

May 26, 2026

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Blake Williams
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Dear Mr. Williams:

M12600 – Nova Scotia Power Incorporated – Cybersecurity Accountability

On April 27, 2026, NS Power wrote to the Board advising that it considered a number of Information Requests (IRs) it had received from David MacLeod, and some it received from both the Small Business Advocate and Consumer Advocate, to be outside the scope of this proceeding.

The current Matter and Matter M12273 relate, in different ways, to the cybersecurity attack on NS Power in 2025. In a letter dated February 6, 2026, the Board determined there was merit in separating more technical aspects of the cybersecurity incident from the consideration of NS Power's customer relations, billing practices and impacts to its business operations and regulatory requirements stemming from the incident and identified the scopes for two separate proceedings. The Board considered that proceeding with two matters, each focused on different issues, could be achieved with minimal, if any, duplication of effort.

The IRs that NS Power considered to be out of scope included all of Mr. MacLeod's IRs except IR C-4(a)-(b), D-1(a)-(c), D-2(c), D-3(a), and E-2(a)(ii)-(iii). The Small Business Advocate's IRs considered to be out of scope were IR-6, 7, 8, 13 and 18. The Consumer Advocate's out of scope IRs were identified by NS Power as IR-7(b)-(d). NS Power expected that the topics addressed in at least some of these IRs may be relevant in Matter M12273.

The Board invited intervenors to respond to NS Power's objections. Mr. MacLeod submitted the IRs he requested were all within the scope of the current proceeding and were:

... intended to shed light on NSPI's corporate culture and approach to risk management, including physical security, information technology and operational technology security, and the protection of ratepayer information. These matters go to the heart of how NSPI managed the risks that led the breach, and how it is managing the consequences for affected ratepayers.

[Letter from David MacLeod, April 28, 2026, p. 1]

While acknowledging that the current proceeding and Matter M12273 were intended to have different areas of focus, the Small Business Advocate submitted that some overlap in evidence between the two matters was contemplated and necessary to understand the full context of the cybersecurity incident and NS Power's response within the regulatory context. The Small Business Advocate submitted that there were non-technical aspects of the questions it asked that would "add value and insight into the regulatory oversight that is clearly within the scope of M12600."

The Consumer Advocate also submitted that the Board should not be overly rigid in its division of the matters to be dealt with in the two proceedings. The Consumer Advocate submitted that the Board, in its March 25, 2026, letter determining the scope of the Final Issues List in this proceeding recognized there will inevitably be a certain amount of overlap between the two matters and that a single issue could have both technical and non-technical components. The Board observes, however, that its comments about this in that letter related to Issue #7 on the Preliminary Issues List, which considered whether any third-party service providers were involved in the breach and, if so, if there were data-sharing agreements in place with them. In its March 25, 2026, letter, the Board went on to provide examples of non-technical aspects of this issue that could be included in the present matter, such as policies around when, how and under what conditions it will share customer information with third parties.

While the Consumer Advocate acknowledges that the questions it asked could be answered in a highly technical way, it said responses could help illuminate NS Power's governance and risk management processes and compliance with regulatory and reporting obligations, which it considered to squarely fall within the issues to be explored in Matter M12600. The Consumer Advocate expressed concern that extracting certain questions from the present proceeding could impair the Board's ability to explain the cybersecurity incident to customers about NS Power in this proceeding and noted that considerations in one matter may be relevant to conclusions reached in the other.

In response to the submissions from the Small Business Advocate and Consumer Advocate, NS Power submitted that clearly defined processes and scopes are essential elements of procedural fairness in any regulatory proceeding. It submitted this was even more important in the context of this proceeding and Matter M12273, given the highly technical and confidential nature of the subject matter dealt with in that proceeding. NS Power emphasized that the scope of the present proceeding was focused on the impact of the cyber incident on NS Power's collection and retention of customer information, customer service and communications, billing processes and regulatory matters. Relating specifically to "governance and risk management processes", NS power submitted these were intended to focus on privacy risks. NS Power disagreed that the Board's ruling on the Final Issues List in its letter dated March 25, 2026, supported the suggestion that there could be overlap and argued, to the contrary, that it supported a clearer delineation between the two matters.

For the most part, the Board agrees with NS Power's submissions. More specifically, the Board confirms that the governance and risk management procedures in scope in this proceeding focus on privacy issues. Governance and risk management issues relating to cybersecurity systems and processes are for Matter M12273. While the Board continues to be of the view that this proceeding and Matter M12273 can be advanced with minimal, if any, duplication of effort, if it becomes necessary for the findings in one matter to inform the conclusions in another, the Board will not hesitate to put appropriate processes in place to ensure that matters identified in both proceedings can be dealt with fully. At this stage, there is no real evidence this is the necessary, so such measures would be premature.



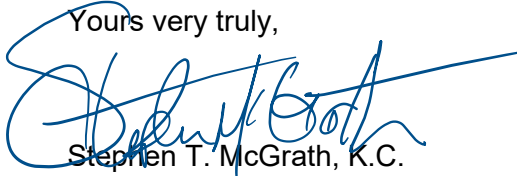
Upon review of the impugned IRs, the Board considers that most, if not all, of the information sought would be relevant to Matter M12273 and, as NS Power noted, may be addressed partially or fully in the work and report expected from Board Counsel Consultant, MNP, in that proceeding. The Board agrees with NS Power that the Small Business Advocate and Consumer Advocate IRs the utility challenges need not be answered in this proceeding. In respect of the questions asked by Mr. MacLeod, in particular, the Board notes that although he is not currently an Intervenor in Matter M12273, the Board said in its correspondence of February 6, 2026, that when a hearing order is issued in that proceeding, there will be further opportunity for interested parties to intervene. Therefore, it will still be open for Mr. MacLeod to seek to participate in that proceeding if he considers that to be appropriate.

That said, there are some IRs that the Board finds are in scope in this proceeding. The Board therefore directs NS Power to provide responses to the following IRs sought by Mr. MacLeod:

- IR A-6(a)(i) and (ii), which the Board considers to be within the scope of Issue #2 in this proceeding;
- IR B-4(a), which the Board considers to be within the scope of Issue #6 in this proceeding;
- IR D-1(a), which the Board considers to be within the scope of Issues #1, #2 and #3 in this proceeding; and
- IR D-2(a), which the Board considers to be within the scope of Issues #1 and #3; however, the response should be limited to organizational controls and any issue relating to technical controls would be for Matter M12273.

NS Power is directed to provide responses to these IRs within two weeks of the date of this letter. As a result of this, it will be necessary to extend the time for Intervenor and Board Counsel to file evidence, which is currently scheduled for May 27, 2026, under the existing Hearing Order. The Board anticipates that adjusting for this will impact future steps including, potentially, the hearing date in this matter. The Board will issue a revised Hearing Order shortly.

Yours very truly,



Stephen T. McGrath, K.C.
Chair



Roland A. Deveau, K.C.
Vice Chair



Richard J. Melanson, LL.B.
Member

c. William L. Mahody, K.C., Board Counsel
Interested Parties

