Nova Scotia Energy Board

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

2025 CA/AEC/NSP Low-Income Working Group Report

December 19, 2025

Non-Confidential

TABLE OF CONTENTS

LIST OF APPENDICES

1.0 INTRODUCTION

Affordability and reliability are the most important considerations for electric service customers and are a priority for Nova Scotia Power Inc. (NS Power). There is no ability currently to set a separate power rate or tariff for low-income customers, but NS Power works with customer groups and representatives to find ways to manage affordability for customers.

As part of the 2023-2024 General Rate Application (GRA) decision, the Nova Scotia Energy Board (NSEB) (formerly Nova Scotia Utility and Review Board) endorsed the consultative process proposed by NS Power, the Affordable Energy Coalition (AEC), and Consumer Advocate (CA) to update work on credit and collections measures for low-income residential customers following the work done in the previous (2013-2014) GRA.

In its 2023-2024 GRA decision, the NSEB discussed the history of affordability concerns for low-income residential customers and made the following observations:

> [410] As noted in the Board's letter finalizing the Issues List for this matter, affordability is one of many issues to consider when setting rates that are just and reasonable. Indeed, the Board is mindful that electricity rates are already challenging for many and that Nova Scotia is reported to have one of the highest rates of energy poverty in the country. In its 2013-2014 GRA decision, the Board noted it "receives literally hundreds of letters and emails a year from consumers who are struggling to pay their power bills and at the same time manage the cost of home heating, medication, groceries, etc." [para. 110]. The Board also received many letters of comment in the present matter outlining the impact of power rates on low- and fixed-income customers.
>
> [411] The proposed review and consultative process has the commitment of NS Power, the Affordable Energy Coalition and the CA. The Board is pleased to endorse this initiative aimed at lessening the impact of power rates on low- and fixed-income residential customers. Accordingly, the Board directs that the three parties engage in a review process to evaluate the impact of the changes approved in 2013, to examine if further changes are needed, and to establish a systematic evaluation methodology that can be applied to future changes to NS Power's Regulations. …

2.0 LOW-INCOME WORKING GROUP

This is the third annual update on the CA/AEC/NS Power Low-Income Working Group (Working Group). Following the 2023-2024 NS Power GRA, NS Power met with representatives for the CA and the AEC to work with these two organizations to address some of the issues faced by low-income customers.

The Working Group meets every quarter to discuss issues which have been raised and the status of the measures NS Power has in place for low-income residential customers.

In 2025 the Working Group met four times:

- January 16, 2025 (Q1) – Appendix A
- April 11, 2025 (Q2) – Appendix B
- June 17, 2025 (Q3) – Appendix C
- October 3, 2025 (Q4) – Appendix D

At each meeting the Working Group discusses the Affordability Dashboard prepared for that quarter, and each dashboard is included as an appendix to this report. Due to the cyber-security incident which occurred in April, NS Power was not able to create the Affordability Dashboard for the June meeting. However, the meeting proceeded as planned with an agenda and a review of the new billing website at nspower.ca/billing.

The meeting agendas typically include a recap of the previous year or quarter, new issues, review of the Affordability Dashboard, and general discussion.

Specific issues addressed in 2025 include the following:

- Support for customers with late charges
- Community grants
- Smart meters and billing accuracy
- Community Solar Garden allocation to low-income customers

- Customer support (post-cybersecurity incident)
- Current situation (post-cybersecurity incident)

Issues which are addressed regularly as part of the Affordability Dashboards include:

- Arrears trends with regional detail
- Summary of Collections Activity (including payment plans)
- Disconnections for non-payment with regional detail
- Pilot project to reduce disconnections
- Equal-billing payment plans with regional detail
- HEAT and COVID fund details
- Historical data for comparison

2.1 Support for Customers with Late Charges

At the Q1 Working Group meeting, NS Power proposed the idea of a pilot program which would waive interest charges for customers in arrears who receive financial support intended to assist with the arrears from recognized charitable institutions. The genesis of the idea was a question from one of the charities asking what else NS Power could do to assist customers who were in arrears and in need of charitable funding.

