M12558

NOVA SCOTIA UTILITY AND REVIEW BOARD

IN THE MATTER OF: ***The Public Utilities Act***

– and –

IN THE MATTER OF: **A Review of NOVA SCOTIA POWER INCORPORATED's Five-Year Reliability Plan 2025-2029**

INFORMATION REQUESTS

To:
Jennifer Kallay
Synapse Energy Economics
485 Massachusetts Avenue, Suite 3
Cambridge, MA 02139
Email: jkallay@synapse-energy.com

From: The Consumer Advocate

Responses Due: November 27, 2026

Copies: 1 electronic copy (PDF searchable)

Contact Person:
David J. Roberts
Consumer Advocate
Pink Larkin
1463 South Park Street
Halifax, NS B3J 3S9
Tel: (902) 423-7777
Email: droberts@pinklarkin.com

Request IR-1:

Please provide a list of information that NS Power could not or chose not to provide to Synapse, and that could not be located in other proceedings, that materially constrained Synapse's ability to provide a fulsome response to the Board's directives in the 2023 Annual Performance Standards (M11624) decision, various ACE Plan decisions, and decisions on other reliability related matters. Please provide a brief summary of how each type or element of information that was unavailable created a material constraint, and address the following questions specifically:

(a) Has NS Power communicated with Synapse in response to your comment on p. 27 regarding the lack of data on transmission-level outages?

(b) Did Synapse request "data to examine scalability restrictions" as discussed on p. 77?

(c) The comment on p. 91 references a need for validation of spending on "status quo investments." Please clarify what information Synapse believes should be provided, how uncertainty about this information affects its findings and recommendations, and whether NS Power communicated with Synapse regarding this topic.

(d) Did Synapse follow up with the Industrial Group to better understand "what is meant by the recommendation to examine whether the FLISR/DERMS envelope is consistent with industrial DER integration" (p. 108)?

Request IR-2:

In what ways could site visits and direct dialogue with NS Power staff, as is done for the FAM Audit, have enabled Synapse to provide a more fulsome response, as requested in IR-1.

Request IR-3:

The report recommendations are classified as requiring consideration in the near-term (2027 ACE Plan), medium-term (2028 ACE Plan), and long-term (next Five-Year Reliability Plan).

(a) Please explain how Synapse believes it is practical for NS Power to address near-term recommendations in the 2027 ACE Plan.

(b) Please provide any revisions to the classification of recommendations that Synapse may consider necessary due to the timing of the proceeding.

(c) For each medium-term and long-term recommendation, please provide specific reason(s) why it may not be accomplished sooner.

Request IR-4:

Please refer to the Terms of Reference at p. 4, stating:

> Provide guidance to the Board regarding how and whether to consider VoLL based on residential and/or non-residential studies specific to NS (as available) or data from other Canadian utilities, such as Alberta Electric System Operator and the Independent Electricity System Operator in Ontario (as placeholders, if NSspecific data is not available).

The report describes NS Power's indications as to its studies on VoLL (p. 44). Please identify or provide Synapse's guidance on:

(a) Generally, how and whether NS Power should consider VoLL in reliability planning;

(b) Whether VoLL should be treated as quantitative electric cost benefit for

evaluating reliability programs, categories, or investment decisions;

(c) Whether VoLL should be used as a qualitative indicator of reliability improvement benefits;

(d) Whether a single VoLL average value should be used, or whether application of VoLL should always consider variation across customer classes and potentially differentiated for vulnerable and priority customers and communities;

(e) Whether application of VoLL should consider the duration and any other outage event characteristics; and

(f) The applicability of VoLL-related data from other Canadian utility sources as placeholders.

Request IR-5:

The report finds that, "The allocation of funds among vegetation management programs may not maximize reliability improvements." (p. 20) However, the term "maximize" is not used in the following discussion.

(a) Please explain what Synapse means by "maximize."

(b) Please explain whether Synapse recommends that NS Power target reliability improvements as defined by existing reliability metrics.

(c) Please explain how, if at all, Synapse believes that reliability improvements should be evaluated to consider outage prevention, service restoration cost/schedule, or any other factors not directly reflected in existed reliability metrics.

