Nova Scotia POWER
An Emera Company

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January 5, 2026

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

Re: M12451 2026-2027 General Rate Application (GRA) - Opening Statement

Dear Ms. Henwood:

Please see attached opening statement from NS Power.

Yours truly,

Blake Williams
Senior Director, Regulatory Affairs

Nova Scotia Power Opening Statement

At Nova Scotia Power, we have the responsibility and duty to provide Nova Scotians with safe and reliable electricity service. Our team is dedicated to delivering on this responsibility while managing operating costs and capital investments in the best interest of our customers.

As we plan for the increased and changing energy needs of Nova Scotians, we know that the reliability of the service we provide has never been more important to our customers. We remain focused on continuing to strengthen the reliability of our system, building resilience against increasingly extreme weather, supporting Nova Scotia's economic development, and achieving provincial and federal decarbonization goals.

While meaningful progress has been made, we have significant work ahead to meet our customers' evolving needs and government climate targets. This next phase of Nova Scotia's energy transformation will be complex and is made even more challenging given the current inflationary pressures and the affordability challenge facing many Nova Scotians.

The cyber attack also presents a challenge. While Nova Scotia Power was the victim of a foreign, sophisticated cyber attacker, we know it has affected the trust we have built with our customers. I want to reassure the Board and all stakeholders that everyone at Nova Scotia Power is committed to continuing to work relentlessly on the full recovery of all systems and services and building back the trust of Nova Scotians. I also want to reiterate what we have previously stated, which is that the GRA does not include costs related to the cyber attack. The 2026-2027 revenue requirement forecast that forms the basis of the GRA was developed prior to the attack and it has not been adjusted in any way to account for costs arising from the attack.

We know that there is never a good time to request an increase in electricity rates and that even small increases can have a big impact on families and businesses. We continue to work with government and other key partners to avoid or reduce the need for rate increases. As the Board is aware, Nova Scotia Power's recent efforts, along with those of the Province, on behalf of customers have included the identification, development, and execution of the $117 million fuel cost receivable that was sold to

Invest Nova Scotia, the $500 million Maritime Link Federal Loan Guarantee, the adjustment to sulphur emission regulations, beneficial financing arrangements in relation to the Battery Energy Storage System and the NS-NB Reliability Intertie, and the proposed securitization of approximately $704 million in rate base.

The process Nova Scotia Power undertook to prepare and file this General Rate Application was robust, inclusive, and transparent. It involved the development of application materials for review and detailed discussion with customer representatives. This resulted in the exchange of hundreds of information requests and responses, and numerous meetings, technical sessions and negotiations, all of which involved customer representatives and their chosen expert consultants.

The result of this process is the consensus application that has been put forward for the Board's consideration.

In Nova Scotia Power's view, achieving this alignment on the outcomes sought in this Application demonstrates that the GRA is in the public interest and that the outcomes are just and reasonable. The settlement represents an interest-based resolution to an integrated set of outcomes negotiated with intervenors representing all major customer groups. Keeping the negotiated package together preserves the balance of trade-offs that made the agreement possible. In making its ultimate decision on this Application, we ask that the Board consider the need to balance these trade-offs.

In this General Rate Application, we have outlined the Company's work to fulfil directives from the Board's 2023-2024 General Rate Application decision. Included in this Application are an updated Depreciation Study and Line Loss Study, as well as an updated Cost of Service Study, which is the result of a comprehensive review of the Cost-of-Service Methodology with customer representatives and the Board, which was initiated in December 2023 and continues today in this hearing.

We appreciate the vital role of this regulatory process and welcome the opportunity to answer questions about the Application.

This is a critical time in Nova Scotia's energy transition, and we want to thank all participants and the Energy Board for their considerable time, effort, and commitment to this important process. We look forward to our further participation in this process over the coming days.