

Submission to the Nova Scotia Clean Electricity Solutions Taskforce October $12^{\rm th},\,2023$

The Ecology Action Centre is pleased by the formation of the Clean Electricity Solutions Taskforce in the interest of due revision and public consultation regarding the state of Nova Scotia's energy landscape. This consultation presents a valuable opportunity to assess the diverse and complex needs of Nova Scotians that will inform firm goals, directives, and policy to guide Province's transition to a decarbonized electricity grid in pursuit of a more equitable, just, and resilient energy landscape in Nova Scotia.

With Nova Scotia's newly established electricity targets, as set out in the *Environmental Goals and Climate Change Reduction Act* ("EGCCRA"), the province has a substantial transition ahead to eliminate coal entirely from the grid and be powered by 80% renewables come 2030. We are pleased by the Nova Scotian Utility and Review Board's ("UARB") decision to require a detailed plan of Nova Scotia Power Inc. by end of year but are concerned that we are running out of time to develop and implement the necessary steps to enable an energy transition that centers Nova Scotians, future generations, and our living environment while meeting the 2030 target. We are also concerned that the Province has not made commitments to align itself with the federal target of a net-zero electricity sector by 2035. We appreciate the Province's commitment to making the transition towards a cleaner electric grid as evident by the formation of this taskforce, and we hope to see a more robust plan with ambitious targets, timelines, and supportive legislation for a net-zero future as an outcome of this consultation.

The Ecology Action Centre ("EAC") believes that the Province plays an integral role in ensuring that our grid is transitioned to safe and renewable sources of electricity, as well as addressing energy poverty, equipping energy infrastructure to be more resilient against a changing climate, assisting in retrofitting homes to improve energy efficiency and affordability, and working with African Nova Scotian, Mi'kmaw, and other marginalized communities to uphold principles of energy justice. This is no easy set of tasks but rather a foundation for the holistic thinking required of the Clean Electricity Solutions Task Force ("the Taskforce") and the Province as we pursue the transition towards a sustainable energy future for Nova Scotia.

Below you will find our comments, calls to action, and legislative recommendations in response to the questions posed in your call for submissions.

What is the state of our electricity infrastructure in terms of reliability, capacity and storage to meet Nova Scotia's climate change goals and what changes should be made?

As Nova Scotia transitions to a decarbonized grid, a greater percentage of our energy needs, that underpin our healthcare, housing, food, and communications systems, will be met with renewables through electrification. To have a just and resilient energy regime, the reliability of our infrastructure must increase in correspondence with our energy demands, and greater social and environmental needs. As Nova Scotia confronts the ongoing climate crisis, our energy infrastructure must undergo



significant change in favor of mitigative and adaptive climate action in addition to accommodating a greater number of renewables on the grid.

With respect to adaptation, the Climate Adaptation Leadership Program's *Climate Adaptation Strategy* for Nova Scotia's Electricity Sector (2022) provides essential direction for improving infrastructure adaptability that takes an all-hazard approach and focuses on creating local-led efforts that increase infrastructure capacity and resilience. More so, this strategy considers cross-sectoral efforts with identified potential collaborators that require government cooperation and leadership. Central tenants of this strategy include:

- Pursuing extensive and efficient information sharing across sectors
- Anticipating reliability concerns and responding appropriately
- Consulting and supporting racialized and marginalized communities
- Establishing well-developed, transparent, and representative decision-making processes
- Co-designing and delivering programs for measuring success

We hope that the Taskforce will adopt the principles and approaches outlined in this report while evaluating and prioritizing energy infrastructure upgrades and developments. We would also encourage the Taskforce to direct the Province to provide the capacity and funding needed to effectively incorporate these approaches.

There are several physical upgrades that should be considered to improve the reliability and resilience of the province's energy infrastructure; more than can be considered in the scope of this submission. Some to highlight, however, include the burying of transmission lines, increasing grid-scale battery storage, and developing renewables in strategic locations to support load and reduce additional transmission upgrades. We encourage the Province to continue holding utilities accountable for reliable service throughout the transition to a net-zero grid and support communities by investing in infrastructure that meets demand and can withstand increased storms surges, wildfires, and extreme weather damage from climate change.

What measures should be taken to support the ability of Nova Scotians to afford the price of electricity as we undertake an energy transition resulting from climate change and other factors?

