M12451

NOVA SCOTIA ENERGY BOARD

IN THE MATTER OF: **THE PUBLIC UTILITIES ACT**

- and -

IN THE MATTER OF: **A GENERAL RATE APPLICATION** by **NOVA SCOTIA POWER INCORPORATED** for approval of certain revisions to its Rates, Charges and Regulations

INFORMATION REQUESTS

To: **Nova Scotia Power Inc.**

From: **Doane Grant Thornton LLP**

Responses Due: **Wednesday, November 5, 2025**

Copies: 1 electronic copies - 1PDF (searchable)

Contact Person: **Angie Brown, CPA, CA, CIA**
Doane Grant Thornton LLP
Partner, Advisory Services
Phone: +1 709 778 8841
Email: Angie.Brown@doane.gt.ca

Issued at Halifax, Nova Scotia, this 22nd day of October, 2025.

Crystal Henwood, Clerk of the Board

Document 325265

Request IR-1:

Reference: N-3 page 36

In reference to figure 7-1 in direct evidence N-3, page 36, please provide a schedule of total OM&G by nature for 2024 actual, 2025 forecast and 2026 and 2027 proposed for the entire Company (not by division or function) that reconciles to the total as outlined in figure 7-1.

Request IR-2:

Reference: General

Please explain assumptions used in forecasting labour costs for both union and non union employees. Provide a copy of the internal labour forecast study produced which forecasts labour in 2026 to 2027 forecast years, including assumption to forecast labour such as wage / salary increase, full time equivalent forecasting information, etc.

Request IR-3:

Reference: N-3 page 35

As noted on page 35, lines 20 to 21, Nova Scotia Power states "Multi-year forecasts of operating costs are inherently uncertain. Many factors can affect NS Power's operating costs from year to year..". Please explain what methods NS Power incorporates within their forecast methodology to minimize these uncertainties.

Request IR-4:

Reference: RB-02 - RB-16 Attachment 2

The Company's actuary estimate of pension costs was provided by letter dated February 14, 2025. Please provide the supporting documentation of the Company's actuary estimate of Benefit cost as of today for 2026, 2027, 2028, 2029 and 2030.

Request IR-5:

Reference: N-6 Page 6

Please provide the supporting evidence for the inflation rate of 3.25% for labour and 2% for non-labour rates in 2026, and 3% for labour in 2027 and 2% for non-labour in 2027.

Request IR-6:

Reference: N-6 2026-2027 GRA Direct Evidence Appendix 7A page 36

Please provide the basis/supporting documentation of calculation of Payroll Matching for defined contribution and defined benefit Plans(OM&G Labour expenses) and Supplementary Executive Retirement Plan (corporate adjustments).

Request IR-7:

Reference: N-6 - 2026-2027 GRA Direct Evidence Appendix 7C Page 5-6 of 58

Per N-6, (Appendix 7C), page 5-6 of 58, we understand that 2026 forecast is higher than 2024 actual results for "General Counsel, Corporate Secretary, and Insurance" largely due to ongoing CRA litigation. Please provide a breakdown of the litigation costs included in this category.

Request IR-8:

Reference: N-6 - 2026-2027 GRA Direct Evidence Appendix 7C Page 5-6 of 58

Per N-6, (Appendix 7C), page 5-6 of 58, we understand that 2026 forecast is higher than 2024 actual results for "General Counsel, Corporate Secretary, and Insurance" due to the addition of a new corporate director. Please outline who this was, their annual compensation and their employment start date.

Request IR-9:

Reference: N-6 - 2026-2027 GRA Direct Evidence Appendix 7C Page 5-6 of 58

Per N-6, (Appendix 7C), page 5-6 of 58, we understand that for "General Counsel, Corporate Secretary, and Insurance", insurance has fluctuated due to premiums increasing. Please provide a summary of the most recent insurance premiums indicating the year in which they apply.

Request IR-10:

Reference: N-6 - 2026-2027 GRA Direct Evidence Appendix 7C Page 5-6 of 58

Per N-6, (Appendix 7C), page 5-6 of 58, we understand that 2026 forecast is higher than 2025 budget for "General Counsel, Corporate Secretary, and Insurance" as labour increased due to staff complement changes and salary escalations. Please provide support to demonstrate the staff complement change and the reasoning for salary escalations.

Request IR-11:

Reference: N-6 - 2026-2027 GRA Direct Evidence Appendix 7C Page 9-10 of 58

Per N-6, (Appendix 7C), page 9-10 of 58, we understand that 2026 forecast is higher than 2024 compliance restated and 2024 actuals for "communications and public affairs" as labour increased due to staff complement change and salary escalations. Please provide support to demonstrate the staff complement change and support for salary escalations.

