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Ecology Action Centre Presentation on Bill 337 Amendment to the Electricity Act October 23, 2023 Katharine Turner

I will start by acknowledging that we are gathered here today in Kjipuktuk on the unceded and unsurrendered territory of the Mi'kmaq people, past, present and future caretakers of this land, and I thank you all for the opportunity to speak to Bill 337: an amendment to the Electricity Act.

First, I would like to introduce myself, as mentioned my name is Katharine Turner, I am an energy coordinator with the Ecology Action Centre. In my role here, I am responsible for policy analysis, research, and advocacy that promotes a sustainable energy future for Nova Scotia, a province I have been proud to call home for the last 7 years and counting. In this work I not only consider clean energy solutions for the climate crisis but consider how provincial policy impacts and assists energy justice in Nova Scotia.

An essential component of energy justice is fair and equitable decision making of which accountability is a main component. In our governance of energy, and specifically electricity, The Utility and Review Board (or UARB) act as an accountability mechanism independent from the governing party. The proposed amendment to Subsection 4D of Bill 337 surpasses the use of the Board and enables the Minister to make executive decisions regarding energy storage developments in the interest of ratepayers.

Our concern is not in response to the development of energy storage projects - these are valuable components of a sustainable energy regime that can help to improve the reliability of our grid as we pursue electrification. Our concern is in response to the inconsistencies in governance over the procurement and implementation of green technologies that are highly valuable to the transitioning electricity sector.

Increased electrification of our grid will require a transition of not only our generators or electricity storage, but of our homes, buildings, and province-wide infrastructure. New and alternative technologies will be necessary in many parts of this transition to ensure that Nova Scotia's energy landscape is affordable, reliable, and sustainable. We would like to bring attention to a 2018 decision whereby the UARB determined that Nova Scotia Power's request to make rate-based investments in electric vehicle charging infrastructure, while valuable, was not in the interest of ratepayers. We are pleased that the provincial government recognizes the need for urgent and thoughtful decisions with regards to clean electricity storage but if we are to meet our climate goals and reach net-zero, the same needs to apply to other key infrastructure and programming that enables and supports our transition to a more just and sustainable grid.

We see the proposed amendments in 4D as a band aid solution to only one part of a greater challenge: that the Board is not structured to act in the interest of sustainable development in our electricity sector unless mandated to do so. The government may continue to find workarounds to push forth efforts to transition the energy sector, such as the proposed amendments in Bill 337. However, a stronger and more wide-reaching

legislative solution that acknowledges both immediate and long-term interests of ratepayers and allows the UARB to prioritize mitigation of climate change would benefit Nova Scotians.

As central to the Ecology Action Centre's recent submission to the provincial appointed Clean Electricity Solutions Task Force - we recommend the provision of a sustainability mandate to the Board to empower this decision-making body to act in both the critical interest of ratepayers, and the environment that sustains them. This would eliminate the need for individual amendments, such as the one we are discussing today.

Since 2021 the EAC has advocated for the addition of a sustainability mandate to the Utility and Review Board. With expert research and guidance from our colleagues at East Coast Environmental Law through the publication A Multi-Jurisdictional Comparative Analysis of Sustainability Mandates of Electricity we have found that a sustainability mandate is a proven tool that can ensure that the principles of sustainable development, as appropriately defined, are considered alongside affordability in the regulation of electric utilities. Several of our neighboring jurisdictions have been found to effectively employ a sustainability mandate in equivalent legislation, including Quebec, Ontario, and Vermont. We have found Quebec's an Act respecting the Régie de l'énergie to contain particularly effective language and acts as a tangible model for what is possible in Nova Scotia.

Our recommendation is a 3-pronged approach to amend Nova Scotia's Public Utilities Act as this piece of legislation provides the most comprehensive outline of the electricity regulators responsibilities.

First, we recommend that a standalone mandate provision is issued to the Board. This will fundamentally empower the Board to make decisions in the interest of both ratepayers and sustainable development. Section 5 of Quebec's an Act respecting the Régie de l'énergie, has language that we think would be helpful in amending the Public Utilities Act., as it mandates a focus on satisfying energy needs in line with provincial environmental goals. To introduce and uphold this mandate, we suggest that the role of a sustainability advocate be added to the Board who will ensure that this mandate is introduced and employed consistently throughout decision making processes.

The second component of our proposal is an amendment that makes a clear statement of the province's electricity policy. Provinces such as Newfoundland and Labrador, New Brunswick, and British Columbia all have explicit statements of electricity policy and objectives that can provide guidance to regulators. In accordance with our climate targets laid out in the Environmental Goals and Climate Change Reduction Act. Nova Scotia 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 sustainable development in this policy statement, the Province will further build consistency and a concerted effort in its environmental goals across legislation. Amending the Public Utilities Act with this statement will create a clear connection between the proposed sustainability mandate and the statement of electricity policy.

The final piece of our proposed legislative tool is ensuring that the "principles of sustainable development". as referred to in the previous amendments, are thoughtfully and clearly defined. Nova Scotia's Environment Act provides an appropriate definition of sustainable development that is well suited to this amendment. We recommend the following principles from Quebec's Regie de l'énergie act be added to give teeth and direction to Board mandate and future energy sector developments, including but not limited to health and

quality of life, social equity, prevention, inter-governmental cooperation, protection of cultural heritage, and respect for ecosystem support capacity.

We additionally call for a principle that directly addresses Mi'kmaw sovereignty and incorporates traditional knowledge in its definition. To best define this principle, 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.

To conclude, we will continue to face complex challenges and decisions throughout our efforts to transition to a more just and sustainable energy landscape for Nova Scotians. Assigning a sustainability mandate to the Utility and Review Board removes the need for amendments such as those in Bill 337 by ensuring that sustainable development is a fundamental component of the governance of our utilities and that the Board remains a useful accountability tool for the interest of both ratepayers and Nova Scotians down the line. It is absolutely the right time to be taking thoughtful, equitable, and urgent action in the energy sector to mitigate the effects of the climate crisis, and we applaud the efforts made so far. But to make sure we stay on track, we require legislation that ensures that all decision-making bodies are consistently acting towards a more equitable, sustainable, and just future for Nova Scotians, and the sustainability mandate is a critical step to achieving this.

Thank you all for your time.