The EAC, as a member of the Affordable Energy Coalition ("AEC"), stresses the value of implementing a Universal Service Program ("USP") model to ensure that all Nova Scotian's can meet their energy needs. The transition to a more sustainable electricity landscape for Nova Scotia must include a transition to more equitable and affordable service. The EAC and AEC, alongside 50 jurisdictions in the United States and Ontario, believe a USP is a tangible way to ensure that equitable and affordable service is provided. Nova Scotia has a few existing efficiency and cost-relief programs for low-income households that could be accessed more efficiently if linked together by a USP. The AEC suggests a 4part program that addresses: 1) Electricity bill affordability; 2) Management of arrears; 3) crisis intervention assistance; and 4) energy efficiency programs targeted to low-income households. A USP would result in minimal cost difference for ratepayers and help to alleviate energy poverty across Nova Scotia.



In addition to implementing a USP, Nova Scotia stands to benefit from removing clause 67 of the *Public Utilities Act*¹. This clause prevents the Province, and UARB, from pricing power rates differently for different households. We, alongside the AEC, recommend this clause be dropped to allow for more equitable structuring of energy pricing across the province. Our legislature should adequately reflect our growing dependence on electricity and recognize energy as an essential service that must be available to all persons in Nova Scotia.

During the initial phases of the transition to renewable energy, power rates are likely to rise to accommodate infrastructure development and adaptation. It is essential that this transition does not disproportionately burden low-income, marginalized, or racialized communities. When discussing a transition, it is important that we remember that a change in energy systems will inevitably impact social systems as well. We insist that future supports to make energy more affordable by the Province be developed in collaboration with marginalized communities, racialized communities, low-income households, and renters. These communities must be represented in the conversation and decision-making processes around affordability well beyond this consultation.

Greater and more transparent communication from the provincial government would also be helpful in explaining the temporary cost increases to rate payers during the transition as a component of a greater investment in the reliability and resilience of our energy system moving forward. If this transition is not done in a safe, equitable and timely matter, Nova Scotians face greater costs in repairs, upgrades, and environmental restoration down the road. This commitment to improved communication would also be effective when applied to federal tax incentives, rebates, and project funding relating to decarbonization as it pertains to Nova Scotians as well. With 77% of Atlantic Canadians in support of the federal Clean Electricity Regulations ("CER") in Atlantic Canada, it is important to keep constituents well-informed and provide local context.²

The EAC also stresses the power of cooperation across regions and government bodies while planning and budgeting for this transition. We are keen to see Nova Scotia thrive but recognize that environmental protection and social prosperity are not bound by borders. We have a collective responsibility to care for our neighbours and ensure that we are pushing for a just energy system beyond our borders. On this same note, we urge our provincial government to see opportunity in cooperation with the federal government and ensure that party politics do not stall progress in critical decarbonization that requires joint action.

Are there changes to the Nova Scotia Utility and Review Board Act that should be made in terms of electricity, transmission and rates?

The EAC is most excited to see a review of the *Utilities and Review Board Act* included in the mandate of the Taskforce. We see this revision of legislation relating to monitoring of the utility as a critical opportunity to legislate a commitment to sustainable electricity policy that upholds the goals set out in EGCCRA. Pursuing clear legislation in the acts governing our utilities that assures sustainable

² Clean Energy Canada & Abacus Data, "Poll: Most Canadians Support the federal government's Clean Electricity Regulations", Clean Energy Canada, July 4, 2023, <u>https://cleanenergycanada.org/poll-most-canadians-support-the-federal-governments-clean-electricity-regulations/#:~:text=VANCOUVER%20%E2%80%93%20An%20overwhelming%20majority%20(71,Energy%20Canada%20and%20Abacus%20Dat <u>a</u>.</u>



¹ Affordable Energy Coalition, "Recommendations regarding Bill 212 an Act to Amend the Public Utilities Act", October 31, 2022, <u>https://nslegislature.ca/sites/default/files/pdfs/committees/64_1_LACSubmissions/20221031/2022-10-31-AffordableEnergy-212-002.pdf</u>

development and climate change are considered will ensure that regulators, service providers, and other stakeholders act in the interest of both ratepayers and the environment. We have confidence that integrating a sustainability mandate and advocate role within the UARB will strengthen Nova Scotia's transition to a cleaner and more equitable energy landscape.

