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Request IR-1:

Reference: N-1, 2026 ACE Plan, page 7, lines 19-29

In 2024, the creation of a new Independent Electricity System Operator in Nova Scotia (IESO-NS) changed the electricity planning landscape in Nova Scotia, and starting in 2025, the IESO-NS has begun taking on its responsibilities of planning and management of Nova Scotia’s bulk electricity system. This change has resulted in several amendments to project accountability in NS Power’s The Path to 2030 report. The Company continues to engage with both federal and provincial governments to meet the 2030 decarbonization targets in a way that is as cost-effective as possible for customers and remains committed to supporting the transition of accountabilities to the IESO-NS, as applicable.

(a) Please identify the metrics, benchmarks, and/or evaluation frameworks NSPI uses to assess whether its decarbonization initiatives are “as cost effective as possible,” including any cost benefit analyses, comparative alternatives considered, or internal thresholds applied.

(b) Please elaborate on NSPI’s current efforts working with both federal and provincial governments to meet the 2030 decarbonization targets.

(c) Does NSPI have a transition schedule, timeline, roadmap, or workplan for the transition of accountabilities to IESO NS (Phase 1 and Phase 2, if applicable), including milestones and target dates? If so, please provide.

(d) If not, how is NSPI otherwise internally tracking the transition?

(e) What, if any, consultation or involvement has the IESO-NS had into the preparation of or forecasting within the 2026 ACE Plan, Five-Year Reliability Plan Update or the Updated Path to 2030?

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1 Response IR-1:

2
3 (a) The decarbonization initiatives that are currently the responsibility of NS Power (first
4 150 MW of BESS, synchronous condensers, reliability tie, Time-Varying Pricing
5 Tariffs in support of demand response initiatives) are all in alignment with the
6 Province's Clean Power Plan, which also shows strong alignment with the outcomes
7 of the Evergreen IRP. The Evergreen IRP scenario outcomes reflect the lowest system
8 cost option for the set of assumptions being modelled. Since these projects are in
9 alignment with the outcomes of the Evergreen IRP, the projects reflect the most cost-
10 effective options. In addition, the procurement of the BESS facilities was supported by
11 a competitive RFP process, ensuring the equipment required to build the facility is
12 procured to the standards required at the lowest cost possible. The RFP process will be
13 followed for the upcoming synchronous condenser projects as well and the scope and
14 costs will also be subject to regulatory approval by the NSEB.

15
16 (b) NS Power continues to engage with the Provincial Government to provide updates on
17 the progress of the decarbonization projects led by NS Power, namely the synchronous
18 condensers that will be procured and built by NS Power in support of the Rate Base
19 Procurement, Green Choice Program, and Port Hawkesbury Paper (PHP) wind farms.
20 As the Province advances the second phase of the Green Choice Program with a new
21 procurement administrator, NS Power will continue to support PPA development for
22 successful developers. The Company continues to engage with the federal government
23 to understand how it can support priority projects in the energy transition, including the
24 synchronous condenser project.

25
26 (c) The Phase 1 employees transferred on December 1, 2025, however, certain outstanding
27 transition items remain in progress. As the recipient of accountabilities, IESO Nova
28 Scotia (IESO-NS) is leading the development of its milestones and workplan, and
29 coordinating associated activities. That said, any detailed questions regarding timing or
30 sequencing would be best directed to IESO-NS.

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- 1 (d) The overall coordination of the transition is being supported by the project management
2 structure established by the IESO-NS, which the Company engages on a regular basis.
3
- 4 (e) The initial phase of transition for the IESO-NS included a large majority of the System
5 Planning team. While at NS Power in 2025, these individuals supported the
6 development of the Updated Path to 2030, along with support from other NS Power
7 staff. The roles within NS Power that largely supported the development of the 2026
8 ACE Plan and the Five-Year Reliability Plan Update remain with NS Power.

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Request IR-2:

In relation to the transition to the IESO-NS, and work of the Joint Transition Committee:

(a) Please provide:

(i) the Terms of Reference for the Joint Transition Committee;

(ii) the current membership of the Committee; and

(iii) any documents that define roles, responsibilities, escalation pathways, and decision making authority between NSPI and IESO NS.

(b) Please identify any additional working groups established for Phase 1 and/or Phase 2 of the transition, including key deliverables and milestones.

(c) How often do NSPI and the IESO-NS meet to discuss the transition?

(d) Does this group have an agreed upon set of milestones for the transition? If so, please provide. If not, how is progress measured?

(e) Please describe steps taken to coordinate work and avoid duplication of costs for ratepayers between NSPI and IESO NS, including any mechanisms used to identify/resolve overlap and any resulting cost reductions or avoided costs (quantify where possible).

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1 Response IR-2:

2
3 (a-c) The information requested in parts (a) through (c) relates to transition governance between
4 NS Power and IESO-NS. These matters do not relate to the integration of IESO-NS
5 activities into NS Power's Capital Plans or capital expense forecasts, which are the subject
6 of this proceeding.

7
8 (d) Please refer to NS Power's responses to IG IR-1 (c) and (d).

9
10 (e) To date, coordination between NS Power and IESO-NS has not identified duplication of
11 costs within the context of NS Power's capital planning process. While duplication of cost
12 risks will be considered as responsibilities continue to evolve, none were identified in the
13 preparation of the 2026 ACE Plan.

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Request IR-3:

Reference: N-1, 2026 ACE Plan, page 10, lines 13-15.

Preamble: NSPI states that the 2027–2030 capital forecast "does not include considerations for external funding that is not already in place" and that while external funding is "expected, the amount cannot be forecast at this time."

(a) For 2026-2030, please identify each source of external funding that is already in place, the associated capital programs or projects to which it applies, and the amount of funding reflected in Figure 1.

(b) Where possible, please identify anticipated or "expected" funding, including the source of that funding, type of funding, applicable capital programs or projects, and the total amount anticipated (or at least order of magnitude).

Response IR-3:

(a) For the period of 2026-2030, there are two funding initiatives built into the multi-year forecast:

- ECEI – Energy Storage project - \$36.5 million
- Grid Modernization Initiatives (FLISR, DERMS and Distributed Intelligence Apps) - \$5.9 million

Please refer to NSEB IR-2 for an updated Figure 2.

(b) There are no other sources of funding included in this forecast that are not already in place at this time.

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Request IR-4:

Reference: N-1, 2026 ACE Plan, pages 14, 31, and 33.

Preamble: The Application provides different total approval requests sought.

Please reconcile the figures within the 2026 Application, and confirm the amount NSPI is seeking approval for:

- **Section 3.1, line 9: \$284 million**
- **Figure 8: 2026 NSEB Approval Request: \$256.3 million**
- **Figure 9: Total Routine Capital Spending, page 33, at "Total Capital Items for which Approval is Sought: \$256,305,380**

Response IR-4:

NS Power is seeking approval of 20 capital work orders with total project investment of \$76.7 million and the 2026 capital routine program of \$207.3 million for an aggregate total of \$284.0 million, as outlined on page 7, lines 15-17 of the Application.

Section 3.1, line 9: \$284 million refers to the project total investment (summation of investment prior to 2026, 2026 investment, and post-2026 investment) of the 20 capital work orders included in the 2026 ACE Plan for approval and the routine program.

Figure 8: 2026 NSEB Approval Request: \$256.3 million refers to the 2026 forecast investment (excluding investment prior to 2026 and post-2026 investment) of the 20 capital work orders included in the 2026 ACE Plan for approval and the routine program.

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- 1 Figure 9: Total Routine Capital Spending, page 33, at “Total Capital Items for which Approval is
- 2 Sought”: Similar to the total included in Figure 8, \$256,305,380 (rounded to \$256.3 million in
- 3 Figure 8) refers to the 2026 forecast investment of the 20 capital work orders included in the 2026
- 4 ACE Plan for approval and the routine program.

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Request IR-5:

Reference: N-1, 2026 ACE Plan, page 14, Figure 1: NS Power Total Capital Investment: Historical, Budget and Forecast.

Preamble: In the last two years, 2025 and 2026, NSPI's capital spending budgets have increased significantly from the prior five-year average of spending, by approximately \$200 million.

