

Changes to power rates

2023 - 2024

WHAT IS CHANGING?

On February 2, 2023, the Nova Scotia Utility and Review Board (UARB) approved the General Rate Application (GRA) settlement.

The settlement was supported by **customer and consumer advocates**, representatives from the municipal utilities, Dalhousie University as well as advocates for the environment (Ecology Action Centre) and low-income customers (the Affordable Energy Coalition).

The UARB decision means a rate increase for our customers of **13.8% over the next two years**.

In alignment with Bill 212, 1.8% of this increase will go towards strengthening the reliability of the power system. Approximately 4% of the increase recovers the cost of provincially managed energy efficiency programs, which is also referred to as Demand Side Management or "DSM".

The remaining approximately 8% of the increase recovers the cost of fuel as part of the Fuel Adjustment Mechanism (FAM), which is a direct flow through of the cost of fuel to be recovered from customers. Fuel and DSM rates do not generate profit for NS Power.

WHY ARE RATES INCREASING?

We know rate increases can be challenging for our customers. Especially at a time when the cost of living continues to rise.

The increase is necessary to **strengthen reliability** of the power system, to meet the growing demand for electricity, and to protect against **increasingly severe weather**. It also supports important investments in **provincially managed energy efficiency programs** and addresses the significant increases in the **cost of fuel** for power generation as we work to meet governments' mandated targets of moving off coal and reaching 80% renewable energy by 2030. The increase follows direction from the Government of Nova Scotia which capped any change to the non-fuel portion of rates from 2023-2024.

HOW DOES THIS AFFECT ME?

Residential customers will see an average increase of **\$10/month in 2023**, and another **\$11/month in 2024**.

Residential customers have two charges on their bills, base charge and energy rate. The base charge is the same every month regardless of usage. Energy charge is the price per kWh of energy used, which changes based on energy use habits for that time period.

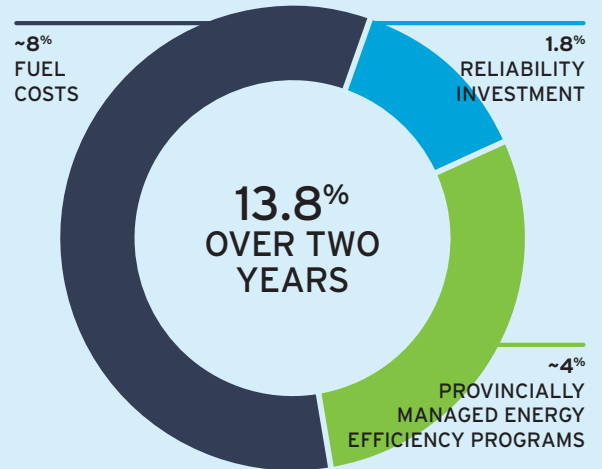
A one-time Rates Adjustment has been added to your bill under other charges. This amount reflects the new Base Charge and Energy Rate that was effective February 2 but not included on your last bill.



**You'll notice the base charge is changing. The base charge recovers the fixed costs of delivering power to customers. This is the first change since 2001 to the base charge and the amount remains below average when compared to other Canadian utilities.*

For more information visit nspower.ca/rates

RATE CHANGE BREAKDOWN



WHEN DO RATES CHANGE?

The first increase (**6.9%**) will be effective and retro-active to **February 2, 2023** and the second (**6.8%**) will be effective **January 1, 2024**.

AVERAGE CUSTOMER BILL CHANGE

	Monthly Base Charge	Energy Rate (per kWh)	Avg. Monthly Energy Use	Total Monthly Charge
Rate prior to February 2, 2023	\$10.83	16.215 cents	829 kWh	\$152.50
Rate effective February 2, 2023	\$19.17*	16.354 cents		\$162.46
Rate effective January 1, 2024	\$19.17	17.609 cents		\$173.39

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FAQs

WHAT IS THE “STORM RIDER”?

Nova Scotia is experiencing more severe weather. The Storm Rider will allow NS Power to apply to the UARB to recover costs from customers for severe storms like Juan, Arthur, Dorian and Fiona (storms which activate our Emergency Operations Centre) if/when they occur.

NS Power can apply to the UARB if the amount exceeds \$10.2 million in 2023, \$10.4 million in 2024, and \$10.4 million in 2025.

ARE THERE CHANGES TO NS POWER EARNINGS?

Consistent with the Settlement Agreement, the UARB maintained NS Power's current return on equity at 9%, with an earnings band of 8.75 to 9.25%. These earnings are not a guaranteed return for shareholders, and are only achieved if costs and electricity sales are in line with NSP forecasts.

HOW MUCH OF RATES GO TO EXECUTIVE SALARIES?

As directed by provincial legislation, NS Power customers only pay a portion of NS Power executive salaries through rates, and that amount is capped at a level comparable to senior government officials. The remainder of executive compensation is covered by Emera. Our customers also do not pay for any Emera executive salaries through rates.

WORKING TOGETHER FOR RELIABLE, CLEAN ENERGY

As always, we are committed to delivering safe and reliable electricity to our customers across the province.

When compared to our Atlantic Canadian and Maine utility neighbours who are challenged by similar increases in severe weather and changing climate, our performance is ranked 2nd best for length and frequency of outages.

Each year we target approximately \$180 million in new equipment, upgrades and refurbishments and tree trimming province wide.

On average, we invest nearly \$20 to \$25 million in vegetation management, such as tree trimming, every year. Consistent with Bill 212, reliability plans for 2023 will focus on additional investments to support reliable power service to customers.

Provincial legislation also requires NS Power to achieve 80% renewable energy by 2030, and federal policy requires the closure of coal fired units by 2030. We are continuing to have discussions with both the federal and provincial governments, and other stakeholders, on next steps and how to move forward to achieve these targets together.

SUPPORT FOR CUSTOMERS

EFFICIENCY NOVA SCOTIA

Offers a wide range of programs for homeowners and renters to save money on their energy use.

efficiencyns.ca

MYENERGY INSIGHTS

With the installation of Smart Meters in Nova Scotia, you can now access MyEnergy Insights—a digital tool available through MyAccount that helps you understand and manage your energy use.

nspower.ca/myenergyinsights

EQUAL BILLING PROGRAM

Let us help manage your household budget with 12 predictable and equal monthly payments.

nspower.ca/equalbilling

211

A confidential helpline that connects Nova Scotians to community & social services.

ns.211.ca

HEAT FUND

NS Power contributes \$200,000 annually to the Home Energy Assistance Top-up (HEAT) Fund, which runs every year starting in January. We know some of our customers are struggling to afford necessities. This year, the funds were depleted earlier than normal, so we increased our contribution to close to \$350,000 to ensure all our customers who applied on or before March 2nd received up to \$400 to help with their power bills.



For more information visit nspower.ca/rates