Request IR-6:

Please refer to Synapse's statement that, "audits of individual programs and the WAM system is important and relevant to delivering reliability benefits; some of the analysis described by the CA is beyond the scope of Synapse's report." (p. 106) And further, Synapse's recommendation that, "An independent, third-party audit of NS Power's vegetation management programs should be conducted and should provide recommendations on approaches, practices, or tools from other utilities that would help NS Power optimize its vegetation management programs. The study should also examine whether additional resources and funding can and should be reprioritized from other programs to improve reliability in a cost-effective manner." (p. 29)

(a) Does Synapse recommend that such an independent audit be commissioned by NS Power or by the Board?

(b) Please explain why Synapse did not also recommend audits of other individual programs including but not limited to the WAM system, the Advanced Grid Modernization program and its Remote Terminal Units sub-program.

(c) With reference to the Board's decision in the 2026 ACE Plan, and considering any information it has reviewed in developing this report, please provide Synapse's observations on (i) the utility of performance standards leveraging more granular information available in WAM systems, such as the Maximo/Salesforce tracking of transactions per labour hour, and (ii) characterizing any information gap in tracking and measuring the performance of contractor activities that Synapse believes to exist.

(d) How would such a study examine reprioritization of funding from other programs if it does not fully audit those programs?

(e) Please provide Synapse's opinion as to the qualifications that such an auditor should demonstrate.

Request IR-7:

Please refer to the Terms of Reference at p. 4, stating "Assessment of whether NS Power applied the Project Delivery Model (PDM) to this reliability plan, especially the cost minimization practices."

(a) Please identify where in the report this assessment is described. If not clearly expressed, please provide further discussion of this assessment.

(b) Please describe any other project management approaches (alternatives to the PDM) used by NS Power for 5-Year Reliability Plan capital spending, and provide Synapse's opinion as to (i) the effectiveness of the approach and (ii) any specific shortcomings that should be addressed, with relevant opinions as to how that should be accomplished (either directly by NS Power or what further process should be followed to identify improvements).

(c) With reference to the Board's conclusion in the 2026 ACE Plan decision that, "NS Power's existing Work Management systems provide an opportunity to improve the assessment of Routine expenditures without creating an entirely new reporting system," (para. 55) and its suggestion that NS Power use these systems for "planned routines involving significant overtime, contractors, specialized equipment or procurement requirements … to demonstrate that resources have been appropriately planned and that avoidable costs are being minimized," (para. 64) please provide your opinion as to whether and, if so, how data from the WAM system:

(i) Should be used within the PDM, where it is recommended for use in reliability-related capital projects; and

(ii) Should be used in some other project management approach where the PDM is not recommended by Synapse for use in reliability-related capital projects.

(d) With reference to the recommendation on planned outages (Table 16, p. 57), is Synapse aware of any management systems (software or planning practices) that NS Power can use to coordinate the scheduling of planned outages to reduce the increase in planned outages (p. 107, IG comment referring to matter M12376)?

Request IR-8:

Please refer to Synapse's statement that it, "supplemented the report with additional comparisons to peer Canadian utilities regarding spending and system coverage for vegetation management programs." (p. 106)

(a) Please identify any findings or recommendations related to the identification of new or alternative investments that differ from those included in NS Power's Plan which were informed by "practices or tools

from other utilities."

(b) Considering the discussion of Southern California Edison and Entergy New Orleans' benefits analysis methods (p. 39), and PG&E (p. 49), what specific practices does Synapse believe should be considered for implementation in NS Power's current or foreseeable management systems, considering such factors as availability of data and relevance?

Request IR-9:

Please provide Synapse response to the Board's order in M12012 to improve transparency and emphasis on pole upgrades, particularly for areas of the system that experience high wind, considering any information it has reviewed in developing this report.

Request IR-10:

In the 2025 ACE Plan Decision, the Board directed NS Power to provide an update on its evaluation of potential new reliability and resiliency metrics in the 2026 ACE Plan. In the 2026 ACE Plan (M12619), the Board commented that NS Power has not identified any new reliability or resiliency metrics that warrant adoption. After reviewing this background, the Board opened a new matter (M12376) "to review existing performance standards and determine if changes should be made." (para 162). Please provide a summary of Synapse's current opinion as to the adequacy of performance standards for (a) reliability and (b) resiliency and recommendations as to any changes that should be made in each category within the next year or two, as distinct from longer-term efforts to develop new performance standards.

