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Request IR-1:

In a response to UARB IR-15(a) dated February 3, 2022, Exhibit N-3 in Matter M10325, NS Power advised that in 2022 it owned 256,643 poles covered by the Joint Use Agreement (JUA) and Bell Aliant owned 148,617 poles covered by the JUA.

(a) Please confirm the current number of poles owned by NS Power and Bell Aliant which are subject to the JUA.

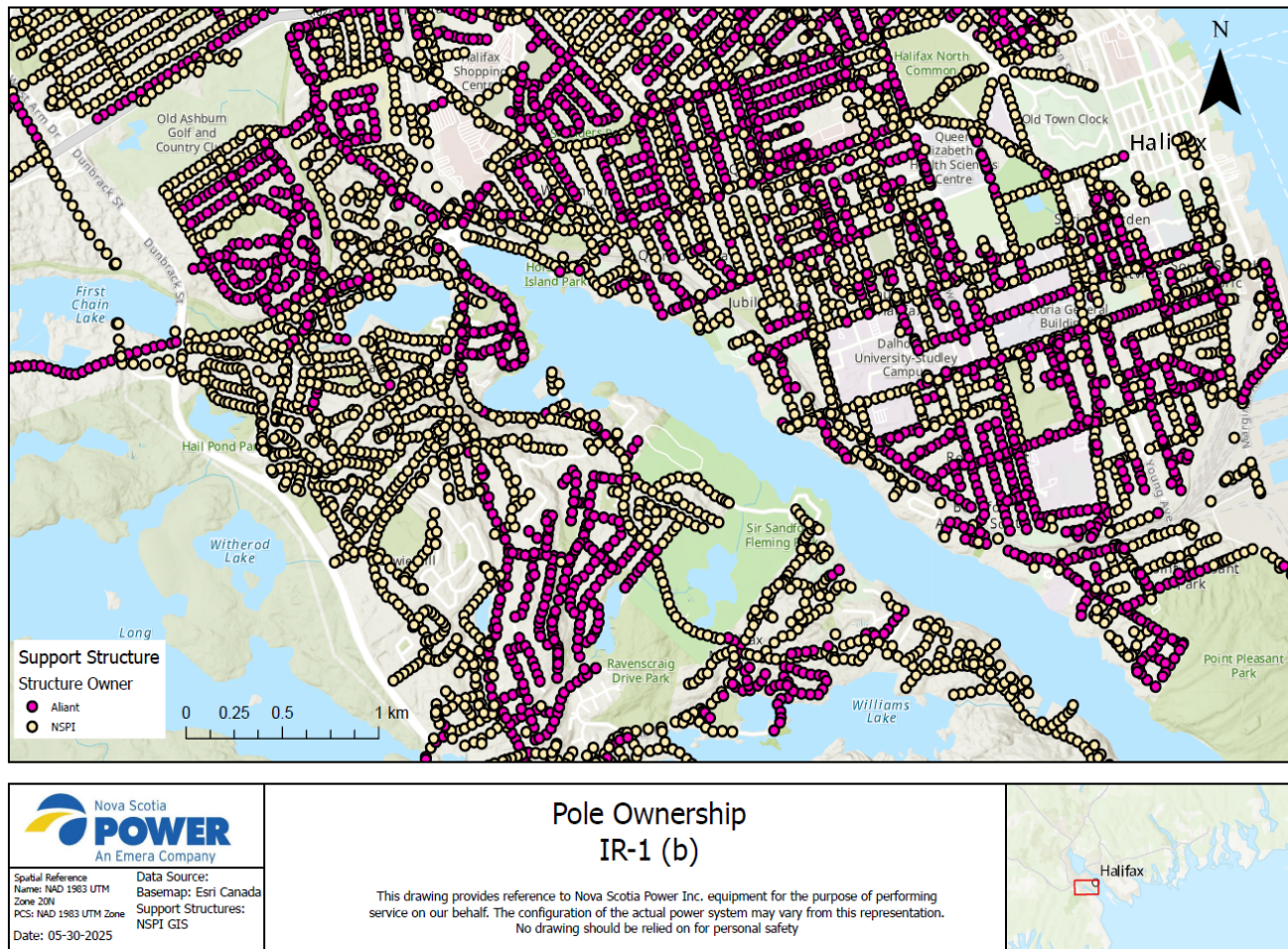
(b) Please provide an up-to-date map or documentation identifying which geographic areas are currently designated as NS Power pole areas versus those designated as Bell Aliant pole areas, and, if possible, the location of the lines covered by the JUA.

