



**Energy**  
**Office of the Minister**

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April 15, 2026

Nova Scotia Energy Board  
3rd Floor, Summit Place  
1601 Lower Water Street  
Halifax, Nova Scotia B3J 3P6

**RE: Interim Guidance on Transmission Procurement and Utility Participation**

Dear Members of the Board,

I am writing to respectfully share the Minister's position that the IESO must lead competitive procurements for new transmission and electricity system resources in Nova Scotia.

This letter provides interim guidance to the Board pending issuance of a Ministerial Policy Guideline under Section 21(A) of the *Public Utilities Act*. The forthcoming Guideline will offer comprehensive and binding policy guidance.

Effective April 1, 2025, Section 9 of the *More Access to Energy Act* states that the objective of IESO is to ensure bulk system adequacy and reliability, facilitate a competitive electricity market, coordinate system planning, and, section (m) **conduct procurements for electricity supply, capacity, storage ancillary services and hybrid resources**.

The Minister's position is that all new system needs, supply resources, ancillary services, storage and hybrid resources, and including synchronous condensers, must be planned and competitively procured by the IESO.

Where reasonable, system needs should be evaluated on a technology-neutral basis. Solutions such as synchronous condensers or battery energy storage systems may address transmission or distribution needs, and current analysis indicates that battery storage can often deliver equal or better grid services at lower cost. Competitive procurement is therefore essential to securing best value for ratepayers.

In summary, the Minister asks the Board to uphold competitive procurements as default for any new energy or capacity resources, as well as transmission ancillary services.

The Board should consider this interim guidance when assessing any utility capital expenditure requests to build, own or operate system resources, ensuring consistency with the IESO's statutory procurement responsibilities, competitive principles, and protection of ratepayers.

We appreciate the Board's attention and look forward to continued collaboration to support a transparent, efficient, and fair transition to an IESO-administered electricity system.

Yours truly,

A handwritten signature in blue ink, appearing to read "P. Houston".

Premier Tim Houston