To ensure that the UARB acts with consistent interest towards sustainable development and in this mitigating and adaption to climate change, the EAC proposes a three-pronged strategy that will impose a sustainability mandate on the UARB and position Nova Scotia more securely in its transition to a net-zero grid. Our 3-part approach consists of:

- i.Creating a standalone mandate provision which includes a sustainability mandate
- ii.Establishing a legislated statement of provincial electricity policy which incorporates sustainability considerations
- iii.Legislating a list of relevant sustainability principles which illustrates how the sustainability mandate should be interpreted

This strategy has been developed with guidance from East Coast Environmental Law ("ECEL"), after consideration and analysis of sustainability mandates in other jurisdictions in Canada and along the Northern Atlantic Seaboard. Most notably, Quebec's <u>Act respecting the Régie de l'énergie</u> includes language that holds the provincial energy utility to a sustainability mandate that is then further defined and detailed in their <u>Sustainable Development Act</u> and ensures decisions are made in accordance with a holistic understanding of sustainable development. Other jurisdictions such as British Columbia emphasized the efficacy of a high-level statement of electricity policy as it relates to sustainable development. The need for a clear definition of sustainable development and its principles in legislation were made clear by New Brunswick's <u>Electricity Act</u> as it refers to "economic and environmental sustainability" but does not define either term anywhere in the act.³ Our proposed strategy thus seeks to prevent misinterpretation by issuing a mandate to the UARB that is clearly defined and holistic in nature.

i) Sustainability Mandate

Our first recommendation is that Nova Scotia issues a standalone mandate provision for the UARB. This mandate shall include a sustainability mandate to ensure that the UARB is accountable to both ratepayers and environmental interests. This mandate is best suited to be provisioned in *Nova Scotia's Public Utilities Act* (sections 15-47) as it provides a comprehensive outline of the electricity regulator's responsibilities. In the Taskforce's recommendation for revision of the *Utility and Review Board Act* which empowers the board, we urge the Taskforce to consider the relationship between the two acts and how a broader revision to the *Public Utilities Act* and provision of a sustainability mandate will fundamentally empower the UARB to act in the interest of both ratepayer affordability and the province's commitment to sustainable development.

When assessing sustainability mandates in similar jurisdictions, we found particularly effective language in section 5 of Quebec's *Act respecting the Régie de l'énergie*. This mandate provision provides

³ Electricity Act, SNB 2013, c 7, ss 100, 4-8.





an effective model for a standalone mandate to the UARB. Proposed language, as informed by the *Régie* and ECEL is as follows:

In exercising its functions, the Board shall reconcile the public interest, consumer protection, and the fair treatment of public utilities. The Board shall promote the satisfaction of energy needs in a manner that is consistent with the Government's electricity policy and environmental, sustainable development, and sustainable prosperity goals described in other provincial enactments and will exercise its functions in keeping with the principles of sustainable development and individual and collective equity.

To uphold a sustainability mandate and further ensure that environmental and sustainability goals we additionally suggest that the role of a sustainability advocate be added to the UARB. This role is not essential to the provision of a sustainability mandate but will ensure that this mandate is employed consistently throughout decision making processes and further articulate the necessity of including environmental and sustainability considerations in how our public utilities are regulated.

ii) Statement of Clean Electricity Policy

The Government of Nova Scotia does not have a clear statement of Nova Scotia's electricity policy or objectives legislated. Jurisdictions such as Newfoundland and Labrador, New Brunswick, and British Columbia have demonstrated the effectiveness of having explicit electricity objectives and goals in legislation as it pertains to the utility regulator. In the wake of Nova Scotia's 2030 electricity targets, it stands to benefit from legislating these commitments and building a greater statement of electricity objectives as we pursue significant transformation to our energy system in the next decade. By clearly articulating a commitment to "environmental, sustainable development, and sustainable prosperity goals" the Province will further build consistency and a concerted effort in its environmental goals across legislation. The EAC recommends amending the *Public Utilities Act* to create a clear connection between the proposed sustainability mandate and statement of electricity policy objectives and goals. Drawing from language in New Brunswick's *Electricity Act*, we suggest that the *Public Utilities Act* open with the following statement and then proceed to include Nova Scotia's electricity policy goals and objectives:

It is declared to be the policy of the Government of Nova Scotia

Included amongst these objectives we suggest the following provisions be included relating to sustainability and sustainability within the electricity sector:

(x) Electricity needs in Nova Scotia shall be met in a manner that accords with the Province's environmental, sustainable development, and sustainable prosperity goals.

(x) Electricity needs in Nova Scotia shall be met in a manner that accords with the principles of sustainable development and individual and collective equity.





To ensure that the electricity policy outlined in the *Public Utilities Act* is explicitly tied to the operations and responsibilities of the regulator, we suggest the amendment include the following provision, following the list of policy objectives:

These statements of policy shall guide the Board in the exercise of its functions.

Principles of Sustainable Development iii)

To ensure that the proposed statement of clean electricity policy is robust and explicit in its reference to 'environmental, sustainable development, and sustainable prosperity goals', the EAC recommends an additional amendment to the *Public Utilities Act* that details the principles of sustainable development. Nova Scotia's Environment Act currently defines sustainable development and the principles of sustainable development. To promote consistency across legislation, the EAC recommends using this existing language as a foundation for the Public Utilities Act.