Response IR-1:

(a) NS Power owns 373,976 Joint-Use poles (70.92 percent). Bell Aliant owns 153,335 Joint-Use Poles (29.08 percent). The Internet for Nova Scotia Initiative and an increase in new developments has increased the total of NS Power-owned poles. The last Pole Reconciliation with Bell Aliant was in 2021. With the implemented changes on March 3, 2025, NS Power and Bell Aliant will perform a Point of Construction Settlement each quarter in addition to a future Pole Reconciliation to balance the 60/40 ratio.

(b) There are no designated pole areas any longer as the ownership is per individual pole and there are many areas where ownership is mixed between NS Power and Bell Aliant. The picture below provides an example of ownership in a given area. Beige poles represent NS Power-owned poles, and pink poles represent Bell Aliant-owned poles.

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Request IR-2:

In a decision letter dated initiating this process following a complaint by Dr. Clarence Felderhof about the differing rebate schemes offered by Bell Aliant and NS Power when power lines were installed (see: Matter M11838), the Board commented:

Basically, NS Power covers 60% of costs associated with Joint Use poles and Bell Aliant covers 40%. The purpose of the Joint Use Agreement is to avoid the duplication of costs that would occur if both entities each had to install and maintain a total of approximately 406,000 poles. Therefore, the concept of the Joint Use Agreement is neither antiquated or unreasonable in the sense that NS Power ratepayers save money because NS Power does not have to install and maintain the full costs of 406,000 poles. Instead, under the Joint Use Agreement each Utility only pays for their proportionate share of these costs.

(a) Please provide a best available estimate of the cost of installing poles and associated hardware to service NS Power customers if the company did not have access to the poles owned by Bell Aliant under the JUA.

(b) Please provide a best available estimate of NS Power's current annual OM&G costs for poles covered by the JUA compared to these same OM&G costs assuming NS Power had to own and maintain all the required poles without any cost sharing with Bell Aliant.

(c) Please outline any other economic efficiencies and benefits provided by the JUA.

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1 Response IR-2:

2
3 (a) The estimated cost for the installation of NS Power infrastructure (poles and associated
4 hardware) to service a customer (based on 2024 pricing) is CAD \$108.81 for a three-phase
5 service and CAD \$65.73 for a single-phase service if NS Power did not have access to
6 poles owned by Bell under the JUA.

7
8 (b) The costs to install new poles or replace existing ones are capital costs. NS Power has not
9 completed an analysis of annual OM&G costs for poles covered by the JUA compared to
10 the same OM&G costs assuming NS Power had to own and maintain all the required poles
11 without any cost sharing with Bell Aliant. Due to the cyber incident, an analysis cannot be
12 completed at this time.

13
14 (c) NS Power is not aware of any other economic efficiencies and benefits provided by the
15 JUA other than those highlighted above.

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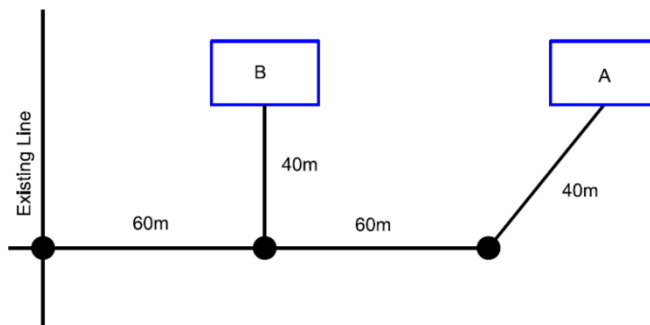
Request IR-3:

Please provide an explanation about how NS Power developed the rebate scheme set out in s.2.6 and 2.12 of the *NS Power Regulations* and the rationale for such a rebate scheme.

