



## March 2026 Newsletter

We have a number of subjects to report this month. Perhaps the most significant item is the fact that we have come to a recognition that we will not be able to hold our AGM in March, due to a “concatenation of circumstances”, most prominent of which is the difficulties in organizing our accounts. As we progressed through the audit of the 2024/25 books we encountered a number of issues which have delayed completion. It became apparent that there were accounts that had not been reconciled/verified for years and needed to be resolved, receivables as old as five years that were clearly uncollectable and needed to be written off, and provisions which needed to be made for potential future charges from NSPI for electricity delivered in past years (charges we’ve approached the Province for assistance with). The Town of Mahone Bay, who are contracted to provide financial services to us, have also suffered from staffing issues over the past year, slowing progress in bringing the accounts up to date. To ensure that the 2024/25 audit is satisfactorily completed and correctly reflects our financial position, the Board has decided to move the AGM to April 20<sup>th</sup>.

In addition to the mandatory reporting of the finances of the organization at the AGM we have a number of other matters to consider. As I noted in previous reports, our small board has been in rather tenuous circumstances for some time and things have now become even more urgent. For the past year we have been functioning with only four out of the mandated five board members; the fourth member has been suffering from serious medical issues for some time and has now confirmed that he is resigning from the board and will not be able to offer for re-election in April. This leaves us with a board of three individuals, which is the minimum needed for a quorum. There is no indication that any of the three surviving members are in immediate peril, but it is very clear that this is not a viable on-going situation. To be blunt, the membership of RELC is being confronted with a choice: unless there is sufficient interest in the viability of the organization amongst the membership that they are prepared to put their names forward to serve on the board, it is quite possible that RELC will find itself unable to function. In preparation for the election of board members in April, I invite those willing to serve to declare their interest to [chair@riverportelectric.com](mailto:chair@riverportelectric.com).

This leads to a second theme: our relationship with Nova Scotia Power Inc. The outage last month following the storm was actually the responsibility of NSPI, and the stuttering restoration was in large measure driven by technical issues, with NSPI being concerned with “load balancing”. At the same time, just as with their residential customers, NSPI has not been sending RELC bills for the power we have bought from them for distribution to our customers. They have now suddenly gotten organized and sent us six months’ worth of bills. We have been stashing funds in our bank account in expectation of this inevitability and are now working through priorities of payment. Parenthetically, the recent announcement of an

alternative provider of electricity from a large-scale wind farm on the South Shore has been noted by the legislative subcommittee considering the future of RELC.

This leads to the subject of rates. A central issue in the considerations of our future is one of economic viability. We do not have direct control of the rates we charge our customers (as was the case when RELC was formed in 1920) and are dependent on the Nova Scotia Energy Board to determine the rates we can charge our customers. At the present time there are two separate processes in play. Last year we and the other small Nova Scotian utilities negotiated a process of “flow through” in which increases in rates granted to NSPI - or any other entity providing electricity to RELC - by the Energy Board flow through to our customers. We have been preparing an application to the Energy Board for implementation of this flow through but as you may be aware NSPI themselves are encountering considerable friction from the provincial government and, until the Energy Board is able to resolve this, nothing is going to “flow through”. In addition to this, as I have noted in the past, our financial situation is such that we will almost certainly have to increase our rates. How much? This depends on multiple factors – the costs of the electricity delivered to us, the costs of maintaining and extending our infrastructure, the costs associated with ongoing provision of services.

All of these issues are currently being examined, but the bottom line is that all indications are that our rates are going to have to significantly increase in the future. In practical terms, the ongoing dispute between NSPI and the Province means that our rates are frozen at their current level for the immediate future. If and when the larger issue of the cost of electrical energy in Nova Scotia is resolved by the provincial government the rates we charge our customers will reflect these decisions. And, at the more local level, our rates will perforce reflect the economics of RELC itself and required investments in our electrical system. We have received periodic objections from customers concerned about any future increases, but it is critical to recognize that we are just a tiny cog in a far larger economic model largely dictating costs and have no real power to influence anything ourselves. Enterprises designed to generate a profit can potentially cut charges to their customers by accepting a lower profit margin. We are not seeking to generate a profit - for shareholders or local government – and have scant means of control left.

All these weighty considerations aside, we have an interesting issue which we would like to put before you: Can put our former office building in Riverport to use? At one point in the past we had an individual interested in purchasing it; in their wisdom, the membership vetoed the sale. More recently, we were approached with an interest to rent the building however the building wasn't suitable for their needs. This did however raise the possibility of finding another tenant interested in renting the premises and this is what I would like to put before you now: is anybody in the community interested in renting the building, and if not are you aware of any other potential renters?