(a) Please explain the principal drivers of the increase in capital spending budgets in 2025 and 2026, and going forward, with specific reference to projects, capital investment required, and the portion attributable to reliability, storm, cybersecurity/IT and decarbonization initiatives (quantify where possible).

(b) Please explain how the increased capital spending affects customer rates, including the expected impact by rate class (or an order of magnitude if needed), and key assumptions used?

(c) How has NSPI considered rate impacts and affordability in deciding to increase capital investments to this extent? Please provide any proportionality analysis, scenario analysis, or sensitivity analysis performed.

(d) Please confirm whether Figure 1 is presented gross or net of external funding?

(e) If Figure 1 is exclusive of external funding, please provide an updated Figure showing gross total capital investment, and outline specifically what funding was added.

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1 Response IR-5:

2
3 (a) The increase in investment in 2025 and 2026 (and going forward) is primarily driven by
4 two initiatives: 1) the initiative to meet renewable energy targets leading to the ECEI –
5 Energy Storage project (\$240 million over multiple years) and the ECEI – Synchronous
6 Condenser project (\$365 million over 2026-2028); and 2) The Five-Year Reliability Plan,
7 filed in late 2024 that began in 2025 and sees increased investment in 2026 and beyond,
8 and represents the necessary investment in order to meet system reliability performance
9 standards by 2029.

10
11 (b-c) When developing the capital program, specific rate impacts are not calculated. The capital
12 program consists of all necessary investments that are required to maintain the safe and
13 reliable operation of NS Power's generating facilities, to maintain and improve reliability
14 in order to meet performance-based standards by 2029 and to remain aligned with the
15 Province's Clean Energy Plan. The rate impacts related to the capital program were
16 included in NS Power's recent General Rate Application (M12451). In some instances,
17 such as the 5-year Reliability Plan, rate impact was a consideration. That plan is designed
18 to achieve performance standards by 2029, but could be accelerated to achieve these
19 standards earlier if the investment was completed in a shorter timeline. This would have an
20 upward pressure on rates; therefore, NS Power considered a 5-year plan to be an
21 appropriate balance.

22
23 (d) Figure 1 is net of external funding.

24
25 (e) Please refer to NSEB IR-2 for an updated Figure 1 that shows gross capital spending.

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Request IR-6:

Reference: N-1, 2026 ACE Plan, page 15, Figure 2: NS Power Total Capital Investment: Historical, Budget and Forecast.

(a) Please provide an updated version of Figure 2 including total actuals for 2025.

(b) If there is a variance between the forecasted amount anticipated as of Q3 2025, and 2025 actuals, please explain the variance with specific reference to projects and expenditures within Q4.

(c) For the projects identified as deferred or cancelled (as specified more specifically at pages 28–29, Figure 7, and Appendix C), please provide a table that includes, for each project:

(i) the name and CI number;

(ii) the 2025 budget/forecast originally anticipated in the 2025 ACE Plan;

(iii) 2025 actual spend (if any);

(iv) variance between budget vs actual; and

(v) disposition (deferred/cancelled) with the revised in-service timing (if deferred).

(d) Based on the response to (c), please explain how NSPI's total capital spending in 2025 exceeded the 2025 ACE Plan forecast while a material number of individual projects were deferred or cancelled, including:

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(i) the quantitative drivers of the variance; and

(ii) the qualitative factors influencing project level reallocation decisions.

Response IR-6:

(a) Please refer to the table below.

	Actuals						ACE Plan	Forecast			
Year	2021	2022	2023	2024	2025	2025	2026	2027	2028	2029	2030
					Actuals	ACE Budget					
Generation	157.7	194.4	147.0	151.0	212.6	188.1	178.2	211.6	229.8	207.2	184.9
Transmission	56.9	56.2	97.8	106.6	249.3	256.5	241.1	233.1	216.4	171.9	116.8
Distribution	116.1	209.9	148.5	174.9	179.6	182.6	190.5	195.9	201.3	228.4	201.3
General Plant	56.9	79.6	57.8	54.6	70.6	65.1	92.4	83.7	125.3	105.0	86.5
Total	\$387.6	\$540.2	\$451.1	\$487.2	\$712.1	\$692.4	\$702.1	\$724.3	\$772.8	\$712.5	\$589.5

* When updating table, the 2024 Actuals amount was found to be incorrect. Above table also includes updated 2024 Actuals.

(b) The increased investment of \$13 million in 2025 from the Q3 Forecast shown in the 2026 ACE Plan is primarily driven by an increased ECEI – Energy Storage investment due to materials originally scheduled not to be delivered until January 2026, arriving in December 2025, along with additional work, (including work on the turbine bearings, turbine diaphragm, high-energy piping, and vortex finder) that arose during the Point Aconi planned outage that took place in November 2025.

(c) Please refer to Attachment 1 for an updated Deferred / Cancelled table that includes the actual 2025 investment and the variance to the forecasted 2025 investment included in the 2025 ACE Plan. For deferred projects, there are no changes to the year (in-service timing) these projects are forecasted to be deferred to.

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1 (d) The 2025 actual investment exceeded the amount forecasted in the 2025 ACE Plan, despite
2 these projects being deferred, due to a number of factors. While these deferrals did decrease
3 overall investment by \$17 million, they were offset by unplanned work that arose
4 throughout the year (like the additional work required at Point Aconi discussed in part (b)),
5 changes in timing on larger scale projects (like the timing change in the Energy Storage
6 project discussed in part (b)) and work planned for late in the prior year (2024) that
7 subsequently shifted into 2025.

8
9 NS Power manages project reallocation decisions in the same manner as project initiation
10 decisions. They follow the same asset management mechanism. When a new project
11 requirement arises that may require reallocation of resources planned for other projects,
12 those other projects are reassessed through the same condition and criticality lens and a
13 determination if the risk of deferring a previously planned project is acceptable or another
14 means of mitigation (increased inspection, change in utilization) is available that can
15 mitigate that risk. If this is deemed acceptable, that project is then deferred.

CI	Project Title	2025 ACE Amount	2025 Spend	Variance	Cancelled / Deferred	Deferred To
Generation						
48913	HYD - Tusket Facility Refurbishment	1,093,904	403,128	(690,776)	Deferred	2027
C0020329	TRE5 Stack Expansion Joint Replacement	362,991	0	(362,991)	Deferred	2026
C0020331	TRE5 Air Heater Expansion Joint Replacement	354,575	0	(354,575)	Deferred	2026
C0061366	TRE6 - Caustic Heater Heat Exchanger	84,017	0	(84,017)	Cancelled	
C0068660	TRE5 - Boiler Refurbishment 2025	825,182	0	(825,182)	Cancelled	
C0030122	LIN4 HIP Insulation Replacement	106,894	0	(106,894)	Deferred	2026
C0067945	POA Pond Transfer Pumps	367,194	0	(367,194)	Cancelled	
C0060572	TUC1 Secondary Air & Recirculation Damper Replacement	77,424	0	(77,424)	Cancelled	
C0068894	TUC1 Gas Block Valve Upgrades	607,737	0	(607,737)	Cancelled	
C0069047	TUC2 FD Fan Duct Refurbishment	99,940	0	(99,940)	Deferred	2027
C0069567	TUC1 - Boiler Cyclone Tube Replacements	859,647	0	(859,647)	Cancelled	
C0068303	LIN Wastewater Lagoon Algae Control 2025	102,074	0	(102,074)	Cancelled	
C0068236	LIN4 North Water Wall Replacement 2025	446,612	56,115	(390,497)	Deferred	2026
C0068228	LIN3 Air Preheater Seal Refurbishment	102,249	6,445	(95,805)	Deferred	2026
40023	TRE - Sewage Lift Station Upgrades	158,493	0	(158,493)	Cancelled	
C0020367	TRE5 Main Oil Pump & Gearbox Refurbishment	195,312	0	(195,312)	Deferred	2026
C0061363	TRE5 - Screenwash Pump Replacement	129,989	0	(129,989)	Deferred	2026
C0068624	TRE - Overhead / Person Door Refurbishments	92,756	0	(92,756)	Cancelled	
C0068627	TRE - Rotating Equipment Guards 2025	131,614	0	(131,614)	Cancelled	
C0068658	TRE6 - Battery Charger Replacement	80,589	0	(80,589)	Deferred	2026
C0068675	TRE6 Parallel Slide HP heater isolations	494,861	0	(494,861)	Deferred	2026
C0068691	TRE6 - Boiler Main Stop Valve	148,839	0	(148,839)	Deferred	2026
C0068692	TRE6 - 6A BFP Discharge Valve Refurbishment	149,279	0	(149,279)	Deferred	2026
C0068693	TRE6 Instrument Air Dry Replacement	81,210	0	(81,210)	Deferred	2026
C0070850	TRE Shaker House Hoist Replacement	83,854	0	(83,854)	Deferred	2026
C0060610	TUC Cable Spreading Room Fire Protection	250,108	0	(250,108)	Cancelled	
C0068906	TUC6 Boiler Feed Pump Refurbishment 2025	302,097	10,619	(291,478)	Deferred	2026
C0057361	HYD - ANN Facility Isolation	210,689	661,301	450,613	Deferred	2026
C0051932	HYD - Avon 2 Penstock Recoating	152,346	0	(152,346)	Deferred	2027
C0067383	HYD HMS Electrical Replacement	135,290	0	(135,290)	Cancelled	
C0068703	HYD COW Battery Bank Replacement	78,187	0	(78,187)	Deferred	2027
C0039046	LIN Ash Silo Refurbishment 2024	197,599	11,056	(186,543)	Cancelled	
C0061340	LIN12 Diesel Generator Room Refurbishment	336,843	0	(336,843)	Cancelled	

