DECISION | | **2025 NSEB 20**
M12178

NOVA SCOTIA ENERGY BOARD

IN THE MATTER OF THE PUBLIC UTILITIES ACT

- and -

IN THE MATTER OF AN APPLICATION by **NOVA SCOTIA POWER INCORPORATED** about asset disposition relating to the Smart Grid Nova Scotia Project, including deferral of the unrecovered net book value costs of $1.7 million over an amortization period of five years and revisions to the Solar Garden Rate Rider

BEFORE: Stephen T. McGrath, K.C., Chair
Roland A. Deveau, K.C., Vice Chair

APPLICANT: **NOVA SCOTIA POWER INC.**
Mark Peachey

INTERVENORS: **CONSUMER ADVOCATE**
David J. Roberts, Counsel
Michael Murphy, Counsel

SMALL BUSINESS ADVOCATE
Melissa P. MacAdam, Counsel
Rebekah Powell, Counsel

DEPARTMENT OF ENERGY
Daniel Boyle, Counsel

EFFICIENCYONE
James R. Gogan, Counsel

ENERGY STORAGE CANADA
Justin Rangooni

INDUSTRIAL GROUP
Nancy G. Rubin, K.C.

Brianne Rudderham, Counsel

NATURAL FORCES SOLAR INC.
Roby Douglas

NOVA SOLAR CAPITAL
Dr. Andrew Bagley

SOLAR NOVA SCOTIA
Roby Douglas

BOARD COUNSEL: William L. Mahody, K.C.

FINAL SUBMISSIONS: September 18, 2025

DECISION DATE: **December 17, 2025**

DECISION: **The Board approves the deferral of the unrecovered net book value of the Smart Grid assets until 2026 and amortization of the balance of $1,657,764 over five years. It also approves the amendments to the Solar Garden Rate Rider as noted in the decision. The Board has directed NS Power to provide information in future regulatory amortization applications about the rate impacts on ratepayers.**

TABLE OF CONTENTS

1.0 INTRODUCTION

[1] In 2020, the Nova Scotia Utility and Review Board (NSUARB) approved Nova Scotia Power Incorporated’s application to proceed with a four-year pilot project using centralized energy system platform software to manage distributed energy resources such as rooftop and community-based solar photovoltaic generation, battery storage and managed electric vehicle (EV) smart charging. Under this pilot project, NS Power, supported by government funding, invested in acquiring and enabling these distributed energy resources.

[2] With the completion of the pilot project, NS Power applied to the Nova Scotia Energy Board (Board) for approval on the disposition of the assets used for the pilot, including the recovery of approximately $1.7 million in unrecovered costs for assets that are no longer used or useful, over a five-year period beginning in 2026 (to coincide with NS Power’s pending general rate application). NS Power also sought approval for changes to the rate previously approved for the Solar Garden that was developed under the pilot project, based on its learnings from the pilot project and current circumstances.

[3] NS Power’s accounting policies allow it to recover the undepreciated cost of assets that are no longer used and useful over several years to enhance rate stability where the otherwise required write-off would be significant. While $1.7 million may seem small compared to NS Power’s annual revenue requirement NS Power expressed a concern that writing off that amount may further weaken its financial position in this case. The Board accepts that its assessment of the significance of the write-off must be contextual. Moreover, under the *Energy Reform (2024) Act*, SNS 2024, c 2, the Board must consider several factors, including the extent to which its decisions support innovation in the provision of energy resources in the province. Not allowing the recovery

of costs incurred in an effort to innovate could be a disincentive to undertaking innovative projects. The Board finds it is appropriate to approve NS Power's request for the recovery of its unrecovered costs for the pilot project over five years beginning in 2026.

[4] The Board also approves NS Power's proposed rates for the Solar Garden. It agrees with NS Power's proposal to remove certain restrictions that have been placed around subscribing for capacity in the Solar Garden to facilitate higher subscription levels for the remaining unsubscribed capacity.

[5] In this decision, the Board also provides NS Power with directions for information about rate impacts to be included in any similar applications in the future.