I've also attached a report from the LSC on their herculean efforts over the past month, as follows:

# RELC Legislative Sub-Committee

## Report to Community Members February 28, 2026

[Please also refer to the summary of our Action Plan on page 2 of this Report.]

February has been a busy month for the Legislative Sub-Committee (LSC). A scheduled meeting with the full RELC Board was disrupted due to another snowstorm, but we were able to meet with Merrill Zinck who represented the full Board in a 'give and take' sharing of information and ideas.

Following this, we met with Jessica Fancy, Member of Parliament, to discuss RELC's predicament and the goals of the LSC. Ms. Fancy was most helpful in identifying possible sources of Federal funding for RELC as we navigate the legal and legislative challenges inherent in restructuring our business model. However, we note that these funds can only be accessed once the electorate has made its final decision on what kind of business model it wants.

Dylan Heide, representing Town of Mahone Bay (TOMB), also met with the LSC, at our request. As Mr. Heide had spoken at RELC's Annual General Meeting in June 2025 regarding amalgamation between TOMB and RELC, we incorrectly assumed that a detailed plan was in place. Mr. Heide clarified that, currently, there is only an agreement between RELC and TOMB to engage in a study of the feasibility of pursuing further collaboration, up to and including amalgamation. The Town of Lunenburg might join in this study, so that all three utilities would be involved.

As you know, RELC can not sustain itself as it is currently structured. We feel that we have made significant headway in recent weeks, particularly in identifying sources to assist us in obtaining additional information. We will continue our exploration into the specific options identified: amalgamation with other utility(s), the co-operative model, and merger with Nova Scotia Power Inc. or other private investors.

We are also preparing a presentation to RELC's Annual General Meeting in April. This will provide preliminary information only. In the months following the AGM, the LSC will organize a process of community discussion on the options available to RELC. Community members will ultimately vote on which option will be put in place.

Please feel free to get in touch with us if you have any questions. We look forward to reporting to you in greater detail at the AGM in April.

Respectfully submitted,

*Legislative Sub-Committee:*

Shirley Abberton

Jane Henson

Sid Strowbridge

e-mail contact: [chair@riverportelectric.com](mailto:chair@riverportelectric.com)

<b>RELC/LEGISLATIVE SUB-COMMITTEE ACTION PLAN - PART 2: Jan - Apr 2026</b>				
<b>PHASES &amp; TASKS</b>	<b>JAN</b>	<b>FEB</b>	<b>MAR</b>	<b>APR</b>
<i>01-05-2026 to 04-31-2026 (mm/dd/yyyy)</i>				
<b>PHASE 1: RESEARCH OPTIONS/PROS, CONS</b>				
<i>(continued from 2025)</i>				
1. <b>Financial Analysis:</b> CI's				
2. <b>Co-op:</b> CECC/Jodi Conuel				
3. <b>Amalgamation:</b> TOMB/Dylan Heide				
4. <b>Sell:</b> Canso Agreement w/ NSPI				
5. <b>Overall:</b> Dalhousie/Chad Walker				
6. <b>LSC Report to Community</b>				
<b>PHASE 2: PLAN FOR COMMUNITY ENGAGEMENT</b>				
1. <b>ECA:</b> Badia Nehme				
2. <b>Dalhousie:</b> Chad Walker				
3. <b>CECC:</b> Jodi Conuel				
4. <b>MODL:</b> Community Engagement Team				
5. <b>RELC AGM:</b> LSC Update				
<b>PHASE 3: MEETINGS w/ ELECTED OFFICIALS</b>				
1. <b>MLA:</b> LSC & Board Chair				
2. <b>MP:</b> LSC & Board Chair				
3. <b>MODL MAYOR:</b> LSC				
4. <b>LUNENBURG MAYOR:</b> LSC & Board Chair				
<b>PHASE 4: COMMUNITY ENGAGEMENT</b>				<b>TBD</b>
<b>PHASE 5: DRAFTING LEGISLATION</b>				
1. <b>MLA:</b> Ongoing Contact				<b>TBD</b>
2. <b>Legislative Council Office:</b> Meetings & Drafting				<b>TBD</b>
3. <b>Final LSC Report</b> to Community				<b>TBD</b>
<b>EAC :</b> Ecology Action Centre				
<b>CIs :</b> Community Investigators				
<b>TOMB :</b> Town of Mahone Bay				
<b>CECC :</b> Community Energy Co-operative Canada				
<b>TBD :</b> To Be Determined				