Request IR-12:

Reference: N-6 - 2026-2027 GRA Direct Evidence Appendix 7C Page 9-10 of 58

Per N-6, (Appendix 7C), page 9-10 of 58, we understand that 2026 forecast is higher than 2024 compliance restated for "communications and public affairs" as consulting increased due to planned engagements for communications. Please provide support for such consulting fees and outlined what engagements are planned.

Request IR-13:

Reference: N-6 - 2026-2027 GRA Direct Evidence Appendix 7C Page 9-10 of 58

Per N-6, (Appendix 7C), page 9-10 of 58, we understand that "advertising" is lower in 2024 actuals and 2024 compliance restated due to lower spending levels. Please provide specific reasons why spending was reduced.

Request IR-14:

Reference: N-6 - 2026-2027 GRA Direct Evidence Appendix 7C Page 11-12 of 58

Per N-6, (Appendix 7C), page 11-12 of 58, we understand that 2026 forecast is higher than 2024 compliance restated and 2024 actuals for "human resources" as labour increased due to increased staffing levels and salary escalations. Please provide support demonstrating the increased staff levels and the reason for salary escalations.

Request IR-15:

Reference: N-6 - 2026-2027 GRA Direct Evidence Appendix 7C Page 11-12 of 58

Per N-6, (Appendix 7C), page 11-12 of 58, we understand that 2026 forecast is higher than 2024 compliance restated and 2024 actuals for "human resources" as consulting increased due to planned engagements for Health and Wellness Safety. Please provide a breakdown of the planned engagements and associated costs.

Request IR-16:

Reference: N-6 - 2026-2027 GRA Direct Evidence Appendix 7C Page 11-12 of 58

Per N-6, (Appendix 7C), page 11-12 of 58, we understand that 2026 forecast is higher than 2024 compliance restated and 2024 actuals for "human resources" as corporate support transfer is expected to increase due to increased utilization of Human resource services. Why is increased utilization expected?

Request IR-17:

Reference: N-6 - 2026-2027 GRA Direct Evidence Appendix 7C Page 13-14 of 58

Per N-6, (Appendix 7C), page 13-14 of 58, we understand that 2026 forecast is lower than 2024 actuals for "facilities, procurement and security" due to consulting fees decreasing due to the completion of consulting engagements in 2024. Please explain the nature of the consulting engagements, the associated costs, and why they are not expected to continue going forward.

Request IR-18:

Reference: N-6 - 2026-2027 GRA Direct Evidence Appendix 7C Page 13-14 of 58

Per N-6, (Appendix 7C), page 13-14 of 58, we understand that 2026 forecast is lower than 2024 compliance restated and 2024 actuals for "facilities, procurement and security" largely due to short term interest decrease due to discontinuing the allocation of carrying costs on materials inventory to the procurement cost center.

a) What is the rationale for the change in allocation?
b) Has NSPI received approval for this allocation change? If yes, please provide support. If not, then why?

Request IR-19:

Reference: N-6 - 2026-2027 GRA Direct Evidence Appendix 7C Page 17-18 of 58

Per N-6, (Appendix 7C), page 17-18 of 58, we understand that labour has increased significantly over the period from 2024 compliance restated to 2026/2027 forecast for "information technology". We further understand that labour increased due to incremental staffing support operational initiatives, including cyber security, replacement of end of life legacy technology to modern technology, introduction of new customer services, introduction of new technology services across the business, and salary escalations. Please provide a breakdown of the labour costs expected for these initiatives as well as the related number of positions.

Request IR-20:

Reference: N-6 - 2026-2027 GRA Direct Evidence Appendix 7C Page 17-18 of 58

Per N-6, (Appendix 7C), page 17-18 of 58, we understand that consulting expense has increased in 2026 forecast compared to 2024 compliance restated for "information technology". We further understand that such an increase is due to support for the cyber security program, incremental expenses for continued improvements to Tableau and Power BI and inflation. Please provide a breakdown of these expenses and further details on the consultants scope of work. Specifically, are these one-time or ongoing permanent increase to this expense and what is the rationale for the expense?

Request IR-21:

Reference: N-6 - 2026-2027 GRA Direct Evidence Appendix 7C Page 17-18 of 58

Per N-6, (Appendix 7C), page 17-18 of 58, we understand that rental/maintenance equipment/ software expense has increased in 2026 forecast compared to 2024 compliance restated for "information technology". We further understand that such an increase is due to support for the cyber security program and inflation. Please elaborate on what the cyber security programming is, why this cost is increasing, and provide a breakdown of these costs.

Request IR-22:

Reference: N-6 - 2026-2027 GRA Direct Evidence Appendix 7C Page 19-20 of 58

Per N-6, (Appendix 7C), page 19-20 of 58, we understand that no expenses were included in "ECEI" in 2024 compliance restated. What is the reason for this?