2.0 BACKGROUND

[6] In 2020, the NSUARB approved an application by NS Power for a capital project that was a four-year pilot to better understand how centralized energy system platform software could be used to monitor and manage distributed energy resources to achieve customer benefits like maintaining reliability, grid stability and reducing costs. The distributed energy resources to be used in the project included a variety of newer technologies such as solar photovoltaic generation from a community solar garden and from commercial roof-top installations, distributed in-home or in-business battery storage, and in-home or in-business electric vehicle smart charging. The overall cost of the pilot project was estimated to be about $19 million, but this cost was to be offset by nearly $12 million in external funding from the Government of Canada and the Province of Nova Scotia.

[7] In its decision, the NSUARB recognized some uncertainty around the future disposition of assets used in the pilot project. It directed NS Power to apply for further approval at the conclusion of the project to address these issues:

> [113] The Board is uncertain as to what is going to happen to all of these assets at the end of the project pilot term. That is particularly the case with assets that are behind the meter. The Board considers it appropriate to consider the disposition options when the project ends and, therefore, directs NS Power to make an application to the Board following conclusion of the project which would deal with termination, including decommissioning costs, if any. This would necessarily include assets that are no longer used and useful if the pilot project does not clearly justify full scale deployment and continued NS Power ownership.
>
> [114] In order to ensure costs associated with this project can be identified as discrete and separate project costs, NS Power is directed to account for all of the costs related to this project in a separate cost pool. These assets are not to be depreciated or accounted for in pools which include assets not related to the project. This way, in the decommissioning proceeding, the Board will be able to determine the current value of those assets and will not be faced with a situation where they have been pooled with similar assets.
>
> [*Re Nova Scotia Power Incorporated*, 2020 NSUARB 63]

[8] The pilot project concluded, and NS Power filed its final report with the NSUARB in March 2024.

[9] The current application is to address the NSUARB's directive to apply for further approval in relation to the disposition of assets. Figure 2 in NS Power's application identifies the final pilot project assets and their proposed disposition:

Figure 2: Summary Treatment of Assets

Asset	Treatment
DERMS (Siemens ESP)[2]	Retired and decommissioned
EV Residential Smart Chargers	Transferred to customers
EV Telematics	Retired and decommissioned
EV Bi-Directional Charger - Coritech	Transfer to Nova Scotia Community College
EV Bi-Directional Charger - Fermata	Retired and decommissioned
Electric Vehicles	Retain utility ownership
Residential Batteries	Retain utility ownership
Commercial & Industrial Solar	Retain utility ownership
Commercial & Industrial Batteries	Retain utility ownership
Community Solar Garden	Retain utility ownership

[Exhibit N-1, p. 7]

[10] For the assets being retired and decommissioned or transferred to customers, NS Power proposes to recover any decommissioning costs and the net book value of assets that are no longer used and useful. The unrecovered net book value and decommissioning costs of the assets to be decommissioned or transferred to customers is about $1.7 million ($1,657,764). NS Power proposes to apply *Accounting Policy 6350 – Assets not Used and Useful* for the retirement of these assets. However, rather than writing off the costs in the period in which they were determined to be not used and useful, NS Power proposed to defer the recovery of these costs until its next general rate application (which is currently scheduled for a hearing in January 2026) and to amortize the recovery of these costs over a five-year period.

[11] For the assets being retained by NS Power, the utility considered other options, including sales to customers. In each case, NS Power submitted that retaining ownership was the better option. NS Power also noted that its assessment of sales options was impacted by a requirement to repay the Strategic Innovation Fund, administered by Innovation, Science and Economic Development Canada. This repayment requirement was a condition for the funding NS Power received to reduce the net capital cost of the pilot project to the utility (and its ratepayers).

