



# **BILL NO. 212**

*Government Bill*

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*1st Session, 64th General Assembly  
Nova Scotia  
1 Charles III, 2022*

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## **An Act to Amend Chapter 380 of the Revised Statutes, 1989, the Public Utilities Act**

CHAPTER 52  
ACTS OF 2022

**AS ASSENTED TO BY THE LIEUTENANT GOVERNOR  
NOVEMBER 9, 2022**

The Honourable Tory Rushton  
*Minister of Natural Resources and Renewables*

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*Halifax, Nova Scotia  
Printed by Authority of the Speaker of the House of Assembly*

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**An Act to Amend Chapter 380  
of the Revised Statutes, 1989,  
the Public Utilities Act**

Be it enacted by the Governor and Assembly as follows:

**1 Section 30 of Chapter 380 of the Revised Statutes, 1989, the *Public Utilities Act*, is amended by adding immediately after subsection (4) the following subsection:**

(5) The Board shall, with the assistance of such engineers, accountants, valuers, counsel and others as it deems wise or advisable to employ,

(a) inquire into and determine the extent, condition and value of the whole or any portion of the property and assets of Nova Scotia Power Incorporated used and useful in furnishing, rendering or supplying a particular service to or for the public, no later than March 31, 2024; and

(b) set different levels of return on equity for different classes of capital assets of Nova Scotia Power Incorporated to ensure that investment incentives are aligned with ratepayer objectives as submitted to the Board in a hearing for a rate change.

**2 Subsection 52B(3) of Chapter 380, as enacted by Chapter 27 of the Acts of 2022, is amended by adding “within ninety days of receiving the recommendations” immediately after “recommendations” in the second line of clause (a).**

**3 Subsection 64A(3) of Chapter 380 is repealed and the following subsections substituted:**

(3) For the purpose of Board Case Number M10431, the net rate increase for the utility, across all rate classes, in 2022, 2023 and 2024 must not be greater than one and eight-tenths per cent, with the exception of an increase respecting

(a) fuel and purchased power; and

(b) demand-side management approved by the Board.

(3A) Revenue generated from the net rate increase referred to in subsection (3), with the exception of increases respecting a matter referred to in clause (3)(a) or (b),

(a) must be kept separate from other funds of the utility; and

(b) may only be used to improve the reliability of service to ratepayers.

**4 Chapter 380 is further amended by adding immediately after Section 64A the following Sections:**

64AA For the purpose of Board Case Number M10431,

(a) Nova Scotia Power Incorporated’s return on equity must be set at a rate not greater than nine and one-quarter per cent;

(b) Nova Scotia Power Incorporated's equity ratio must not be greater than forty per cent.

64AB (1) The Board may approve the payment of interest to Nova Scotia Power Incorporated on an outstanding balance for the Fuel Adjustment Mechanism, or any other regulatory deferral.

(2) To be eligible for a payment of interest under subsection (1),

(a) Nova Scotia Power Incorporated must demonstrate a balance is outstanding, or there is a clear demonstrated prediction for an outstanding balance, for a period of not less than twelve months prior to a request for the payment of interest; and

(b) the minimum amount on an outstanding balance must be greater than one million dollars.

(3) Interest must be calculated

(a) from the date the balance is outstanding using simple interest at the Bank of Canada policy interest rate plus one and three-quarters per cent, unless otherwise directed by the Board; and

(b) on a per year basis.

(4) Any request for the payment of interest on an outstanding balance must include the interest calculations for the Board for review.

**5 Chapter 380 is further amended by adding immediately after Section 64B the following Section:**

64C Where Nova Scotia Power Incorporated's regulated return on equity exceeds the range approved by the Board in a calendar year, any amount that exceeds that range must be returned to ratepayers in a manner approved by the Board.

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