Request IR-11:

The report discusses a disagreement between NS Power / Tetra Tech and Synapse regarding the relevance of potential improvement in outage response during (and after) major events (p. 104).

(a) NS Power's comments indicate that it has not designed its Five-Year Reliability Plan to address any improvements in responses. Should reduced outage duration during major events be a metric that is considered in evaluating NS Power's reliability plan?

(b) If your answer to part (a) is anything other an unambiguous "no," should NS Power be directed to revise its storm hardening reliability programs to consider outage duration during major events?

(c) Does Synapse agree that the cost of restoration efforts is only partially correlated to the level of hardening of the system? How does your response vary between labour and other restoration expenses?

(d) Does Synapse see a distinction between considering the impact on restoration time when evaluating storm hardening investments and the importance of automation, crew practices and other operational planning activities?

(e) Tetra Tech specifically refers to "asset accessibility investments." Please provide Synapse's understanding of this term and provide an opinion as to whether it should be evaluated as part of the reliability plan.

Request IR-12:
The report states that, "it is unclear why targeted equipment replacements and upgrades are the primary mitigation to address climate-related pressures, and whether it is reasonable that such high expenditures are expected to achieve a relatively small reduction in risk." (p. 12) Does Synapse have an opinion as to (a) whether replacements/upgrades should be the "primary mitigation" and (b) the reasonableness of these high expenditures?

Request IR-13:
With respect to the statement that the Plan will address vegetation management on about 19 percent of the NS Power system, please provide Synapse's understanding of the percentage of the system (expressed in kilometers) that does not require vegetation management due to the land use or other characteristics of the property through which the lines pass. If Synapse is unable to provide an exact calculation, please provide your best understanding.

Request IR-14:
With respect to the budget forecast and Appendix G recommendations (Table 6, p. 29),

(a) Please provide Synapse's opinion of the current organization of the ACE Plan. For example, should the plan be reorganized to separate the reliability plan budget from other sections of the ACE plan so that it is clear which projects are primarily intended to maintain or improve reliability? Or is the supplementary data recommended for Appendix G the ideal approach?

(b) Provide the pros and cons of any reorganization, and your opinion on whether that would help to address your adverse findings on budget and alternatives analysis.

(c) Should any reorganization or data in Appendix G further distinguish between reliability improvements and maintenance of status quo, as discussed on p. 48?

Request IR-15:
Considering the discussion on the lack of critical facilities data (p. 34), does NS Power also need data on feeders that may primarily or exclusively serve lower-priority areas, such as seasonally-used properties? If so, what is Synapse's recommendation on this point?

Request IR-16:
Considering the recommendations to estimate reliability improvements for each individual program and at the feeder or project level (Table 11, p. 43),

(a) Has Synapse determined whether NS Power actually has adequate data and opportunity to implement methods for estimating program, feeder and project level reliability improvements? Please provide your response for each individual reliability program, with responses for feeder and project-level estimates where applicable to each program.

(b) For each individual reliability program that requires new data collection or new methods, please provide your opinion as to a reasonable time frame for completing the task.

(c) For each area where feeder and project-level data and methods are applicable, please provide your opinion as to a reasonable time frame for

completing the task.

Request IR-17:
On p. 47, your report states that Figure 16 "demonstrates that programs targeted at reducing tree contact are the most cost-effective." However, on p. 44, your report states, "The Company did not provide detailed analysis or data to support its calculations of program cost-effectiveness." Please explain whether Synapse finds that NS Power's calculations of program cost-effectiveness are likely to be sufficiently accurate to support the finding that reducing tree contact is the most cost-effective reliability program, or whether there remains substantial uncertainty on this point.

Request IR-18:
Regarding Table 5 (p. 26), a 2021 performance assessment of Hydro One's vegetation management cycle sampled feeders where trimming had been completed. The report's modeling forecasts that, "Upon completion of the first full OCP cycle, overall system conditions will have improved from an estimated 800,000 pre-OCP defects to less than 20,000 post-OCP on a 3-year cycle and 90,000 on a 4-year cycle (as further discussed below)."[1] The report goes on to suggest that in some areas, a 4-year (or longer) cycle could be more appropriate.

