

Draft Terms of Reference (“TOR”) for Review of NS Power Performance Standards

Section 52A to the *Public Utilities Act (PUA)* empowers the Nova Scotia Energy Board (NSEB or Board), formerly the Nova Scotia Utility and Review Board (NSUARB), to establish performance standards for Nova Scotia Power Inc. (NS Power).¹ Specifically, the Governor in Council may set regulations covering all aspects of utility performance described in the subsections (within Section 52A), including regulations prescribing standards, requirements, and minimums. Furthermore, the NSEB is authorized to establish additional performance standards, requirements, and minimums for NS Power as it deems appropriate.

On April 22, 2025, Bill No. 147 received Royal Assent which, among other amendments, updated Section 52A of the *PUA*. Section 52A currently states the following:

Performance standards

52A (1) *The Governor in Council may make regulations regarding all aspects of performance, including regulations that prescribe performance standards, requirements and minimums for Nova Scotia Power Incorporated.*

(2) *The Energy Board may establish performance standards, requirements and minimums for Nova Scotia Power Incorporated in addition to those established pursuant to subsection (1).*

(3) *Performance standards, requirements and minimums established pursuant to subsections (1) and (2) may relate to*

- (a) outages and reliability;*
- (b) power quality;*
- (c) equity, low-income service and energy poverty;*
- (d) citizen and community participation;*
- (e) customer service, including customer satisfaction, billing accuracy and first contact resolution;*
- (f) adverse weather conditions;*
- (g) environmental performance;*
- (h) collaboration, including the satisfaction of the collaborating party;*
- (ha) electrical inspection timelines*
- (i) interconnections;*
- (j) any programs implemented by Nova Scotia Power Incorporated through any Act or regulations, including net metering;*
- (k) dispatch decisions and the best use of existing resources;*

¹ Nova Scotia. [Public Utilities Act](#). 2025.

- (l) transparency;*
- (m) data handling, public availability of data and information technology;*
- (n) employment and matters relating to employees;*
- (o) safety;*
- (p) energy efficiency, losses and non-technical losses;*
- (q) asset management and utilization of resources;*
- (r) productivity;*
- (s) procurement and purchasing, including the engagement of local businesses, and procurement and process transparency; and*
- (t) any other matter deemed by the Minister to be important to public utility performance.*

(4) The exercise by the Governor in Council of the authority contained in subsection (1) is a regulation within the meaning of the Regulations Act. 2022, c. 27, s. 3; 2024, c. 2, s. 76.

In addition to Section 52A of the *PUA*, NS Power Performance Standards Regulations (made under Section 52A of the *PUA*) came into effect on November 15, 2022. This regulation specifically refers to: (i) actions required to be undertaken by NS Power associated with *power quality*; and (ii) requirement for the Board to establish *performance standards for customer reliability that consider geographic analyses of outages and reliability, including using customer level data and impact of aggregate data related to the frequency and duration of outages*.²

Background regarding existing performance standards related to reliability, customer service and storm response³

In late 2016, in accordance with the *PUA*, the NSUARB established performance standards for reliability, response to adverse weather, and customer service. The NSUARB's Order dated December 20, 2016, identified 13 performance standard metrics, as well as targets for those metrics. In its decision in Matter M07387, the NSUARB set a five-year period, ending December 31, 2021, to review the performance standards to ensure they remained relevant and effective.

In its decision about NS Power's 2017 Performance Standards Report (M08574), the NSUARB directed NS Power to expand its reliability reporting in subsequent years to include all-inclusive System Average Interruption Frequency Index ("SAIFI") and System Average Interruption Duration Index ("SAIDI") indices, as well as a year-over-year comparative analysis of planned outages.

On October 4, 2021, NS Power filed an application proposing amendments to nine of the thirteen performance standards for implementation in 2022 and a new standard for reports on weather related outages affecting 30,000 or more customers. This was followed by an NSUARB Order

² Nova Scotia. [Nova Scotia Power Incorporated Performance Standards Regulations made under Section 52A of the Public Utilities Act R.S.N.S. 1989, c. 380 O.I.C. 2022-274 \(effective November 15, 2022\)](#), N.S. Reg. 256/2022.

³ NSUARB. [M11627 Decision Letter](#). September 9, 2024.

directing that the matter (M10279) proceed by way of a paper hearing and a timetable for that process was provided.

The NSUARB's decision in matter M10279 was issued on February 22, 2022. That Decision directed NS Power to begin reporting on its progress in developing customer-level reliability data, which was subsequently identified as CEMI-5, CEMI-4, and CELID-8. Following a review of NS Power's revised Compliance Filing, a revised set of performance standards for 2022 to 2026, and related target metrics for 2022, were approved in the NSUARB Order dated April 7, 2022.