Response IR-3:

Rebates of Capital Contributions (section 2.12) are based on the premise that each customer who benefits from the construction of a new line that will provide power to the customer pays the fair share of the costs beyond the standard “*maximum of 92 metres of line or service extension, or 92 metres of line and service combined*” (section 2.6).

For a Line/Service extension that is less than 184 metres, the following example provides an explanation for the rationale for each rebate:



Scenario 1 - Customer A requested electrical service. This requires a line extension of 120 m, and a service drop of 40 m. Customer A is required to pay a capital contribution for additional service in excess of the 92 m, which in this case would be 68 m.

Where the total length of the extension is less than 184 m, when Customer B attaches within 10 years of A paying their contribution, no further capital contribution is required as B is entitled up to 92 m of free service allowance (FSA), but only requires 40 m.

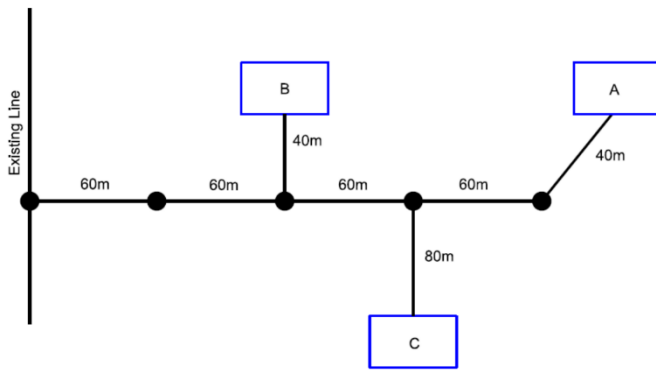
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Customer A is entitled to a refund of 40 m of equivalent line cost minus a 10 percent administration fee.

Scenario 2 - If both Customers A & B requested service at the same time, the capital contribution would be allocated based on each customer sharing the cost of the shared portion of line.

Customer A would pay a contribution of $(60 \text{ m}/2 + 60 \text{ m} + 40 \text{ m} - 92 \text{ m})$, and Customer B would not be required to pay a contribution as their total portion of shared line and service drop $(60 \text{ m}/2 + 40 \text{ m})$ is less than 92 m.

For Line/Service extensions that are longer than 184 m, the following example provides an explanation for the rationale for each rebate:



Customer A has requested electrical service. This requires a line extension of 280 m. Customer A is required to pay a capital contribution for additional service in excess of the 92 m.

The total length of the extension is greater than 184 m; therefore, future capital contributions and refunds would be calculated assuming all customers were connected at the same time. Each customer would be allocated the costs associated with their portion of shared line. Customers B & C attached within 10 years of customer A paying their contribution.

Customer A is required to pay a capital contribution of $(240 + 40 - 92)$. When Customer B connects, they are required to pay a contribution of $(120 \text{ m}/2 + 40 \text{ m} - 92 \text{ m})$.

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- 1 Customer A is entitled to a refund of $(120 \text{ m}/2) - 10 \text{ percent}$.
2
3 When Customer C connects, they are required to pay a contribution of $(120 \text{ m}/3 + 60 \text{ m}/2 + 80 \text{ m}$
4 $- 92 \text{ m})$. Customer B is entitled to a refund of $(120 \text{ m}/3) - 10 \text{ percent}$. Customer A is entitled to a
5 refund of $(120 \text{ m}/3 + 60 \text{ m}/2) - 10 \text{ percent}$.

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Request IR-4:

Please provide a comprehensive comparison of the rebate schemes that were in place under the JUA for utility poles owned by NS Power and those owned by Bell Aliant, prior to the new arrangement referenced in NS Power's letter dated May 8, 2025 (Exhibit N-4).

