
Nova Scotia Energy Board

IN THE MATTER OF *The Public Utilities Act*, R.S.N.S. 1989, c.380, as amended

- and -

IN THE MATTER OF an Application by Nova Scotia Power Inc. for Approval
of the **2026 Annual Capital Expenditure (ACE) Plan (M12619)**

2026 ACE Plan

NS Power
Reply to Closing Submissions

June 5, 2026

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1.0 INTRODUCTION

Nova Scotia Power Incorporated (NS Power, Company) filed its Closing Submissions with the Nova Scotia Energy Board (NSEB, Board) on May 29, 2026, with respect to the Company's 2026 ACE Plan. Closing submissions were also filed by the Small Business Advocate (SBA Closing Submissions), Consumer Advocate (CA Closing Submission), Counsel to the Industrial Group (IG Closing Submissions), and the Department of Energy (DOE, Department).

In providing this Reply to Closing Submissions, NS Power is relying on the evidentiary record it has developed during this proceeding, as well as its Closing Submissions.

The 2026 ACE Plan record reflects the following:

1. The capital projects and routines submitted for approval in NS Power's 2026 ACE Plan are prudent investments for customers and have been fully justified; and
2. Comments related to the non-capital project/routine specific issues have been addressed in full.

The Company provides the following as its Reply to Closing Submissions.

2.0 REPLY TO IG SUBMISSIONS

The IG does not take a position on any of the individual capital projects but requests that the Board:

1. Direct NSPI to provide a more complete Year 3 update to the Five-Year Reliability Plan;
2. Decline to approve NSPI's proposed Scope Change definition as currently drafted, and instead direct a revised definition that reflects the ordinary and project-management meaning of "scope", with a meaningful materiality threshold, notice and trigger for Board review, as part of the compliance filing;
3. Direct NSPI to provide, with its next ACE Plan, a program-by-program review of routine capital spending, including historical unit metrics, per-unit cost comparisons, and identification of any new or expanded work embedded within existing routine categories;
4. Initiate a stakeholder engagement process to review the "Routine Expenditure" section of the CEJC, and determine whether a materiality threshold requiring enhanced justification for significant year-over-year increases in routine spending is warranted;
5. Direct NSPI to file, alongside each future ACE Plan, a consolidated ratepayer cost exposure report setting out the utility's ACE capital program, Reliability Tie costs, known or reasonably anticipated IESO-NS costs recoverable from ratepayers, and the aggregate bill impact of those amounts in a clear and consistent format;
6. Direct NSPI to include enhanced cost-variance disclosure in future subsequent submittals for IT or cybersecurity-related projects affected by the 2025 cybersecurity incident; and
7. Direct NSPI to engage and coordinate with IESO-NS in connection with future ACE filings, and to report on that coordination so that the Board.

The Company's position is that none of the above requests are necessary or appropriate considering the existing regulatory framework and evidentiary record. NS Power submits that the Board should decline to grant them for the reasons set out below, addressed in turn.

2.1 Five Year Reliability Plan Updates

The IG submits that there is a need for a more robust annual update of the Five-Year-Reliability Plan on the basis that there have been no changes to the investment amount, criteria, scope,

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1 reliability metrics, or the 2029 targets.¹ NS Power does not agree that a lack of change in these
2 elements indicates a deficiency in the review process.

3
4 The purpose of the Five-Year Reliability Plan (Plan) is to establish a stable, long-term investment
5 strategy to address known reliability needs over a defined planning horizon. The fact that core
6 elements of the Plan have not materially changed at this early stage is consistent with that
7 objective, rather than evidence of insufficient oversight. NS Power reviews its efforts to execute
8 on the Plan on an ongoing basis and has determined that no material revisions are warranted at this
9 time, given that the Plan is currently in year two of a five-year horizon and the foundational
10 investment programs remain appropriate. In addition, the IG's submission does not reflect that the
11 Plan is presently subject to a comprehensive, independent review led by Board-directed consultant
12 Synapse, which is expected to provide a review of the structure, metrics, and objectives of the
13 Plan.

14
15 NS Power also notes that reliability investments do not typically produce direct cost savings which
16 would drive yearly changes in investment levels. Rather, their benefits are realized through
17 improved system performance, including reduced outage frequency and duration, improved
18 service quality, and reduced risk of equipment failure. These outcomes are measured using
19 established reliability indices such as SAIDI and SAIFI, which have long been used to assess
20 system performance. As noted in the 2026 ACE Plan application, SAIDI performance is trending
21 better than recent historical averages² and the Company continues to see positive indications
22 overall for SAIFI and SAIDI when adjusted for weather.³

¹ IG Closing Submissions, page 2.

² Exhibit N-1, 2026 ACE Plan Application, page 101 of 141.

³ Exhibit N-1, 2026 ACE Plan Application, page 106 of 141.

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2.1.1 Actual 2025 Spend

The IG points to Undertaking U-5 and submits that there is a contradiction to the claim that NS Power invested \$206 million in Year 1, as actual expenditures were approximately \$179.4 million, about \$26.6 million below the amount referenced in the Plan.

The \$179.4 million figure shown in Undertaking U-5 represents investment on capital projects that were originally included in the year one forecast included in the 2025 ACE Plan. In every forecast, a certain amount of change should be expected to occur throughout the year. In this instance, projects that were expected to be completed in 2025 but carried over into 2026, and unplanned work that arose in 2026 makes up the variance between the \$179.4 million in U-5 and the actual 2025 investment of \$206 million. To level set, it would be neither practical nor prudent to expect that every individual project included in a five-year reliability plan will proceed exactly as forecast. The fact that the Plan experiences necessary changes is evidence that the Company has the ability to re-prioritize work based on the highest risks and value for customers. This is an indication of mature investment planning. It would be more concerning if the Plan did not change based on updated conditions and risks. The relevant question is not whether individual projects experience cost or schedule variances, but whether NS Power continues to execute the overall program at the pace and investment level necessary to achieve the Plan's objectives as outlined.

Additionally, to clarify, actual 2025 investment under the Reliability Plan was approximately \$209 million, with the difference attributable to normal changes that occurred during execution of the capital program, including planned work that shifted into 2026 and new, higher-priority work that emerged during the year and was completed in its place. This is not unusual. Capital plans are forecasts developed using the best information available at the time. As projects progress, circumstances inevitably change. Emergent reliability needs arise, project schedules shift, regulatory requirements evolve, and new information becomes available regarding asset condition and risk.