The EAC is pleased with the current definition used to define sustainable development in section 2 of the Environment Act given its larger connection to the United Nation's Sustainable Development Goals. We recommend further developing the principles of sustainable development laid out in the Environment Act to reflect the many intersections of sustainability. We believe that a more detailed set of principles is needed to guide sectors such as electricity as the underpin and intersect with so much of our society's operations. Electricity policy should thus reflect the complex social, economic, and environmental needs of Nova Scotians and require the UARB to recognize the same.

The following principles are drawn directly from Quebec's Act respecting the Régie de l'énergie. These principles are not addressed in the current principles of sustainable development in Nova Scotia's *Environment Act* but if added, would help to give teeth and direction to the UARB and future energy sector developments. The following list of principles is paraphrased from the *Régie* and is not exhaustive:

- Health & quality of life: recognizing human health as a part of ecosystem health •
- Social equity and solidarity: intra- and inter-generational equity, social ethics, and • solidarity
- Access to knowledge: information dissemination, availability, research, and education •
- Subsidiarity: Decision-making centres located as close to the communities they impact as • possible, and power is distributed appropriately through levels of authority
- Internalization of Costs: Value of costs reflect all costs generated over their lifecycle
- *Inter-governmental partnership and cooperation:* governments must collaborate and consider external impacts of actions within a territory
- *Prevention*: preventative, mitigative, and corrective action taken in response to risks •
- Protection of Cultural Heritage: Culture and social identity is an active component of sustainable development and inter-generational community
- *Respect for ecosystem support capacity:* recognize ecological limits and ensure • perenniality of ecosystems

More so, we call for the addition of a sustainable development principle that directly addresses Mi'kmaw sovereignty and incorporates traditional knowledge in its definition. Efforts towards



sustainable development and environmental justice In Nova Scotia are groundless without Mi'kmaw sovereignty. We call on the provincial government to engage in effective and meaningful participation with Mi'kmaw knowledge holders and Mi'kmaw leadership to develop an appropriate amendment for a sufficient definition of sustainable development. We learned about the concepts of Kweso'tmu'kw and Netukulimk from our peers at Kwilmu'kw Maw-klusuagn and the Mi'kmag Home Energy Efficiency Program and we suggest prioritizing these concepts as starting points for consultation and development.

Fitting within the larger picture

Last year Nova Scotia made an explicit commitment to addressing climate change in the release of Our *Climate, Our Future.* The EAC was pleased to see strong connections between health, culture, equity, economics, and the environment drawn throughout this report. More so, there are clear targets regarding energy efficiency and our electricity system laid out in this plan. The EAC stresses the need for these targets to inform more of our policy than EGCCRA alone. Assigning the UARB with a sustainability mandate is a clear and effective accountability mechanism to ensure these goals and targets are consistently considered across all UARB decisions. The EAC sees the sustainability mandate as not only a critical revision to the operation of our utility regulator, but also as a method of aligning Nova Scotia with federal goals of a net-zero electric grid. The Canadian Climate Institute has identified a sustainability mandate and advocate role as potential qualifying measures for provinces to access Federal tax incentives such as the Clean Electricity Investment Tax Credit. As the federal government moves to implement the CER, a sustainability mandate and advocate could also work to ensure that utilities align with these regulations and keep Nova Scotia on track to meet its net-zero goals.

Conclusions

To conclude, Nova Scotia's transition towards a net-zero electricity sector presents a critical opportunity to integrate principles of sustainability and energy justice into our electricity landscape. We encourage the Taskforce to consider the urgency needed to adapt our energy systems and infrastructure in a manner that promotes resilience and reliability for communities as we continue to weather the growing reality of climate change. The Province's ambitious targets for our electricity grid are admirable. The Taskforce now can ensure that this momentum is continued beyond 2035 with supporting detailed plans and timelines for the transition, advocating for increased cooperation with all levels of government, encouraging increased funding in retrofit and efficiency programming, and proposing legislative amendments that hold utilities and decisionmakers alike accountable to the principles of sustainable development.

We urge the Taskforce to consider all living communities equitably and as critical stakeholders in a just transition to clean electricity. Climate change requires thoughtful and urgent action. As an underpinning facet of our society, Nova Scotians deserve an energy landscape that will carry us beyond 2035, or even 2050, and is supportive of our communities' social, cultural, environmental, health, and economic prosperity.



We value this opportunity to provide input on Nova Scotia's clean electricity transition and anticipate ongoing relationships and discussions with the Taskforce and Provincial government in building a just and sustainable energy landscape.

Sincerely,

K.Turner

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