

## **ERRATA**

*to EfficiencyOne 2020-2022 DSM Resource Plan Application and Evidence filed  
with the Nova Scotia Utility and Review Board on February 28, 2019*

1. Evidence Page 7 of 62, line 5: 3,180 MT should be 3.180 MT. Corrected page is attached.
2. Evidence Page 43 of 62, Figure 1: Preferred DSM Plan investment levels should show \$41.9 M (2020), \$43.3 M (2021) and \$43.9 M (2022). Corrected page is attached.
3. Appendix A Page 12 of 95, line 14: 3,180 MT should be 3.180 MT. Corrected page is attached.
4. Appendix A Page 13 of 95, line 16: 86 MT should be 86 kT. Corrected page is attached.
5. Appendix A Page 13 of 95, line 17: 3,180 MT should be 3.180 MT. Corrected page is attached.

### 3.2 Highlights of the Preferred Plan

Highlights of the Preferred Plan include:

- First-Year energy savings = 1.3 percent of electricity generation;
- Cumulative net lifetime CO<sub>2</sub> reductions = 3.180MT<sup>12</sup>;
- Lifetime unit cost = \$0.022/kWh;
- Weighted average measure life = 14.2 years;
- Net system benefits = \$493.6 million<sup>13</sup>; and
- Percentage of non-lighting energy savings over historical levels = +55 percent.

### 3.3 Key Considerations that informed the Preferred Plan

EfficiencyOne was guided by three key considerations in developing the Preferred Plan:

- Maximizing Energy Savings (customer value);
- Ensuring a Balanced Portfolio (customer need); and
- Establishing an Appropriate Investment Level (customer affordability).

The level of energy savings in the Preferred Plan was informed by the 2014 IRP and reinforced by trends in leading jurisdictions both of which demonstrated that Nova Scotia is not operating at the optimal level of DSM for ratepayers. The Preferred Plan moves directionally closer to the level of DSM in the 2014 IRP Preferred Resource Plan by taking a responsible step forward, moving from 1.2 to 1.3 percent annual energy savings as compared to annual generation. This results in a level of energy savings of approximately 141 GWh per year for each of the three years in the plan period. The cost to deliver these savings while balancing the portfolio is an average of \$43 million annually for 2020 to 2022.

<sup>12</sup> Estimates are based on current electricity emissions intensity and reductions in emissions intensity in accordance with Nova Scotia Greenhouse Gas Emissions Regulations emissions caps, §4 (1)

<sup>13</sup> \$622.7 million of lifetime benefits - \$129.1 million of DSM investment = \$493.6 million of net benefit

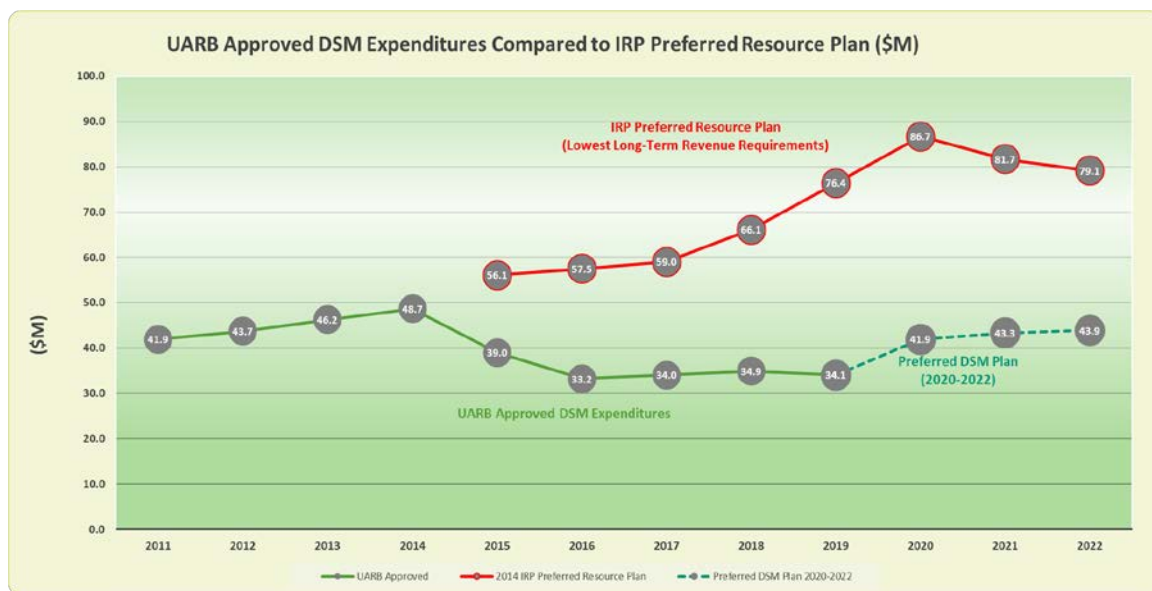
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EVIDENCE