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Effective utility asset management requires resources to be redirected to the highest-priority work as these circumstances develop. The projects cited by the IG illustrate this point. For example, in the case of the PCB Substation Sampling and Replacement program and the PCB Light Replacement program, changes to regulatory requirements allowed the replacement schedule to be extended over multiple years instead of requiring completion in 2025. As a result, expenditures on those projects were lower than originally forecast and resources originally planned for this work were now available to be used elsewhere. The existence of that underspend then creates resourcing capacity to address other reliability investments that emerged during the year and were determined to be of high priority, such as the additional work related to the Mount Uniacke Substation necessary to serve growing load and additional replacements and upgrades to Transmission Line L-5301 from Hubbards to East Chester where assets were found to be more deteriorated than originally estimated.

In NS Power's submission, the existence of project-level variances does not warrant reconsideration of the entire Plan or its investment levels as the Plan is assessed on a system-wide basis. A five-year capital program is intended to establish the overall pace, direction, and level of investment required to maintain and improve reliability over time. Although the associated investments are substantial, the costs and reliability impacts of not proceeding with the work at the level of investment sought would be significantly more severe. In any event, to state again, the Company's Plan is subject to an ongoing independent third-party review which is ongoing in M12558.

2.2 Scope Change

While considerable submissions have been made on this topic by the IG, NS Power maintains its position and continues to seek approval of its proposed version of the Summary CEJC as amended in NS Power's Rebuttal Evidence as one that balances regulatory oversight with regulatory efficiency. NS Power will address each of the IG's concerns below.

2.2.1 Application Timing

The IG states at page 10:

More to the point, NSPI seeks approval to overspend only after the funds are committed and the size of the overrun is known. A Scope Change application is prospective so the Board has some oversight in advance. To say that an ATO will catch overruns is not an answer to the need for advance notification of scope changes. Rather, it is confirmation that the proposed definition relegates all scope oversight to after-the-fact financial review.

NS Power endeavours to file all Authorization to Overspend (ATO) applications as early as practicable, once sufficient certainty exists regarding the appropriate path forward and associated costs. Delays in filing applications for projects in an ATO position have direct financial consequences for the utility. Projects that are in an ATO position that are not filed within six months of exceeding the NSEB-approved amount have the costs in excess of the original Board approved amount removed from rate base each quarter until regulatory approval is obtained, thereby limiting cost recovery for the period of delay. This regulatory framework creates clear incentives for timely filing and provides a safeguard for customers by ensuring that only approved overspend is reflected in rates.

NS Power acknowledges that, because such certainty is often only achieved once work is underway, many ATO applications are filed after work has been committed or completed. However, the existence of a separate scope change application process would not alter this practical reality. Many scope changes arise during project execution because of unforeseen site conditions, technical requirements, or other circumstances that could not reasonably have been anticipated at the time the project was initially approved. When such situations arise, NS Power determines whether the work should proceed immediately to mitigate reliability, safety, operational, or cost risks, or whether the circumstances permit delay pending a Board review process. In many cases, postponing the work until completion of an application and review process would create additional project costs and could pose operational risks. That same decision would apply to scope change applications and likely would lead to many applications being an “after the fact” review.

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1 The IG assumes that a scope change application would provide meaningful prospective oversight.
2 This assumption does not reflect the operational reality that project decisions often must be made
3 in real time to manage cost, schedule, and reliability risks. In practice, the same considerations that
4 result in some ATO applications being reviewed after expenditures have been incurred would
5 apply equally to scope change applications. For example, if unknown site conditions like soil
6 instability or contamination are found, or more commonly, where the existing asset condition is
7 worse than expected, NS Power must make immediate decisions to avoid safety risks or rework.
8 Another example is work tied to planned outages with tight windows of time allotted; decisions
9 must be made within the outage window and cannot wait for the completion of a regulatory
10 process. The costs around mobilization and demobilization may also be significant if the Company
11 were to pause work while awaiting a regulatory process. As a result, many scope change
12 applications would likely be filed after the relevant decision has already been made and the work
13 has commenced or has been completed and the cost incurred.

14
15 Furthermore, the two-step approach where NS Power provides interim notification of a scope
16 change - requiring the Board to determine if an application is necessary - will likely still lead to
17 applications occurring after the change to the project has occurred or is in flight. In that respect,
18 advance notification to the Board or stakeholders would not create a practical opportunity for
19 prospective intervention, as the Board would not be able to direct that work be delayed, paused, or
20 re-scoped once field execution is underway and system, safety, and cost risks are engaged.
21 Accordingly, such notification would not alter outcomes on the ground.

2.2.2 Scope & Scope Change Definition

The IG states:

A change in scope could be to deliverables, methods, boundaries and/or objectives in the project. However, the trigger for when a formal application is required can, and should, be more narrowly, and practically defined.⁴

NS Power maintains that its proposed scope definition is both more practical and more administrable than the approach suggested by the IG. While NS Power acknowledges that the proposed definition does not align with the PMBOK definition of scope, all project scope information currently provided in capital applications will continue to be included in the Project Description, preserving the same level of transparency and oversight that exists today.

Although the IG suggests that scope change triggers could be based on changes to deliverables, methods, boundaries, or objectives, only changes to deliverables can be objectively measured, tracked, and reported in a consistent manner. Material changes to project methods, boundaries, or supporting activities such as archaeology or water management are inherently subjective as they do not lend themselves to clear, objective trigger thresholds to track quantity or volume and instead depend on project-specific conditions and engineering judgment. Attempting to define a materiality threshold for changes to deliverables, methods, boundaries, or objectives would require the creation of new administrative processes and reporting mechanisms that would be difficult to implement and resource-intensive to maintain. By contrast, significant changes in project deliverables are already effectively captured through the existing ATO and Final Cost review processes, and, for routine program work, through annual reporting requirements. As a result, the current framework provides meaningful oversight of material project changes without introducing a complex and impractical scope change regime.

⁴ IG Closing Submissions, page 8.

2.2.3 Tusket Main Dam Refurbishment Project

The IG effectively suggests that the Tusket Main Dam Refurbishment Project ATO proceeding proves that NS Power can materially change how a project is built without calling it a scope change, which means the Board only sees the cost consequences after the fact. NS Power does not agree with this characterization. This project exemplifies the level of Board oversight over projects that experience substantial increases in project costs due to unforeseen circumstances.