Request IR-23:

Reference: N-6 - 2026-2027 GRA Direct Evidence Appendix 7C Page 15-16 of 58

Per N-6, (Appendix 7C), page 15-16 of 58, we understand that labour expense has increased in 2026 forecast compared to 2024 compliance restated and 2024 actuals for "regulatory affairs". We further understand that this increase is primarily due to salary escalations and position vacancies in 2024. Please provide support for such escalations and vacancies.

Request IR-24:

Reference: N-6 - 2026-2027 GRA Direct Evidence Appendix 7C Page 15-16 of 58

Per N-6, (Appendix 7C), page 15-16 of 58, we understand that consulting expense has increased in 2026 forecast compared to 2024 compliance restated for "regulatory affairs". We further understand that this increase is due to a greater volume and scope of regulatory engagements forecasts. Please provide a breakdown of the engagements and associated costs.

Request IR-25:

Reference: N-6 - 2026-2027 GRA Direct Evidence Appendix 7C Page 21-22 of 58

Per N-6, (Appendix 7C), page 21-22 of 58, we understand that contracts expense has decreased in 2026 forecast compared to 2024 compliance restated, 2024 actuals, and 2025 budget for "head office". We further understand that this decrease is due to reduced OM&G ash hauling requirements due to NS Power's proposal to transfer these costs to Fuel and Purchased Power expense in this GRA. Please provide a breakdown of these costs.

Request IR-26:

Reference: N-6 - 2026-2027 GRA Direct Evidence Appendix 7C Page 23-24 of 58

Per N-6, (Appendix 7C), page 23-24 of 58, we understand that there has been increases in expenses (such as labour and contract expense) from 2024 compliance restated to 2026 forecast for "thermal plants" due to change in Trenton Unit 5 and Lingan Unit 2 retirement assumptions and increased running hours.

a) Why did the retirement assumptions change?
b) Please provide further details regarding these cost increases. I.e. are these permanent or one-time cost increases.

Request IR-27:

Reference: N-6 - 2026-2027 GRA Direct Evidence Appendix 7C Page 23-24 of 58

Per N-6, (Appendix 7C), page 23-24 of 58, we understand that rental and maintenance of equipment expenses have increased from 2024 compliance restated to 2026 forecast for thermal plants due to changes in operating requirements. Please provide additional explanations of, and associated costs for, these changes in operating requirements.

Request IR-28:

Reference: N-6 - 2026-2027 GRA Direct Evidence Appendix 7C Page 25-26 of 58

Per N-6, (Appendix 7C), page 25-26 of 58, we understand that labour expense has increased from 2024 compliance restated to 2026 forecast for "Tufts Cove and combustion turbines". We further understand that this increase is due to increased headcount in engineering, operations and maintenance due to increased running hours, increased shutdown requirements, expanded capital program and salary escalation. Please provide additional explanations on the increased labour requirements for these matters.

Request IR-29:

Reference: N-6 - 2026-2027 GRA Direct Evidence Appendix 7C Page 25-26 of 58

Per N-6, (Appendix 7C), page 25-26 of 58, we understand that materials, water and chemicals expenses have increased from 2024 compliance restated to 2026 forecast for "Tufts Cove and combustion turbines" due to increased pricing, increased running hours and usage. Please provide additional explanations on why these costs are required.

Request IR-30:

Reference: N-6 - 2026-2027 GRA Direct Evidence Appendix 7C Page 27-28 of 58

Per N-6, (Appendix 7C), page 27-28 of 58, we understand that a wind generation acquisition forecast in 2024 GRA Compliance forecast did not occur which impacts costs incurred in "Wind, Hydro, and Solar energy".

a) Please explain why the wind farm acquisition did not occur.
b) We understand that costs pertaining to the windfarm acquisition were included in 2024 compliance restated (including contract, leasing, and other goods and services). Please provide a summary of these costs pertaining to the proposed acquisition.

Request IR-31:

Reference: N-6 - 2026-2027 GRA Direct Evidence Appendix 7C Page 33-34 of 58

Per N-6, (Appendix 7C), page 33-34 of 58, we understand that labour expenses have increased from 2024 compliance restated to 2026 forecast for "Enterprise asset management & project implementation" due to additional engineering and asset management personnel to support risk mitigation expansion of the EIT program for succession planning and salary escalation. Please provide further details on why the additional personnel is required as well as the associated costs.

