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November 3, 2008

Government Delay Putting Energy Efficiency Programming at Risk

Halifax: Today Premier Rodney MacDonald is hosting a National Energy Efficiency Conference in Halifax NS to discuss provincial commitments to energy efficiency. The Ecology Action Centre would like to know why the government has been stalling for six months on the most critical energy efficiency initiative in this province: The creation of a new energy efficiency agency.

“We are very concerned that delay will jeopardize the success of electric energy efficiency in Nova Scotia. The provincial government has the opportunity to break new ground as a leader in energy efficiency policy in Canada and we would like to know why a decision has not been made,” said EAC Energy Coordinator, Cheryl Ratchford.

Long term projections show that unless Nova Scotia Power invests aggressively in energy efficiency to reduce demand the utility will be forced to build a new \$1 billion coal fired power plant.

This past spring an unlikely group of stakeholders including community, university, government, and industry groups came to a consensus that an independent agency was needed to administer electric energy efficiency programs in Nova Scotia. The stakeholder process was led by Dalhousie University provided the provincial government with a formal recommendation on April 4th, 2008.

The Government of Nova Scotia has yet to act on that recommendation. In the interim Nova Scotia Power has begun administering energy efficiency programming and will continue to do so in the absence of a decision by the government.

Nova Scotia Power would not be a good choice for program administration for a number of reasons, including a potential conflict of interest, inability to integrate non-electric programming, and concerns regarding performance accountability.

Handing administration to Conserve Nova Scotia would be unwise for various public policy and operational reasons. Government administration would leave energy efficiency programming vulnerable to budget raids. Energy efficiency programming has the best chance for success when the administrator is awarded for meeting targets and penalized for not meeting targets. Government cannot be held accountable to meet performance targets in the same way that an independent agency can.

Only through a sole purpose independent entity can strong performance accountability measures be implemented. Meeting targets is an essential part of any energy efficiency program and if an independent entity does not hit their targets the administrative role can be taken away. This flexibility would not exist in the same way under the control of a government or a utility.

The new administrator is scheduled to go before the Utility and Review Board in March 2009. The Ecology Action Centre and their consultants have estimated that it will take a new administrator nine months to become fully operational. "Time is running out and further delay is putting unnecessary risk on all the players involved," said Ms. Ratchford

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