In M08162, the original Tusket Main Dam Refurbishment project, the Board ordered NS Power to provide the Board with quarterly reporting on the use of any contingency funds with detailed accounting identifying costs associated with each item spent under the contingency, a detailed explanation describing the reason for each item, and an explanation of why the costs could not have been included in the initial application.⁵ NS Power filed nine contingency reports indicating that the forecasted project costs would exceed the amount approved by the Board and provided a timeline for providing an ATO application. NS Power filed its ATO application on July 23, 2021, in M10197. NS Power continued to file contingency reports at that time. After the regulatory process for the ATO was suspended in late 2021, by letter dated February 2, 2022, the Board approved the continued suspension of the regulatory process and directed NS Power to file reports with additional contingency spending detail, quarterly contingency reports, and directed NS Power to explain any further work required before NS Power is in a position to confirm its updated construction plan and ATO amount. To date, NS Power has filed 28 contingency reports with the NSEB throughout M08162 and M10197. NS Power does not wish to belabour the point but there is no gap in regulatory oversight in this instance that could have or should have been filled with a scope change application that would provide greater transparency or oversight over that project.

The Tusket example demonstrates why the existing ATO framework provides appropriate oversight. Where unforeseen circumstances result in substantial increases in project cost, the existing financial thresholds trigger Board review regardless of whether the underlying project deliverables have changed. As a result, the Board and intervenors receive visibility into projects

⁵ M08162, NS Power CI 29807 – Tusket Main Dam Refurbishment, Board Order, March 12, 2019.

1 that experience significant cost increases without requiring a separate and inherently subjective
2 determination of whether additional execution activities constitute a “scope change”.

3
4 Finally, NS Power notes that cost minimization is embedded in every part of NS Power’s capital
5 program and will not be impacted in any manner by how Scope or Scope Change is defined in the
6 context of regulatory applications. Project managers pursue all cost minimization activities on their
7 projects regardless of whether an application to the Board is required.

8 9 **2.3 Routine Capital Spending**

10
11 The routine program presented in the 2026 ACE Plan is consistent with both the CEJC definition
12 and the Board’s established expectations for routine capital expenditures. The CEJC definition
13 specifically contemplates recurring annual allocations for high-volume, repetitive, like-for-like
14 capital replacements, enhancements, or additions that are expected to continue into the foreseeable
15 future. Each routine category proposed by NS Power meets that definition.

16
17 The IG submits that a 70% increase in four years does not reflect a “like-for-like” program, as
18 required by the CEJC.⁶ Respectfully, “like-for-like” is in reference to replacing assets with similar
19 (like) assets that are in need of replacement or refurbishment, and does not indicate that the annual
20 level of investment must remain substantially unchanged from year to year. NS Power
21 acknowledges that routine program spending has increased substantially since the 2023 ACE Plan
22 budget, however, this increase is driven primarily by an increase in the quantity of recurring new
23 customer investment needed through that period, not a change in the nature of the work itself. The
24 majority of the \$86M increase is driven by the routines listed in the table below:

25
⁶ IG Closing Submissions, page 13.

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Routine	Increase (\$M)
New Customer	29.4
Distribution Upgrades and Replacement	16.1
Right-of-Way Widening	15.4
Work Vehicles	13.4
Transmission Line Replacement, Add'ns/Mod'ns	5.7

As this table shows, the increase in routine investment is driven by the requirement to connect new customers, increased transmission and distribution investment consistent with the details in the Five-Year Reliability Plan and increased vehicle investment due to higher unit costs and the need to replace additional vehicles due to multiple years where there was limited supply of line trucks due to COVID-related supply chain issues.

Performing more of this work does not transform it into non-routine work. Each of the noted routines align with the NSEB’s expectation of a routine program. As noted by the Board and as cited in the IG’s Closing Submission “...routine capital expenditures are recurring annual expenses incurred to sustain NS Power’s equipment, and to allow for both system growth and the addition of customers to the system”.⁷ Recurring annual expense establishes frequency, not magnitude, or a lack of variability in cost. Moreover, the Board and intervenors retain full visibility into these expenditures through the ACE Plan process, annual reporting, and ATO applications on overspent routines where applicable. Accordingly, the increase in routine program investment does not support the conclusion that the work no longer meets the established definition of routine capital.

2.4 Stakeholder Engagement to Review “Routine Expenditure” section of the CEJC

The IG requests that the Board initiate a stakeholder engagement process to review the “Routine Expenditure” section of the CEJC and determine whether a materiality threshold requiring enhanced justification for significant year-over-year increases in routine spending is warranted.

⁷ Transcript, page 164.

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1 NS Power does not consider it necessary to initiate a standalone stakeholder engagement process
2 in relation to the “Routine Expenditure” section of the CEJC because existing annual review
3 mechanisms already provide transparency, scrutiny, and justification of routine expenditures.

4
5 **2.5 Rate Impacts**

6
7 The IG requests that the Board direct NS Power to file, alongside each future ACE Plan, a
8 consolidated ratepayer cost exposure report setting out the utility’s ACE capital program,
9 Reliability Tie costs, known or reasonably anticipated IESO-NS costs recoverable from ratepayers,
10 and the aggregate bill impact of those amounts in a clear and consistent format.

11
12 The IG further submits that:

13
14 The total level of spending is not independently scrutinized, in either the ACE or
15 GRA proceedings, against a specific question of whether it is affordable or
16 necessary. NSPI's witness confirmed in the GRA that the company would fill its
17 capital envelope from higher-priority items to the next priority item, when an initial
18 project is not able to be completed, and explained that "sustaining capital levels
19 would remain aligned with the forecast.

20
21 The Industrial Group submits that the Board should direct NSPI to provide, with
22 the Year 3 update to the Reliability Plan, a quantitative assessment of the impact of
23 the Reliability Plan on rates. Additionally, there should be consideration given to
24 the overall impact of the annual capital expenditure plan on ratepayer classes,
25 whether by an overall bill impact or affordability analysis.

26
27 NS Power has not completed an analysis that produces revenue requirement, rate, or bill impacts
28 by customer class for the ACE Plan and is not able to provide a reliable result at that level of
29 granularity. Such outputs depend on many interrelated assumptions, including load forecasts,
30 timing of in-service additions, depreciation, financing assumptions, and cost of service allocation
31 methodologies, all of which are inherently uncertain at the ACE planning stage. Revenue
32 requirement and Cost of Service Studies are appropriately developed as part of General Rate
33 Applications (GRA), where a complete and integrated set of assumptions is applied to determine
34 rates by class based on a full revenue requirement framework. These studies are significant

1 undertakings and are not designed to be conducted on only a subset of future capital investments
2 outside of a GRA context.