Response IR-4:

NS Power's rebate scheme prior to the new arrangement is set out in NS Power's reply to NSEB IR-3.

The Bell Aliant Rebate Scheme is administered by Bell Aliant and NS Power does not have access or insight into how that rebate scheme was applied or structured. However, as set out in IR-05 and IR-06, in these cases the power lines and other infrastructure owned by NS Power would have been subject to NS Power's rebate scheme, while the poles owned by Bell Aliant would have been subject to Bell Aliant's rebate scheme.

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Request IR-5:

What are the specific criteria used to determine eligibility for rebates for poles owned by Bell Aliant versus those owned by NS Power?

Response IR-5:

Prior to the March 2025 letter of intent, NSP provided a rebate in accordance with Regulations 2.6 and 2.12 for the NSP-owned pole costs, as long as the customer was still within the eligibility period. Bell was responsible for providing a rebate for any poles which it owned.

As of March 2025, NSP is now the deemed owner of the pole and provides the rebate for all line extension infrastructure (pole) costs, as long as the customer is still within the eligibility period, regardless of who owns the pole. Any financial reconciliation between NS Power and Bell for rebates offered to customers for Bell-owned poles will be addressed as part of the Letter of Intent reconciliation process.

As noted in IR-4, NSP is not familiar with Bell's rebate scheme, and cannot speak to the criteria applied by Bell.

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Request IR-6:

- (a) With reference to matter M11838, why was the cost of powerline installation, including the cost of the poles, not fully eligible for NS Power rebates in areas served by Bell Aliant.**
- (b) How does this impact the affordability of development projects in areas serviced by Bell Aliant?**
- (c) If NS Power had to offer the rebates set out in the *NS Power Regulations* for poles owned and installed by Bell Aliant, how would NS Power recover these costs?**
- (d) Can NS Power estimate what the cost of offering the NS Power rebate outlined in the *NS Power Regulations* would be over the next five years under the current JUA if they were owned and installed by Bell Aliant?**

Response IR-6:

- (a)** Before the NS Power / Bell Aliant Letter of Intent signed in March 2025, NS Power only provided rebates to customers for the NS Power-owned poles in accordance with Regulations 2.6 and 2.12 (subject to the eligibility period). Bell Aliant was responsible for providing rebates for Bell-owned poles. In the case of M11838, Bell owned all the poles and collected the funds from the customer, so NS Power was not responsible to provide any of the rebate.
- (b)** The impact to development will be subject to Bell rebate policies as noted in IR-04. The Bell Aliant Rebate Scheme is administered by Bell and NS Power does not have access or insight into how that rebate scheme was applied or structured. However, NS Power supports the affordability of development for the NS Power infrastructure in those development as per the approved regulation and as indicated in IR-03.

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1 (c) As of March 2025, NS Power provides the rebate to eligible customers, regardless of which
2 utility owns the poles. Details about the financial reconciliation between NS Power and Bell
3 will be addressed as part of the future reconciliation process under the Letter of intent.
4

5 (d) As noted in IR-4, NS Power does not have the details about the Bell rebate scheme for Bell-
6 owned poles. To minimize delay for customers, all line extensions going forward will be
7 installed by NS Power only. Therefore, any rebates would be those offered by NS Power
8 under the Regulations. Financial reconciliation for rebates to be recovered for poles owned
9 by Bell as of March 2025 will be determined as part of the Letter of Intent process.

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Request IR-7:

Has NS Power conducted an analysis to assess whether the differing rebate structures result in materially different outcomes for ratepayers in similarly situated areas? If so, please provide the results of this analysis.

Response IR-7:

NS Power has not conducted this formal analysis. However, to speak to this topic more generally, NS Power historically applied its rebate structure to NS Power-owned poles consistently across the province. Bell Aliant (Bell)-owned poles would have had a different rebate structure applied by Bell that could result in different rebates available to customers in Bell-owned pole areas. The new agreement with Bell will eliminate this difference and allow a consistent rebate structure to be applied across the province, regardless of pole ownership.