Regulation 5.4 mandates the payment of interest on account arrears. NS Power wanted an exemption from that requirement and proposed a pilot program to the Nova Scotia Energy Board (NSEB). The idea was that the forgiveness of interest would be in the best interests of the customers in need of assistance and would provide flexibility in fulfilling payment arrangements. The forgiveness would also potentially decrease the likelihood of disconnection or account write-off. Additional benefits include a stronger working relationship and goodwill with charitable organizations. Foregone interest revenue is anticipated to be offset by the improvement in collections efforts.

As there are charitable organizations which contribute financially to customers in arrears, NS Power was of the view that forgiveness of the arrears interest would allow the charitable funding to be applied fully to the principal balance rather than to a combination of principal and interest.

This proposal was discussed at the Q1 meeting with the Working Group and was broadly supported by both the CA and the AEC. NS Power filed its request for the pilot project to exempt the charity-supported low-income customers from the application of Regulation 5.4 on March 31, 2025. The NSEB initiated an Information Request process and focused on the application of section 67 of the *Public Utilities Act*, which prohibits approval of different rates for the same service and requires all rates to be applied equally. The NSEB rendered its decision on June 11, 2025 and approved the pilot program as proposed by NS Power for a period of one year from July 1, 2025 to June 30, 2026.[1]

The pilot program anticipates participation of approximately 1,000 customers in the program, with potential interest fee savings of between $20,000 and $30,000. For context, the customers receiving charitable support in 2024 represented total arrears of approximately $700,000.

Although late fees have been paused since the April cyber incident, late fees incurred before the incident by eligible customers may be forgiven under the pilot. The Working Group reviewed the early pilot results. In July there were 16 accounts receiving financial assistance from a charitable organization, and $259 in late fees were reimbursed. In August there were 44 accounts receiving funding and $768 was reimbursed for late fees. In September there were 29 accounts receiving charitable funding and $369 was reimbursed.

NS Power will collect data about the pilot, including information about the number of customers who received full or partial account funding from charitable organizations, the amount of interest charges forgiven, the number of disconnections, the impact on write-offs and the impact on

[1] M12171, NS Power Request for a 12-Month Waiver of Regulation 5.5, NSEB Decision, June 11, 2025.

collection and disconnection costs. NS Power will provide its report either as part of a request to extend the pilot, or by the end of September 2026 (whichever comes first).

2.2 Community Grants

NS Power discussed with the Working Group the options for supporting customers facing difficulty paying their electricity bills. There are existing grant programs such as the HARP program (which runs until March) and the HEAT fund which starts at the end of January and runs out in March or April when the funds are exhausted. NS Power announced that it would be increasing its support for the HEAT fund in 2025 from $200,000 to $300,000.

As part of a broader approach to consider how it is supporting communities and investing in charitable funds, NS Power raised the idea of a community grant program which was supported in principle by the Working Group. If there are low-income advocacy groups or charities looking for a community grant, there could be an opportunity to apply for a grant from NS Power. If such a program were approved, NS Power could administer the grant and keep track of the funding and allocate the monies directly to customers' bills. This proposition would be separate from the interest fee waiver program and could focus on the need for relief in different parts of the province. The difference between a proposed community grant program and other grant programs such as the HEAT and HARP funds is that the community grant program could run year-round instead of just in the colder winter months, and customers would not be restricted from applying more frequently than once every two years. This would be a source of support for customers when some of the other grant and community funding options have been exhausted or are otherwise not available. Any community grant funding would be on the non-regulated side of NS Power's business and would not be paid for as part of customer rates.

