Nova Scotia POWER An Emera Company

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December 22, 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 – NS Power Reply 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 Intervenors on August 20, 2025. No evidence was filed by the Intervenors. Accordingly, NS Power did not submit Information Requests. One letter of comment was received from Mr. Felderhof on October 24, 2025.

On November 17, 2025, NS Power responded to Mr. Felderhof's comment and made its final submissions. On December 8, 2025, the CA and SBA filed their submissions.

Please find below NS Power's reply to the CA's and SBA's submissions.

Submissions by the Consumer Advocate

Timeliness and Formalization of the Final Agreement

The CA notes that the LOI may address issues related to rebate policies and delays under the JUA; however, uncertainty remains regarding whether the process outlined in the LOI will fully resolve concerns about timeliness of service delivery. The CA refers to NS Power's indication that its ability to track performance and execute a final agreement has been affected by the recent cyber attack, as has its ability to carry out the pole settlement process contemplated in the LOI. The CA submits that it may take time before NS Power can confirm whether the changes introduced under the LOI have delivered the intended benefits for customers.

The CA also observes that although the LOI has been in place since March 2025, a final agreement has not yet been executed and NS Power now anticipates formalization may not occur until sometime in 2026. The CA notes that the explanation provided for this delay is that the parties are continuing preliminary analysis using available data. The CA expresses concern that the timeline for finalizing an agreement remains uncertain and that there is a possibility the agreement may not be finalized. For now, the CA characterizes the LOI process as a "pilot project" and refers to provisions allowing either party to discontinue the arrangement and revert to previous practices if a final agreement is not executed by December 31, 2025, or if the approach no longer meets business needs.

NS Power Response

NS Power acknowledges the CA's concerns regarding the timeline for formalizing the final agreement. While the LOI was introduced as an interim measure, the process changes within it have been fully operational since March 3, 2025, and are delivering meaningful benefits to customers. Under the revised process, NS Power now manages all line extension requests directly, regardless of pole ownership. This change eliminates the need for NS Power to submit requests to Bell and await both their quote and response, which previously added multiple steps and delays. By removing this dependency, the total duration of the customer experience is shorter than it would have been under the former process. Similarly, because NS Power now provides all quotes for line extensions, there are no longer inconsistencies in rebate policies between customers, every customer is treated under NS Power's rebate structure.

Although the cyber attack has temporarily limited the ability to produce detailed performance metrics, feedback from Bell and from the teams responsible for executing line extensions indicates that the revised process is working effectively and delivering the intended improvements. Customers requiring new line extensions are already benefiting from shorter timelines and a simplified process. Approximately 397 work orders have been initiated under the new framework, and there have been no reported drawbacks to the revised approach.

As noted in NS Power's response to SBA IR-2, the delay in formalizing the final agreement is due to the restoration of NS Power's GIS database. This system is essential because it maintains the official record of pole ownership, identifies new poles installed in Bell-owned areas, and enables updates once the number of poles to be transferred to Bell is confirmed. Until GIS functionality is restored and the ownership details required for the pole settlement process are finalized, the final agreement cannot be executed. However, this step relates solely to finalizing the details of the pole settlement process within the agreement and has no impact on customers. The process changes introduced under the LOI have been fully implemented since March 2025, and customers are already benefiting from shorter timelines and consistent rebate treatment. The outstanding reconciliation work pertains only to internal recordkeeping and settlement between the two companies.

Restoring GIS functionality remains a top priority for 2026. Based on current progress, GIS restoration is anticipated by Q1 2026, at which time NS Power will be able to update system data to support pole settlement and the finalization of the final agreement. Both NS Power and Bell have continued collaborative efforts toward completing this final agreement. Given the success of the current process and the benefits already being realized by customers, NS Power does not foresee any scenario where the parties would return to the previous approach for line extensions.

Consumer Advocate Recommendations

The CA suggests that the Board maintain the investigation until a final agreement between NS Power and Bell has been completed and filed for review. In the interim, the CA recommends that NS Power be directed to:

1. Provide an explanation for delays and a timeline for completion: The CA suggests NS Power should give a more detailed account of why the agreement

has not yet been finalized and specify when it expects to complete and file the agreement with the Board.

2. Submit monthly status updates: The CA recommends that NS Power provide regular reports to the Board and intervenors until the agreement is finalized. The CA contends that the reports should include:

    - A description of efforts made to conclude the agreement since the previous update.
    - The number of work orders initiated and completed since the LOI was signed.
    - Information on whether NS Power's ability to track and report timelines, affected by the cybersecurity incident, has been restored, and if not, when restoration is expected.
    - Progress on each of the areas of improvement outlined in its April 23, 2025 letter to the Board.
    - Confirmation of whether the two-week average inspection time is being maintained, and if not, an explanation and steps being taken to improve turnaround times.