[12] The current application also includes a request to amend the Solar Garden Rate Rider that was approved for the Community Solar Garden part of the pilot project. The proposed changes are based on NS Power's analysis of learnings from the pilot and current circumstances. Its application compared the current rider to the proposed amendments:

1. Original Solar Garden Pilot Rate Rider (Status Quo) – Subscribers pay a monthly solar capacity charge ($6.86/$kW_{dc}$ subscribed) and earn a solar energy credit at

the 2021 levelized value of solar to the grid of $66/MWh, beginning at $54.93/MWh in 2021 and escalating at 2 percent per year.

2. Rebalanced Solar Garden Rate Rider – Update the monthly solar capacity charge to reflect project actual costs and the solar energy credit to reflect the current levelized value of solar to the grid of ~$85/MWh, calculated using the same methodology confirmed in the original rider application.

[Exhibit N-1, p. 27]

[13] NS Power submitted that the changes to the rider allow subscribers to continue to realize a benefit over time, while ensuring that non-subscribing customers are kept whole, consistent with the original intent of the program. NS Power also proposed to eliminate the rate class subscription carve outs because it had trouble securing commercial customer subscribers for the commercial carve-out portion of the solar garden subscriptions.

[14] Responding to an earlier directive from the NSUARB, NS Power said it assessed the possibility of reserving part of the capacity of the solar garden for low-income customers but believes that the Province's Community Solar Program, which includes capacity carve-outs for projects that represent underserved or marginalized communities, is a better option for these customers.

[15] Board Counsel consultant, Synapse Energy Economics, Inc. (Synapse) filed evidence in this proceeding and made the following recommendations:

We recommend that the Board:

- Approve NS Power’s proposed request to defer and amortize the remaining net book value of the Smart Grid Assets over a five-year period.
- Direct NS Power to present rate impacts associated with future amortization proposals in percentage terms and customer bill impacts, rather than simply as impacts on annual and total revenue requirements.
- Approve NS Power’s request to revise the Solar Garden Rate Rider as proposed.
- Direct NS Power to reach out to the five low-income customers in the Solar Garden Program to solicit approval to transition them from the Solar Garden Program to the Community Solar Program.

- Direct NS Power to ensure that the rider update notification for existing subscribers includes an illustration of the impact of the changes to the economics for subscribers.

[Exhibit N-7, p. 4]

[16] In its reply evidence, NS Power agreed with many of Synapse's recommendations. However, it resisted the recommendation to present rate impacts associated with future amortization proposals in percentage terms and bill impacts, rather than just as impacts on annual and total revenue requirements. NS Power argued this presentation was difficult to do with confidence outside of a fulsome analysis in a general rate application. It submitted that the analysis of the impact on customer rates presented in the application was consistent with previous NSUARB direction.

[17] The Consumer Advocate and the Small Business Advocate also filed closing submissions. The Consumer Advocate opposed NS Power's request to defer and amortize the $1.7 million of unrecovered net book value and decommissioning costs. The Small Business Advocate said the Board should defer its determination of NS Power's request to recover this amount to its general rate application to consider full ratepayer impacts (by class) and urged NS Power to increase its efforts to secure commercial class participation in the solar garden program.

[18] The main areas of contention in the proceeding are considered in the next part of this decision.

3.0 DISCUSSION AND ANALYSIS

3.1 Rate Impacts for Requests Under Accounting Policy 6350

[19] As noted above, Synapse recommended that in applications under Accounting Policy 6350, the Board direct NS Power to present rate impacts detailing

future amortization proposals in percentage terms and customer bill impacts, rather than simply as impacts on annual and total revenue requirements. NS Power opposed this recommendation, saying that it would be difficult to do outside of a general rate application.

[20] In its closing submissions, Synapse did not agree that it was more appropriate to consider customer rate and bill impacts associated with various cost-recovery proposals in a general rate application. It clarified that its recommended rate and bill impact analysis does not require the level of precision that NS Power suggests and said an estimate based on reasonable and well-documented input assumptions would suffice. It also disagreed this would be difficult or require a significant number of inputs to complete.