Request IR-32:

Reference: N-6 - 2026-2027 GRA Direct Evidence Appendix 7C Page 33-34 of 58

Per N-6, (Appendix 7C), page 33-34 of 58, we understand that contracts expense has increased from 2024 compliance restated to 2026 forecast for "Enterprise asset management & project implementation" due to change in operational requirements and inflation. Please provide additional details and cost information on the changes in operational requirements.

Request IR-33:

Reference: N-6 - 2026-2027 GRA Direct Evidence Appendix 7C Page 33-34 of 58

Per N-6, (Appendix 7C), page 33-34 of 58, we understand that consulting expense has decreased from 2024 compliance restated to 2026 forecast for "Enterprise asset management & project implementation" due to transfer of dam safety review requirements to Hydro department. Please provide background on why this transfer occurred.

Request IR-34:

Reference: N-6 - 2026-2027 GRA Direct Evidence Appendix 7C Page 37-38 of 58

Per N-6, (Appendix 7C), page 37-38 of 58, we understand that labour expense and contract expense has increased from 2024 compliance restated to 2026 forecast for "regional operations" due to customer growth, increased customer requested work, reliability investment and salary escalation.

a) Please provide additional details on the increased labour costs including the number of positions required in 2024 compliance and 2026 forecast.

b) Please provide additional details on the increased contract costs required from 2024 compliance to 2026 forecast.

c) How did NSPI determine that additional labour costs were required for regional operations? (i.e. forecasting methodology)

Request IR-35:

Reference: N-6 - 2026-2027 GRA Direct Evidence Appendix 7C Page 37-38 of 58

Per N-6, (Appendix 7C), page 37-38 of 58, we understand that other goods & services expense has increased from 2024 compliance restated to 2026 forecast for "regional operations" due to operating and maintenance costs associated with grid scale batteries. Please explain why these costs are required as well as a breakdown of such costs.

Request IR-36:

Reference: N-6 - 2026-2027 GRA Direct Evidence Appendix 7C Page 39-40 of 58

Per N-6, (Appendix 7C), page 39-40 of 58, we understand that labour expense has increased from 2024 compliance restated to 2026 forecast for "control center" due to additional employees for operational requirements. Please provide additional details on the additional employees required and the associated costs.

Request IR-37:

Reference: N-6 - 2026-2027 GRA Direct Evidence Appendix 7C Page 39-40 of 58

Per N-6, (Appendix 7C), page 39-40 of 58, we understand that consulting expense has increased from 2024 compliance restated to 2026 forecast for "control center" due to increased consulting for engineering related to planning, operator training services and addition of consulting related to interconnection studies. Please provide additional details and cost breakdowns for these consulting engagements.

Request IR-38:

Reference: N-6 - 2026-2027 GRA Direct Evidence Appendix 7C Page 41-42 of 58

Per N-6, (Appendix 7C), page 41-42 of 58, we understand that labour expense has increased from 2024 compliance restated to 2026 forecast for "energy delivery services" due to increased staffing and salary escalations. Please provide support showing the increase in staff and provide support for the salary escalations.

Request IR-39:

Reference: N-6 - 2026-2027 GRA Direct Evidence Appendix 7C Page 41-42 of 58

Per N-6, (Appendix 7C), page 41-42 of 58, we understand that travel expense has increased from 2024 compliance restated to 2026 forecast for "energy delivery services" due to changes in operational requirements. Please outline what operational requirements require the increased travel.

Request IR-40:

Reference: N-6 - 2026-2027 GRA Direct Evidence Appendix 7C Page 41-42 of 58

Per N-6, (Appendix 7C), page 41-42 of 58, we understand that internet communications expense has increased from 2024 compliance restated and 2024 actuals to 2026 forecast for "energy delivery services" due to rollout of satellite internet across the province. Please provide additional details on the rationale and associated estimated costs expected due to the rollout of satellite internet.

Request IR-41:

Reference: N-6 - 2026-2027 GRA Direct Evidence Appendix 7C Page 43-44 of 58

Per N-6, (Appendix 7C), page 43-44 of 58, we understand that labour expense has increased from 2024 compliance restated to 2026 forecast for "reliability implementation" due to the creation of the reliability implementation department since the filing of the 2023-2024 GRA, which resulted in the centralization of resources focused on improving system reliability. Further, it was noted that all teams within were expanded, with the most significant impact on operating expense due to additional staff on the Standards & Community Engagement team for proactive engagement with customers required to improve customer consultation, centralized reliability planning and execution of NS Power's Five-Year reliability Plan.

a) Please provide additional details on creation of the reliability implementation department, including roles and salaries.

b) Please provide additional details on the nature of the additional staff on the Standards & Community Engagement team, including roles and salaries.

