

IN THE MATTER OF: THE PUBLIC UTILITIES ACT

- and -

IN THE MATTER OF: An application by EfficiencyOne for Approval of a Supply Agreement for Electricity Efficiency and Conservation Activities between EfficiencyOne and Nova Scotia Power Inc., the establishment of a final agreement between the parties, and approval of a 2020-2022 Demand Side Management ("DSM") Resource Plan

CONSENSUS AGREEMENT

WHEREAS EfficiencyOne ("E1") is the Franchise Holder in accordance with the *Public Utilities Act*;

AND WHEREAS EfficiencyOne has filed an application with the Nova Scotia Utility and Review Board, in accordance with the provisions of the *Public Utilities Act*, for the approval of a Supply Agreement with Nova Scotia Power Inc. ("NS Power") for the supply of electricity efficiency and resource conservation activities for the years 2020 through 2022 ("Supply Agreement");

AND WHEREAS NS Power is, in accordance with the *Public Utilities Act*, deemed to be a co-applicant with EfficiencyOne in the application for approval of the 2020 -2022 DSM Resource Plan ("2020-22 DSM Plan") and Supply Agreement;

AND WHEREAS EfficiencyOne and NS Power (together referred to as the "Co-Applicants") have each filed its evidence before the Board;

AND WHEREAS each of the Co-Applicants has served and responded to Information Requests of the other, and each of the Co-Applicants have responded to Information Requests filed by certain of the formal Intervenors in this proceeding;

all

AND WHEREAS the parties to this Agreement (collectively the "Parties" and individually a "Party") have reached an agreement on certain matters in relation to the approval of the 2020-22 DSM Plan;

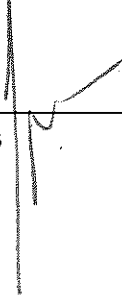
AND WHEREAS, based on the record before the Board, the Parties hereby approve the Terms of Consensus attached hereto as Appendix "A". The Parties reserve the right to amend their position based on any further evidence raised in the proceeding before the Board.

NOW THEREFORE the Parties agree as follows:

- 1) This Consensus Agreement may be executed by the Parties in counterparts, each of which when so executed and delivered shall be deemed to be an original and when taken together shall be deemed to be one and the same instrument. The electronic delivery, including, without limitation, by email or facsimile transmission, of any signed original of this Settlement Agreement shall be the same as the delivery of an original.

Signed and dated effective this 4th day of June 2019.

Witness



Witness

Witness

Witness

Witness

Witness

Witness

EfficiencyOne

Per:



Nova Scotia Power Incorporated

Per:

Consumer Advocate

Per:

Small Business Advocate

Per:

Industrial Group

Per:

Affordable Energy Coalition

Per:

Ecology Action Centre

Per:

Signed and dated effective this 4th day of June 2019.

Witness



Witness

Witness

Witness

Witness

Witness

Witness

EfficiencyOne

Per:

Nova Scotia Power Incorporated



Per: BRIAN C. CURRY

SL. Regulatory Counsel

Consumer Advocate

Per:

Small Business Advocate

Per:

Industrial Group

Per:

Affordable Energy Coalition

Per:

Ecology Action Centre

Per:

Affordable Energy Coalition

Witness

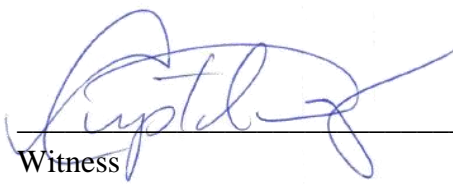
Per:

Ecology Action Centre


Witness

Per:

**Kwilmu'kw Maw-klusuaqn Negotiation
Office and Assembly of Nova Scotia
Mi'kmaq Chiefs**



Witness



Per:

Berwick Electric Commission

Witness

Per:

**Kwilmu'kw Maw-klusuaqn Negotiation
Office and Assembly of Nova Scotia
Mi'kmaq Chiefs**

Witness

Per:

Berwick Electric Commission

Witness

Per:

A. E. Nominie
A. E. Nominie
FOR MEUWSC

APPENDIX “A”