[21] The Small Business Advocate stated that NS Power did not provide class-specific rate impacts resulting from the requested deferral and amortization under Accounting Policy 6350, instead providing impacts in terms of the total revenue requirement. She submitted that the Board should require NS Power to:

> 1. Defer determination of recovery until the next [general rate application], where full ratepayer impacts can be reviewed across multiple classes;
>
> 2. Break down ratepayer impact analyses by class (residential, commercial, etc.) so that the fairness of recovery is transparent; and …
>
> [Small Business Advocate Submission, August 28, 2025, p. 5]

[22] While the Small Business Advocate made these submissions in the context of the present application, the Board interpreted her concerns as applying to applications under Accounting Policy 6350 generally.

[23] In its reply evidence, NS Power stated that, in the absence of a general rate application, "the underlying assumptions or methodology chosen by the utility (or

suggested by an intervenor) would be at best educated guesses and rough proxies. This leads to significant potential for those customer rate impact calculations to be inaccurate and misleading in hindsight when rates are actually calculated in a [general rate application]".

3.1.1 Findings

[24] Policy 6350 provides:

> 07 Where an asset is neither used nor useful, there is no current or future benefit against which the undepreciated cost of the asset can be matched. Therefore the undepreciated cost should be written off in the period in which an asset is determined to be not used and useful.
>
> 08 <u>In order to enhance rate stability, where the write off is significant and Nova Scotia Utility and Review Board ("UARB") approval is obtained, the undepreciated cost of the asset should be amortized, on a straight-line basis, over five years or over a reasonable period, subject to UARB approval.</u> The unamortized cost may remain in rate base, and any cost of capital should be expensed in the period incurred. This method recognizes the benefit of recovering the cost of the asset, over a period of time, through regulated rates. [Emphasis added]
>
> [Exhibit N-1, pp. 14-15]

[25] NS Power submitted that its approach in the present application was consistent with the Board's direction in an *Inquiry into the extent, condition and value of the property and assets of NS Power under s. 30(5)(a) of the Act*, 2024 NSUARB 59 (M11067), and how that direction was subsequently applied in its decommissioning application under Policy 6350 in CI C0050414 - HYD - Roseway Asset Decommissioning application (M11556), approved by the Board in its decision of May 29, 2025. In the *Roseway Asset Decommissioning* decision, the Board found that a five-year amortization of $4,915,649 for the project was reasonable and it approved the deferral of the costs until NS Power could include the regulatory amortization for recovery in the upcoming general rate application, provided it was filed in 2025, which was indeed later filed.

[26] Accounting Policy 6350 was discussed in the Board's *Section 30(5)(a) Inquiry* decision. Grant Thornton LLP was engaged by Board Counsel to undertake a review of the utility's accounting policies and procedures with respect to capital assets. In its decision, the Board adopted Grant Thornton's recommendation and directed that:

> To analyze the impact on customer rates under different scenarios outlined by Grant Thornton when Accounting Policy 6350 is relevant to the application, including (1) where the undepreciated cost is written off in the period in which an asset is determined to be not used and useful; (2) where the undepreciated cost is amortized over a variety of time periods; and (3) if the scenarios in option 1 and 2 reflect significant rate volatility, to present a recommended approach.
>
> [M11067, Board Order, March 25, 2024, pp. 1-2]

[27] Grant Thornton made its recommendation that NS Power prepare an analysis of the customer rate impacts under different scenarios in the context of the resulting write-offs being significant and that they could result in significant impacts to rates. The Board notes that Accounting Policy 6350 applies, as described in the policy itself, "where the write off is significant".

[28] In the *Section 30(5)(a) Inquiry* matter, Grant Thornton stated that the circumstances where NS Power has used Accounting Policy 6350 have been limited. However, the Board observes that applications under Accounting Policy 6350 are coming before the Board with increased regularity and that trend will likely continue. There are several reasons for this, including the retirement of older infrastructure that is approaching the end of its useful life, increased activities in the energy transition such as the retirement of thermal plants and related assets, and the amortization of capital assets used in pilot projects (such as the present application).