Request IR-42:

Reference: N-6 - 2026-2027 GRA Direct Evidence Appendix 7C Page 43-44 of 58

Per N-6, (Appendix 7C), page 43-44 of 58, we understand that consulting expense and membership dues expense has increased from 2024 compliance restated to 2026 forecast for "reliability implementation" due to increased requirements and reallocation from contracts for the standards and community engagement team. Please provide explanation of the increased requirements, as well as the associated costs.

Request IR-43:

Reference: N-6 - 2026-2027 GRA Direct Evidence Appendix 7C Page 45-46 of 58

Per N-6, (Appendix 7C), page 45-46 of 58, we understand that labour expense has increased from 2024 compliance restated and 2024 actual to 2026 forecast for "transmission and distribution contractor management" due to increased staffing, labour vacancies, increased utility services demand, increased garage mechanic and fleet coordination staffing, reorganization of Meter Shop from Energy Delivery Services in 2024 and salary escalations. Please provide additional explanations including the associated cost breakdown for each of the above noted factors contribution to the increase.

Request IR-44:

Reference: N-6 - 2026-2027 GRA Direct Evidence Appendix 7C Page 45-46 of 58

Per N-6, (Appendix 7C), page 45-46 of 58, we understand that contracts expense has increased from 2024 compliance restated and 2025 budget to 2026 forecast for "transmission and distribution contractor management" due to increased maintenance on larger fleet and aging fleet vehicles, increased utility services costs, and inflation. Please provide a breakdown of these increased costs, including documentation to support the increased maintenance and increased utility services costs.

Request IR-45:

Reference: N-6 - 2026-2027 GRA Direct Evidence Appendix 7C Page 47-48 of 58

Per N-6, (Appendix 7C), page 47-48 of 58, we understand that contracts, consulting, meals and entertainment, labour, and miscellaneous revenue have fluctuated in each of the comparative years for "storm costs". We understand these fluctuations are because the 2026 GRA forecast is based on normalized 5 year (2020-2024) average actual storm costs. Please provide the normalized calculation to arrive at each cost category.

Request IR-46:

Reference: N-6 - 2026-2027 GRA Direct Evidence Appendix 7C Page 49-50 of 58

Per N-6, (Appendix 7C), page 49-50 of 58, we understand that labour expense has increased from 2024 actual to 2026 forecast for "administration". Additionally, we understand that the increase was due to five additional employees hired to support continued growth in Energy Delivery and salary escalation. Please explain the rationale for the additional workers and rationale for salary escalations.

Request IR-47:

Reference: N-6 - 2026-2027 GRA Direct Evidence Appendix 7C Page 49-50 of 58

Per N-6, (Appendix 7C), page 49-50 of 58, we understand that other goods and services expense has decreased from 2024 actual, 2025 budget, 2026 forecast, and 2027 forecast for "administration". We further understand that this decrease is primarily due to a $5 million reduction in 2026 per the GRA settlement agreement. Please provide support to show the $5 million reduction in the settlement agreement.

Request IR-48:

Reference: N-6 - 2026-2027 GRA Direct Evidence Appendix 7C Page 51-52 of 58

Per N-6, (Appendix 7C), page 51-52 of 58, we understand that labour expense has increased from 2024 compliance restated, 2024 actual, and 2025 budget compared to 2026 forecast for "customer service". We further understand that this increase relates to additional resources required to support customer growth and in customer requested work, and salary escalation. Please provide support to demonstrate customer growth. Additionally, please provide rationale for salary escalation.

Request IR-49:

Reference: N-6 - 2026-2027 GRA Direct Evidence Appendix 7C Page 51-52 of 58

Per N-6, (Appendix 7C), page 51-52 of 58, we understand that other goods and services has decreased from 2024 compliance restated, 2024 actual, and 2025 budget compared to 2026 forecast for "customer service". We further understand that this decrease is due to a $2 million reduction in 2026 per the GRA settlement. Please elaborate on what was reached in the settlement that resulted in the $2 million reduction, as well as any relevant supporting documentation.

Request IR-50:

Reference: N-6 - 2026-2027 GRA Direct Evidence Appendix 7C Page 51-52 of 58

Per N-6, (Appendix 7C), page 51-52 of 58, we understand that write-offs have decreased from 2024 compliance restated and 2024 actual to 2026 forecast for "customer service". We further understand that write-offs are part of bad debt expense and changes are driven by historical activity and forecast revenue. Please provide supporting calculations for these changes.

Request IR-51:

Reference: N-6 - 2026-2027 GRA Direct Evidence Appendix 7C Page 53-54 of 58

Per N-6, (Appendix 7C), page 53-54 of 58, we understand that labour has increased from 2024 compliance restated and 2024 actual to 2026 forecast for "grid modernization and customer integration". We further understand that this is due to additional resources in the Smart Meter Operations Center, primarily to support data analytics, customer experience for expansion of customer focused initiatives, increased requirements for Telecom and WAM support and salary escalations. Please explain how many additional resources were needed and the related salary. What expansion of customer focused initiatives occurred in the period?