3
4 NS Power has previously provided estimated revenue requirement impacts (not class-specific rates
5 or bill impacts) associated with planned capital expenditures in ACE Plan proceedings. However,
6 the Board has previously questioned the usefulness of such estimates, noting in its 2022 Decision
7 that, given the uncertainties and lack of consensus on inputs, “the information does not appear to
8 be useful.” NS Power agrees with that assessment.

9
10 Though the IG characterizes the distinction between the ACE Plan and GRA processes as a
11 "structural disconnect", this distinction reflects the purpose of each proceeding. The ACE Plan
12 process is designed to evaluate the prudence and reasonableness of capital investments, while the
13 GRA evaluates the resulting revenue requirement and customer impacts. Together, these
14 proceedings provide comprehensive oversight of both the investments themselves and their impact
15 on rates.

16 17 **2.5.1 Capital Envelopes**

18
19 Regarding the IG characterization that the reallocation of capital from delayed projects to higher-
20 priority work is "envelope filling", NS Power's position is that it is prudent asset management to
21 proceed with another risk mitigation project if the initially intended project is delayed or deferred.
22 Maintaining the overall level of investment contemplated by the Board while redirecting resources
23 to higher-priority needs is a necessary component of operating a large and dynamic utility system.
24 The reality of operating the Nova Scotia Grid to achieve Performance Standards means that there
25 is never a shortage of high value work for NS Power's customers. This accords with the Board-
26 approved Summary CEJC which makes clear at page 14 that, “NS Power's capital program is
27 intended to be dynamic and flexible in accordance with a complex business. Revisions may include
28 scope changes, timing changes, costing updates, new project additions, etc.”.⁸ The CEJC states

⁸ Summary CEJC, page 14.

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1 that “NS Power retains the discretion to defer or cancel capital projects submitted and/or approved
2 by the Board based on condition reassessment and reprioritization in accordance with engineering,
3 business judgment and resource availability. Any projects cancelled or deferred are reported in the
4 Quarterly Capital Reports”.⁹ Appendix C of the ACE Plan contains the latest Quarterly Capital
5 Report at the time of the ACE Plan filing to provide intervenors with details of cancelled and
6 deferred projects.

7
8 There is no element in NS Power Strategic Asset Management Plan and Capital Planning approach
9 that drives investments based on minimum spend targets.¹⁰

10
11 Further, the spending levels the IG points to (\$132 million underspent in 2023, \$53 million
12 overspent in 2024, and \$74 million variance in 2025) indicate that NS Power is not rigidly spending
13 to a predetermined envelope. This demonstrates the opposite - the evidence shows that actual
14 spending varies based on project readiness, prioritization, and the ability to execute on other high
15 priority work.

16
17 Overall, the IG submission effectively seeks a second affordability review of investments that were
18 already incorporated into the Board's recent consideration of NS Power’s revenue requirement and
19 customer impacts through the GRA. In NS Power’s submission, the relevant question is not
20 whether investments can be avoided in the interest of affordability, but whether the proposed
21 investments are prudent, necessary, and in all respects, just and reasonable.

22
23 A substantial portion of NS Power’s capital program consists of sustaining capital, which is
24 essential to maintain existing infrastructure in a safe and reliable condition and to meet established
25 service obligations. The 2026 ACE Plan further reflects investments driven by customer growth
26 and load requirements, as well as those necessary to implement the Company’s Five-Year
27 Reliability Plan and maintain reliability performance at or above current levels.

⁹ Summary CEJC, page 14.

¹⁰ M12022, NS Power Strategic Asset Management Plan, Section 9.1.

1 While deferring capital expenditures may provide near-term reductions in capital costs, such an
2 approach is not consistent with the prudence standard where it would compromise asset condition
3 or system reliability. Deferring necessary and prudent investments without a feasible alternative
4 risk mitigation plan can reasonably be expected to increase both costs and risks to customers over
5 the longer term, including the potential for accelerated asset degradation, higher future
6 replacement costs, and declining service reliability. In this respect, maintaining an appropriate
7 level of investment is integral to ensuring that NS Power can provide safe and adequate service
8 that is just and reasonable over the long term.

9
10 **2.6 Cybersecurity-Related Projects**

11
12 The IG requests that the Board, “direct NSPI to include enhanced cost-variance disclosure in future
13 subsequent submittals for IT or cybersecurity-related projects affected by the 2025 cybersecurity
14 incident”.¹¹

15
16 First, NS Power wishes to reiterate that there are no costs related to the restoration from the cyber
17 event in any capital projects in the 2026 ACE Plan. Second, the record shows that the information
18 sought by the IG is already addressed through existing filing requirements and the evidentiary
19 record in each subsequent submittal capital application. Capital project submissions already
20 include cost estimates, scope descriptions, and variance explanations where material changes have
21 occurred. Requiring additional standardized variance reporting in every subsequent submission
22 would be duplicative of information already before the Board, and would not materially enhance
23 oversight.

24

¹¹ IG Closing Submissions, page 21.

2.7 IESO-NS Transition – Capital Coordination

The IG calls for evidence that NS Power is coordinating its capital planning decisions with the IESO-NS to reduce duplication of costs. The IG notes:

To be clear, the Industrial Group does not object to NSPI continuing to diligently advance its plans until the transition takes place. However, in circumstances where project development may ultimately be transferred to IESO-NS, there remains a clear risk of duplication of costs, particularly in connection with transition and onboarding activities. This risk underscores the importance of establishing appropriate mechanisms at an early stage to mitigate inefficiencies and ensure that ratepayers are not exposed to unnecessary or duplicative expenditures.

NS Power agrees that collaboration between NS Power and IESO-NS is important, however, to be clear, there is no basis at this time to conclude that the capital investments in the 2026 ACE Plan are duplicative, misaligned, or at risk of becoming unnecessary because of the IESO-NS transition. The regulatory framework governing the respective roles of NS Power and IESO-NS, including how capital investments will ultimately be allocated and reflected in regulatory proceedings, remains under active development. Further, it seems that the IG’s concern regarding potential duplication or divergence assumes a level of finalized IRP direction from IESO-NS that does not yet exist. NS Power will, as appropriate, adjust and align future planning as the IESO-NS framework matures and produces updated system planning and transition outcomes.

