

November 17, 2025

Crystal Henwood
Clerk of the Board
Nova Scotia Energy Board
1601 Lower Water Street, 3rd Floor
Halifax, NS B3J 3S3

Re: M12149 – Nova Scotia Power / Bell Aliant Joint Use Agreement – Rebuttal Evidence and Final Submissions

Dear Ms. Henwood:

On March 21, 2025, the Nova Scotia Energy Board (NSEB, Board) advised that it was initiating an investigation into the Joint Use Agreement (JUA) for Utility Poles between Nova Scotia Power Inc. (NS Power, the Company) and Bell Aliant (Bell).

The rationale and scope of the investigation were provided as follows in the Board's letter:

The investigation follows two complaints where the following issues about the Joint Use Agreement were raised [see M11835 and M11838].

1) Whether the Joint Use Agreement is unreasonable, insufficient, or unjustly discriminatory because there are different rebate schemes depending on whether an area is serviced by joint use poles owned by NS Power or Bell Aliant.

2) Whether the provision of electric service connections and the disconnection and removal of service connections are being delayed or impacted by the processes used under the Joint Use Agreement.

The Board commenced a paper hearing and Notices of Intervention were received from the Small Business Advocate (SBA), the Industrial Group (IG), the Consumer Advocate (CA), and Bell (collectively, the "Intervenors").

On May 8, 2025, NS Power filed a letter with the Board enclosing a Letter of Intent (LOI) dated March 3, 2025, between NS Power and Bell. The LOI sets out a new approach for handling line extensions to improve customer experience and has been entered as Exhibit

N-4 in this proceeding.

NS Power subsequently responded to Information Requests from Board staff on June 16, 2025, and from the Intervenor on August 20, 2025. No evidence was filed by the Intervenor. Accordingly, NS Power did not submit Information Requests. One letter of comment was received from Mr. Felderhof on October 24, 2025.

Please find below NS Power's reply to Mr. Felderhof's comment, followed by the Company's final submissions.

Reply to Mr. Felderhof's Comment

Mr. Felderhof noted that under the new joint use framework, the increased cost of line maintenance for NS Power will be passed on to ratepayers. NS Power clarifies that this is not the case. As outlined in the Company's response to SBA IR-4, the new process does not create additional ongoing maintenance obligations for NS Power. Poles installed under the LOI are subject to quarterly and annual reconciliations, during which Bell purchases poles as needed to maintain the agreed-upon ownership ratio. Because these transfers offset any temporary ownership, NS Power does not anticipate incurring net new maintenance costs.

Final Submissions

NS Power acknowledges that as Nova Scotia's population grew and the volume of new customer power connections increased significantly, the previous framework under the JUA created challenges for customers, particularly in areas where Bell owned the poles. Under that arrangement, NS Power was required to obtain Bell's approval before proceeding with line extension work, often resulting in multi-step processes, additional site visits, and coordination delays. These issues were compounded by increased customer volumes and development activity after the pandemic. In addition, the rebate structure varied depending on pole ownership, with Bell administering its own rebate process, leading to inconsistent costs and treatment for customers. These issues were highlighted in the complaints that initiated this proceeding.

To address these issues, NS Power and Bell implemented a new process under the LOI effective March 3, 2025. Under the new framework, NS Power is responsible for all new customer-requested line extensions, regardless of pole ownership. This change eliminates the need for Bell's prior approval, significantly reducing delays and improving the overall customer experience. It also ensures that all customers are treated consistently under NS Power's regulated rebate scheme, resolving the inequities that previously existed between NS Power-owned and Bell-owned pole areas. All new line extensions now follow the same cost and rebate structure.

The settlement mechanism outlined in the LOI is intended to preserve the agreed-upon ownership ratio between NS Power and Bell through a structured quarterly Point of Construction Settlement process. At the end of each quarter, NS Power will provide Bell with a list of joint use poles constructed within Bell's poling areas. The parties will then jointly assess which of these poles qualify as joint use and determine the number of poles to be transferred to Bell. Bell will purchase the agreed-upon poles from NS Power at their Structural Value, reflecting the replacement cost less depreciation. This mechanism ensures that any temporary ownership issues are addressed on a regular basis, without introducing new maintenance obligations or costs to NS Power customers. It will operate independently from the broader Pole Reconciliation process, which will continue to serve as a periodic true-up across the entire joint use network.

Although the new processes outlined in the LOI have been in effect since March 3, 2025, the formal agreement referenced in the LOI has not yet been executed. NS Power and Bell have continued to advance discussions and conduct preliminary analysis using available data, and both parties anticipate formalizing the agreement in 2026.

NS Power respectfully submits that the issues raised in this proceeding have been substantively addressed through the new arrangement with Bell. The Company believes that the changes implemented are expected to significantly improve customer experience by streamlining the process for new connections, reducing delays and ensuring consistent treatment across service areas.

Yours truly,

A handwritten signature in cursive script that reads "Kathleen Murray".

Kathleen Murray
Regulatory Counsel