Request IR-52:

Reference: N-6 - 2026-2027 GRA Direct Evidence Appendix 7C Page 53-54 of 58

Per N-6, (Appendix 7C), page 53-54 of 58, we understand that contracts have increased from 2024 compliance restated and 2024 actual to 2026 forecast for "grid modernization and customer integration". We further understand that the increase from 2024 compliance restated was due to increased requirements for the customer experience, SMOC, Telecom, and customer engineering and innovation teams. Please provide supporting cost breakdowns for the drivers of the increase noted in the above.

Request IR-53:

Reference: N-6 - 2026-2027 GRA Direct Evidence Appendix 7C Page 57-58 of 58

Please explain the nature of the "corporate adjustments" cost category. What costs are included in this category?

Request IR-54:

Reference: N-6 - 2026-2027 GRA Direct Evidence Appendix 7C Page 57-58 of 58

Per N-6, (Appendix 7C), page 57-58 of 58, we understand that labour has decreased from 2024 compliance restated, 2024 actual and 2025 budget to 2026 forecast for "corporate adjustments". We further understand that the decrease was due to an addition of a vacancy adjustment, payroll accrual timing, which was partially offset by better performance against corporate scorecard metrics in 2024 than what is expected in 2026. Please provide associated cost breakdowns for these amounts.

Request IR-55:

Reference: N-6 - 2026-2027 GRA Direct Evidence Appendix 7C Page 57-58 of 58

Per N-6, (Appendix 7C), page 57-58 of 58, we understand that other goods and services has decreased from 2024 compliance restated, 2024 actual and 2025 budget to 2026 forecast for "corporate adjustments". We further understand that the decrease was primarily due to a $2 million reduction per the GRA settlement agreement. Please elaborate on what was reached in the settlement that resulted in the $2 million reduction, as well as any relevant supporting documentation.

Request IR-56:

Reference: N-6 - 2026-2027 GRA Direct Evidence Appendix 7C Page 57-58 of 58

Per N-6, (Appendix 7C), page 57-58 of 58, we understand that vehicle allocated costs has increased from 2024 compliance restated to 2026 forecast and decreased from 2024 actual and 2025 budget to 2026 forecast for "corporate adjustments". We further understand that the increase was due to increased capital investment in transmission and distribution assets. Additionally, we understand that the decrease was due to the profile of capital investment.

a) Please provide a cost breakdown for the increased capital investment in transmission and distribution assets.
b) Please provide additional explanation of the profile of capital investment that resulted in a decrease in vehicle costs from 2024 actual and 2025 budget to 2026 forecast.

Request IR-57:

Reference: N-6 - 2026-2027 GRA Direct Evidence Appendix 7C Page 57-58 of 58

Per N-6, (Appendix 7C), page 57-58 of 58, we understand that admin overheads have increased from 2024 compliance restated and 2024 actuals to 2026 forecast, and decreased from 2025 budget to 2026 forecast for "corporate adjustments". The utility has indicated that both the increase and decrease was due to the profile of capital investment. Please elaborate on how the profile of capital investments resulted in these changes.

Request IR-58:

Reference: N-6 - 2026-2027 GRA Direct Evidence Appendix 7D Page 1 of 1

Per N-6, (Appendix 7D), page 1 of 1, we understand that pension expense has decreased from 2024 compliance restated to 2026 forecast, and increased from 2025 budget to 2026 forecast, and further increased from 2026 forecast to 2027 forecast. Please provide explanations, including cost breakdowns, for these fluctuations.

Request IR-59:

Reference: General

Please provide support and NSPI's analysis for FTEs for 2024 actual to 2027 forecast.

Request IR-60:

Reference: FO-11

Please provide workbooks, calculations and other supporting documentation for each line item included in FO-11 (Details of interest and other expenses), including each of the below:

a) interest on long-term debt

b) interest on short-term borrowings

c) other financing changes & adjustments

d) amortization of deferred financing charges

e) non-current service pension income

Request IR-61:

Reference: N-3 page 74

In reference to figure 11-1 in direct evidence N-3, page 74, please explain assumptions used in forecasting interest charges under "interest and other expenses" including explanations for year-over-year trends (2026F - $118.5M; 2027F - $130.0M).

Request IR-62:

Reference: FO-01

Per FO-01, please explain why the effective corporate income tax rate for both proposed 2026 and 2027, calculated at (11.5%) and 2.1% respectively, does not align with the company's statutory rate of 29%. We would expect that total corporate income taxes would include both current and deferred income taxes, thus aligning with the 29% statutory rate.