The IG also noted the Board Chair’s suggestion of a joint panel with IESO-NS to discuss the Path to 2030, given that many of the projects involved are not NS Power projects. The IG communicated its support for this approach.¹² NS Power recognizes that questions regarding the appropriate role of IESO-NS in the Path to 2030 process are matters for the Board to determine as the regulatory framework evolves. NS Power will, as always, comply with and support the Board’s direction in this regard.

¹² IG Closing Submissions, pages 20-21.

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1 Taken altogether, NS Power submits that the IG’s requested directives are not grounded in any
2 demonstrated gap in oversight, but rather in overstated concerns that do not warrant additional
3 Board-ordered requirements.
4

3.0 REPLY TO CA SUBMISSIONS

The Consumer Advocate (CA) does not oppose approval of NS Power’s proposed 2026 ACE Plan, but supports the recommendations made by the CA’s consultant, John Wilson. The CA further noted concern regarding the cost effectiveness of NS Power’s Five-Year Reliability Plan including the distribution routine program.

NS Power has reviewed the Consumer Advocate’s recommendations and maintains its position on the Wilson recommendations as outlined in NS Power’s Rebuttal submission and evidence provided during the hearing. NS Power makes the following brief comments on the key themes identified in the CA’s closing submission.

3.1 Distribution Routines

The CA, relying on Mr. Wilson’s evidence, submits that NS Power should enhance its tracking and reporting of labour hours, overtime, and scheduling practices in distribution routines. It further recommends adoption of a Basis of Schedule (or equivalent) for non-reactive routine work to improve efficiency, reduce overtime, and strengthen planning practices.

NS Power’s Work Management and Scheduling (WAM) systems already provide detailed tracking of labour, materials, and work order performance, and are actively used to support planning, execution, and efficiency monitoring across capital and operating programs. NS Power is continuously evaluating opportunities to enhance these tools where cost-effective and operationally beneficial.

NS Power did not disregard Mr. Wilson’s recommendation for an “equivalent” system. As noted at the hearing, even an “equivalent” Basis of Schedule approach could not be down scaled to be appropriate for routine work as the work is very repetitive in nature and managed by a small group of people on each individual initiative that are already aligned on key elements of the project,

1 issues, risks and opportunities, and the schedule.¹³ NS Power is firm in its position that this
2 exercise would amount to nothing more than additional paperwork and is unlikely to provide any
3 additional coordination value¹⁴ or tracking that would reduce costs for customers. Accordingly, it
4 is NS Power's view that, to the extent the Board is seeking areas where further improvements and
5 efficiencies may be realized for the benefit of customers, its attention should be directed to ongoing
6 enhancements within WAM.

8 **3.2 Maximo/Salesforce Efficiency Reporting**

10 The CA reiterates Mr. Wilson's recommendation that NS Power should report on potential
11 enhancements to its Maximo/Salesforce systems, including whether these tools could be used more
12 broadly to improve efficiency and cost minimization. The CA further suggests NS Power should
13 provide more detailed reporting on contractor efficiency and productivity measures.

15 NS Power remains of the view that additional formal reporting requirements are not necessary and
16 would provide limited value to the Board and stakeholders as NS Power continually looks for
17 additional efficiencies the tool can leverage. A report on enhancements is likely only to record
18 small, incremental changes to the Maximo/Salesforce tool, and should be considered carefully to
19 ensure the effort provides meaningful value to the Board and intervenors.

21 **3.3 New Customer-Driven Work Volumes**

23 The CA submits that NS Power should collect more granular data on customer-driven work,
24 including customer type, service characteristics (e.g., voltage, phase), and external cost drivers.
25 The CA also questions whether NS Power's current forecasting methodology is sufficiently tested
26 over time.

¹³ Transcript, pages 68-69.

¹⁴ Transcript, page 69.

1 NS Power remains of the view that its current forecasting methodology for New Customer work
2 is appropriate and has performed effectively based on recent results. As noted during the hearing,
3 gathering further, more granular data, would come at a cost, and NS Power is confident and pleased
4 with the results of the 2025 forecasting methodology which resulted in a more accurate budget.¹⁵
5

6 While NS Power agrees that data granularity generally provides some analytical insight, NS Power
7 maintains that the cost and complexity of implementing and maintaining such tracking must be
8 balanced against its incremental value for forecasting purposes. NS Power further notes that
9 detailed cost allocation and rate design considerations are appropriately addressed in General Rate
10 Applications, where full system-wide data sets and methodologies are applied.
11

12 **3.4 Projects without Risk Registers**

13

14 The CA supports Mr. Wilson's recommendation that NS Power reduce contingency allowances to
15 10% where no risk register is provided and that the Board require risk matrices for projects
16 exceeding that threshold.
17

18 NS Power does not include risk registers for projects such as Transmission Line Replacements &
19 Upgrades, where the risks are well known to all individuals involved in the project. However,
20 though a risk register is not required, those known risks can still present at a scale and impact on
21 the project such that a 15% contingency is necessary. The risks driving the need for a 15%
22 contingency are outage schedules, access, level of terrain, and material pricing.¹⁶ NS Power
23 pursues all risk mitigation measures it can but largely finds risks like access costs and scheduling
24 are fluid in nature, meaning they have the potential to change on short notice. These risks can add
25 significant costs to the project and NS Power submits that a 15% contingency is appropriate to
26 absorb those risks if they do present.
27

¹⁵ Transcript, page 87.

¹⁶ Transcript, page 95.

3.5 Reliability-Related Projects

The CA raises concerns regarding vegetation management effectiveness, tree contact metrics, and the use of estimated attribution factors for adverse weather. It also supports further examination of these issues in the third-party reliability review.

NS Power repeats and relies on the record before the Board regarding vegetation management effectiveness and tree contract reporting. The Company's position is that the ongoing third-party review of the Five-Year Reliability Plan is the most appropriate forum for a comprehensive assessment of these matters.

3.6 Spare Inventory/Pooling

The CA recommends further examination of NS Power's spare equipment strategy and consideration of pooling arrangements and requests a more detailed inventory to assess cost-effectiveness.

NS Power maintains that its current risk-based sparing strategy is appropriate and reflects both operational requirements and supply chain considerations. As noted at the hearing, NS Power regularly reviews the availability of spares through its Transformer Asset Strategy Committee and has a strategic procurement process with affiliate companies and NB Power to identify the opportunity to share transformer production slots as an additional way to minimize costs and provide flexibility in procurement strategies.¹⁷ NS Power does not oppose continued discussion of industry practices in this area, but considers its existing approach to be consistent with reliability and cost objectives.