(a) Does Synapse have any updated information on Hydro One's vegetation management program as to whether this outcome was achieved?

(b) Does Synapse consider this survey and statistical method a practice that would be helpful for better planning NS Power's vegetation management programs?

Request IR-19:
Regarding Table 5 (p. 26),

- DTE completed tree trimming on 80 percent of system overhead miles from 2019 through 2024, intending to complete the work in 2025 and then trim the system on five-year cycles, at a cost of about $34,000 per trim mile.[2]
- Consumers Energy has set a 4.2-year cycle for high voltage, 5-year cycle for 24.9 kV, 7-year cycle for 12.5 kV, and 9-year cycle for 8.3 kV overhead distribution circuits.[3]

In its review of DTE's reliability program, The Liberty Consulting Group writes,

> Others have found that sustaining forestry cycles after completion of the first, substantially shortened cycle, produces large cost savings. The overgrowth that complicates work on the first cycle no longer exists with the more frequent subsequent visits involved. This phenomenon, as DTE completes its surge, may have a material downward impact on future costs through and past the DGP horizon.[4]

[1] Clear Path Utility Solutions, Hydro One Optimal Cycle Protocol (OCP) First Cycle Performance Assessment (April 15, 2021), p. 6; filed by Hydro One (Aug. 5, 2021), Ontario Electric Board Docket No. EB-2021-0110, Exhibit B-3-1 (Distribution System Plan), Section 3.3, Attachment 3.
[2] The Liberty Consulting Group, Final Report Utility Distribution Audit of DTE Energy, Part 2 (September 23, 2024), Michigan PSC Docket No. U-21305, p. 51, 69.
[3] The Liberty Consulting Group, Final Report Utility Distribution Audit of Consumers Energy, Part 2 (September 23, 2024), Michigan PSC Docket No. U-21305, p. 41.
[4] The Liberty Consulting Group, Final Report Utility Distribution Audit of DTE Energy, Part 2 (September 23, 2024), Michigan PSC Docket No. U-21305, p. 69.

In its review of Consumers Energy reliability program, The Liberty Consulting Group writes,

> Our experience finds much more typical a shorter, uniform four-year cycle for distribution voltages. Such a cycle would require significantly more vegetation work by Consumers given the increase in number of circuit miles requiring trimming each year. A compounding cost factor arises from the fact that some circuits last underwent trimming some 20 years ago according to data from Consumers. For illustration AIC, which had previously deferred tree trimming costs, had significant added costs for bringing circuits in line with four- or five-year cycle trimming. Following completion of the first accelerated cycle, however, cost decreases on the order of 50 percent occurred and should prove sustainable, given that more frequent trimming leaves less regrowth and new growth to address at each visit.
>
> Apart from targeting much longer than normal cycles, Consumers does not plan to reach even its overall seven-year duration until 2030; *i.e.*, two years after the 2023 EDIIP planning horizon ends. With many circuits so far from last trimming, this approach manages costs, but also delays the production of reliability benefits on many circuits. As late as 2022, 67 percent of the that year's planned miles were in backlog and out of line with the targeted trim cycle. The process of catching up has, however, been reducing effective trim cycle length; *e.g.*, from 16.2 years in 2018 to 12.8 years in 2020. The current overall trim cycle in effect remains at close to 10 years.[5]

(a) Does Synapse view The Liberty Consulting Group's analysis and findings consistent with its own? Please comment on any lessons from these audits that are applicable to NS Power's vegetation management program.

(b) The DTE and Consumers Energy audits indicate that their hazardous tree removal programs remove between four and eleven thousand trees per year, with DTE's cost being US$0.7-1.5 million per year, or about $200 per tree.[6] Considering that these utilities are each about four times larger than NS Power, how does that compare with NS Power's program?

(c) The DTE audit provides outage reduction data comparing outages after tree trimming to those occurring on the same circuits in the five years before the trim.[7] Does Synapse believe this is a useful program metric and, if so, would it be feasible for NS Power to implement it?