CI	Project Title	2025 ACE Amount	2025 Spend	Variance	Cancelled / Deferred	Deferred To
C0068144	LIN Coal Amenities Trailer Replacement	302,813	0	(302,813)	Cancelled	
C0068150	LIN Coal Stacker Refurbishment 2025	135,428	0	(135,428)	Cancelled	
C0068184	LIN HFO/LFO Line Refurbishment 2025	195,187	0	(195,187)	Cancelled	
C0068186	LIN Kubota Replacement 2025	36,674	0	(36,674)	Cancelled	
C0068226	LIN1 SoER Installation 2025	227,364	0	(227,364)	Cancelled	
C0052536	POA Demin Tank Heater	86,963	0	(86,963)	Cancelled	
C0068039	POA Sootblower Refurb 2025	102,854	0	(102,854)	Deferred	2027
C0068687	TREG "A" and "B" CW Screens Refurb	177,892	0	(177,892)	Deferred	2026
C0059533	WIN - DIG Gearbox Replacement WTG19	716,489	0	(716,489)	Deferred	2026
C0059602	WIN - DIG Gearbox Replacement WTG10	714,917	0	(714,917)	Deferred	2026
Transmission						
C0041822	WRC Spare Cable Replacement & Storage System	50,000	0	(50,000)	Deferred	2027
C0011358	New Bridgewater Substation	1,385,538	2,221,567	836,029	Deferred	2027
C0032382	Susie Lake Substation Addition	5,149,415	2,897,753	(2,251,662)	Deferred	2026
C0053214	76W-T1 Transformer Replacement	1,938,848	2,036,355	97,507	Deferred	2026
C0072808	Synchronous Condensers (ECEI)	27,197,774	712,013	(26,485,761)	Deferred	2026
C0061552	L6043 Replacements and Upgrades	796,677	0	(796,677)	Deferred	2027
Distribution						
C0071410	25W-301 Welshtown Phase Addition	322,774	0	(322,774)	Deferred	2026
General Plant						
C0071652	IT - ZTN Security and Restrictive Network Controls	725,124	0	(725,124)	Cancelled	
C0032202	Sydney T&D Depot Consolidation	1,578,174	0	(1,578,174)	Deferred	2026
C0021835	IT - CIS Replacement	2,243,592	1,350,843	(892,750)	Deferred	2026
C0047278	IT - Oracle MDM Upgrade	912,789	2,866,628	1,953,839	Deferred	2026
C0061285	IT - Enterprise Governance, Risk, and Compliance	664,056	31,798	(632,257)	Deferred	2026
C0061347	IT - Wireless Video Solution	56,424	0	(56,424)	Deferred	2026
C0068719	IT - Distributed Intelligence Apps	2,086,440	23,203	(2,063,237)	Deferred	2026
C0068718	IT - DERMS Solution Project	1,950,047	117,704	(1,832,343)	Deferred	2026
C0068714	IT - Identity and Access Management	963,267	3,086,202	2,122,935	Deferred	2026
C0067863	IT - Managed Detect & Respond	668,280	791,751	123,471	Deferred	2026

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Request IR-7:

Reference: N-1, 2026 ACE Plan, page 17, Figure 4: Breakdown of Capital Forecast by Investment Type.

(a) Please explain how NSPI tracks and recovers costs for: (a) new Right-of-Way ("ROW) acquisition; (b) ROW widening; and (c) maintenance of existing ROW, including whether costs are treated as capital vs O&M.

(b) With respect to ROW widening, please explain why NSPI is forecasting increasing expenditures between 2026-2030, rather than declining expenditures as widening work progresses?

(c) Please confirm whether costs associated with the Reliability Tie are included or excluded in the 2026 ACE Plan Application's Figure 4 totals and, if excluded, explain the basis for exclusion (including the role of WTI or other entities).

(d) Please confirm whether 2025 ACE actual expenditure reporting within the 2026 ACE Plan include any Reliability Tie costs. If not, please quantify 2025 Reliability Tie spend incurred by NSPI. If yes, please explain why it is not recorded for 2026 (dependent on response to (c)).

Response IR-7:

(a) NS Power tracks these three costs to distinct projects and accounts. The creation of new ROWs is charged and tracked as a capital expense against the New Distribution ROW program (of which Phase 11 is included for approval in the 2026 ACE Plan), the widening of ROWs is charged and tracked as a capital expense within two explicit routines (D010 for widening on NS Power's Distribution system (25kV and below), and T010 for widening on NS Power's Transmission system (69kV and above)), and all costs related to

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1 maintaining existing ROWs are charged and tracked as an operating expense under the
2 Vegetation Management operating accounts. There could be new ROW acquisition costs
3 that are not specifically related to vegetation management that are tracked through line
4 extension projects or new customer requirements within the Distribution capital program,
5 but in those cases, costs would be captured under the Customer / Load Driven line item in
6 Figure 4 as opposed to the Right of Way line item, which only included vegetation
7 management costs.
8

9 (b) The future investment in vegetation management shows as an increase to reflect inflation
10 and represents a consistent level of work year over year. Based on the current vegetation
11 condition of the NS Power system, efforts to both widen and create new rights-of-way are
12 expected to continue past 2030.
13

14 (c) Costs related to the NS-NB Reliability Tie are not included in the 2026 ACE Plan. Please
15 refer to NSEB IR-5 part (a).
16

17 (d) The forecasted 2025 expenditures also do not include investment related to the NS-NB
18 reliability tie for the same reasons as laid out in NSEB IR-5 part (a).

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Request IR-8:

Reference: N-1, 2026 ACE Plan, page 24, lines 19-25.

The Board directs NS Power to submit any future capital expenditures that exceed \$1 million for approval to the Board, regardless of the source of funding. NS Power acknowledges the Board’s directive, and confirms its intention to comply; the first project applicable to this directive is included for approval as CI C0080252 Intelligent Asset Data Capture & Integration Platform, which due to federal funding has a project total below \$1 million. Please refer to Section 5.2, and the attached capital work order documentation for further detail.

(a) Where NSPI notes that this is the “first project applicable”, please confirm whether this is the only project applicable to this directive in the 2026 ACE Plan. If not, please elaborate.

(b) For C0080252, and any other projects which may be applicable (if any), please provide a table outlining:

(i) the gross total cost;

(ii) the source, amount and terms of the external funding; and

(iii) the net project total.

Response IR-8:

(a) Confirmed.