As part of NS Power's support of community grants for customers or organizations, NS Power launched the Grassroot Grants Program in Q3 2025 which provided funding up to $20,000 for community projects or initiatives. The grant program was open to registered non-profit organizations and charities, and the funding is intended to support projects to be completed in 2026 that will create a lasting impact on the communities in the province. The focus will be on projects in areas experiencing high energy poverty and account arrears with the intention of providing support for low-income customers. The closing deadline for applications was November 14, 2025, and the applications will be reviewed by the end of the year with notification to the successful applicants in January 2026. Information and the QR code link are found in the Q4 Update on Credit & Collections (**Appendix D**).

2.3 Smart Meters and Billing Accuracy

In response to customer complaints and media stories about billing accuracy, NS Power provided information to the Working Group about smart meters. The information is included in the Q2 Update on Credit and Collections Work presentation (**Appendix B**). Participants of the Working Group were walked through the facts about smart meters and the processes used by NS Power for reading meters and producing bills. NS Power advised that over 95 percent of all installed meters in the province are smart meters and that there have been no founded complaints of meter inaccuracy or overbilling related to the meter readings. For customers who are concerned about the amount of their bills, there are available resources which provide information about strategies for lowering their bills, including different rate class options.

2.4 Community Solar Garden

The Working Group discussed the existence of the NS Power Solar Garden for which subscribers pay a subscription charge and receive energy credit, and the Community Solar Gardens Program in which community groups and organizations set up solar gardens on their properties and sell subscriptions for the clean energy. The idea behind the Community Solar Gardens Program is to provide more access to clean energy for customers who cannot afford their own solar panels while giving subscribers a credit on their electricity bills for the power generated by the solar garden. The Working Group discussed how these solar garden programs could benefit low-income households to assist with their electricity bills.

2.5 Customer Support Post-Cyber Incident

Following the cyber security incident which NS Power suffered in the spring of 2025, some of the utility's regular operations were interrupted and there was a pause in billing between April 25 and June 2, 2025. By the time of the June Working Group meeting, billing had been resumed and NS Power launched a dedicated billing website. NS Power's focus during that time was on consistency of billing days, although the time between bills was affected by the pause.

Following the cyber incident, NS Power ceased charging any late fees and disconnecting customers for non-payment.

By early June, the MyAccount system was back online, and customers were able to log in and make payments on their accounts. Even though MyAccount is secure, to allay customer concerns about payment information, NS Power recommended that customers register their NS Power accounts with their banking systems and make the payments through the banks.

As a result of the cyber incident, the bi-directional functionality of the smart meters was interrupted, and NS Power was not receiving true meter reads. As a result, NS Power determined that for several weeks, bills would be estimated based on historical usage. During the time that bills were estimated, NS Power committed that it would not charge late fees or penalties on any outstanding balances, even for customers who wanted to wait for an actual true read. Starting in July, NS Power deployed additional meter readers to carry out true reads on customer meters. These meter readers had been hired and trained in the weeks leading up to July. As of November 2025, NS Power is currently both physically reading meters and estimating bills when a reading cannot be obtained.

The Working Group also discussed options such as equal billing which can assist customers in managing their electricity bills over the course of a year and providing predictability for budgeting purposes.

2.6 Current Situation Post-Cyber Incident

As noted above, NS Power has not been charging late fees since April 25, 2025 and collection activity was paused for several months. NS Power will not disconnect any residential customers in 2025. Although there has been improvement in some accounts with elevated risk, balances for remaining customers continue to increase. There has been an adjustment to the HARP program, which now provides up to $400 in funding for eligible customers.

NS Power's aim is to help customers manage their balances and stop the arrears from growing. Collection outreach to customers has resumed, and the focus is on helping customers rather than on disconnecting service. Customers are provided with information about the availability of 12-month and 24-month payment plans.

NS Power will continue to support the Salvation Army HARP fund. It will also support the HEAT fund in 2026 by contributing $300,000. The Grassroot Grants launch will also provide funding for community projects and initiatives.