[29] As noted by Grant Thornton in the earlier matter, the application of Accounting Policy 6350 can vary depending on the circumstances of each case. As described in the policy itself, requests under this accounting policy arise "where the write

off is significant” and “in order to enhance rate stability” for ratepayers. In such circumstances, and given the increasing use of this policy, it is important for all parties to better understand the impact that regulatory amortizations will impose. Accordingly, the Board adopts Synapse’s recommendation and directs NS Power to present rate impacts in future amortization proposals in percentage terms and customer bill impacts, rather than simply as impacts on annual and total revenue requirements. Further, such proposals should outline, to the extent possible, the impact across multiple ratepayer classes.

[30] While the Board acknowledges NS Power’s concern that performing this exercise may not be able to be done with the same precision as within a general rate application, it accepts Synapse’s submission that an estimate based on reasonable and well-documented input assumptions in an application based on Accounting Policy 6350 will suffice.

3.2 Request for Deferral and Amortization Under Policy 6350

[31] In its decision approving the project, the Board ordered NS Power to track the project assets in a separate depreciation pool for the purposes of a disposition submission. NS Power is therefore now applying *Accounting Policy 6350 - Assets not Used and Useful* for the retirement of the assets, as there will be no remaining assets in the pool.

[32] NS Power requested deferral of the unrecovered net book value of the project costs until it can include the regulatory amortization for recovery in its next general rate application. NS Power further requested an amortization period of five years for the costs.

[33] Accounting Policy 6350 states that an asset is to be written off in the period in which it is determined to be not used and useful. However, where the write-off is significant and Board approval has been granted, the undepreciated cost may be amortized over a reasonable period, such as five years, to enhance rate stability.

[34] NS Power submitted that the unrecovered cost of approximately $1.7 million is significant to the financial position of the utility. It stated that it has earned below the low end of its approved earnings band for the last three years and expects to do so again in 2025. It noted that if the cost was written off in the current year, it would have no ability to recover the cost from customers and would therefore not recover prudently incurred project costs, effectively amounting to a disallowance.

[35] NS Power further submits that “whether an amount is ‘significant’ should not be based on a set threshold but rather should be considered in the broader context of the financial position of the utility”. It noted that writing off $1.7 million would put more pressure on its cash flow and credit metrics.

[36] With respect to the accounting treatment, Synapse concluded:

> NS Power’s request to defer the unrecovered net book value of the Smart Grid Assets until the Company is able to amortize these costs in its next General Rate Application (GRA) appears generally reasonable, as the assets provided data and learnings during the Smart Grid Nova Scotia Project. Allowing the Company to recover these costs provides an incentive for the Company to continue to propose and conduct innovative projects.
>
> [Exhibit N-7, p.3]

Synapse further noted that the five-year period proposed by NS Power “appears to strike a reasonable balance between costs to ratepayers, equity among ratepayers today and in the future, and timely recovery by the Company”. It therefore recommended that the Board approve NS Power’s proposal to defer and amortize the remaining net book value of the Smart Grid assets over a five-year period.

[37] The Consumer Advocate acknowledged that NS Power's return on equity could be negatively impacted if the deferral request is not granted but did not agree with NS Power's characterization of that outcome as amounting to a disallowance. The Consumer Advocate also did not agree that the write-off would be "significant".

[38] The Small Business Advocate submitted that the Board should defer determination of recovery until the next general rate application where ratepayer impacts can be reviewed.

3.2.1 Findings

[39] The Board generally agrees with NS Power that the meaning of "significant" in Accounting Policy 6350 should be considered in the context of the circumstances of the write-off, and that the $1.7 million write-off may be "significant", in the context of the current financial position of the utility.

[40] The Board also agrees with Synapse that allowing the recovery of these costs provides incentive for NS Power to continue to conduct innovative projects and notes that the objectives outlined in s. 6(2) of the *Energy and Regulatory Boards Act* include supporting innovation in the province.