1 Plan move towards the levels set out in the IRP, but still do not achieve the optimal  
2 level.

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4 Accordingly, the gap between customer benefits contemplated by the IRP and benefits  
5 provided to customers as a result of approved DSM plans, continues to widen. An  
6 investment below the Preferred Plan will further widen this gap – a gap which is not in  
7 the best interest of ratepayers. A chart detailing the levels of investment required to  
8 meet the IRP is illustrated in Figure 1, below:

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10 **Figure 1: UARB-approved DSM expenditures compared to IRP Preferred**  
11 **Resource Plan**



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13 Spending on energy efficiency must not be left to the end, once all other costs are  
14 considered. The amount of funding available for DSM cannot simply be the difference  
15 between NS Power’s costs and the room in rates that can absorb DSM without a rate

1 **3. 2020-2022 PREFERRED PLAN**

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3 The 2020-2022 Preferred Plan represents a comprehensive suite of programs and  
4 service offerings for Nova Scotia electricity customers. The main goal of each program  
5 is to help reduce electricity costs for consumers. Further objectives include:

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- 7 • reduce the long-term cost of electricity to ratepayers;
  - 8 • increase consumer awareness of cost-effective options for reducing electricity  
9 consumption and/or consumption at peak periods; and
  - 10 • create favorable market conditions for the increased adoption of energy efficient  
11 and system-peak demand reduction equipment and upgrades.

12 Highlights of the 2020-2022 Preferred Plan include:

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- 14 • Incremental Annual Energy savings = 1.3 percent of electricity generation;
  - 15 • Cumulative net lifetime CO<sub>2</sub> reductions = 3.180 MT.<sup>6</sup>
  - 16 • Lifetime cost of saved energy = \$0.022/kWh;
  - 17 • Weighted average measure life = 14.2 years;
  - 18 • Net system benefits = \$493.6 million<sup>7</sup>; and
  - 19 • Percentage of non-lighting energy savings over historical levels (i.e. 2016-2019)  
20 = +55 percent

21 **3.1 2020-2022 Preferred Plan Savings and Investment**

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23 In 2020-2022, EfficiencyOne will invest \$129.1 million (in nominal dollars) to achieve  
24 421.7 GWh of incremental cumulative net energy savings, 120.1 MW of cumulative  
25 system-peak demand savings, and 5,996.3 GWh of cumulative net lifetime energy

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<sup>6</sup> Estimates are based on current electricity emissions intensity and reductions in emissions intensity in accordance with Nova Scotia Greenhouse Gas Emissions Regulations emissions caps, §4 (1)

<sup>7</sup> \$622.7 million of lifetime benefits - \$129.1 million of DSM investment = \$493.6 million of net benefit

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**Appendix A**

1 savings at the generator.

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3 Table 2 presents program investment budgets and targets for the planned 2020-2022  
4 portfolio.

5 **Table 1: 2020-2022 Preferred DSM Resource Plan Investment and Savings**

Year	Investment (\$ million)	Lifetime Benefits (\$ million) <sup>a</sup>	First-Year Energy Savings (GWh)	Lifetime Energy Savings (GWh)	Weighted- Average Measure Life (years)	Peak Demand Savings (MW)	Total Resource Cost Test (TRC) <sup>b</sup>	Program Administrator Cost Test (PAC) <sup>c</sup>
2020	41.9	195.6	140.2	1,967.9	14.0	38.7	1.9	4.7
2021	43.3	208.7	141.3	2,014.5	14.3	40.3	1.9	4.8
2022	43.9	218.4	140.2	2,013.9	14.4	41.1	2.0	5.0
<b>Total</b>	<b>129.1</b>	<b>622.7</b>	<b>421.7</b>	<b>5,996.3</b>	<b>14.2</b>	<b>120.1</b>	<b>2.0</b>	<b>4.8</b>

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Currency is expressed in nominal dollars. Columns may not add correctly, due to rounding.

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Annual avoided costs of energy and capacity were provided by NS Power, from the 2014 IRP using the Base level of DSM.

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Avoided costs of transmission and distribution were provided by NS Power in 2018.

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Portfolio total cost-effectiveness tests are calculated using the sum of each year's present value of benefits and costs

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<sup>a</sup> Lifetime benefits are expressed as the net present value of the avoided costs, including energy, capacity, transmission and

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distribution, over the life of the program measures, using utility WACC.

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<sup>b</sup> TRC is a benefit/cost ratio comparing lifetime benefits to the sum of EfficiencyOne's and participants' costs.

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<sup>c</sup> PAC is a benefit/cost ratio comparing lifetime benefits to EfficiencyOne's costs.

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EfficiencyOne estimates that the 2020-2022 Preferred Plan will produce annual  
16 incremental CO<sub>2</sub> reductions of 86 kT and cumulative net lifetime CO<sub>2</sub> reductions of  
17 3.180 MT.<sup>8</sup>

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Tables 3, 4, and 5 provide the program investment budgets and targets for 2020, 2021  
20 and 2022, respectively.

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<sup>8</sup> Estimates are based on current electricity emissions intensity and reductions in emissions intensity in accordance with Nova Scotia Greenhouse Gas Emissions Regulations emissions caps, §4 (1)