

NOVA SCOTIA BUDGET BULLETIN

FOR THE FISCAL YEAR 2008-09



Helping Nova Scotians Stay Warm

The high price of oil has posed challenges for all Nova Scotians, especially those with low incomes. It has also substantially increased the cost of running the Your Energy Rebate program. In light of this, government has revamped the measures necessary to help Nova Scotians stay warm in the winter months.

Your Energy Rebate

Your Energy Rebate, introduced in 2006, was designed to help Nova Scotians with the rising cost of home heating.

Changes will be made to limit the rebate on electricity to the portion of electricity used to heat homes. This will mean a cost reduction of roughly \$28 million—from approximately \$75 million to approximately \$47 million.

Effective May 15, 2008, non-heating use of electricity (used for running appliances and lighting) will be removed from the rebate.

The typical Nova Scotian household uses about 10,000 kWh of electricity for non-heating purposes per year. Therefore, Nova Scotian households will continue to be eligible to receive the residential electricity rebate if they have used an amount over 27.4 kWh per day multiplied by the number of days charged from September 1 onward.

In addition, the basic electricity fee (\$10.83) charged on all electric bills will be excluded from the rebate.

The rebate on electricity will be temporarily suspended from May 15 to August 31, 2008. This will allow electric utilities across the province to

make system changes necessary to offer the revised rebate.

As heating costs are not generally high during these months, the impact of the interruption to the average Nova Scotian household is less than \$10 per month. The rebate on eligible electricity usage will resume on September 1.

Rebates for all other home heating fuel sources will not change and will continue to be delivered in the same way. This includes

- oil
- propane/kerosene
- firewood
- wood pellets
- coal

The modified Your Energy Rebate Program will provide home heating savings to approximately 300,000 Nova Scotian households. The typical rebate per year for oil would be \$240 and for electricity would be \$190.

Heating Assistance Rebate Program

The Heating Assistance Rebate Program (HARP) is a new \$10-million program targeted to help low-income Nova Scotians struggling to heat their homes.

In addition to the savings offered through Your Energy Rebate, HARP will offer rebates to low-income Nova Scotians who purchase oil, propane, natural gas, electricity, wood, coal, or wood pellets to heat their homes.

Under HARP, single Nova Scotians who earn \$15,000 or less, or families with a combined income of \$25,000 or less, will benefit from a \$200 rebate if heating with oil, propane, or natural gas, or a \$150 rebate if heating with electricity, wood, coal, or wood pellets.

People who earn up to \$2000 more than the base amount in each income category will also benefit. However, the rebate amount will be reduced by \$25 for each additional \$500 in income, up to the \$2000 cut-off point.

Seniors receiving guaranteed income supplement and who are purchasing oil or electricity to heat their homes will also be eligible for a rebate.

About 50,000 Nova Scotian households will benefit from this program.

The combined benefit to low-income Nova Scotians from this program and the revised Your Energy Rebate program will be up to \$120 more for those heating with oil and up to \$70 more for those heating with electricity and other designated fuel sources.

Community Donation

This year government will once again contribute to the Salvation Army's Good Neighbour Program, doubling the province's donation to \$400,000.

The program is offered provincewide and is a proven, effective way to get help to those most in need, as quickly as possible.

It is government's hope that this contribution will prompt generosity from other corporate and community groups to reach out next winter to help those in need.