Request IR-63:

Reference: OE 10-11

Per OE 10-11, there are Part VI.1 taxes included in current income taxes for both 2025 and 2026 proposed. Why are Part V1.1 tax deductions included in regulated income taxes when directed by the Board in the GRA Decision to exclude them?

Request IR-64:

Reference: RB-02- RB-16

Per RB-02-RB-16, please confirm there are no deferred charges included in rate base for deferred tax assets related to loss carry forwards created by Part VI.1 tax deductions. If included, please explain why and provide information on the amount included in rate base.

Request IR-65:

Reference: OE-10-11

Per OE-10-11, please explain the proposed 2026 and 2027 adjustments for 'Deferred income taxes on loss carryforward', 'Reclassification of CIT to/from DIT (with regulatory offset)', and 'Current income tax recovery - Investment tax credits'. Include details on how these amounts are calculated, their sources, reasons for each adjustment, and note any regulatory offsets where applicable.

Request IR-66:

Reference: OE-10-11

Per OE10-11, please explain why the current income taxes added back in Schedule 1 for 2026 proposed Tab (T Sch 1 Test Year (2026)) does not agree to the calculation of current income taxes (tab S. Summary (OE-10-11- TAXES)).

Request IR-67:

Reference: N-3 page 46

Page 46 line 21-22 of the GRA notes "Regulatory amortizations for 2026-2027 are set out in Figure 8-3 below. Regulatory amortization expense is forecast to be $9.1 million in 2026 and $9.3 million in 2027." Please confirm that this should state $8.1 million in 2026 and 8.3 million in 2023 respectively, as outlined in Figure 8-3.

Request IR-68:

Reference: N-11 C ii

With regards to the regulatory amortizations outlined in Exhibit N-11(C)-(ii) (2026-2027 GRA DA-03 Att 1 - Excel - Confidential) - which includes Non-standard meters, SmartGrid NS, Annapolis Tidal Retired Assets, Hurricane Fiona GRA Deferral, Deferred Decarbonization Asset, and Roseway Decommissioning. Please provide background calculations for each amortization for 2024A-2027F.

Request IR-69:

Reference: N-3 page 48

With regards to the GRA and COSS deferral outlined in Figure 8-3 of the GRA:

a) Please provide the basis of the estimated $2 million GRA deferral.
b) If the actual GRA Deferral costs are less than forecast, is any portion refunded to customers?

Request IR-70:

Reference: Exhibit N-11(C)-(ii)

Exhibit N-11(C)-(ii) (2026-2027 GRA DA-03 Att 1 - Excel - Confidential) provides the total regulatory amortizations by account for 2024-2027F. Please reconcile the 2024 actuals regulatory amortizations to the Company's audited financial statements.

Request IR-71:

Reference: FO-01 and FO-02

Please provide a document that reconciles the 2024 audited statements of earnings and the balance sheet to regulated statement of earnings and regulated balance sheet.

Request IR-72:

Reference: RB-01 and FO-12

Please provide a reconciliation for line 7 (Salvage and cost of removal), line 8 (reclassified to COR and ARO liabilities), and line 9 (deferred financing costs on assets to be securitized) in FO-12 to RB-01 for all years.

Request IR-73:

Reference: RB-01

With regards to the rate base PPE continuity schedule (RB-01):

a) Please provide explanations for transfers to regulatory assets for all years.
b) Please provide explanations for the transfers to/from non-regulated assets for all years.

Request IR-74:

Reference: FO- 12

With regards to "FOR-12: Average Rate Base Supporting Schedule - Capital Assets"

a) Please provide support for the $12.6 million in deferred financing costs pertaining to the securitization proceeds in 2026.
b) Has this been approved by the Board for inclusion in Rate Base?

Request IR-75:

Reference: FO-12

Please provide support for line 17 "Capital spending including AFUDC" found in FO-12 Attachment 1. In particular reconcile the balance to approved capital spending reporting for the balances for line 15 in the 2025 forecast and 2026-2027 proposed years.

Request IR-76:

Reference: N-3 page 60

As per section 9.3 - Maritime Link Capital Applications, page 60,

We understand that assets that have met the threshold have been included in rate base at the beginning of the test period.

a) Please provide supporting documentation and calculations for the total benefits and total costs calculated in figure 9-5 of the GRA. Where possible, please tie amounts to quarterly reporting.

b) Please provide details on each asset that met the threshold and is included in rate base. Specifically, please provide descriptions of the assets as well as support and underlying calculations of the respective net book values.

Request IR-77:

Reference: FO-13

Please provide additional support for the Deferred FAM charges found in FO-13 attachment 1 line 35-38. In particular, provide support for the opening balance with detailed calculations for interest and support for any adjustments impacting this account.