¹⁷ Transcript, page 109.

3.7 CEJC Amendments

The CA supports several of Mr. Wilson’s proposed amendments to the CEJC, including clarifications around scope change, capital thresholds, and definitions of related projects, and recommends enhanced informational filings.

NS Power submits that the existing CEJC framework, combined with ATO oversight and General Rate Application review, already provides a robust capital governance structure. The Company has indicated areas where it agrees with Mr. Wilson’s recommendations, particularly regarding clarification of the scope change definition. NS Power has also addressed the notion of a two-step process in responding to the IG’s Closing submissions at **Section 2.2** above. Where NS Power has not agreed with additional procedural requirements, this is primarily because these measures reflect existing practices and would therefore add administrative burden without changing outcomes or enhancing oversight.

4.0 REPLY TO SBA SUBMISSIONS

The SBA submits that, despite increasing vegetation management spending, tree contacts remain a significant and, in some cases, growing contributor to outages, with the evidence not clearly demonstrating sustained improvement in outcomes. The SBA expresses concern about the recurring nature of the work, the potential for post-trimming increases in outages, and inconsistencies in how results are presented. Overall, the SBA emphasizes that ratepayers need clearer evidence that these investments deliver measurable reliability benefits and that costs are justified.

It is important to understand that vegetation management is inherently a continuous, ongoing activity rather than a one-time solution. As such, it will remain a persistent source of spending, and given the combination of weather conditions, municipal trimming restrictions, forest cover, and topography of Nova Scotia, it is not reasonable to expect that tree contacts can ever be fully eliminated from the system. The appropriate focus, therefore, is not on achieving zero tree contacts, but on ensuring that vegetation management expenditures are prudent and deliver value. As evidenced in Performance Standards metrics, NS Power continues to see improvements in the number of events and customer hours of interruption related to Tree Contacts as a result of the Company's continued vegetation management focus in recent years.

As the SBA notes, many of the concerns raised are being addressed through the ongoing third-party review of the Five-Year Reliability Plan. NS Power agrees with the SBA that the Five-Year Reliability Plan review will be of assistance in the discussion regarding metrics and measurement of improvements in reliability and will continue to cooperate fully with that review process.

5.0 REPLY TO NS DEPARTMENT OF ENERGY SUBMISSIONS

NS Power notes that the Department of Energy's (DOE, Department) closing submissions contain a number of broad assertions that are not fully supported on the evidentiary record regarding the Company's capital planning and investment decisions. The Board's role is adjudicative. Its findings must be grounded in the evidentiary record, tested through the hearing process, and applied in accordance with the *Public Utilities Act* and established principles of utility regulation. Assertions or assumptions that are not supported by evidence before the Board cannot, on their own, establish that a proposed investment is imprudent or unreasonable.

The Department did not file evidence in this proceeding. NS Power has therefore responded to selected assertions in the Department's closing submissions and explains why they are not supported by the evidentiary record.

To the extent NS Power does not address every statement contained in DOE's closing submissions, that omission should not be taken as agreement. Rather, NS Power relies on its evidence, the hearing record, and the general submissions set out above.

At a high level, the Department's closing submissions are built on the following core assumptions:

- Capital spending is growing too quickly;
- Capital spending is not producing corresponding growth in customers, assets, sales, or reliability;
- Project cost escalation reflects poor forecasting, scope creep, and weak governance; and
- The Board should respond with structural restrictions, including potentially capping the ACE Plan by up to 50%.

NS Power will address these assumptions in turn.

5.1 Capital Spending Growth

DOE submits that capital spending has increased from historical levels, representing a dramatic acceleration that exceeds inflation and economic growth. This is presented as evidence of excessive "asset loading." The DOE submits:

Operating at more than double its historical velocity, the Utility intends to deploy over half of the total investments made during the last 21 years combined, in just the next 60 months. The sustained 10% Compound Annual Growth Rate (CAGR) in capital additions since 2005, vastly outpaces provincial inflation. This warrants careful review against general economic indicators, and raises material concerns regarding the fiscal capacity of ratepayers to absorb such aggressive asset loading without a corresponding expansion of physical system benefits.¹⁸

First, the time period referenced by the Department coincides with a once-in-a-generation transformation of the electricity system. NS Power is simultaneously managing aging infrastructure, implementing its Five-Year Reliability Plan, responding to increasing electrification and customer-driven growth, and integrating significant amounts of renewable generation and supporting grid infrastructure to satisfy legislated decarbonization requirements. These factors are unprecedented in scale relative to the historical period selected by the Department for comparison.

Moreover, there is no regulatory principle or standard that would lead to an expectation or requirement that utility capital investment should move in parallel with “general economic indicators”. Though NS Power is not certain what the Department considers to be “general economic indicators” that the utility should align its capital spending trajectory with, it is important to note that utility capital investment is necessarily driven by the condition and criticality of utility assets, customer and load requirements, reliability obligations, legislated environmental requirements, and the need to maintain safe and adequate service.

¹⁸ DOE Closing Submissions, page 3-4.

1 As a result, the fact that forecast capital investment exceeds historical averages or “broad economic
2 indicators” does not establish anything, let alone imprudence or unreasonableness. The relevant
3 question is whether the specific investments proposed are necessary and prudent considering the
4 obligations facing the utility today, not whether capital expenditures happen to align with
5 provincial inflation or other macroeconomic measures. The Company’s position is that the
6 evidentiary record before the Board demonstrates why every capital item is justified in accordance
7 with the CEJC.

8 9 **5.2 Capital Growth versus Physical System Growth**

10
11 The DOE states that its most “significant concern regarding NS Power’s long-term capital strategy
12 is the apparent divergence between growth in the utility’s asset base and the underlying evolution
13 of the electricity system”.¹⁹

14
15 The Department's submission incorrectly equates prudent capital investment with physical system
16 expansion. The utility's sustaining capital program is not directed toward expanding the footprint
17 of the system, but rather toward maintaining the safe, reliable, and efficient operation of existing
18 infrastructure. Capital investments are required to replace end-of-life assets, address asset
19 condition risks, maintain reliability, comply with environmental and regulatory requirements,
20 modernize protection and control systems, improve system resilience, and respond to changing
21 system needs. A utility cannot cease replacing transformers, substations, poles, dams, turbines, or
22 control systems if customer growth slows. Conducting critical replacements and upgrades on a
23 230kv transmission line built in 1982 (CI C0080110) does not increase line kilometres,
24 refurbishing a boiler to replace boiler tubes and tube shields (CI C0080206) does not increase
25 generation capacity, and deploying 21 new Remote Terminal Units (RTUs) (CI C0080111) does
26 not increase customer counts. Nevertheless, each is essential to maintaining safe and adequate
27 service and reducing the risk of asset failure which is outlined in detail in each CI submitted. In

¹⁹ DOE Closing Submissions, page 4.