(b) (i-iii) Please refer to table below for gross total cost; the source, amount and terms of the external funding; and the net project total:

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CI C0080252 – Intelligent Asset Data Capture & Integration Platform	
Gross Total Cost	\$10,427,462
Funding Amount	(\$10,159,521)
Net Project Total	\$267,941

1
2 The source of federal funding for project C0080252 is all from Natural Resource
3 Canada's Electricity Predevelopment Program (EPP). This program supports work
4 to accelerate the development of nationally and regionally significant clean
5 electricity projects that will help Canada achieve emissions and net zero grid
6 targets, while also supporting enhanced security and reliability of energy supply.
7 The program provides 100 percent funding for eligible costs of selected projects.

8
9 The project received \$10,159,521 in funding from this program. This is the final
10 amount, and the funding agreement is now complete.

11
12 For funding terms, please refer to CA IR-20 Attachment 1. Funding is not
13 conditional on NSEB approval of this project.

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Request IR-9:

Reference: N-1, 2026 ACE Plan, page 26, lines 19-23.

The proposed Scope Change definition has been intentionally limited to changes in stated intent as this provides a practical trigger for when a Scope Change application is required. Expanding the definition to include changes in deliverables, boundaries or detailed tasks, as suggested by the SBA and IG, would significantly increase the number of regulatory filings (potentially before cost impacts are fully understood) and create unnecessary complexity. Under such an approach, any design refinement or task adjustment could require a separate application, resulting in multiple filings for a single project. This would impose a substantial regulatory burden on the Company, the Board, and stakeholders, requiring projects to be reviewed multiple times before completion without delivering any meaningful improvement in oversight.

(a) Using historical ACE data (for at least the past five ACE Plans), please estimate how many additional scope change filings would have been triggered if “scope change” included changes in deliverables, boundaries, and/or detailed tasks. Please describe the methodology and assumptions.

(b) Please explain, with specific examples, how NSPI assesses the “substantial regulatory burden” of an expanded scope change.

(c) Please describe whether NSPI considered mitigation approaches (i.e. thresholds for materiality, batching of minor changes, limits on filing frequency, or defined categories of changes) that would allow broader scope change coverage without excessive filings? Please also explain NSPI’s conclusions.

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Response IR-9:

(a) A high level review of 200 filings over the last 5 years (including projects filed in ACE Plans and filed individually) indicates that 70-80 projects would have been expected to require a scope change if changes in deliverables, boundaries, and/or detailed tasks were to be included in the scope change definition. The inclusion of deliverables, boundaries, and/or detailed tasks within the definition is expected to lead to any project that has a high quantity of assets being replaced or refurbished requiring a scope change. This estimate of 70-80 projects is based on reviewing each project, whether that project would have a project scope that includes detailed quantities (for example, the number of kilometres in the New Distribution ROW project; the number of cross arms, full structure replacements, and insulator replacements on a Transmission Line Replacement and Upgrade project; the quantity of boiler tube cut outs in a Boiler Refurbishment project; the number of anodes being installed on towers in the Sacrificial Anode project, etc), and if there is a high likelihood of these quantities changing, therefore triggering a scope change application. Based on NS Power's experience managing these projects, the likelihood of these quantities changing is very high and considers the estimate of 70-80 to be reasonable.

(b) NS Power assessed this increase in filings as a regulatory burden based on the experience of managing the annual capital filings that are submitted today. By increasing the number of individual capital filings by 35-40% (70-80 scope change applications per 200 filings), that would require additional resources to manage the filings, or if utilizing the existing resources, risks delays in the timeliness or quality of filings. This increased regulatory burden would not only be experienced by NS Power, but also by the NSEB and regulatory stakeholders. The additional filings would result in a second application resulting in additional review and approval by the NSEB with intervention by stakeholders. The added costs would be borne by NS Power customers. NS Power considers the regulatory processes that are in place around FIN and ATO's provides an appropriate mechanism to balance regulatory oversight and regulatory burden.

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1
2 (c) Yes, NS Power did consider mitigating approaches but found that any potential approaches
3 led to a scope change definition becoming very complex and difficult to apply consistently
4 across all projects. The main approach considered was a percentage threshold on quantity
5 change, however this was found not to apply well to certain projects that have multiple
6 asset components that may see some components replaced more and others less. NS Power
7 considers the simplified scope and scope change definitions proposed to be the most
8 straightforward, avoids an onerous tracking and governance mechanism to be put in place
9 to ensure required applications are captured, and accommodates the desire for additional
10 oversight for projects that have changed from the original intent of the project application.
11 Additionally, NS Power considers the CEJC thresholds related to ATOs and Final Cost
12 applications to be such that the vast majority of significant quantity changes will be
13 captured due to changes in project spend.

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Request IR-10:

Reference: N-1, 2026 ACE Plan, Page 27, lines 15-20.

Based on discussions with the IG subsequent to the broader stakeholder engagement efforts, NS Power is open to adding further language that would also consider a scope change to have taken place when there are multiple alternatives detailed in the project under “Why do the Project This Way”, and the alternative chosen changes to one of the other alternatives discussed. This updated language is not in the current proposed CEJC updates as it was not canvassed with all intervenors prior to this filing.

(a) Please provide the updated CEJC criteria and proposed wording referenced in this passage for “scope” and “scope change”.

(b) Does NSPI agree that the updated definitions are more consistent with the ordinary meaning of “scope” and/or NSPI’s use of “scope” in other parts of its business. If NSPI does not agree, please explain.

(c) Please confirm whether NSPI intends to apply the updated definitions in future CI filings and scope change determinations in 2026. If not, please explain.

Response IR-10:

(a) Please refer to CA IR-1.

(b) NS Power has acknowledged that this updated scope definition is a departure from how the term scope has been used in previous capital applications. Historically, the term scope has included asset quantity in many capital applications, however as discussed throughout the stakeholder engagement process, if a scope change application would be required with each change in asset quantity within a capital project, the number of capital projects that would

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1 require a scope change application would increase dramatically. NS Power does not
2 consider that the additional regulatory burden on all parties related to this increase in
3 applications would provide the value required to justify that additional effort. In the vast
4 majority of instances, where a significant change in asset quantity occurs, the dollar value
5 of the project changes by an amount to trigger an ATO or Final Cost application
6 requirement.

7
8 (c) NS Power confirms it intends to apply the updated definition and scope change
9 requirements beginning in 2026, once the Board has issued its decision in this matter, and
10 any compliance filing processes to update the CEJC in accordance with resulting Board
11 directives have been completed.

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Request IR-11:

Reference: N-1, 2026 ACE Plan, page 29, lines 10-12, and page 30, lines 1-2.

These 60 projects were originally included in the 2025 ACE Plan with a forecast investment of \$60.3 million in 2025. 21 of these projects have been cancelled, while 39 have been deferred to future years. NS Power's asset management processes guide the Company's decisions related to project deferrals to ensure risks are being appropriately managed and capital investments are appropriately prioritized.

And Reference: N-1, 2026 ACE Plan, pages 28-29 Figure 7: Subsequent Submittal Project Status Update; and Appendix C – Updated Q3 Capital Reports.

(a) Please confirm that, although these projects were not included in the 2025 ACE Plan for approval, they were included in NSPI's overall 2025 capital spending forecast total of \$692.4 million? If not, explain.

(b) Please elaborate on how the cybersecurity breach in 2025 impacted the decision to defer or cancel any of the listed capital projects in 2025, as referenced in Appendix C, including specifically the nine IT projects deferred to 2026?

(c) What does NSPI mean by "Resources were required for priority restoration" within Appendix C, and explain how NSPI has tracked any increased costs in relation to the diversion of resources or reallocation of investment (if any)?

(d) Please identify which of the deferred IT projects, if any, would enhance NSPI's cybersecurity, and briefly describe the controls or risk mitigation efforts now in place.

(e) Please explain whether, and to what extent, the deferral of the identified projects altered NSPI's cybersecurity risk profile, as assessed internally and/or by third party

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1 **advisors, including any updated risk assessments, audit findings, or mitigation plans**
2 **(provide documents where available).**

3
4 Response IR-11:

5
6 (a) Confirmed.

