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Request IR-1:

On page 1 of 3 in the application, NS Power noted the project scope was 10,200 transmission poles being retreated in 2022 and 2023, with a June 2022 Start date/ In-Service date.

On page 2, NS Power explained that the original scope was developed using past structure inspection data and transmission line criticality, and the reduction of scope was due to fewer wood poles being determined to require retreatment following the test performed by the contractor.

(a) How many transmission poles were retreated under this project?

(b) What was the average cost per pole?

(i) If this differs from the \$127.45/pole (\$1.3million/10,200) in the original estimate, please explain why.

(c) Please provide the contractor's inspection report that explains the reduction in the number of poles being retreated.

Response IR-1:

(a) 9,795 transmission poles were retreated under this project.

(b) The average cost per pole was \$80.76 (\$791,054 / 9,795 poles).

(i) NS Power's contractor for this project undertakes testing of each pole before administering any retreatment. Based on the results of the tests, appropriate retreatments are performed. The retreatment type required in each instance varies based on the pole's assessed condition and on-site environment. For most poles

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1 within the original scope, a less significant retreatment process was sufficient,
2 which reduced costs due to fewer materials and less labour compared to more
3 aggressive retreatments. Additionally, the contractor's tests determined that it was
4 not necessary to retreat 462 poles included in the original scope, further lowering
5 overall costs.
6

- 7 (c) The contractor's data sheets for each transmission line lists the poles that were tested, and
8 the resulting retreatments administered. In the 'ACTIONTAKEN' column, the blank cells
9 and cells that list 'RECORD' identify the poles that were inaccessible and those that did
10 not require any retreatments, respectively. Please refer to Attachment 1, Attachment 2,
11 Attachment 3, and Attachment 4 for the contractor's data for each of the lines on which the
12 scope was reduced.

**C0040310 2022-2023 Wood Pole Retreatment Program
IR-1 Attachment 1 has been filed electronically.**

**C0040310 2022-2023 Wood Pole Retreatment Program
IR-1 Attachment 2 has been filed electronically.**

**C0040310 2022-2023 Wood Pole Retreatment Program
IR-1 Attachment 3 has been filed electronically.**

**C0040310 2022-2023 Wood Pole Retreatment Program
IR-1 Attachment 4 has been filed electronically.**

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Request IR-2:

The application indicated that the last pole was forecasted to be completed in December 2023, and the Final Cost date was estimated as June 2024.

The project was completed in December 2024, and the Final Cost date is October 2025.

(a) Please explain the reason(s) for the one-year delay in project completion.

(b) Please explain how the recent cyber incident impacted the delay of the FIN application.

(c) What is NS Power's detailed justification, other than the cyber incident, for the delay of the FIN application, as required by NS Power's Capital Expenditure Justification Criteria (CEJC)?

Response IR-2:

(a) In an effort to safely and effectively access transmission structures to perform testing and administer the appropriate pole retreatment, NS Power collaborated with the contractor for this program to extend the timeline for poles on specific lines that are located in areas with challenging access, including those with adverse terrain such as wetlands, steep grades, and dense forest. In addition, certain poles that required additional time to reach were located in areas that are typically more accessible in seasons with little to no vegetation. These adjustments to the approach and schedule were made to ensure safe working conditions and minimize environmental impact.

(b) The recent cyber incident limited access to key project files required by the project team to initiate the FIN application. This included the retrieval of past invoices, and an updated

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1 spend profile detailing other NS Power expenditures related to this project (labour, travel
2 expenses, meals, etc.).
3

4 (c) The submission of this FIN was also delayed due to additional time that was required to
5 complete final invoicing and conduct project closure activities. These activities were
6 delayed as resources were prioritized to focus on managing active projects, which reduced
7 their available time to complete the activities required to complete this FIN application.
8 NS Power endeavors to provide timely capital work order submissions to the Nova Scotia
9 Energy Board (NSEB), and to provide notice of outstanding FINs through its capital
10 quarterly reporting as it did with this project.

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Request IR-3:

The Variance sheet on page 3 of 3 in the application showed an increase of over 1.5 times in travel expense despite the reduction of almost half of the regular labour cost and the reduction of scope in general. Please explain.

Response IR-3:

The increase in travel expense is attributed to additional site visits to transmission lines with significant access constraints, as noted in NS Power's response to IR-2. Sections of nine transmission lines across the province within the 2022 and 2023 scopes were identified by the contractor as having extreme terrain and vegetation that impeded their progress. This required further site reviews with the assistance of field project leads and project team members to determine alternate access routes and additional vegetation clearance requirements. While the overall scope and regular labour costs were reduced, the complexity of accessing these hard-to-reach areas resulted in a higher frequency of travel and associated costs.

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Request IR-4:

This project was the fourth CI of a multi-year program that was to continue beyond 2023.

What is the status of the other phases of the program?

Response IR-4:

CI C0010955 – 2020/2021 Wood Pole Retreatment Program was completed in June 2024.

CI C0061387 – 2024/2025 Wood Pole Retreatment Program is ongoing and is anticipated to be completed in October 2026. Some project constraints, such as contractor availability as well as safe and efficient access to structures, are impacting the original timeline included in the initial submission.