In addition, in Matter M11838, the NSUARB noted that the current performance standards do not address certain issues, such as delays before a work order is issued. It further noted that there is no performance standard for relocating poles and removing lines. Consequently, NS Power was directed to review the performance standards and calculations in the next performance standards update to determine if they appropriately reflect the entire process and related delays. The review is to consider possible adoption of a standard for pole relocation and line removal.

The existing standards associated with **adverse weather response** include the following:

- (i) Customer notification of an oncoming severe weather event within a defined timeframe;
- (ii) Percentage of calls answered within 45 seconds during a severe outage event;
- (iii) Polite disconnect rate (%) for all outage calls;
- (iv) Estimated Time to Restore ("ETR") updates communicated to customers without delay during outages;
- (v) Percentage of customers restored within 48 hours of a severe weather event, broken down by: (i) Extreme Event Days ("EEDs"), Major Event Days ("MEDs"), and Significant Event Days ("SEDs"); and
- (vi) Outage report for events impacting 30,000 or more customers.

Reliability performance under normal conditions is measured using industry-standard indices that exclude MEDs, EEDs, and qualifying SEDs. These include:

- (i) SAIFI, measuring how often customers experience outages;
- (ii) SAIDI, measuring how long outages last on average;
- (iii) Circuit Average Interruption Frequency Index ("CAIFI"), measuring how often a specific feeder experiences outages; and
- (iv) Circuit Average Interruption Duration Index ("CAIDI"), measuring how long outages last on a specific feeder.

Performance standards associated with **customer service** include the following:

- (i) Percentage of calls answered within 30 seconds;
- (ii) Percentage of customers' bills that can be estimated;
- (iii) Customer notification of outages as soon as known to NS Power; and

- (iv) New service connection times (by installation type).

Scope of this proceeding

The Board has retained London Economics International LLC (“LEI”) to review existing performance standards and develop updated performance standards for NS Power in consideration of Section 52A of the PUA and related regulations.

The Board envisions the following steps within the proceeding:

- **Step 1: Terms of Reference (TOR)**: this Draft TOR is being sent to interested parties for comment. This would ensure that key customer concerns are considered in the review. Comments would be incorporated, as appropriate, and Terms of Reference would be finalized.
- **Step 2: Legislative review**: review of enabling legislation and regulations, specifically Section 52A (Performance Standards) of the *PUA* and related regulations.
- **Step 3: Preliminary discussions**: LEI discussions with Board staff/counsel (and potentially NS Power) with regards to practicality and reasonableness associated with setting (and updating) performance standards for areas listed in Section 52A (3).
 - Section 52A (3) allows for potentially setting standards for 20 or more performance areas.
 - Standards in the areas of customer service, reliability and storm response have already been established. LEI’s review will include analysis of whether updates to existing standards and responses (administrative penalty etc.) are warranted.
- **Step 4: Data request / review of NS Power information**: LEI to review information relevant to the envisioned areas of performance standards, including but not limited to: (i) relevant NS Power historical information, business practices and future plans (in the form of data requests and virtual / in-person meetings); and (ii) Board dockets that have addressed any of these areas.
- **Step 5: Jurisdictional scan**: LEI to conduct a review of related performance standards observed across select North American and international jurisdictions.
- **Step 6: LEI analysis / preliminary findings**: LEI to develop a slide deck with their preliminary findings following LEI analysis performed in steps above.
- **Step 7: Stakeholder workshop**: a workshop to be organized by LEI/Board staff to receive feedback from participants regarding LEI’s preliminary findings. This workshop is anticipated to be held during Q4 2025.
- **Step 8: Filing of LEI Report**: Following receipt of feedback at the stakeholder workshop, LEI will draft and file its report with the Board for public review.

- **Step 9: Interrogatories (IRs) on LEI Report:** participants will be provided an opportunity to submit IRs on the LEI Report, which would be followed by LEI responses.
- **Step 10: Filing of NS Power/Intervenor evidence:** NS Power and intervenors/participants to file their evidence (if any).
- **Step 11: IRs on NS Power/Intervenor evidence:** participants will be provided an opportunity to submit IRs on NS Power/intervenor evidence, which would be followed by IR responses.
- **Step 12: Supplemental Report:** LEI to provide a supplemental report addressing any issues raised by NS Power and Intervenor.
- **Step 13: Submissions:** NS Power and participants/Intervenor to file final submissions.
- **Step 14: Rebuttal:** LEI files rebuttal.
- **Step 15: Oral hearing (optional),** if deemed necessary by the Board.