

NOVA SCOTIA ENERGY BOARD

IN THE MATTER OF: The *More Access to Energy Act*, 1998, SNS 2024, c 2, Sch B, (the
 “Act”)

- and -

IN THE MATTER OF: an application by the Nova Scotia Independent Energy System
 Operator for approval of its proposed expenditure and revenue
 requirements for the test year ending March 31, 2026.

INFORMATION REQUESTS
(NON-CONFIDENTIAL)

To: **Doug Reid, Chair of the Board of Directors**
 Nova Scotia Independent Energy System Operator (NSIESO)
 Doug.reid@nsieso.ca

From: Small Business Advocate

Responses Due: October 7, 2025

Copies: 1 electronic copy (PDF searchable)

Contact Person: **Melissa P. MacAdam**
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Issued at Bedford, Nova Scotia on this 16th day of September, 2025

1 **Request IR-1:**

2 Refer to M12412, Exhibit N-1-(i), the Application Exhibits, submitted by the NSIESO as part of
3 its Application for approval of its proposed expenditure and revenue requirements for the test year
4 ending March 31, 2026 (the “Application”) and specifically to Exhibit B-2 - *Ongoing OM&A Cost*
5 *Category Detail*, subsection A, *Administrative Salaries and Wages*, at pages 15-19 of 36 and
6 respond to the following:
7

- 8 a) Please clarify if all positions, except the CEO, are expected to start October 1 of 2025.
9 b) Please explain why all of the positions are required in the first test year given the phase-in
10 approach to NSIESO functions described in the Application.
11 c) Please confirm if the estimate includes performance bonus. Are performance bonuses part of
12 the compensation packages? What are the criteria required to achieve performance bonuses?
13 d) Please allocate the salary compensation estimate of \$1.45M into the following categories:
14 salary, benefits, retirement/pension, one-time compensation (sign on bonuses/relocation), and
15 other.
16 e) Please confirm that these 13 positions, described on pages 16-18 of 36, starting at line 17, do
17 not have overlap with the NSPI employees being transferred.
18 f) Please provide an organization chart that shows the positions (whose salaries are included in
19 this Application) and also indicate whether these positions are being filled by individuals
20 who are transferring from NS Power.
21 g) Please clarify if the management team structure is expected to remain the same, as described
22 in the Application, once the NSIESO is fully phased-in? Are there additional positions
23 expected? Please provide cost estimates if known.
24

25 **Request IR-2:**

26 Refer to the Application and Exhibit B-2 - *Ongoing OM&A Cost Category Detail*, subsection B,
27 *NSPI Employee Transfers (including IRP consulting costs)(\$1.61M)*, on pages 19-21 of 36, starting
28 at line 4, and respond to the following:
29

- 30 a) Please allocate the salary compensation estimate of \$1.11M into the following categories:
31 salary, benefits, retirement/pension, one-time compensation (sign on bonuses/relocation), and
32 other.
33 b) Please answer the following questions regarding the \$0.5M consulting fee forecast set out in
34 Table 7:
35 i. Please provide the fee budget by scope of work component.
36 ii. Please confirm whether the consulting service selection has occurred. If so, please provide
37 vendor.
38 iii. Lines 12-15 on Page 19 of 36 suggest that there will be no ongoing costs incurred by NSPI
39 with respect the IRP functions. Has NSPI confirmed all IRP functions would transfer and
40 the timing of the functions to be transferred?
41
42

1 **Request IR-3:**

2 Refer to the Application and Exhibit B-2 - *Ongoing OM&A Cost Category Detail*, subsection C,
3 *Corporate Administration* (\$0.23M), on pages 21-23 of 36, and respond to the following:

- 4
- 5 a) For the cybersecurity insurance cost of \$0.05M, referenced on page 22, please provide the
6 policy details including coverage amounts, deductibles, etc.
- 7 b) For stakeholder engagement of \$0.05M, referenced on page 22, please confirm if these are
8 one-time expenses.

9

10 **Request IR-4:**

11 Refer to the Application and Exhibit B-2 - *Ongoing OM&A Cost Category Detail*, subsection D,
12 *Governance* (\$0.51M), on page 23 of 36 and respond to the following:

- 13
- 14 a) Please clarify if, once the NSIESO responsibilities are fully phased-in, there are any
15 anticipated changes in governance costs.