Request IR-78:

Reference: FO-13

Please provide detailed background calculations for the Deferred Charges- DSM Rider Deferral from actual 2024 to proposed 2027. In particular, please provide any support and calculations for adjustments/interest as seen in FOR-13 attachment 1 lines 40-43.

Request IR-79:

Reference: FO-13

With regards to FO-13, Please provide an explanation and further details of what specific deferred charges are included in the continuity for "Deferred Charges – Other General" and "Other deferred credits" found in FO-13 attachment 1. Please provide any detailed calculations used to determine these figures and any relevant support. Please reference Matters where these deferred charges or credits were approved by the Board.

Request IR-80:

Reference: FO-13 and FO-12

Please explain why the Regulated Assets (Roseway, Annapolis, and Smartgrid NS) for 2025F is $6.5 million in FO-13 line 54 but $2.1 million in FO-12 line 11.

Request IR-81:

Reference: N-3 Page 59

We understand that the net book value of thermal generating assets to be retired by 2030 are included in the DDA and that no assets are expected to be retired during the test period. When are these assets expected to be retired?

Request IR-82:

Reference: FO-13

Please provide detailed background calculations for the Cost of Removal from actual 2024 to proposed 2027. In particular, please provide any support and calculations for additions and removal costs incurred as seen in FOR-13 attachment 1 lines 81-86.

Request IR-83:

Reference: DA-04

Please provide detailed background calculations and supporting documentation for the ARO from 2024 actual to proposed rates 2027.

Request IR-84:

Reference: N-3 Page 54

As noted in section 9.2.4 (Page 54), Long term income tax receivable.

a) Please provide particulars, by year, of the income tax receivable and interest. For greater certainty, please confirm that these amounts have been paid by rate payers. If not, please explain.

b) Please provide a copy of NSPI's Notice of Appeal filed with the Tax Court of Canada, and any written submissions by NSPI and CRA.

c) When does NSPI anticipate resolution of the ongoing dispute?

d) If resolved during the test years, how will the refund be treated by NSPI?

Request IR-85:

Reference: RB-02-16- Attachment 1

Please provide explanation for the increase in materials and supplies allowance from 2024 Compliance Rates to 2026 Proposed Rates.

Request IR-86:

Reference: FO-14

With regards to FO-14: Average Rate Base Supporting Schedule - Allowance for Materials & Supplies, average fuel inventory is expected to increase from 2025 Forecast to 2026 Proposed Forecast, then decrease in 2027 Proposed Forecast. Please explain why these forecasts are expected and provide any underlying assumptions.

Request IR-87:

Reference: FO-14

With regards to FO-14: Average Rate Base Supporting Schedule - Allowance for Materials & Supplies, average materials inventory is expected to increase from 2025 Forecast to 2026 Proposed Forecast. What is the reason for these forecast changes?

Request IR-88:

Reference: SR-04 Attachment 1

Please provide a schedule of costs related to the most recent lag study (including costs for fuels, OM&G labour, OM&G non-labour, grants in lieu of taxes, HST collected, HST/GST paid, and DSM) reconciled to the 2023 audited financial statements.

Request IR-89:

Reference: RB-02-16- Attachment 1

Please provide an explanation for the increase in Cash Working Capital ("CWC") 2024 Compliance Rates to 2026 Proposed Rates. Specifically, please provide details on the categories driving this increase.

Request IR-90:

Reference: RB -02-16- Attachment 1

Was there any change in methodology used in calculating the Working capital allowance for the 2026-2027 GRA compared to the 2022-2024 GRA? If so, please explain the difference(s) and why the change was required.

Request IR-91:

Reference: RB -02-16- Attachment 1

Please provide detailed calculations of the 2026-2027 AFUDC, DSM, Storm, FAM & FCR Interest.

Request IR-92:

Reference: RB -02-16- Attachment 1

In the reconciliation of revenue requirement to statement of earnings, please explain why noncurrent pension interest, AFUDC, FAM, and FCR interest are adjustments required to revenue requirement.

Request IR-93:

Reference: N-3

Per N-3, section 1.1, page 8, lines 22-26, it is stated that:

"Hundreds of detailed questions and requests for additional information from Customer Representatives were responded to by NS Power and, the Parties participated in multiple meetings where the GRA was negotiated, with the result being a consensus on the outcomes. Throughout the entirety of this process, Customer Representatives were aided by their expert consultants."

Please provide any details, explanations, or any applicable documents on the outcomes in which Customer Representatives reached a consensus for the following matters: operating maintenance & general expenses, rate base, working capital, regulatory amortizations, interest and other expenses, regulatory amortizations, and taxes.