NS Power Response

NS Power acknowledges the CA's recommendations. However, as discussed in NS Power's Final Submissions, the issues that led to this investigation, delays caused by coordination under the JUA and inconsistent rebate structures, have been substantively addressed since the operational changes took effect on March 3, 2025. Customers are already benefiting from shorter timelines and a unified rebate structure, and there have been no reported drawbacks under the revised process.

The CA suggests maintaining the investigation until a final agreement is executed and filed and recommends monthly status updates on progress. NS Power respectfully submits that continuing this proceeding is unnecessary because the concerns prompting it have been resolved in practice. The outstanding work relates only to internal reconciliation and recordkeeping between NS Power and Bell, which does not affect customers. Both parties remain committed to completing the final agreement once GIS capabilities are restored and the pole settlement details can be finalized.

NS Power agrees that regular reporting can provide value in certain circumstances, but any potential value needs to be considered in light of the time and resources required to track and prepare such reports. Respectfully, in this instance, NS Power does not view reporting as necessary or as providing value that would outweigh the time and resources that would be expended to track and prepare such reports.

<u>Submissions by the Small Business Advocate</u>

Progress and Customer Impact

While acknowledging that recovery efforts are ongoing, the SBA submits that the lack of progress has delayed improvements intended to reduce service delays and resolve cost discrepancies for customers requiring pole replacements. The SBA questions what impact these delays may have on small business customers and seeks clarity on when NS Power and Bell will be able to complete the review of the pole settlement process, finalize the agreement, and eliminate any backlog of requests.

NS Power Response

NS Power appreciates the SBA's focus on ensuring timely improvements for customers, including small businesses. As discussed above, the operational changes introduced under the LOI on March 3, 2025 have already addressed the issues that prompted this proceeding. Under the revised process, NS Power now manages all line extension requests directly, eliminating the need for Bell approval and the associated delays. This change has streamlined service delivery and ensured that all customers are treated consistently under NS Power's regulated rebate structure.

The delay in executing the final agreement does not impact service delivery. It relates only to completing the pole settlement process, which requires GIS functionality to reconcile ownership records. Restoration of GIS remains a priority and is expected in Q1 2026. Once restored, NS Power will have the capability to update system data and initiate the reconciliation work necessary to complete the pole settlement process and finalize the agreement. Both NS Power and Bell remain committed to completing this step.

Importantly, there is no backlog of customer requests under the revised process. Work orders continue to be processed under the new framework, and customers are already experiencing shorter timelines and consistent pricing across all service areas. Operational feedback confirms that the new process is functioning effectively. Again, given the success of the current process and the benefits already being realized by customers, NS Power does not foresee any scenario where the parties would return to the previous approach for line extensions.

Information Requested

The SBA requests that NS Power confirm:

- The current number of poles and the ownership ratio between NS Power and Bell.
- The number of poles installed to date in 2025 compared to 2024.

- When NS Power anticipates clearing any backlog of pole installation requests

NS Power Response

As of March 2025, NS Power owned 373,976 joint-use poles (approximately 70.92 percent), and Bell-owned 153,335 joint-use poles (approximately 29.08 percent). These figures represent the most recent accurate ownership breakdown available in this proceeding.

Due to the impacts of the cyber attack, NS Power is currently unable to report the number of poles installed in 2025. Once system integrations are fully restored and system data has been updated, the Company's system of record will again provide an accurate and up-to-date view of joint-use pole ownership between NS Power and Bell.

NS Power confirms that there is no backlog of pole installation requests under the revised process. The new line extension framework was operationalized immediately upon implementation of the LOI in March 2025, and work orders have continued to be processed without delay.

Small Business Advocate Recommendations

The SBA submits that, as this matter originated from two customer complaints, recovery of the GIS system and resolution of this matter should be prioritized. The SBA further recommends that customers receive regular updates on progress.

NS Power Response

NS Power agrees that restoring GIS functionality and completing the final agreement are priorities. Restoration of GIS remains a top priority and is expected in Q1 2026, at which point NS Power and Bell will have the ability to update system data to initiate the pole settlement process required to finalize the agreement. Both parties remain committed to this outcome.

While work to finalize the pole settlement details continues, the process changes that impact customers directly have already been implemented. Since March 3, 2025, NS Power has managed all line extension requests directly, eliminating delays caused by coordination under the previous framework and ensuring consistent cost treatment across all service areas.

Regarding the SBA's recommendation for regular customer updates, NS Power respectfully submits that further updates are not warranted, as the operational changes that directly affect customers have already been implemented and are functioning effectively.

Conclusion

NS Power thanks Intervenors for their submissions and the Board for the opportunity to provide these Reply Submissions. The Company submits that the issues raised in this proceeding have been effectively addressed through the process changes implemented on March 3, 2025. The revised process eliminates unnecessary coordination steps, ensures consistent cost treatment across all service areas, and delivers a simplified experience for customers. NS Power remains committed to working with Bell to complete the pole settlement process and to finalize the agreement following the restoration of GIS capabilities. Neither party has any intention of reverting back to the prior line extension process.

Yours truly,

Kathleen Murray

Kathleen Murray
Regulatory Counsel