Request IR-20:

Regarding Table 5 (p. 26), please review the following excerpts from an audit of Jersey Central Power & Light:

> BPU Orders require no greater than four-year cycles for distribution rights of way vegetation management, complemented by spot trimming or treatment conducted as

[5] The Liberty Consulting Group, Final Report Utility Distribution Audit of Consumers Energy, Part 2 (September 23, 2024), Michigan PSC Docket No. U-21305, p. 42.

[6] The Liberty Consulting Group, Final Report Utility Distribution Audit of Consumers Energy, Part 2 (September 23, 2024), Michigan PSC Docket No. U-21305, p. 46; The Liberty Consulting Group, Final Report Utility Distribution Audit of DTE Energy, Part 2 (September 23, 2024), Michigan PSC Docket No. U-21305, p. 52.

[7] The Liberty Consulting Group, Final Report Utility Distribution Audit of DTE Energy, Part 2 (September 23, 2024), Michigan PSC Docket No. U-21305, p. 52.

necessary to maintain clearances on restricted easements, in the presence of fast-growing vegetation species, and for other reasons. The program seeks to sustain sufficient operational clearances between the trim cycles. Management trims distribution and sub-transmission line trees and brush on four-year cycles. …

Management initiated in 2021 a Vegetation Management Circuit Performance Program (VMCP). First, for each of 1,187 JCP&L circuits, management will report semi-annually all tree-related outages by weather condition (blue sky, minor weather days, and major events). The program places a focus on the worst-performing 12 percent of circuits as measured by their SAIDI performance over four years. A circuit on the 12 percent list during any two years of a four-year cycle undergoes special attention in evaluating its SAIDI drivers (*e.g.*, overhanging limbs and off-corridor trees. Management then will apply focused improvement methods, such as enhanced overhang trimming, and off-corridor tree mitigation to these poorest-performing circuits. The program calls for the monitoring of these circuits on a quarterly basis until the circuits' SAIDI performance shows sustained improvement for at least two consecutive quarters.[8]

(a) What is Synapse's opinion of the usefulness of a regulator requiring a specific target for the length of distribution vegetation cycles, such as that required by BPU?
(b) If the Board decided that such an order was necessary, what type of information should the Board obtain in order to determine an appropriate cycle length?
(c) What is Synapse's opinion of the VMCP and use of circuit SAIDI performance data to identify circuits in need of evaluation and focused improvement? Does NS Power appear to have a comparable program and, if not, should it?

Request IR-21:

Regarding Table 5 (p. 26), please review the following excerpts from a Public Utility Commission of Texas staff investigation:

Analytical vegetation management plans determine the trimming schedule based on datapoints. CenterPoint switched to a more analytical plan in 2020. It ranks and prioritizes circuits based on potential impact to critical loads, overall customer count, and previous vegetation-related outages. The time between trimmings is considered but is not a controlling factor. Circuits with more vegetation issues are addressed more frequently under this type of plan.

[The report then discusses data showing relationships between outages during a major event and the recency of trimming.]

Not every outage in CenterPoint's system can be associated with a failing in its vegetation management policy, but the map suggests CenterPoint's criteria should be adjusted to trim more frequently.[9]

[8] The Liberty Consulting Group, Phase One of an Audit … of Jersey Central Power & Light Company (February 7, 2023), Board of Public Utilities State of New Jersey Docket No. EA20110733, p. 70,71.

[9] Public Utility Commission of Texas, Investigation of Emergency Preparedness and Response by Utilities in Houston and Surrounding Communities (November 2024), PUC of Texas Project No. 56822, p. 47.

(a) The report appears to suggest that CenterPoint should consider both an analytic method that prioritizes vegetation management based on a risk-based ranking and also a cycle frequency criterion. Does Synapse agree with this "both-and" recommendation such as a maximum allowed period between vegetation management on a circuit, but with higher frequency visits for high-ranked circuits? Or does Synapse favor emphasizing one approach over the other?

(b) With respect to the ranking method described in this report, what is Synapse's opinion as to whether CenterPoint has selected the right factors for prioritizing circuits on a ranking system?

Request IR-22:

The report discusses the inspection variable (p. 38).

