

EfficiencyOne

IN THE MATTER OF: The Public Utilities Act

- and -

IN THE MATTER OF:
EfficiencyOne 2026 Q2 Demand Side Management Report

M13053

EfficiencyOne Responses to Information Requests (RIRs)

E1 (NSEB) RIRs 01-02

FILED
October 15, 2026



E1 Responses to Nova Scotia Energy Board (NSEB) Information Requests
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Request IR-01:

In Attachment 1, E1 forecasts that expenditures for several rate classes will differ from those approved in the 2026 Plan. Please explain whether E1 redistributes funding among programs when actual expenditures in some programs are below budget while expenditures in other programs exceed budget.

(a) Please identify the method that governs funding redistribution, including any applicable percentage overspend or underspend thresholds.

(b) Please describe the level at which funding may be redistributed, such as the portfolio level, program level, measure level, or any other applicable level.

(c) Use Table 2 as an example, please describe how E1 intends to fund each item that is forecast to overspend, based on a comparison of the 2026 Plan as Approved budget and the 2026 Year-End Forecast. For each item forecast to underspend relative to the 2026 Plan as Approved, please also explain how the resulting variance will be treated.

Response IR-01:

As shown in the Q2 2026 DSM Report, Table 2: 2026 Plan as Approved, 2026 Mid-Course Adjustment, Year-end Forecast and Q2 Results, EfficiencyOne (E1) adjusts its savings and investment among programs through mid-course adjustments. Attachment 1 in the Q2 2026 DSM Report presents the resulting mid-course adjustments by rate class, alongside the Plan as Approved, year-end forecast, and actual DSM expenditures by rate class.

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1 (a) Mid-course adjustments at the program level provide the DSM administrator limited
2 flexibility to adjust annual program-level budgets and savings from those set out in the
3 original approved DSM Plan, in order to respond to market conditions and program
4 performance changes that were not known at the time of Plan development.¹ Mid-course
5 adjustments do not change overall savings or performance targets and are not a
6 mechanism to revise the Energy Board-approved overall investment level. E1's mid-course
7 adjustment is presented in the Q1 report and E1 explains program level mid-course
8 adjustments that result in a variance of +/- 25 percent or more in savings and investment,
9 as compared to the Plan as Approved.² E1 also provides updated year-end forecasts³,
10 presented in the Q2 and Q3 reports each year, with a discussion of variances of +/-25
11 percent between the mid-course adjustments and the year-end forecast.⁴

12
13 Final actual expenditures by program, by program component, and by rate class are
14 provided in E1's Annual Progress Report (APR) filed each year, in which program-level
15 variances of 25 percent or more between actual results and the Plan as Approved are
16 explained.

17
18 (b) Funding may be adjusted at, or within, the program level. Please see part (a) of this IR
19 response.

¹ M10473, Exhibit 31, 2023-2025 E1 and NS Power Supply Agreement Fully Executed, October 4, 2022, Schedule E, page 144.

² Ibid.

³ As part of the Performance Alignment Study by KPMG, E1 agreed to provide additional forecast information in current reporting to provide the Board and stakeholders with additional insight and greater understanding on how DSM Plan implementation is progressing mid-term. E1 has provided this information in its quarterly reports since Q2 2020. See M09750, Exhibit 1, EfficiencyOne Performance Alignment Study, April 21, 2020, page 4.

⁴ M13053, E1 Q2 2026 DSM Report, August 25, 2026, page 1, lines 20-21.

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1 (c) In Attachment 1, Table 2, the current year-end forecast provides a view of total expected
2 rate class spending for the 2026 year based on year-to-date actuals and expectations for
3 the remainder of the year. Total forecast spending is within the approved 2026 DSM
4 Extension total investment of \$63.75 million. Where rate class spending is expected to be
5 higher as compared to the Plan as Approved (Small General, Large General, Medium
6 Industrial, Municipal), this is offset by rate class spending that is expected to be lower as
7 compared to the Plan as Approved (Residential, General, Small Industrial, Large Industrial).