1 sum, the absence of physical expansion is not evidence that an investment lacks customer benefit
2 or is somehow imprudent.

4 **5.2.1 Capacity Underutilization**

5
6 DOE submits that the Annual Capacity Factor of NS Power-owned thermal facilities has dropped
7 from an operational peak of 85% (2008) to below 50% (2023), indicating lower utilization levels
8 over time. Effectively, DOE submits that the thermal plants are being used less. Respectfully, the
9 Department has conflated utilization only with capacity factor. NS Power can clarify that the value
10 or utilization of the thermal fleet is not based solely on the total energy output. The mission of the
11 Company's thermal fleet has progressively changed since 2008 to more flexible modes of
12 operation to allow significant integration of renewable generation. Flexible operation can result in
13 lower capacity factors but it is more important to consider how the thermal fleet is backing up
14 renewable energy with firm capacity. To understand real unit utilization, it is essential to consider
15 unit operating hours and starts in addition to capacity factor. NS Power uses Unit Utilization
16 Factor which is a composite indicator developed as part of the 10-Year System Outlook²⁰ and
17 reported since 2018 to reflect not only how much energy a unit produces, but how intensively it is
18 operated including starts, hours, and flexibility requirements. Unit Utilization Factors give a more
19 complete picture of how the units are actually working, providing a more accurate representation
20 of the demands placed on generating units in an increasingly renewable and dynamic system. The
21 overall unit utilization factors have not dropped significantly, therefore requiring sustained capital
22 investment to provide the firm capacity customers require to maintain a safe and reliable grid. As
23 part of NS Power's capital planning process, the Asset Management Mechanism incorporates the
24 Unit Utilization Factor to help ensure only the minimum amount of capital investment is deployed
25 in order to effectively meet each unit's required mission.

²⁰ M12386, NS Power 2025 10-Year System Outlook, Section 3.3.3, page 26

5.3 Audit of the Fixed Asset Register

The Department suggests asset growth may indicate assets are no longer "used and useful" and recommends an independent audit of the fixed asset register.

The proposed audit is unwarranted and unsupported. NS Power's annual financial statements are prepared in accordance with applicable accounting standards and are independently audited, and the Company's Management's Discussion and Analysis (MD&A) is filed quarterly and publicly disclosed. Furthermore, NS Power follows all Board-approved accounting policies, and NS Power's compliance with those accounting policies is subject to external audit and NSEB review. That external auditor audits in accordance with Canadian generally accepted auditing standards providing its opinion on NS Power's consolidated financial statements before they are released publicly and filed with the NSEB. Taken together, these filings provide a continuous, auditable, and regulator-approved record of the valuation and cost recovery of NS Power's assets over time.

5.4 Reliability Spending and Improvements in Reliability

The Department argues that reliability performance has not improved in proportion to capital spending and therefore questions the effectiveness of reliability investments. In NS Power's submission, that conclusion fails to account for the increasingly challenging conditions under which the Company is operating. Reliability performance, including SAIDI and SAIFI outcomes, is affected by a range of factors beyond utility investment, including increasingly severe weather events, vegetation growth, wildfire risk, aging infrastructure, and changing system demands associated with electrification and customer growth. As these pressures increase, simply maintaining existing reliability performance requires increasing levels of investment.

The relevant question is not whether reliability metrics have improved in direct proportion to capital expenditures. Rather, the question is whether the proposed investments are prudent and necessary to achieve the reliability performance expected of the Company and to mitigate the risks that would otherwise lead to deteriorating service. The Company's Five-Year Reliability Plan is

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1 specifically designed to improve SAIDI and SAIFI performance over time, however, the
2 effectiveness of those investments cannot be assessed by examining capital expenditures and
3 reliability metrics in isolation from the other conditions affecting the system. Moreover, many
4 reliability investments are preventative in nature.

5
6 As noted above, NS Power is currently undergoing a review of its Five-Year Reliability Plan with
7 a view to ensuring the Board and stakeholders are assured that the investments made are in
8 customers' best interests and drive the right outcomes, including improvements in Performance
9 Standards SAIDI and SAIFI.

10
11 As part of its conclusion, DOE asks the Board to “establish a direct, enforceable linkage between
12 reliability-focused capital expenditures and measurable performance outcomes, holding the Utility
13 financially accountable to Board-mandated SAIDI and SAIFI targets through performance-
14 benchmarking mechanisms”.²¹ With respect, the existing Performance Standards regulations
15 framework achieves this. Further, performance standards are currently under review with Board-
16 appointed consultant, London Economics Inc (LEI) in M12376.

17
18 Lastly, on this topic, the Department's proposal appears to assume that individual capital projects
19 can be directly correlated to specific changes in SAIDI and SAIFI outcomes. The evidence in this
20 proceeding demonstrates that reliability performance is influenced by numerous factors.
21 Reliability results are therefore the product of the overall performance of the system rather than
22 any single investment or group of investments. For that reason, the existing framework
23 appropriately measures the utility against system-level reliability outcomes while preserving the
24 Board's ability to assess the prudence of individual capital investments through its mandate and
25 authority under the PUA.

26

²¹ DOE Closing Submissions, page 16.

5.5 Project Cost Escalation

DOE submits:

The evidence demonstrates that material project escalation is not limited to isolated projects or unique operational circumstances but instead reflects a broader and recurring pattern across the utility’s capital portfolio. Independent analysis of the project list indicates significant cost increases across Generation, Transmission, Distribution, Hydro, and General Plant categories. Importantly, many of these increases substantially exceed what would reasonably be attributable to normal inflationary pressures, commodity cost fluctuations, or supply-chain impacts. Rather, the escalation profile suggests a repeated expansion of project scope, evolving project definitions after initial approval, an increasing inclusion of indirect and programmatic costs, and insufficient estimate maturity at the time projects were originally advanced”.

The ACE Plan is a planning and approval process, not a fixed-price commitment process. DOE seems to be judging budget accuracy rather than prudence. Those are related concepts, but they are not the same thing. The budget can change materially over several years while the final investment remains entirely prudent and completed in the least cost possible manner. Moreover, where a project experiences material cost increases after approval, the regulatory framework already provides an accountability mechanism. Significant variances are addressed through ATOs which are brought before the Board for review and approval.