NS Power has a customer-first approach to dealing with customers in arrears. Disconnection is always the last and least desirable option. Following on the success of the disconnection reduction pilot in 2024, NS Power will continue its reminder communications to customers whose accounts are in danger of being disconnected for non-payment in 2026. The new approach to customers in danger of disconnection in 2024 resulted in a 44 percent decrease in disconnections. The percentage of customers in arrears has decreased from 4.5 percent to 4.1 percent, largely as a result of the customer-first focus. These outreach communications offer help to customers and encourage them to contact NS Power to discuss available options.

The Working Group will explore other potential options in 2026 such as community events and support programs which can assist low-income customers.

2.7 Affordability Dashboards

As noted above, the Affordability Dashboards reviewed at each Working Group meeting provide information about several different customer metrics.

2.7.1 Low-Income Advocacy

The Affordability Dashboard tracks the number of calls to NS Power's in-house Low-Income Advocate who is a member of the Customer Care team. The Low-Income Advocate meets with energy poverty groups and deals with customers on a one-on-one basis. In Q1 and Q2 the Affordability Dashboards showed the comparison of the number of calls to the Low-Income Advocate and the number of accounts discussed. The Q1 report included the information as of the end of 2024, and there were 3,120 calls and 4,733 accounts discussed. The number of calls was higher in 2024 than in 2022 or 2023, but the number of accounts discussed landed between the 2022 and 2023 figures. The Q2 report provided the comparison of calls and accounts discussed in Q1 from 2022-2025. The number of calls increased steadily each year (from 489 in 2022 to 758 in 2025), but the number of accounts discussed in 2025 (1,402) was lower than the other years (which ranged from 1,416 to 1,870). The number of calls and customer accounts discussed tends to be higher from January to April, with a slight drop-off over the May to August period, and then a more significant drop from September to December. The Working Group was not provided with any analysis about the reason for these trends, but they could relate to challenges in paying electric bills during the coldest months of the year and the limits on grant funding available. There appears to be no correlation between the number of calls in the warmer months and the number of disconnections.

2.7.2 Arrears Trending with Regional Detail

The Affordability Dashboard each quarter shows the arrears information (by age) for the past 12 months. In 2024, the percentage of customers in arrears ranged from a low of 3.68 percent in

November to a high of 4.94 percent in May. The average arrears per account ranged from $429 to $535, but most of the accounts were in arrears for a period of 120 days or more.

At the prior request of the Working Group participants, NS Power looked at accounts with elevated risk of arrears by service depot. It was not possible to obtain more granular information (such as by postal code) for 2024. There is no correlation between elevation of arrears risk and rural or urban siting of accounts. Ingonish, Sydney and Stellarton are the locations with the highest risk of customers in arrears (7.24, 7.78 and 6.87 percent respectively). The next tranche of risk involves Windsor, Truro, Barrington and Yarmouth (6.07, 6.16, 6.50 and 6.34 percent respectively). The next tier (risk in the 5 percent range) includes Baddeck, River Bourgeois, Goshen, Amherst, Parrsboro, Kingston, Bridgetown, Digby and Dartmouth. Lower risk (in the 4 percent range, which reflects actual results) is in Port Hawkesbury, Sackville, Halifax, Chester, Bridgewater, Liverpool, Clare and Coldbrook. The data as of March 29, 2025 (in the Q2 2025 Update) is very similar to the data at the end of December 2024.

As the Q4 2025 Working Group meeting took place in October, the collections information is current to the end of September 2025. Between Q4 2024 and the end of Q3 2025, the percentage of accounts with overall elevated risk of arrears ranged from 3.68 percent to as high as 10.69 percent. At the end of September 2025, the risk each month was significantly higher than the average.

The accounts with elevated arrears risk by service depot in the first nine months of 2025 also increased relative to 2024. The percentage of accounts with elevated risk range from a low of 7.13 percent to a high of 12.89 percent.