8
9 The rate class information in Attachment 1 is provided to report planned, forecasted, and
10 actual DSM expenditures by rate class for cost allocation and cost recovery purposes and
11 to provide information regarding the impacts of DSM investment and savings across rate
12 classes. In 2025, E1 enhanced its rate class reporting by introducing a year-end forecast by
13 customer rate class to provide additional insight into expected rate class expenditures by
14 year-end.⁵

⁵ M12249, E1 2026 DSM Extension, Appendix A, April 30, 2025, page 50-51.

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Request IR-02:

On page 13 and 14, E1 noted following:

The Residential Behaviour program component remained paused throughout Q2, as NS Power customer data continued to be unavailable to generate customer insights and reports. Customer data has been unavailable from NS Power since a cybersecurity incident there in the spring of 2025 and Residential Behaviour has been paused since May 2025.

...

Given that timeline, the earliest possible resumption of Residential Behaviour would be around November 2026, so E1 has decided not to resume the program component in 2026 and no savings will be achieved. This decision is in alignment with its 2027-2031 DSM Plan application, currently before the Nova Scotia Energy Board, which does not include Residential Behaviour.

(a) Please quantify the costs incurred in 2025 and incurred or forecasted for 2026 related to the residential program during the program suspension, for which no associated energy savings were achieved. Break down the costs by category and explain why they continue to be incurred.

Response IR-02:

(a) A summary of EfficiencyOne's (E1) Residential Behaviour costs, by category, incurred in 2025 and forecast for 2026 is provided in Table 1, below.

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Table 1: Residential Behaviour expenditures by cost category (2025 Actual, 2026 Forecast)

Cost Category	2025 Actual Expenditures	2026 Forecast Expenditures
Program delivery and administration	\$1,199,300	\$152,000
Evaluation and verification	\$87,600	\$0
E1 employee salaries and Overhead	\$289,700	\$38,700
Total	\$1,576,600	\$190,700

Of the approximately \$1.6 million in expenditures in 2025, \$1.2 million was incurred between January and April when Residential Behaviour was fully operational and 5.6 GWh of energy savings was achieved, as reported in E1's 2025 DSM Evaluation Report¹, and E1's DSM Annual Progress Report.² The remainder (approximately \$0.4 million) was incurred between May and December, when Residential Behaviour was paused. The approximately \$0.4 million included \$141,100 in employee salaries and overhead, \$124,200 in program delivery and administration, and \$87,600 in evaluation and verification.

In 2025, program delivery and administration costs included fixed annual software platform and home energy report treatment fees paid to the Residential Behaviour service provider at the start of the year, and printing and mailing fees for services delivered between January and when the program component was paused in May, following the cybersecurity incident at NS Power. Initially the duration of the data feed disruption from NS Power was unclear to E1, so for several months E1 staff continued to work on refining customer tips and recommendations and planning for resumption of the program component. Once NS Power provided E1 with a clearer timeline for data feed restoration and it was evident Residential Behaviour could not resume in 2025, staff stopped allocating time to the program component and E1 worked to reduce all other costs wherever possible.

¹ M12780, Exhibit 3, E1 2025 DSM Evaluation Report, Existing Residential Program, March 13, 2026, page 126.

² M12780, Exhibit 2, E1 2025 DSM Annual Progress Report, March 31, 2026, page 27.

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1 In Q1 2026, the mid-course adjustment of approximately \$1.2 million in expenditures for
2 Residential Behaviour reflected ongoing service provider contractual obligations and
3 assumed full payment of upfront annual service and treatment fees.
4

5 In Q2 2026, once it was clear to E1 that a relaunch of Residential Behaviour was highly
6 unlikely, given updated NS Power data feed restoration timelines and E1's decision not to
7 include the program in its 2027-2031 DSM Plan application, E1 began work to wind down
8 the program component, which has included concluding the service provider agreement,
9 as reflected in E1's Q2 2026 forecast expenditures of \$190,700, outlined in Table 1 above.
10 This comprises \$152,000 in forecast program delivery and administration costs, and
11 \$38,700 in E1 employee salaries and overhead, reflecting limited staff time to administer
12 the wind-down of the program component. No evaluation and verification costs are
13 forecast for 2026 because no savings are being generated.