Charge. REI supports NSPI's proposal to develop that charge through the 2027 Annually Adjusted Rates ("AAR") process, informed by NSPI's best available information regarding incremental costs (if any), and to defer any operating costs incurred before the effective date for future recovery rather than requiring their resolution in this proceeding.

NSPI further confirmed that interconnection-related upgrade costs are recovered from the interconnection customer and that incremental AMI metering and communications costs are similarly recovered through the interconnection process.³ REI agrees with this characterization

¹ N-2, NSPI (CA) RIR -3; N-3, NSPI (NSEB) RIR-5.

² N-3, NSPI (NSEB) RIR-5.

³ N-5, NSPI (Synapse) RIR-12(b) and RIR-15(b).

and submits that it is consistent with the *Electricity Act* requirement that RtR customers bear the costs they cause.

Synapse asked additional questions regarding reverse power flow, feeder overloading, and protection coordination. NSPI confirmed that these matters are addressed through the existing Distribution Generator Interconnection Procedures, Standard Small Generator Interconnection and Operating Agreement, and Commercial Net Metering Participant Agreement interconnection processes, together with new section 13.0 of the Licensed Retail Supplier Terms and Conditions (Technical Requirements for Interconnection of RtR Behind-the-Meter and Distribution-Connected Generation).⁴ REI also notes NSPI's confirmation that the existing interconnection processes, including the DGIP and associated operating agreements, apply to RtR distribution-connected generation in the same manner as they apply to NSPI's net metering customers.⁵ Those processes provide an adequate framework for addressing any technical system-impact issues that may arise, and no additional tariff amendments are required to address those technical concerns.

No double-recovery of administrative costs

In response to questions about whether the proposed DAS Administration Charge might duplicate costs already recovered through the Distribution Tariff, or whether the Energy Balancing Service and Standby Service administration charges might double-count shared administrative costs, NSPI confirmed that the DAS Administration Charge is intended to recover incremental costs.⁶ NSPI also confirmed that RtR tariff operating and administration costs will continue to be reviewed and allocated through the AAR process, subject to Board approval. REI supports this approach and submits that care should be taken to avoid any duplication of administrative costs.

REI remains committed to working collaboratively with NSPI to consider the proposed administrative charges and to assist in tracking incremental costs as they arise. The Board's review of the 2027 AAR filing should provide an appropriate safeguard against double recovery.

Collaborative process and post-2028 review

REI confirms NSPI's description of the stakeholder engagement undertaken in response to the Board's direction in M12339, including the stakeholder sessions held on May 14 and July 23, 2026, which REI and customer representatives attended. This process appropriately balanced the need for timely tariff development with the value of broader stakeholder input.

The post-2028 review contemplated by the DAS Tariff will provide a further opportunity to engage REI and other stakeholders after operational experience and data have been gained.

Large Industrial Interruptible Service

REI agrees with NSPI, for the reasons set out in NSPI's September 14, 2026 letter to the Board, that the tariff and process provisions required to enable Large Industrial Interruptible Service in the RtR market should proceed by way of a standalone application rather than being added to

⁴ N-5, NSPI (Synapse) RIR-4. See also N-3, NSPI (NSEB) RIR-9.

⁵ N-3, NSPI (NSEB) RIR-9.

⁶ N-5, NSPI (Synapse) RIR-7(c) and RIR-10(b).

this proceeding, so as not to disrupt the hearing schedule in this matter. NSPI and REI continue to work collaboratively toward a resolution, which is expected to be filed before the end of 2026.

CONCLUSION

For these reasons, REI respectfully requests that the Board approve NSPI's proposed DAS Tariff and related RtR tariff amendments as filed.

Thank you for the opportunity to make these submissions.

Yours truly,

A handwritten signature in blue ink, appearing to read 'BR', is positioned above the printed name.

Brianne Rudderham

BER/cj