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Request IR-8:

Board staff understands NS Power's May 8, 2025, letter envisages a different approach to pole ownership under the JUA but would like NS Power's views on whether there is a rationale for maintaining distinct rebate schemes based on pole ownership, and whether this could align with regulatory principles of equity and non-discrimination?

Response IR-8:

NS Power's view is that there is no rationale for maintaining distinct rebate schemes based on pole ownership.

Because NS Power will be coordinating the installation and accepting customer contributions for all new poles, future customers rebates will be based on the NS Power rebate scheme, regardless of pole ownership after reconciliation between Bell and NS Power. This aligns with regulatory principles of equity and non-discrimination.

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Request IR-9:

NS Power’s May 8, 2025, letter, accompanied by a signed Letter of Intent with Bell Aliant, envisages “...making NS Power responsible for all new line extensions, regardless of pole ownership regardless of whether they are located in areas with Bell-owned poles or NS Power-owned poles.”

(a) Has NS Power assessed how much additional capital and operating costs it will incur under this approach on an annual basis?

(b) The Letter of Intent proposes a methodology if Bell Aliant is required to purchase joint use poles from NS Power to maintain the 60/40 ownership ratio in the JUA at their “Structural Value”. How is the Structural Value derived?

(c) In M11838, Dr. Felderhof expressed the view that many developments did not require Bell Aliant service over poles. Does NS Power have any information to indicate that a material number of line extensions from the Bell Aliant mainlines do not require Bell Aliant services by wire over poles?

(d) Other than proposed in the letter of Intent, have NS Power and Bell Aliant explored options for harmonizing rebate structures and cost sharing models across ownership types?

Response IR-9:

(a) This has not been assessed; however, NS Power does not anticipate it will incur significant additional capital and operating costs under this approach. The new approach changes the timing of when Bell will purchase poles but will still maintain the 60-40 ownership ratio.

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- 1 (b) Structural value is equal to the reproduction cost or replacement cost, less an allowance for
2 depreciation.
3
- 4 (c) NS Power does not track Bell Aliant service requirements to customers, so this data is not
5 available.
6
- 7 (d) No; NS Power and Bell Aliant's rebate structures are separate from each other. With the
8 changes implemented March 3, 2025, all rebates will be handled by NS Power as the new
9 pole lines will be installed and owned by NS Power.

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Request IR-10:

In matter M11835, which involved poles covered by the JUA, the Board found there was an inordinate delay in arranging for power installation.

(a) Please provide data on average timelines for new electric service connections and disconnections/removals, disaggregated by whether the infrastructure is located on NS Power- or Bell Aliant-owned poles.

(b) Are there statistically significant differences in service delivery times between the two ownership scenarios?

Response IR-10:

(a-b) NS Power does not track service connections based on whether the service comes off an existing NS Power or Bell Aliant-owned pole. However, NS Power does not expect that there would be a statistically significant difference between the execution of line extensions for new customer service connections. NS Power does, however, acknowledge that the additional step of having to wait for an Aliant Work Request often led to additional delays for customers during the planning process. This overall customer experience was one of the primary drivers that led to the agreement between the two parties dated March 3, 2025, that removed the requirement for Joint-Use Forms and subsequent Aliant Work Requests for new customer service connections or disconnections.

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Request IR-11:

(a) Describe the coordination process between NS Power and Bell Aliant for joint-use poles in relation to service connection and disconnection activities.

(b) Are there any standard operating procedures (SOPs) or service-level agreements (SLAs) that govern joint operational responsibilities?

Response IR-11:

(a) Prior to March 3, 2025, when the replacement of a Bell Aliant-owned pole was required to connect or disconnect a NS Power customer, NS Power submitted a Joint-Use form to Bell Aliant. Once Bell Aliant completed the Joint-Use form, it submitted an Aliant Work Request to NS Power indicating NS Power could proceed with the work. As of March 3, 2025, Joint-Use forms and subsequent Aliant Work Requests are no longer required between the two parties to complete work for new customer connections or disconnections.