DOE requests that the Board “apply strict prudence reviews and cost-containment measures to the materially escalated projects identified in Appendix A, requiring the Utility to definitively prove that evolving scopes and cost-rebasing practices represent the absolute least-cost alternative for ratepayers”.²² NS Power submits that the Board already performs a strict prudence review of any and all capital projects put forth for approval in the ACE Plan, in standalone Capital Applications, Subsequent Submittal items, and capital packages.

²² DOE Closing Submissions, page 16.

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1 Based on the DOE’s comments, the comparison made in Appendix A of its closing submissions is
2 based on the assumption that the work completed in the prior years noted in the table is of the same
3 quantity, therefore driven by “inflationary pressures, commodity cost fluctuations, or supply-chain
4 impacts”. The largest variance shown in the table is related to D010 Distribution ROW Widening,
5 which is portrayed as having a 2,163% increase from the 2021 ACE Plan estimate. However, this
6 increase is driven by a substantial increase in the amount of work being done on this routine, not
7 solely due to increased unit costs.

8
9 Similarly, the first project listed is a routine used to connect new residential customers (D061).
10 This 240% increase from 2021 is driven by the unprecedented customer growth that has been
11 experienced over the last number of years and again should not be inferred to be driven by
12 increased unit costs.

13
14 In the table with projects greater than \$1M (Page 17 and 18), the majority of projects the DOE
15 highlights increases from, are projects listed as subsequent submittals in prior ACE Plans. Based
16 on the DOE’s assertion that “the escalation profile suggests a repeated expansion of project scope,
17 evolving project definitions after initial approval, an increasing inclusion of indirect and
18 programmatic costs, and insufficient estimate maturity at the time projects were originally
19 advanced”, there is a misunderstanding by DOE of the intent of including projects as a Subsequent
20 Submittal. These projects are not being advanced for approval because they do not have a
21 completely defined scope or definition, they do not have a fully formed project estimate where
22 indirect and programmatic costs can be accurately calculated, and they have an insufficient
23 estimate maturity.

24
25 NS Power would welcome the opportunity to work with the Department outside of the ACE Plan
26 process to go through DOE’s Appendix and explain how initial project costs are determined and
27 included as part of multi-year projects, how routines are tracked and carried forward, and how
28 final costs are determined through the life cycle of a capital project.

1 **5.6 Cyber Security Incident Related Costs**

2
3 DOE requests that the Board disallow ratepayer recovery for the CIS replacement and associated
4 IT-OT Cyber security control implementation:

5
6 **Ring-fencing Cyber Security and CIS Replacements:** Strictly disallow ratepayer
7 recovery for the CIS replacement and the associated IT-OT Cyber Security control
8 implementation. Because ratepayers already continuously fund baseline system
9 security infrastructure through existing base rates, any capital expenditures aimed
10 at remediating internal vulnerabilities or replacing compromised platforms
11 following a security breach must be absorbed entirely by corporate insurance or
12 utility shareholders.

13
14 To be clear, NS Power’s CIS system and OT system were **not impacted** by the cyber-attack and,
15 as was confirmed for DOE by the Board during the ACE Plan hearing, there is no capital item
16 included in the 2026 ACE Plan for approval in relation to the CIS Replacement project. Further,
17 NS Power wishes to reiterate that there are no costs related to the restoration from the cyber event
18 in any capital projects in the 2026 ACE Plan.

19
20 As noted in NS Power’s response to IG IR-15, the C0061284 IT - OT Cyber Security Control
21 Implementation Phase 1 project included in the General Plant carryover spend is intended to
22 improve efficiency and resilience through automation rather than to remediate identified control
23 deficiencies. The OT cyber control implementation is planned to be executed in three phases.
24 C0061284 includes the pilot, the design and implementation of a security network and the
25 implementation and operationalization of asset discovery and security detection tools on 6 percent
26 of the OT sites. The second phase is planned to implement the same capabilities on 60 percent of
27 the OT sites, and the third phase is covering the rest of the OT sites. Phases 2 and 3 will be brought
28 forward to the Board once the final requirements and timeline are fully prepared. Again, this
29 project does not involve remediating internal vulnerabilities or replacing compromised platforms.

5.7 DOE’s Requests of the Board

Imposing caps or ceilings on capital expenditures would fundamentally conflict with NS Power’s statutory obligation to provide safe and adequate service. Such limits would represent a departure from evidence-based and risk-driven asset management, potentially exposing NS Power’s customers to unacceptable reliability and safety risks. Defined expenditure limits bear no relationship to the physical condition of assets or the pace of deterioration. Instead, they would force the Company to make arbitrary decisions about which risks to accept and which customers to leave vulnerable.

The appropriate safeguard is not a cap or ceiling, but rather evidence-based scrutiny at the project-level, which is precisely what the ACE Plan process is designed to provide. This framework allows the NSEB to rigorously assess whether each proposed investment is necessary for safe and adequate service and whether the associated costs are just and reasonable.

6.0 CONCLUSION

In this proceeding, NS Power has demonstrated that the investments proposed in the 2026 ACE Plan are prudent, necessary, and aligned with the Company's statutory obligation to provide safe and adequate service to customers. The evidentiary record shows that these investments have been appropriately developed, assessed pursuant to the CEJC, and are responsive to the evolving operating conditions facing the system, including aging infrastructure, increasing electrification, and legislated policy requirements.

The concerns raised by intervenors do not identify any material gaps in the existing regulatory framework or evidentiary record that would justify the imposition of additional reporting requirements or structural constraints. Further, introducing caps, duplicative reporting, or additional approval layers would not enhance oversight, but would instead risk delaying necessary investments and increase costs and operational risks.

In terms of affordability and consciousness of the cost impact to customers, this is a serious issue for customers and one that NS Power is focused on addressing through solutions that maintain a safe and reliable energy supply for Nova Scotians while keeping rates low. At the project level, NS Power is required to pursue the least cost means of addressing identified risks. At the system level, overall capital spending and its impact on rates are assessed through the GRA process. Together, these processes ensure that customer impacts are considered alongside the need to maintain safe, reliable, and resilient service.

For these reasons, NS Power respectfully submits that the Board should approve the 2026 ACE Plan capital projects and routines as filed, the revised Summary CEJC as amended in NS Power's Rebuttal Evidence, and decline the additional directives proposed by intervenors.