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December 8, 2025

VIA EMAIL: Crystal.Henwood@novascotia.ca

Crystal Henwood, Clerk of the Board
Nova Scotia Energy Board
1601 Lower Water Street, 3rd Floor
P.O. Box 1692, Unit "M"
Halifax, NS B3J 3S3

Dear Ms. Henwood:

Re: M12149 – Nova Scotia Power Inc. – Investigation Arising from Joint Use Agreement between NS Power and Bell Aliant

Please accept the following submissions on behalf of the Consumer Advocate in respect of the above-noted matter.

This matter concerns an investigation initiated by the Nova Scotia Energy Board (the "Board") on March 21, 2025 pursuant to s. 19 of the *Public Utilities Act* concerning the Joint Use Agreement for Utility Poles between Nova Scotia Power Inc. ("NS Power") and Bell Aliant ("Bell"), dated March 31, 1993 (the "Joint Use Agreement"). The investigation raised two concerns:

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 Consumer Advocate has reviewed the materials filed in this matter, including NS Power's evidence and submissions, and the company's responses to Information Requests filed by the Consumer Advocate and Small Business Advocate.

On review, it would appear that NS Power does not dispute that the Joint Use Agreement, as previously implemented, had created challenges for customers, "particularly in areas where Bell owned the poles."[1] This appears to be due to various factors, including the requirement that NS Power obtain approval from Bell before proceeding with line extension work, "often resulting in multi-step processes, additional site visits, and coordination delays."[2] This was compounded by the increase since 2022 in NS Power's total customer numbers and residential construction projects. NS Power indicated workorder requests had increased by 30% from the beginning of 2022 through 2024.[3] NS Power also acknowledges that the differing rebate structures offered by NS Power and Bell led to "inconsistent costs and treatment for customers."[4] NS Power acknowledged that there was no rationale for maintaining distinct rebate schemes based on pole ownership.[5]

In response to the investigation, and in apparent recognition of the challenges arising due to NS Power and Bell's implementation of the Joint Use Agreement, NS Power and Bell entered into a Letter of Intent that makes NS Power responsible for all new customer-requested line extensions, regardless of pole ownership.[6]

According to the Letter of Intent, NS Power will be responsible for all new line extensions, regardless of pole ownership. The intent is to avoid the need for NS Power to seek prior approval from Bell before conducting such work, which NS Power anticipates should eliminate the issues of long delay times and differential pricing and rebates,[7] while also ensuring that all customers are treated consistently under a single rebate scheme. NS Power and Bell have also agreed upon a "true-up" mechanism to address ownership of any new poles once constructed.

The Letter of Intent also describes a test period for the new process and indicates the expectation that a final agreement will be executed by the end of 2025.[8] NSPI indicated it did not anticipate it would incur significant additional capital or operating costs under this approach.[9] NS Power stated that during the test period it will collect data on the number of poles placed in areas that under previous arrangements would have belonged to Bell and would also review timelines for line extensions to determine the overall benefit to customers from the test process.[10]

In addition to the above process improvements, NS Power has committed to the following areas of improvement to address connection issues in 2025:

[1] Exhibit N-9 (NS Power Rebuttal Evidence and Submissions), p. 2
[2] Exhibit N-9 (NS Power Rebuttal Evidence and Submissions), p. 2
[3] Exhibit N-6, Attachment 1 (NS Power letter to NSEB dated April 23, 2025)
[4] Exhibit N-9 (NS Power Rebuttal Evidence and Submissions), p. 2
[5] Exhibit N-5 (NSPI Response to NSEB IRs), IR-8.
[6] Exhibit N-4, Attachment 1 (Letter of intent between NSPI and Bell dated March 25, 2025)
[7] Exhibit N-4 (NSPI Letter to the NSEB dated May 8, 2025)
[8] Exhibit N-4, Attachment 1 (Letter of intent between NSPI and Bell dated March 25, 2025)
[9] Exhibit N-5 (NSPI Response to NSEB IRs) IR–9(a).
[10] Exhibit N-7 (NSPI Response to CA IRs), IR-2(a).

1. Increase internal resources and contractors to match increases in demand. NS Power indicated it would continue its recruitment efforts to ensure adequate resources are in place to support the necessary work.