(a) Please describe how Synapse evaluated the effectiveness of NS Power's distribution system inspection program in supporting its reliability plan. If Synapse did not consider this an important factor, please explain why not.

(b) In the excerpt below from The Liberty Consulting Group's audit of Consumers Energy,[10] a list of distribution circuit inspection programs is provided. Please provide Synapse's understanding as to whether NS Power conducts similar activities and, if so, whether they are effective, prioritized appropriately, and the costs are reasonable.

(c) For the distribution circuit inspection program, Liberty states:

> Consumers has calculated reliability improvement achieved by comparing SAIDI minutes following improvements with the average minutes for the three years prior to improvement. That improvement has averaged 64 percent when applied to the 831 projects completed from 2017 through 2021. Forestry Line Clearing, acknowledged as the largest contributor to improved reliability, has also been occurring over the relevant period.[11]

Does Synapse believe this is a useful program metric and, if so, would it be feasible for NS Power to implement it?

[10] The Liberty Consulting Group, Final Report Utility Distribution Audit of Consumers Energy, Part 2 (September 23, 2024), Michigan PSC Docket No. U-21305, p. 62.

[11] The Liberty Consulting Group, Final Report Utility Distribution Audit of Consumers Energy, Part 2 (September 23, 2024), Michigan PSC Docket No. U-21305, p. 63.

EDIIP LVD Inspection and Maintenance Activities and Costs

Inspection Task	Cadence	Components Checklist	Annual Cost
LVD Line Inspections	2 Years	• Visual Inspection of pole and pole top components. • If a pole is suspected of failure perform test for strength.	$34.3M
Padmount Inspections	Significant Sample Annually	• Visual external safety inspection to identify if secure, holes or leaking.	$709K
Electronic Circuit Recloser	Remote Monitoring	• Monitor for any abnormality in performance and investigate for correction.	$118K
	6 Years	• Inspect reclosers without modems for any abnormality in performance and correct as abnormalities are identified.	$250K
	4 years	• Replace battery	$91K
Switched Capacitor Bank	Remote Monitoring	• Monitor for any abnormality in performance and investigate for correction.	$190K
Unswitched Capacitor Bank	Annual	• Visually inspect for any abnormality and correct as abnormalities are identified.	$73K
Gang Operated Switches	3 Years	• Inspect and cycle the switch to ensure proper performance and correct as abnormalities are identified.	$600K
Disconnect Switches	3 Years	• Inspect, cycle and clean contacts to ensure proper performance and correct as abnormalities are identified.	$6.2M
Total			**$42.5M**

Request IR-23:

The report finds that NS Power's reliability plan does not consider an alternative portfolio (p. 20).

Staff-sponsored testimony on the ComEd Multi-Year Integrated Grid Plan states:

> In applying this right sizing framework, it is essential to account for the fact that the elements in an optimized reliability portfolio will have different costs per unit of reliability metric performance achieved, for example, dollars of investment required to produce a minute of metric improvement ("SAIDI unit costs" or "SAIFI unit costs"). Reliability measures can begin to lose some of their effectiveness in producing SAIDI and SAIFI benefits as their use expands on the system. Those points and rates of decreasing benefits and resulting increases in their individual SAIDI or SAIFI unit costs vary. Factors like this require optimizing the contributions of reliability measures relative to each other.[12]

And further that:

> Neither the targets to which GP2's reliability measures are directed nor the reliability performance those measures will collectively achieve have been made clear. That lack of clarity is material, regardless of how ComEd has been performing against reliability measures, but it is critical in light of GP2's significant proposed increases above RGP investments and O&M programs and activities.[13]

(a) Please identify any similarities or differences between the testimony on

[12] Direct Testimony of John Antonuk, *Commonwealth Edison CompanyPetition for Approval of Multi-Year Integrated Grid Plan*, Illinois Commerce Commission Docket No. 26-0047, Staff Ex. 15.0 (May 14, 2026), p. 40.
[13] Direct Testimony of John Antonuk, *Commonwealth Edison Company Petition for Approval of Multi-Year Integrated Grid Plan*, Illinois Commerce Commission Docket No. 26-0047, Staff Ex. 15.0 (May 14, 2026), p. 47.