7
8 (b) One IT project was cancelled, and eight IT Projects were deferred.

- 9
10 • IT - ZTN Security and Restrictive Network Controls was cancelled. The work was
11 completed within the scope of the C0061289 - IT - Network Next Generation
12 Security Design project.

- 13
14 • Please refer to the table below for the eight deferred IT Projects.

15

CI#	Project Title	Response
C0021835	IT - CIS Replacement	Resources were re-allocated to focus on priority restoration activities. Project deliverable progression delayed.
C0047278	IT - Oracle MDM Upgrade	Resources were re-allocated to focus on priority restoration activities. Re-assessment of project direction and delivery plan was required.
C0061285	IT - Enterprise Governance, Risk, and Compliance	Resources were re-allocated to focus on priority restoration activities. Re-assessment of project direction and delivery plan was required.
C0061347	IT - Wireless Video Solution	Resources were re-allocated to focus on priority restoration activities. Introduction of this new capability was de-prioritized.
C0068719	IT - Distributed Intelligence Apps	Resources were re-allocated to focus on priority restoration activities. Project deliverable progression delayed.
C0068718	IT - DERMS Solution Project	No impact. Deferred for other reasons.
C0068714	IT - Identity and Access Management	Resources were re-allocated to focus on priority restoration activities. Re-assessment of project direction and delivery plan was required.

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CI#	Project Title	Response
C0067863	IT - Managed Detect & Respond	Resources were re-allocated to focus on priority restoration activities. Re-assessment of project direction and delivery plan was required.

(c) Due to the cyber event, resources originally planned for 2025 capital investment in IT were reallocated to focus on critical restoration efforts. The reallocation drove changes in timing for the execution of planned capital projects, but it did not drive a change in resource cost for these projects. It is not anticipated that deferring these projects will drive any incremental costs; however, when these projects are filed for approval, NS Power will include any information related to a variance from ACE.

(d) All projects to perform a lifecycle upgrade or replacement of technology assets would enhance IT Security by implementing assets that are the current vendor supported version. This applies to the following investments from the list in part (b):

- IT - CIS Replacement
- IT - Oracle MDM Upgrade
- IT - Identity and Access Management
- IT - Managed Detect & Respond

The following three projects are specifically focused on enhancing cybersecurity capabilities. Interim mitigating controls and risk measures include a combination of existing and interim augmented solution components, manual processes, and support from external cybersecurity specialists.

- IT - Identity and Access Management: The purpose of this project is to enhance and automate the secure provisioning of privileged and non-privileged user accesses. Manual compensating controls and processes have been implemented to mitigate the risk associated with the deferral of this project.

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- IT - Managed Detect & Respond: The purpose of this project was to replace and enhance the Security Information Event Monitoring (SIEM) technology and the security detection and response service. The SIEM and monitoring service will reach end of life in 2026 and has now been replaced by an interim solution, compensating for the risk posed by the deferral of this project.

- IT - Enterprise Governance, Risk, and Compliance. The purpose of this project was to automate and enhance NS Power's ability to improve risk-based cybersecurity decisions and investments through cyber risk metrics collection. Manual cyber risk metrics collection and cyber risk measurement processes remain in place until the completion of this project.

- (e) .
- Deferring the projects outlined in part (d) above means that NS Power continues to manage cybersecurity through a combination of existing controls, interim enhancements, manual processes, and targeted support from external cybersecurity specialists. These measures provide an appropriate level of protection in the near term and allow the Company to operate safely while longer-term capabilities are sequenced and prioritized.

Overall, postponing these projects does not introduce immediate gaps in protection; rather, it extends the period during which cybersecurity risk is managed through compensating and transitional measures rather than through fully implemented, enterprise-wide capabilities. Proceeding with these initiatives when timing and resources allow will support long-term resilience, reduce operational dependency on interim solutions, and reinforce NS Power's ability to oversee cyber risk with greater confidence and consistency.

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Request IR-12:

Reference: N-1, 2026 ACE Plan, page 29, Figure 7: Subsequent Submittal Project Status Update; page 57, Figure 35: Routine Capital Spending Project Breakdown Yr/Yr; and Appendix C – Updated Q3 Capital Reports.

Preamble: NSPI has listed nine IT General Plan projects that were deferred from 2025 and are now anticipated as 2026 Subsequent Submittals. NSPI has also listed IT projects that are carry-over capital spending from 2025 or before.

(a) Please explain the variance in forecasted total expense between the 2025 ACE Plan and the 2026 ACE Plan for each of the following projects, including key drivers (scope, schedule, vendor costs, resourcing, cyber-related requirements, ...etc. as applicable):

(i) C0068719 IT - Distributed Intelligence Apps;

(ii) C0047278 IT - Oracle MDM Upgrade;

(iii) C0068714 IT - Identity & Access Management;

(iv) C0067863 IT - Managed Detect & Respond;

(v) C0047277 IT - GIS Utility Network Migration;

(vi) C0021835 IT - CIS Replacement.

(b) To what extent, if any, have the noted increases been caused or contributed to by the cybersecurity breach in 2025, and resulting deferral of these projects (quantify where able).

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(c) Please reconcile the treatment of C0062624 IT - Mobile Field Connectivity Enhancements in Figure 7 as a “2026 ACE Plan Subsequent Submittal” and as “Carry-over Capital Spending” in Figure 32.

Response IR-12:

(a) Please refer to the table below.

Project	2025 ACE Plan Project Total (\$)	2026 ACE Plan Project Total (\$)	Variance (\$)	Variance Explanation
C0068719 IT - Distributed Intelligence Apps	4,353,461	2,637,356	(1,716,105)	Federal funding was confirmed since the 2025 ACE Plan filing and the funding is reflected in the 2026 ACE Plan Project Total.
C0047278 IT - Oracle MDM Upgrade	3,010,689	7,949,409	4,938,720	This increase is primarily driven by a change from an on-premise solution to a cloud based solution, which has a higher capital cost, but expected to have a similar total cost of ownership, with the added benefit of more frequent upgrades via the Cloud solution.
C0068714 IT - Identity & Access Management	1,275,524	4,324,589	3,049,065	The 2025 ACE Plan subsequent submittal estimate was a high-level estimate, completed before the RFP commenced and was finalized. Detailed costs to implement the scope of this project were unknown during 2025 ACE Planning.
C0067863 IT - Managed Detect & Respond	1,126,413	2,585,071	1,458,658	The 2025 ACE Plan used a high-level estimate developed before the RFP and detailed requirements were known.
C0047277 IT - GIS Utility Network Migration	4,922,983	6,311,766	1,388,783	The 2025 ACE Plan utilized high level vendor estimates that were not yet finalized

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Project	2025 ACE Plan Project Total (\$)	2026 ACE Plan Project Total (\$)	Variance (\$)	Variance Explanation
				and did not include costs for the Maximo integration vendor.
C0021835 IT - CIS Replacement	77,890,771	84,502,844	6,612,073	This evaluation of this project continues as requirements are defined, and the cost of each requirement is finalized. In preparation for a filing later in 2026, this work continues and NS Power has seen this estimate reduce from the \$84M that was listed in the 2026 ACE Plan

(b) The cyber incident did not contribute to any of the above-noted project cost increases.

(c) The status of CI C0062624 IT – Mobile Field Connectivity Enhancements as a 2026 ACE Plan Subsequent Submittal in Figure 7 is an error; it is correctly classified as a carry-over project in Figure 32 (and Appendix B).

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Request IR-13:

Reference: N-1, 2026 ACE Plan, page 38, Figure 11: Historical Value of Projects Less than \$1M; and page 39, Figure 12: Historical Number of Projects Less Than \$1M.

Preamble: Within 2026 there is a significant increase in forecasted spending for projects less than \$1M – approximately \$39 million higher than in 2025 – and a notable increase in the number of projects – 122 more projects than in 2025.

(a) Please explain the drivers for the 2026 increase in both spending and number of projects under \$1M, including whether there have been any internal protocol or process changes contributing to this change.

(b) Please describe how NSPI considered affordability and rate impacts in relation to the increased volume and spend of under \$1M projects for 2026, including any screening or prioritization applied?