(b) Although no formal service level agreements exist between the two parties, NS Power and Bell Aliant work closely together operationally to ensure work is prioritized and completed in a reasonable timeframe. With the changes on March 3, 2025, customers will only be required to wait for NS Power to complete the new service connection or disconnection.

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Request IR-12:

Please provide data on the number and nature of customer complaints related to delays in electric service connection that can be attributed to joint-use coordination issues.

Response IR-12:

NS Power does not currently track customer complaints in a way that specifically attributes delay to joint-use coordination issues. Complaints related to electric service connection are generally categorized under broader headings such as “Building and Renovations,” which may encompass a range of issues. As a result, while some complaints in this category may involve joint-use considerations, NS Power cannot isolate or quantify them.

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Request IR-13:

- (a) Please confirm whether NS Power is still adhering to the scheduling timelines for joint use activities as originally outlined in Section 2.08 of the 1993 JUA?**
- (b) Have there been any changes to these timelines that NS Power and Bell Aliant have mutually agreed to since the agreement was signed?**
- (c) Please provide the performance standards and actual performance data from the past year regarding power service connections on joint use poles, specifically in terms of meeting the prescribed or agreed-upon timelines?**

Response IR-13:

- (a) NS Power is still adhering to the scheduling timelines for joint use activities as originally outlined in Section 2.08 of the 1993 JUA.**
- (b) There have been no changes to these timelines.**
- (c) NS Power does not track service connections by pole ownership for performance standards purposes. The data for new service connection times is found in NS Power's 2024 Performance Standards Annual Report (M12185, Exhibit N-1).**

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Request IR-14:

(a) Please provide the number and percentage of NS Power-owned poles that currently have Bell Aliant equipment attached, as well as the number and percentage of Bell Aliant-owned poles that currently have NS Power equipment attached.

(b) Has there been a noticeable decline in Bell Aliant's usage or abandonment of poles in recent years?

Response IR-14:

(a) Please refer to IR-1, part (a). Any pole owned by NS Power which has Bell Aliant equipment attached to it is considered a joint-use pole. Similarly, any Bell Aliant-owned pole that has NS Power equipment attached to it is also considered a joint-use pole. Therefore, the total joint-use poles owned by NS Power is the answer to the first part of this question and the total joint-use poles owned by Bell Aliant is the answer to the second part of this question.

(b) There has been no noticeable decline in Bell Aliant's usage or abandonment of poles, assuming usage means attachment to poles. For additional impact please refer to IR-1, part (a).

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Request IR-15:

Based on NS Power's May 5, 2025, letter:

- (a) **What operational changes were made to eliminate the need for NS Power to seek prior approval from Bell Aliant for line extension work as of March 3, 2025?**
- (b) **Does NS Power plan to formally update the JUA with Bell Aliant to reflect the changes implemented on March 3, 2025?**
- (c) **What is the Company's current assessment of the need for a comprehensive revision of the JUA, particularly to align with current telecommunication practices and infrastructure demands (e.g., reduced landline demand, increased fibre and wireless deployments)?**

Response IR-15:

- (a) Operational changes made which eliminated the need for NS Power to seek prior approval from Bell Aliant for line extension work as of March 3, 2025 consisted of a new tracking system within NS Power's programs as well as a quarterly point-of-construction pole settlement. Formal approval for this procedure was also required from Bell Aliant to proceed with the change not to require Bell Aliant approval for line extensions going forward.
- (b) NS Power and Bell Aliant agree to execute a signed agreement reflecting the implemented changes on March 3, 2025, by the end of 2025 or a time frame agreed to by both parties. The timing of the agreement is intended to allow both parties to review and evaluate the process and settlement exercise undertaken in these initial periods. Upon completion of this agreement NS Power and Bell Aliant will discuss if there is a need to revise the JUA.

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- 1 (c) There is no requirement to revise the JUA based on current Telecommunication practices
2 and infrastructure demands.