2. Implement comprehensive communication structure for customer-requested work including dedicated resources to manage complex customer files, customer service associate scripting, email customers at the start of a project outlining expectations and regular updates on timelines.

3. Implement Joint Use Agreement in collaboration with Bell as described in March 2025 letter.

4. Maintain improvements in turnaround times. NS Power notes average inspection times improved from 4-6 weeks to 2 weeks in 2024 and the 2 week average target will be maintained in 2025.[11]

Based on NS Power's evidence and responses to Information Requests, it appears that implementation of the Letter of Intent could resolve issues related to differences in rebate policies (item 1 of the NSEB's letter initiating the investigation), without any significant increase in capital or operating costs[12]. The Letter of Intent may also resolve or mitigate delays as a result of the processes used under the Joint Use Agreement.

That being said, it is not clear if implementing the process contemplated in the Letter of Intent will entirely resolve concerns on the timeliness of service delivery. In that regard, NS Power has indicated that its ability to track performance and execute the final agreement have been impacted by the recent cybersecurity incident, as has NS Power's ability to comply with the pole settlement process contemplated in the Letter of Intent.[13] It may be some time yet until NS Power is able to confirm whether this change in process has, in fact, benefitted customers in the manner suggested.

It is also notable that while the processes outlined in the Letter of Intent have been in place since March 2025, NS Power and Bell still have not executed a final agreement as of today's date. The Consumer Advocate is concerned that NS Power is now suggesting that formalization of such an agreement is now not expected to occur until sometime in 2026.[14] The only explanation provided for this lengthy delay was as follows:

> 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.[15]

[11] Exhibit N-6, Attachment 1 (NS Power letter to NSEB dated April 23, 2025)
[12] Exhibit N-5 (NSPI Response to NSEB IRs) IR–9(a).
[13] Exhibit N-7 (NSPI Response to CA IRs), IR-3(d); Exhibit N-8 (NSPI Response to SBA IRs), IR-2(a).
[14] Exhibit N-9 (NS Power Rebuttal Evidence and Submissions), p. 3
[15] Exhibit N-9 (NS Power Rebuttal Evidence and Submissions), p. 3

Respectfully, given that the parties are still in the process of conducting "preliminary analysis," it would appear that the timeline to formalize an agreement remains an unknown – and, indeed, it would appear quite possible that such an agreement may not come to fruition. For the time being, the process outlined in the Letter of Intent remains nothing more than a kind of "pilot project." As noted in the Letter of Intent:

> … In the event that the definitive agreement is not executed by December 31, 2025, or, if this approach is determined to no longer meet the business needs of a party, either party shall have the opportunity to cease the trial of this new process, upon thirty days notice to the other party, and upon such notice, the parties will revert to the previous process for future line extensions.[16]

Given these issues, the Consumer Advocate would recommend that, until such time as a final agreement has been filed with the Board, and subject to the review of the Board, the Board's investigation should remain open. In the interim, the Board should direct NS Power as follows:

1. NS Power must provide a more detailed explanation for its failure to finalize and execute an agreement with Bell to date, and provide a more particular timeline as to when the agreement will be finalized, executed, and filed with the Board;
2. Until such time as the agreement is finalized and executed by NS Power and Bell, NS Power must provide monthly status updates to the Board and the Parties regarding the agreement, which will address the following items:
    a. Description of the efforts made to conclude the agreement up to the date of the report.
    b. The number of workorders initiated and completed to date since the letter of intent was signed.
    c. Whether its ability to track and report on timelines that was affected by the cybersecurity incident has been restored and if not, a timeline for such restoration.
    d. Progress on each of the areas of improvement outlined in its April 23, 2025 letter to the Board.
    e. Whether it has been able to maintain the two-week average inspection time, and if not, provide reasons why not and activities being undertaken to improve inspection times.

To be clear, the Consumer Advocate appreciates NS Power's acknowledgement of the challenges faced by customers, and the company's willingness to find a solution. However, until such time as NS Power can propose a more permanent and lasting solution, and can demonstrate that the

[16] Exhibit N-4, Attachment 1 (Letter of intent between NSPI and Bell dated March 25, 2025)

solution proposed is achieving its purpose, the Consumer Advocate considers the issues raised in this investigation to remain unresolved.

We thank the Board for the opportunity to participate in this matter and provide these submissions.

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Michael Murphy
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