[41] The Board notes that NS Power has filed a general rate application since this application was filed, which was based on a settlement agreement with customer representatives. The test year forecasts in that application include amortization of the Smart Grid assets over five years. The Board further notes that the NSUARB previously found that it was inappropriate to defer the recognition of regulatory amortization until it can be included in NS Power's revenue requirement used to set rates in a general rate application (see 2024 NSUARB 116, paras. 99-102 and 2024 NSUARB 115 at para. 91). In this case, given the context, the financial position of the utility, the innovative nature of

the project to which the costs relate, and with a general rate application hearing scheduled for January 2026, the Board considers it is appropriate in the circumstances.

[42] The Board approves NS Power's deferral of the unrecovered net book value of the Smart Grid assets until 2026, the first test year in the current general rate application, and amortization of the balance of $1,657,764 over five years.

3.3 Revisions to Solar Garden Rate Rider

[43] As noted above, NS Power's current application includes a request to amend the Solar Garden Rate Rider. Specific revisions include increasing the Monthly Solar Capacity Charge, increasing the Solar Energy Credit, and eliminating the rate class subscription carve outs. Also, as previously directed by the Board, NS Power conducted a review to consider reserving a portion of the Solar Garden capacity for low-income customers and concluded that the Province's Community Solar Program provides a better option for low-income customers.

[44] Noting that actual costs of the Solar Garden program are now better known, and the planning and policy environment has shifted since the time of the original Solar Garden Rate Rider approval, NS Power determined that a rebalancing of the Rate Rider components is warranted. Based on its analysis, NS Power recommends increasing the Monthly Solar Capacity Charge from $6.86/kW$_{dc}$ to $7.83/kW$_{dc}$ and increasing the Solar Energy Credit from 5.493 cents per kWh to 7.295 cents per kWh (reflecting an increase in the levelized value of solar from $66/MWh to $85/MWh).

[45] NS Power stated that a rebalanced rider reflects the actual generation and cost profile and rebalances to account for the lower actual capital costs, higher forecast operating costs, lower forecast generation, and higher value of solar to the system. It said the net effect of the rebalancing would cause no harm or benefit to non-subscriber

customers since it maintains the same cost recovery principles as the original pilot rider; i.e., at full subscription the solar garden does not result in cross-subsidization.

[46] In its evidence, Synapse noted that the NSUARB's decision approving the Solar Garden Rate Rider in M10176 permitted periodic updates to the rider credit and charge, if the changes are net favourable to subscribers, until 2031. Synapse also stated that under NS Power's proposal, existing and new subscribers will fare better, although the net effect of the increase in both the subscription fee and solar energy credit may not be obvious to customers.

3.3.1 Carve Out and Subscription Limit

[47] Currently, 60% of the capacity of the Solar Garden is reserved for domestic customers and the remainder is available to other customer classes. Participant annual consumption must be less than 10,000 MWh per year. In addition, individual customer subscriptions are limited to 100 kW and their maximum kW subscription is sized to meet their expected annual consumption or 100 kW, whichever is smaller.

[48] With only 62% of the Solar Garden capacity currently subscribed, NS Power explained that it has experienced difficulty securing commercial customer subscribers for the commercial carve out portion of the solar garden subscriptions. To increase the capacity subscription uptake, it proposed eliminating the rate class subscription carve outs and the 100 kW limitation. NS Power also proposed aligning the terms of the Solar Garden program with certain provisions of the provincial Community Solar Program, which targets 85% of nameplate capacity as the minimum subscription rate and requires at least two subscribers. Under that proposed scenario, subscriptions could be either residential or commercial or a combination of any other class.

[49] Synapse noted that the current subscription level falls below NS Power's subscription goal. It stated that removal of the 100 kW cap will likely encourage additional commercial customers to enroll, but it remained unclear whether the revisions would result in the commercial carve out being met. Certain restrictions such as the prohibition on simultaneously participating in net metering remain as barriers to enrollment.

[50] The Small Business Advocate also expressed concern about commercial subscriptions and submitted that the Board should consider requiring NS Power to increase efforts to secure commercial class participation and to demonstrate the methods it used to engage and retain commercial customers in the Solar Garden program. In response, NS Power said the proposed elimination of the capacity carve out does not prevent commercial customers from subscribing, and with removal of the 100 kW cap, commercial customers will be able to apply for larger quantities up to 1,001 kW if remaining capacity is available.