Response IR-13:

(a) While no specific driver is in place for this increase in spending and number of projects under \$1 million, the number of smaller investments on NS Power's steam assets should be expected to increase compared to historical amounts as NS Power continues to minimize investment wherever possible as the Company maintains many of these units towards retirement or conversion by 2030. As NS Power continues to evaluate deferring or avoiding major investment in these units where possible, a result will be smaller, but potentially more frequent, capital investments leading to a higher quantity of projects less than \$1 million.

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1 (b) When considering affordability and rate impacts, NS Power does not do anything
2 differently for projects less than \$1 million. NS Power considers affordability when
3 developing projects by following the asset management mechanism which strives to
4 mitigate the identified risk to the asset in the most cost-effective manner possible. All the
5 projects included on the less than \$1 million list are required to maintain the reliability of
6 the asset in question and to meet safety, environmental or legislative requirements. Once it
7 is determined that the risk has exceeded acceptable thresholds, a do- nothing alternative is
8 no longer viable and affordability is a consideration through mitigating the risk in the most
9 cost- effective manner.

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1 **Request IR-14:**

2
3 **Reference: N-1, 2026 ACE Plan, page 40 Figure 13: Generation Investment – Historical,**
4 **Forecast and Budget.**

5
6 **Preamble: In 2026, renewable generation investment appears to decrease, with estimated**
7 **spending approximately \$25 million lower than in 2025.**

8
9 **Please explain why NSPI forecasts lower generation investment in renewables in 2026**
10 **compared to 2025, including specific reference to compliance with the Renewable Electricity**
11 **Standards and requirement to reach 80% renewables by 2030, along with NSPI's 2030 Clean**
12 **Power Plan?**

13
14 **Response IR-14:**

15
16 The decrease in renewable generation investment in 2026 compared to 2025 is related to
17 investment in NS Power's current fleet of hydro assets and is not related to investment in new
18 renewable generation. This is driven by two changes in 2026: (1) the Life Extension and
19 Modernization project at the Wreck Cove site has had significant investment in 2025, however is
20 forecasted to be complete in the spring of 2026 therefore has a reduced spend in 2026, and (2)
21 fewer dam refurbishment projects will be in full construction in 2026 compared to 2025. This
22 reduction has no impact on the requirement to reach 80% renewables by 2030, nor the Path to
23 2030.

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Request IR-15:

Reference: N-1, 2026 ACE Plan, page 57, Figure 32: General Plant Carry-over Capital Spending Summary, “C0061284 IT - OT Cyber Security Control Implementation Phase 1”.

(a) Please confirm this project was originally a subsequent submittal project from the 2024 ACE Plan, and identify the original planned in service date?

(b) Did the deferral of C0061284 to 2025 have any impact on NSPI’s cybersecurity risk profile, as assessed internally and/or by third party advisors, including any updated risk assessments, audit findings, or mitigation plans (provide documents where available)?

(c) Please describe any assessment conducted by NSPI regarding whether delays in initiating C0061284 affected the likelihood or impacts of the 2025 cybersecurity incident. Please provide all supporting documentation, including internal and third-party assessment materials, relied upon by NSPI.

(d) Where this is noted as “Phase 1”, does NSPI have a broader “Cyber Security Implementation” Plan? If so, please provide the plan or a summary roadmap of phases, priorities, timelines, and associated capital projects.

Response IR-15:

(a) Confirmed. The original planned in-service date was December 2025.

(a) No, C0061284 is intended to improve efficiency and resilience through automation rather than to remediate identified control deficiencies. As such, the deferral of C0061284 did not materially affect or weaken the existing cybersecurity risk profile of the OT environment.

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1 (b) The OT environment has not been directly impacted by the 2025 cyber incident.

2
3 (c) The OT cyber control implementation is planned to be executed in 3 phases. C0061284
4 includes the pilot, the design and implementation of a security network and the
5 implementation and operationalization of asset discovery and security detection tools on 6
6 percent of the OT sites. The second phase is planned to implement the same capabilities on
7 60 percent of the OT sites, and the third phase is covering the rest of the OT sites. Phases
8 2 and 3 will be brought forward to the Board once the final requirements and timeline are
9 fully prepared.

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Request IR-16:

Reference: N-1, 2026 ACE Plan, page 62, Figure 35: Routine Capital Spending Project Breakdown Yr/Yr - "P063 CI: 39304, Class 3 Work Vehicle Replacements".

NSPI requests an increase of approximately \$4 million in Class 3 Work Vehicle Replacements from the \$11 million expense from 2025. Please explain the reason for the significant increase from 2025, which had already seen a \$9 million increase from 2024.

Response IR-16:

The P063 routine has a budget of \$740,000 for 2026 and has historically been less than \$1 million.

The question appears to be referring to the P062 Work Vehicle replacement routine, which had an approximate \$4 million dollar increase in the budget from 2025 to 2026. The increase in the budget from 2024 to 2025 was approximately \$1.8 million.

Please refer to NSEB IR-29 (b) for the reasoning for the increases to P062.

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Request IR-17:

Reference: N-1, 2026 ACE Plan, page 62, Figure 35 : Routine Capital Spending Project Breakdown Yr/Yr; page 70, Figure 42: Summary of Forecasting Methodology for Distribution Routines; and page 73, Figure 44: Distribution Upgrades and Replacements.

Preamble: NSPI has confirmed that the forecasting for D008 - Provincial Storm Routine Spending is derived from a 5-year historical average, excluding "Extreme Event Day storms".

Please provide the 5-year historical dataset used for forecasting the D008 Provincial Storm spending for 2026 and identify which storms/days were excluded as "Extreme Event Day storms removed," including the quantitative impact of the exclusions on the 2026 forecast.

Response IR-17:

Please refer to the below table for the 5-year historical data set used for forecasting D008 for 2026.

Year	Actuals Pre-AO (\$)	Adjusted for 1.8% Inflation (\$)
2021	1,905,329	2,083,094
2022	17,464,704	18,756,523
2023	4,431,180	4,674,796
2024	890,362	922,704
2025 Q3F	1,877,861	1,911,662
2026 Average		5,669,756
2026 AO		1,257,455
2026 Total		6,927,211

Hurricane Fiona and Hurricane Lee were considered Extreme Event Day storms and were therefore removed from the 5-year historical data set. The impact of excluding these two hurricanes from the 5-year average was \$20.8 million.

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The below table shows the D008 forecast recalculated to include Extreme Event Days:

Year	Actuals Pre-AO (\$)	Adjusted for 1.8% Inflation (\$)
2021	1,905,329	2,083,094
2022	100,724,683	108,175,030
2023	6,179,465	6,519,198
2024	939,613	973,744
2025 Q3F	1,877,861	1,911,662
2026 Average		23,932,546
2026 AO		3,778,764
2026 Total		27,711,310

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1 **Request IR-18:**

2
3 **Reference:** N-1, 2026 ACE Plan, page 96, lines 1-8, "Reliability Strategies".