16 **Request IR-5:**

17 Refer to the Application and Exhibit B-2 - *Ongoing OM&A Cost Category Detail*, subsection E,
18 *Legal and Regulatory* (\$0.81M), on pages 24-25 of 36 and respond to the following:

- 19
- 20 a) Please identify the budget portion of the forecast related to “the costs that the Nova Scotia
21 Energy Board may order that NSIESO pay for intervening parties to participate in such
22 proceedings”¹ and the source of these estimates.
- 23 b) Are the legal services associated with the forecast legal costs anticipated to be provided by
24 in-house counsel or by external counsel?

25

26 **Request IR-6:**

27 Refer to the Application and Exhibit B-2 - *Ongoing OM&A Cost Category Detail*, subsection F,
28 *Procurement* (\$0.99M), on pages 25-26 of 36 and respond to the following:

- 29
- 30 a) Please provide rationale for the 50/50 split in capitalization and expenses for procurement
31 and project management costs.
- 32 b) Please confirm which components of the 300 MW RFP costs apply the 20% contingency fee.
33 Please provide rationale of 20% contingency figure.

34

35 **Request IR-7:**

36 Refer to the Application and Exhibit B-2 - *Ongoing OM&A Cost Category Detail*, subsection G,
37 *Facilities and Technology* (\$0.87M), on pages 26-27 of 36 and respond to the following:

38

¹ M12412, Exhibit N-1(i), the Application Exhibits, Exhibit B-2 *Ongoing OM&A Cost Category Detail*, subsection E, Legal and Regulatory (\$0.81M), a) Regulatory Proceedings and Assessments, on page 24 of 36 at lines 11-13.

- 1 a) Please provide an itemization of the cybersecurity and monitoring cost of \$0.18M
2 (referenced on page 27) and confirm the relationship of costs between cybersecurity
3 insurance costs and/or the IT and Cybersecurity Specialist costs.
4 b) Please explain how cybersecurity and monitoring costs are expected to be impacted once
5 NSIESO responsibilities are fully phased in.
6

7 **Request IR-7:**

8 Refer to Exhibit N-1, the Application and Exhibit B-2 - *Ongoing OM&A Cost Category Detail*,
9 subsection H, Finance (\$0.16M), on pages 27-31 of 36 and respond to the following:
10

- 11 a) Describe why financing costs are necessary given the \$2.68M in Provincial Funding?
12

13 **Request IR-7:**

14 Refer to the Application and Exhibit B-3 – *OM&A One-Time Transition Costs*, on pages 29-31 of
15 36 and respond to the following:
16

- 17 a) Please confirm when the final one-time transition costs will be reported and with what
18 frequency?
19

20 **Request IR-8:**

21 Refer to the Application and Exhibit C-1 – *Deferral and Variance Accounts*, on pages 32-36 of 36
22 and respond to the following:

- 23 a) Table 2 on Page 10 of 36, contains language different from Table 16 on pages 32-33 of 36. It
24 appears that the language regarding the unfunded amounts in Sub Account No. 2 in Figure 2
25 may be incorrectly stated, “In addition, in the event that the NSIESO incurs one-time
26 transition costs during the test period in an amount that exceed the Provincial funding, the
27 unfunded amounts would be reflected as a **positive** amount in this sub-account.” (emphasis
28 added). Please confirm if unfunded amounts in excess would be positive or negatively
29 reflected. Please provide rationale for language departures between Figure 2 and Figure 16
30 related to the sub accounts.
31 b) Please confirm if interest will be accrued within the deferral and variance account and if so,
32 at what rate.
33 c) Please confirm how reporting will ensure that costs included in NSPI’s revenue requirement
34 are kept distinct from those costs included in NSIESO’s revenue requirement during the
35 transition period.
36

37 **Request IR-9:**

- 38 a) Is NSIESO considered an affiliate of NSPI or Emera?
39 b) If NSIESO and NSPI are determined to be affiliates, will a service level agreement between
40 them be needed for NSPI to pay for services provided by NSIESO or vice versa. If needed,
41 please provide a copy of this agreement.