3.3.2 Low-income Customer Participation

[51] NS Power stated that there are five low-income subscribers in the Solar Garden program with a subscribed capacity of 33.75 kW_{dc}.

[52] As noted above, the possibility of reserving a portion of the solar garden capacity for low-income customers was reviewed by NS Power, but it concluded that the Province's Community Solar Program is a better option. On page 8 of its reply evidence, NS Power stated: "The Community Solar Energy Credit Rider and the objectives of the Community Solar Program, which are regulated to include a capacity carve out for projects that represent underserved or marginalized communities, provide the appropriate method for which these communities can reserve access to a solar garden subscribership."

[53] Synapse acknowledged that the Solar Garden program does not serve low-income customers well due to negative net benefits in winter months (in which customer electricity bills are also likely to be higher), as well as negative net annual benefits in the first few years of the program. It also noted that the Province's Community Solar Program is a better option for low-income customers (and all customers) because there is no subscription fee and the net present value of the benefits is higher. Furthermore, the absence of a subscription fee in the Community Solar Program eliminates the risk of negative net benefits being experienced in some months and in the early years of the Solar Garden program, which is likely to be particularly beneficial for low-income customers.

[54] Synapse recommended that the Board direct NS Power to reach out to the five low-income customers in the Solar Garden program to seek approval to transition them from the Solar Garden Program to the provincial Community Solar Program. In response, NS Power said it is agreeable to Synapse's recommendation, but it is not able to transition Solar Garden Rate Rider customers to the provincial program since subscriber recruitment and management of that program is conducted by project owners. NS Power also noted that currently there is only one operational Community Solar Program solar garden, which is already fully subscribed, but additional solar gardens and capacity are expected sometime in 2026.

3.3.3 Findings

[55] The Board agrees with Synapse's recommendation to approve NS Power's request to revise the Solar Garden Rate Rider as proposed by NS Power. As such, the Board approves the amendments.

[56] The Board also accepts NS Power's response related to the existing five low-income customers in the Solar Garden Program. The Board therefore directs NS Power to proceed with informing the low-income customer subscribers about the option to transition to the provincial Community Solar Program, and to explain to them the timing around when and how this option might be open to them.

[57] Upon receipt of the Board's decision and Order in this matter, NS Power is directed to advise all current subscribers about the revised subscription fee, solar energy credit, and associated revised terms and conditions in advance of receiving their first bill under the amended Solar Garden Rate Rider. In addition, NS Power is to provide subscribers with an illustration of the economic impact of the changes in the amended Rate Rider.

4.0 SUMMARY OF BOARD FINDINGS

[58] NS Power applied to the Board for approval on the disposition of the assets used for the Smart Grid pilot project, including the recovery of about $1.7 million in unrecovered costs for assets that are no longer used or useful over a five-year period, and approval of amendments to the Solar Garden Rate Rider.

[59] Based on its review of the evidence and the submissions, the Board approves the following:

- The deferral of the unrecovered net book value of the Smart Grid assets until 2026, the first test year in the pending general rate application scheduled for hearing in January 2026, and amortization of the balance of $1,657,764 over five years; and
- The amendments to the Solar Garden Rate Rider, including the increased Monthly Solar Capacity Charge and Solar Energy Credit, and eliminating the rate class subscription carve outs.

[60] Further, the Board directs NS Power as follows:

- In future amortization proposals, to present rate impacts detailing the proposals in percentage terms and customer bill impacts, rather than simply as impacts on annual and total revenue requirements. Such proposals should outline, to the extent possible, the impact across multiple ratepayer classes; and
- To inform the five low-income customer subscribers in the Solar Garden program about the option to transition to the provincial Community Solar Program, and to explain to them the timing around when and how this option might be open to them.

[61] An Order will issue accordingly.

DATED at Halifax, Nova Scotia, this 17th day of December 2025.

Stephen T. McGrath

Roland A. Deveau