4
5 **This approach is driven by and aligned with NS Power's asset management**
6 **strategy for T&D assets and includes implementation by the Reliability team. In**
7 **addition to the dedicated areas of scope and responsibilities for the Reliability**
8 **team (vegetation management, transmission line and distribution feeder**
9 **inspection, capital project engineering, distribution standards, performance**
10 **standards reporting, and stakeholder engagement related to reliability), the team**
11 **works closely with others across the broader Energy Delivery team as well as the**
12 **Enterprise Asset Management (EAM) team to prioritize and execute work that is**
13 **aimed at driving reliability improvements for NS Power's customers.**

14
15 **(a) Please provide an organization chart showing:**

16
17 **(i) the Reliability Team;**

18
19 **(ii) its interfaces with the "broader Energy Delivery team" and "Enterprise Asset**
20 **Management (EAM) team"; and**

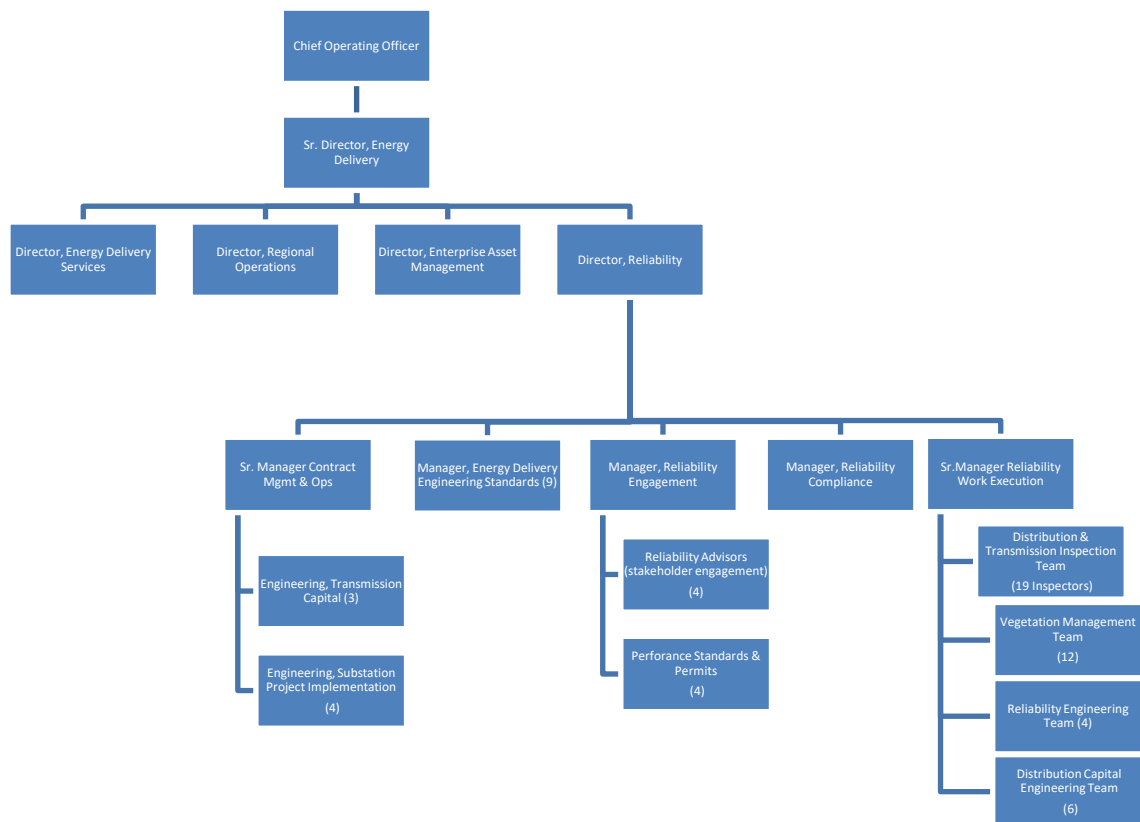
21
22 **(iii) accountability (role/title) for vegetation management, feeder inspection,**
23 **transmission line inspection, capital project engineering, distribution**
24 **standards, performance standards reporting, and stakeholder engagement.**

25
26 **Response IR-18:**

27
28 **(a) Please refer to the organization chart below.**

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1 **Request IR-19:**

2
3 **Reference: N-1, 2026 ACE Plan, pages 97-98, “Centre for Energy Advancement through**
4 **Technological Innovation (CEATI) Grid Resiliency Working Group Update”.**

5
6 (a) **Please provide a copy of the final terms of reference for the CEATI Grid Resiliency**
7 **Working Group.**

8
9 (b) **Please provide a copy of the outcomes/ results of the Resiliency Benchmarking Survey**
10 **(if available), and the referenced discussion paper on Transmission System**
11 **Resiliency.**

12
13 **Response IR-19:**

14
15 (a) Please refer to NSEB IR-46, part (c).

16
17 (b) Please refer to NSEB IR-46, part (b).

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Request IR-20:

Reference: N-1, 2026 ACE Plan, page 99, lines 18-20.

As NS Power has worked to identify a metric (or suite of metrics) that can provide a clear evaluation as to whether a reliability-based project has met its intended benefit, it has become evident that such a metric is not presently in use in the utility sector.

(a) Please list all alternative options NSPI considered for evaluating whether reliability-based projects met intended benefits.

(b) Did NSPI complete a jurisdictional scan or summary of other reliability metrics used by utilities in North America, or Canada? If so, please provide.

(c) What other jurisdictions/utilities use the measure of Reliability Cost Efficiency (as referenced by NSPI)?

(d) In NSPI's review of other utilities and reliability metrics, please describe how other utilities measure individual project impacts on circuit performance and system performance, and how those approaches differ from NSPI's approach?

Response IR-20:

(e) Based on conversations with other North American utilities through industry groups such as CEATI and Electricity Canada, NS Power explored whether alternative methods existed to evaluate the intended benefits of reliability-based projects beyond traditional performance metrics. These conversations confirmed that other North American utilities predominantly rely on standard reliability indicators (e.g., SAIFI, SAIDI, CKAIDI, and CKAIFI) and that no widely adopted or validated alternative metric or methodology for

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1 evaluating project-specific benefits is presently in use across the sector. No additional,
2 industry-recognized options were identified through this engagement.

3
4 **(f)** While NS Power did not complete a comprehensive jurisdictional scan, the Company has
5 reviewed information from Canadian utilities through its ongoing industry engagement
6 with Electricity Canada, CEATI, and the materials summarized in the response to NSEB
7 IR-46. These forums provide insight into practices across both Canada and the broader
8 North American utility sector, and based on this engagement, NS Power is not aware of
9 any Canadian or North American utilities that have adopted a validated, project-level
10 metric for measuring the realized benefits of reliability-based investments.

11
12 **(g)** NS Power does not envision that Reliability Cost Efficiency (RCE) would be a measure to
13 determine if a project has achieved its intended benefit, rather it is for evaluating the
14 potential cost-effectiveness of a given intervention. Please refer to NSEB IR-50 for more
15 details. While RCE has been used at other utilities on a macro-level, such as across all
16 transmission and distribution programs, NS Power is not aware of any utilities who use
17 RCE as a post-project evaluation metric.

18
19 **(h)** Based on its conversations via industry groups, NS Power understands that utilities that
20 attempt to assess realization of a project's intended benefits typically rely on those well-
21 established reliability metrics already in place (SAIFI, SAIDI, CKAIFI, and CKAIDI). A
22 small number of utilities have explored additional metrics, such as Customers Experiencing
23 Long Interruption Durations (CELID), but these are generally used to provide context
24 rather than to evaluate whether a specific project achieved its intended benefit.

25
26 As detailed in Section 11.1.4 of the 2026 ACE Plan, NS Power believes that relying solely
27 on reliability metrics (lagging indicators) before and after a project is completed does not
28 adequately reflect the multitude of factors that can influence circuit performance beyond
29 the project itself and perhaps more importantly provides no consideration for the benefits
30 of mitigating emerging reliability concerns (such as asset inspection results, vegetation

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1 condition, and/or circuit loading) before they are reflected in outage events. Focusing
2 solely on the difference between outage metrics before and after a project could lead to an
3 approach favouring the selection of projects on a reactive basis for only the worst-
4 performing circuits to the detriment of proactive projects intended to mitigate risks prior to
5 significant outages occurring in the first place.

6
7 For these reasons, NS Power continues to advance a risk-based approach to assessing
8 effectiveness that includes consideration for both leading and lagging indicators for
9 condition as well as criticality, providing a more complete and forward-looking picture of
10 project value.

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Request IR-21:

Reference: N-1, 2026 ACE Plan, pages 112-113, “Update on storm performance and related capital investments”.

Preamble: NSPI identifies capital programs for storm response/reactive work for 2026 including D008 and T001.

(a) Please describe how NSPI allocates storm-related costs between capital storm routines (e.g., D008/T001) and operating storm response costs.

(b) Please explain how increased reliability investments (as outlined in the 5 Year Reliability Plan and 2025 spending) affect the estimation of storm response costs year over year, including any modelling/assumptions used?

(c) Please confirm whether NSPI expects that increased reliability investment will reduce certain storm response costs over time. If NSPI does not expect a reduction, please explain why?