ComEd's plan and Synapse's recommendations with respect to the "right sizing framework."

(b) Please identify any similarities or differences between the testimony on ComEd's plan and Synapse's recommendations with respect to the need for clarity in identifying how reliability programs are directed to reliability performance.

(c) Please comment on whether Synapse would revise or extend its recommendations in light of the approach recommended in this testimony.

(d) The above-cited testimony recommends limits on ComEd's capital and O&M spending on system reliability programs due to its failure to justify its investments as cost effective in achieving reliability performance.[14] How would Synapse recommend the Board evaluate NS Power's spending on system reliability programs in order to determine whether spending should be capped at some level?

Request IR-24:

Regarding Exhibit N-3, Synapse RIR-28, Attachment 7 (2026 ACE Plan Appendix G, p. 33). NS Power's Five-Year Reliability Plan update includes its program to upgrade and replace aging equipment, which includes replacing poles. Appendix C to that document (p. 71 of Attachment 7) includes a list of new poles to be installed meeting the new pole class standard.

In discussing the lack of supporting documentation for pole replacement investment decisions by Ergon, an audit for the Australian Energy Regulator found:

> We consider that a normal governance process would require business cases (or similar) to support proposed investments at a portfolio, and category level. These business cases would be supported by robust analysis of options, and interrogation of available condition and performance data. As we explore further in our review of the repex for the ex post period, we were not provided with the information that we would expect Ergon would have relied upon before incurring the repex that it has reported.
>
> As outlined in our assessment of expenditure in Sections 4, 5 and 6, the information provided by Ergon has been problematic and generally lacked sufficient justification. We were not able to easily ascertain the information that was available to Ergon at the time of its investment decisions, to determine the basis on which Ergon considered that the incurred capex met the capex criteria at that time. After numerous requests for information, both prior to and following the onsite discussion we were able to form a view on the reasonableness of the ex post repex. However, we consider that Ergon's evident difficulty in providing this information to us is a strong indication that such information did not drive a structured decision process at the time.

And:

> During our onsite discussion, we asked Ergon for details of its defect analysis and specifically whether it had identified any sub-population of poles that were drivers of increasing defects. Whilst Ergon provided some information during that

[14] Direct Testimony of John Antonuk, *Commonwealth Edison Company Petition for Approval of Multi-Year Integrated Grid Plan*, Illinois Commerce Commission Docket No. 26-0047, Staff Ex. 15.0 (May 14, 2026), p. 78-79.

discussion identifying some species of poles, we were not convinced that Ergon's forecasting methods for defects have adequately considered the influence of sub-populations of poles which could inform the selection of prudent and efficient treatment strategies.[15]

(a) What is Synapse's opinion of NS Power's program to upgrade and replace aging equipment? If Synapse has not formed a specific opinion of its effectiveness, what steps should be taken by NS Power or the Board to establish that it is performing well and cost-effective in achieving reliability improvements?

(b) Does Synapse agree with the perspective illustrated in the Ergon audit that a governance process should require a business case that supports proposed reliability investments at both a portfolio and a category level? If not, please explain. If so, please identify how Synapse recommends that NS Power's governance process should work at the category level.

(c) When considering replacement of poles and other similar equipment that develop defects, please describe any best practices that Synapse is aware of that NS Power could implement to forecast defects across its system, including "sub-populations." If Synapse is not aware of any such practices, what steps should be taken by NS Power or the Board to identify such defect forecast practices?

(d) Specifically focusing on the concept of "sub-populations," but raising a more general question across all reliability program investment types (e.g., including vegetation management): Please provide Synapse's opinion as to whether the Board should focus on

(i) The program (e.g., the budget for the upgrade and replacement of aging equipment),

(ii) The overall category (e.g., approving an overall pole replacement target rate) while leaving the question of sub-populations to the utility's expertise, or

(iii) Both of the above, as well as examining and verifying the prudence and efficiency of NS Power's strategies for prioritizing specific investments (e.g., poles of certain types, on certain circuits)?

[15] Energy Market Consulting Associates, Review of Aspects of Proposed Expenditure, Ergon Energy 2025/26 to 2029/30 Regulatory Proposal (August 2024), prepared for Australian Energy Regulator, p. 17-18, 58.