

M12451- Nova Scotia Power – General Rate Application (GRA)
Closing Statement From The Nova Scotia New Democratic
Party Caucus.

Represented by the Leader of the Official Opposition, Claudia Chender and Official Opposition Energy Critic, Susan Leblanc

On behalf of the thousands of Nova Scotians who have reached out to share their stories, New Democrats oppose Nova Scotia Power's current application to increase rates.

If this rate increase goes ahead, families will be paying \$600 more a year for power in 2027 than in 2021, and Nova Scotia Power's profits will hit \$212 million, a 50 per cent increase in just four years. That's millions more of Nova Scotians' hard-earned money directly increasing the corporate profits of a company whose service is expensive, unreliable and largely unsustainable – a company the people of this province have lost patience with. Nova Scotians deserve better.

It is important to bear in mind that this increase would come at a time when many customers are being improperly double- or triple-billed due to the utility's inability to read smart meters in the wake of the recent massive data breach. It would come at a time when thousands of customers have been repeatedly left in the dark and cold on any given Sunday due to ongoing and persistent reliability issues. And it would come at a time when, even though renewables like wind energy are the cheapest per kWh, Nova Scotia Power increased the amount of coal used last year, while consumers pay the penalty. This is unacceptable.

We have heard from expert witnesses that people simply can't afford to keep paying more for this essential, expensive, unreliable service.

Nova Scotia Power is a private company that makes hundreds of millions in profit while charging some of the highest power rates in the country. Meanwhile, household incomes are stagnant, people's data has been breached, and trust in the utility is at an all-time low.

Already this winter, families have been left in the dark and cold, trying to decide whether to trust Nova Scotia Power's timeline for when the lights and heat will be back on, or make other arrangements for their families.

Evidence at the hearing has shown that there are practical steps that can be taken to reduce the pressure on residential rate payers—including maximizing energy efficiency, reducing reliance on coal, re-examining how rates are calculated, and delivering programs targeted to Nova Scotians' specific needs.

In opening statements, the Affordable Energy Coalition joined us in reminding the Board that Nova Scotia has an exceptional issue with energy affordability.

In its 2023 study, *Energy Poverty and an Equitable Transition to a Net-Zero Carbon Future in Nova Scotia*, Efficiency Nova Scotia estimated that 43 per cent of Nova Scotian households pay more than six per cent of their net income on energy bills. That's over 185,000 households, or 418,000 people.

We encourage the Board to review the evidence presented by Dr. Sean Cleary, who suggests Nova Scotia Power's rate of return should be set lower than the nine per cent they're currently guaranteed.

During the hearing, the Board's lawyer, Bill Mahody, raised important questions about how Nova Scotia Power would even apply any increase,

given the issues they've had getting accurate bills to their customers.

We also recommend considering Exhibit N-77, evidence submitted during this hearing, to estimate rate increases using a cost-of-service methodology that is less biased against residential customers, so that Nova Scotian households don't bear an outsized burden of any increase.

In closing, the Nova Scotia NDP Caucus does not support this application. While we continue to advocate that the Houston government take strong action, beginning with an immediate and comprehensive review of the utility and its ownership structure, we know that Nova Scotians cannot afford to pay more for less.

We submit that there are steps the Board can take to adjust the rate of return, reconsider how rate increases are calculated for different customer groups, and consider who bears the brunt of the costs associated with the company's inaction on necessary decarbonization.

We ask the Board to consider the impact this increase would have on families across this province, half of whom are already paying more than they can afford, and to deny this application.