Response IR-21:

(a) NS Power allocates storm costs to both the D008 (Provincial Distribution Storm Routine) and T001 (Unplanned Provincial Transmission Line Replacements) based on the proportion of the restoration activities that qualify as a capital expenditure. If an asset was damaged and required replacement, then it would be charged to D008 for distribution assets and T001 for transmission assets. If restoration efforts required no capital replacements, then these charges would not be charged to the accounts above and remain in operating. For large storms, this analysis is aided by data collected through NS Power’s damage assessment teams to ensure the proportions allocated to capital versus operating are accurate.

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1 (b) The current estimation process for the storm routines is to use historical averages plus
2 inflation. Continuing to use this methodology will, over time, incorporate the reductions
3 in overall storms costs due to the impacts of the Five-Year Reliability Plan and other
4 investments.

5
6 (c) The primary driver for the increased reliability investments is to improve overall reliability
7 for NS Power customers by reducing the frequency and duration of unplanned outages.
8 While these investments will also help to reduce outages during storms, it is difficult to
9 estimate the quantity of those savings as the severity of, and the damage resulting from
10 each storm can vary significantly depending on the specifics of each event.

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1 **Request IR-22:**

2
3 **Reference: N-1, 2026 ACE Plan, page 133, lines 30-31, and page 134, lines 1-10.**

4
5 **In addition, NS Power anticipates the scope of the CIS Replacement project**
6 **would also include enhancements to enable new tariff designs such as Time of Use**
7 **(TOU), Critical Peak Pricing (CPP), real-time pricing, and Time Varying Pricing**
8 **(TVP), and accommodate new programs such as Green Choice.**

9
10 **Since the cyber incident was discovered on April 25, 2025, a dedicated team**
11 **within NS Power along with third-party cybersecurity experts, have been actively**
12 **investigating the recent ransomware attack affecting both customers and the**
13 **Company. While the CIS system itself was not impacted, the investigation into**
14 **impacted systems may yield important considerations for future requirements to**
15 **be included in the CIS Replacement project. As such, this investigation could**
16 **impact the direction and timeline of the CIS Replacement project and work to**
17 **advance the project which has been temporarily paused.**

18
19 **Given the noted additional scope items, and stated potential impact to the “direction” and**
20 **“timeline” for this project, does NSPI anticipate filing a scope change application for the**
21 **C0021835 - IT – CIS Replacement project? If so, when? If not, please explain.**

22
23 **Response IR-22:**

24
25 **No, NS Power does not anticipate filing a scope change application for the C0021835 – IT CIS**
26 **Replacement project. This project is listed as a subsequent submittal in the 2026 ACE Plan and**
27 **therefore has not yet been filed with the NSEB for approval. The project does not have an approved**
28 **scope on which to consider whether a scope change requirement is required.**

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1 **Request IR-23:**

2
3 **Reference: N-1, 2026 ACE Plan, Appendix G – Five-Year Reliability Plan Update.**

4
5 **(a) Please identify the projects (by CI number) in the 2026 ACE Plan that correspond to the**
6 **investment amounts in Appendix G (5 Year Reliability Plan Update), and provide a table**
7 **with the following columns:**

8
9 **(i) CI number/Project Name;**

10
11 **(ii) 2026 Budget;**

12
13 **(iii) Reliability Plan Category;**

14
15 **(iv) Description of Reliability Enhancement; and**

16
17 **(v) For Routine projects, the specific change being implemented as a result of the**
18 **Updated Reliability Plan.**

19
20 **(b) Following the 2025 ACE Plan hearing, and initial discussions about the 5 Year**
21 **Reliability Plan, has NSPI conducted an affordability analysis, rate impact analysis,**
22 **and/or cost benefit analysis regarding the increased reliability spending reflected in the**
23 **5 Year Reliability Plan? If yes, please provide. If not, please explain.**

24
25 **Response IR-23:**

26
27 **(a) Please refer to NSEB IR-1.**

28
29 **(b) Please refer to NSEB IR-182 (a).**

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Request IR-24:

Reference: N-1, 2026 ACE Plan, Appendix G – Five-Year Reliability Plan Update.

Preamble: The Board directed NSPI to provide annual updates on the Five-Year Reliability Plan in each ACE Plan filing. NSPI states it has updated the Plan for 2026.

(a) Please describe the process NSPI used to review and update the Five-Year Reliability Plan for 2026.

(b) Please provide a summary table identifying all substantive changes between the 2025 Reliability Plan and the Updated 2026 Reliability Plan organized by section, and including rationale for each change. Please identify changes to:

(i) Program design or scope;

(ii) Prioritization approach or criteria;

(iii) Assumptions (cost, timeline, outcomes);

(iv) Targets (SAIDI, SAIFI, restoration); and

(v) Reporting commitments.

(c) Please confirm and explain why none of the forecasted total investment amounts have changed from the 2025 Plan?

(d) For each stated 2029 goal, please identify what inputs, assumptions, baselines, and calculations were updated in the 2026 Plan compared to the 2025 Plan, and explain.

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1 Response IR-24:

2
3 (a) Consistent with its overall Asset Management approach, NS Power utilized analysis of
4 leading and lagging condition indicators and criticality ratings to evaluate and make
5 recommendations in the Five-Year Reliability Plan. Based on this risk information, and
6 with a focus to reduce the overall duration and frequency of outages in targeted areas, NS
7 Power has developed the recommendations for year two. The update is intended to provide
8 transparency into the program and provide detail of the specific projects committed for
9 execution by NS Power in year two of the Five-Year Reliability Plan.

10
11 (b) There are no changes to any of the outlined criteria in this question. The progress report
12 was submitted within the first year of execution of the Five-Year Reliability Plan, and there
13 have not been any significant changes to the plan, nor associated investments within this
14 timeframe.

15
16 (c) No new information or changes have occurred throughout 2025 that would lead NS Power
17 to make a change to the approach within the 5-Year Reliability Plan, therefore Year 2 is
18 currently planned at the same investment levels as originally included in the original filing
19 of the 5-Year Reliability Plan.

20
21 (d) NS Power's investment commitment in year two has remained the same. Therefore, the
22 2029 goals stated within Five-Year Reliability Plan have also remained the same in year
23 two. With the forecasted level of investment totalling \$1.3 billion over five years, NS
24 Power expects to achieve the two goals outlined in the Five-Year Reliability Plan.

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Request IR-25:

Reference: N-1, 2026 ACE Plan, Appendix F – Path to 2030, at page 36 (pdf page 689).

Preamble: NSPI reports the anticipated retirement or conversion date for Langan 2 as 2027, based on the 2025 10 Year System Outlook Report.

- (a) Please confirm the accuracy of this forecasting and identify the source document relied upon.**
- (b) Please provide the total forecasted capital investment in Langan 2 prior to that retirement/conversion date, by year and by project, in a table format?**
- (c) Aside from the subsequent submittal for C0082195 (total \$3.1 million), please identify any other capital projects in the 2026 ACE Plan related to improvement, refurbishment, or maintenance of Langan 2.**
- (d) How has NSPI taken into consideration the IESO-NS procurement efforts, including in relation to the Fast-Acting Generation projects, in determining when Langan 2 can be retired?**

Response IR-25:

- (a) The forecast retirement date for Langan 2 is based on a combination of the reference Evergreen IRP scenario (CE1-E1-R2) and the planned investments in alignment with the Clean Power Plan (CPP). The winter 2027/2028 retirement date for Langan 2 is an accurate reflection of the appropriate timing for retirement of this facility based on the system needs and the timing of the CPP investments reflected in the 10 Year System Outlook report. This date is subject to change due to the timing of the replacement capacity.**

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1 (b) Please refer to NSEB 1R-172.

2

3 (c) Please refer to NSEB 1R-172.

4

5 (d) As part of the transition, the IESO-NS will be completing an updated Integrated Resource
6 Plan (IRP) to assess the timing of resource needs, which will include consideration for the
7 anticipated in-service timing for new fast-acting generation and how this will impact the
8 retirement date for Langan 2 and other planned retirements on the path to 2030.