1. The total DSM budget for the 2020-2022 DSM Supply Agreement will be \$110 million. The \$110 million is based on current DSM funding levels of \$34.05 million per year plus the accumulated underspend from 2016-2018 DSM Supply Agreement of \$7,508,216 inclusive of interest as of June 3, 2019. Future accumulated interest on the underspend from the 2016-2018 DSM Supply Agreement will be segregated and allocated to the 2020-2022 DSM Plan. The 2020-2022 DSM Plan investment, energy savings and demand savings levels shall be set as follows:

Year	Investment (S million)	First-Year Energy Savings (GWh)	Peak Demand Savings (MW)
2020	34.4	119.2	30.9
2021	36.5	121.5	32.6
2022	39.1	127.1	34.8
Total	110	367.8	98.3

2. The amount of DSM allocated for First Nations and Low Income in the final 2020-2022 DSM Plan will remain at the level set out in E1’s proposed Preferred Plan (as outlined in E1’s Application filed February 28, 2019) throughout the 2020-2022 DSM Supply Agreement period.
3. Subject to adjustment for First Nation and Low Income funding (for both the investment and energy savings), the remainder of the 2020-2022 DSM Plan shall be delivered in accordance with the Alternate scenario filed by E1 in E1’s Application dated February 28, 2019. To the extent possible, and within budget constraints, E1 will focus on establishing and implementing demand response initiatives through engagement with NS Power.
4. E1 withdraws its request for approval to implement lifetime energy savings (LES) as a new performance target of the 2020-2022 Supply Agreement and will refer it to the DSMAG for further discussion and consideration.
5. The Parties support, in principle, DSM funding being expensed through the FAM at the time of the next General Rate Application subject to UARB approval. NS Power agrees to support adoption of this methodology in a manner that does not result in additional material regulatory burden being imposed on E1.

6. The HST Refund, together with any interest, will be returned by E1 to NS Power and refunded to customers through the FAM, subject to UARB approval. The amount of the HST Refund as of June 3, 2019 is \$ \$15,277,651.23, inclusive of interest.
7. The existing DSMAG will develop revised terms of reference that will enhance the development of future DSM Plan applications. The revised terms will focus on a collaborative and facilitated process with representation of the UARB, intended to keep stakeholders engaged on key DSM issues and development of future DSM Plans.
 - a. Development of a calendar and framework process which will include developing:
 - i. Process/methodology for updating avoided costs;
 - ii. Timeline for the development and stakeholder consideration of DSM Plan scenarios prior to submission to the UARB;
 - iii. Adoption of a recommended format for joint filing of DSM applications consistent with existing legislation;
 - iv. Agreed criteria to determine DSM program affordability; and
 - v. Information sharing protocols.
 - b. Confirmation that long-term DSM planning levels will be reassessed during each IRP.
 - c. Consideration of whether a process to evaluate the DSM Evaluation Reports and DSM Verification Reports separate from the DSM Resource Plan process is required and if so the nature of that process.
 - d. Discussion on payback periods when setting incentives.
 - e. Other issues as determined by the DSMAG.

In the event DSMAG agreement on final revised terms of reference cannot be achieved by June 30, 2020, the finalization of the revised terms of reference shall be referred to the UARB for determination.

8. The existing HomeWarming program funded through a charitable contribution by NS Power, shall hereinafter be operated and administered by E1 for a 3 year term (2020 - 2022) commencing January 1, 2020. Terms of reference regarding operation and reporting of results shall be agreed to between E1 and NS Power and codified in an agreement to be executed between NS Power and E1. E1 will take reasonable steps to ensure the existing Home-Warming delivery model utilizing the Clean Foundation remains in place for the 2020 – 2022 DSM Plan years.
9. The Parties do not oppose the Econoler Evaluation Report for the 2018 DSM year or the E1 response to the recommendations set out therein.
10. The Parties do not oppose the Verification Report for the 2018 DSM year or the E1 response to the recommendations set out therein.
11. The Parties do not oppose the 2016-2018 verification and evaluation recommendations as filed by E1 in the 2019 Annual Progress Report.

12. E1 and NS Power agree not file rebuttal evidence in this proceeding but specifically reserve all rights to challenge any evidence that has been filed in this Proceeding in any future proceedings.
13. This Agreement is without prejudice to the rights of any Party or the position any Party may take on these issues in future proceedings, including arguments based on the evidence filed in this proceeding.

END

