



Closing statement

NSNDP - M10431

December 14, 2022

The NSNDP caucus is pleased to have the opportunity to provide closing comments in our role as intervenor in the hearing for Nova Scotia Power's General Rate Application - M10431.

The nature of this application hearing was radically changed by the introduction and passage of Bill 212 by the Houston government. These hasty amendments to the Public Utilities Act did not fix the issue of rising rates, address reliability issues or assure Nova Scotians that there is a plan to meet our climate change targets. The Bill did not cap rates to cover fuel costs or energy efficiency programs. It did not change the UARB's ability to count fuel as a pass through cost, thereby reducing the incentive for Nova Scotia Power to reduce those costs as much as possible and make them transparent in future applications. It also did not limit cost deferrals, charged to ratepayers at a later date with interest, or limit an increase in the customer charge as we see reflected in the settlement before the board.

What Bill 212, now in force as amendments to the Public Utilities Act, did was directly and politically interfere with a complex and independent regulatory process. This has already begun to have knock-on consequences, some not yet understood, many of which may further increase costs for ratepayers in the future and put our legislated climate targets out of reach. For example, S&P has downgraded Nova Scotia Power's credit rating, citing "unprecedented political interference" by this government. As the costs of borrowing rise for Nova Scotia Power, ratepayers are likely to pay more in the



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long run. Nova Scotia Power has said that it will cease planning for the Atlantic Loop and for upgrades to our already vulnerable power grid in the wake of these legislative changes. With over 13,000 customers without power today in the wake of our first real winter storm this is deeply concerning, and calls into question the ability to meet our climate commitments and respond to severe weather events. Nova Scotians will pay the price of this ill-informed approach, and in the meantime, bills will continue to increase and investments in a reliable and green power ecosystem will continue to be delayed.

The Houston government will continue to insist that it is protecting ratepayers with its actions, but those left with climbing power bills and more vulnerability to storm damage and power failures will have a different impression. We were pleased to see diverse intervenors come together to work collaboratively to try and protect ratepayers. Parties to the hearing have come to a settlement that is now before the Board to decide. We were disappointed to see the Premier make another unprecedented move of dismissing the settlement and threatening action if it is accepted. Our caucus is adamant that it remains possible to respect the regulatory independence of the UARB, address high power bills, and build a reliable and green electricity system. We are glad to see that the proposed settlement removes the earnings sharing mechanism that would have allowed Nova Scotia Power the ability to retain excess profits. We are also glad to see that the decarbonization deferral fund has been referred to a more consultative process with stakeholders that will hopefully yield answers about its true cost and utility. It is our opinion that any agreement after this kind of intervention into an independent process is unlikely to produce an entirely positive result, but we will respect the decision of the UARB.

We respect the UARB's jurisdiction over the matter and its expertise in determining whether the settlement reached by customer representatives and Nova Scotia Power is



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in the best interests of ratepayers -- while also pointing out that the rate hike contained therewith is unsustainable for many, many people in our province. This is why we are committed to continuing to press for substantive changes to our regulatory system that would retain the independence of the UARB while giving it the tools to better help consumers, particularly those most vulnerable to these rate increases, and more clearly address the demands of the climate crisis.

We will close with the voices of just a couple of the many Nova Scotians who have contacted us in this regard:

I am a single income household, and currently pay more for power than I do for a lot of other things. It is a struggle to balance a fluctuating power bill and increasing costs of living. A 10% increase would tip the scales and result in my family going without in a lot of areas. If their expenses are that concerning, perhaps NSP CEOs can do without 10% of their pay.... I bet it would even out!

We are retired and on a fixed income. The increase will definitely impact our pocketbooks as we do not receive increased income at the rate of inflated costs. How do we keep up with the exorbitant cost of power. 10% and then what is next. How do young families cope?

Thank you for the opportunity to present our view, one that is adamant about putting the needs of Nova Scotians ahead of power games and politics.

Sincerely,





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