2.7.3 Summary of Collection Actions

Collections Actions include a First Notice, Second Notice, Final Notice (Door-Knob), Final Notice (Verbal) and Disconnection. In 2024 (reported in the Q1 2025 meeting) the disconnections amounted to only 2.3 percent of the collections actions compared to 3.9 percent in 2023. This was due to the customer-first approach of supporting customers both formally and informally when disconnection for non-payment is imminent. The customer-first approach is the outreach to customers directly to provide solutions to assist them with their arrears rather than taking a utility-first approach of disconnecting customers after providing the required notice. As noted in the 2024 Report, the Customer Care Centre now calls people three times before actual disconnection to attempt to make some kind of arrangement which will avoid the disconnection. There were 3,158 disconnections in 2023, but only 1,782 in 2024. In 2024, 61.3 percent of scheduled disconnections were averted as a result of the new approach, in spite of the higher levels of accounts in arrears.

Payment of arrears is often through payment arrangements with the customers. NS Power offers short-term (12-week) payment plans for customers whose balance is manageable, and longer term equal-billed plans of 12 or 24 months. In 2024 NS Power's Customer Care Centre employees began advising of the option of 24-month payment plans, so there were more plans in place in 2024 than in the two previous years. In 2024, the number of new payment arrangements per month ranged from about 4,000 to approximately 9,500. By contrast, in 2025 the number of new payment arrangements for the first four months was in the range of approximately 7,000 to just above 8,000. However, following the April 2025 cyber incident (May to September inclusive), the number of new payment arrangements ranged from approximately 750 to about 1,500. Nova Scotia Power's reduced collection activity contributed to this change in 2025.

2.7.4 Equal-Billed Payment Plans with Regional Detail and by Mix

Many of the payment plans are in the form of equal billings each month. Most of the payment arrangements have been successful, with only approximately 8 percent of the customers on payment plans disconnected for non-payment / failing to comply with the payment arrangements. The failure rates of the 24-month payment plans are approximately double the failure rates of the 12-month payment plans. The failure rates for the payment plans from 2022-2024 by service depot range from 0 to 21.2 percent.

Starting in 2023 when the Working Group was started, the percentage of 24-month payment plans (vs 12-month plans) increased from about 25 percent (approximate average from 2015-2022) to 34 percent in 2023 and 39 percent in 2024. The payment plan failures in 2023 and 2024 occurred at an average of 1.9 to 3.7 months, which is sooner than the failures from 2014 to 2022.

In general, the customers in arrears on payment plans struggle to remain on the plans as the payment amounts increase. This shows the benefit of early intervention to help customers arrange appropriate repayment terms. As of September 2025, 83 percent of the 12-month payment plans and 80 percent of the 24-month payment plans are behind by at least one payment.

While NS Power has not disconnected any residential customers in 2025, it will be important to continue monitoring these measures in 2026.

2.7.5 Disconnections for Non-Payment with Regional Detail

NS Power has not disconnected any customers in 2025, but 2024 final year numbers have been maintained in the reporting for consideration in the working group meetings.

Unsurprisingly, disconnection activity is higher in the regions with elevated risk. The largest share of disconnection activity tends to be in the Metro area, but that reflects the fact that there are more customer accounts than in other areas. Cape Breton has the second largest share of disconnections, followed by the Northeast region and then the West region. Disconnections generally only take place between May and October.

The following table shows the number of disconnections and the percentage of the accounts along with the average arrears.

Figure 1 – Number and Percentage of Disconnections by Region - 2024

Location	Number of Customers with Elevated Risk of Disconnection	Number of Disconnections	Percentage of Elevated Risk Customers Disconnected	Average Arrears (Dollars)
Ingonish	134	9	6.7	546
Sydney	3,807	339	8.9	477
River Bourgeois	342	16	4.6	443
Port Hawkesbury	229	23	1.0	457
Mabou	172	8	11.1	377
Baddeck	200	22	11.0	543
Chéticamp	135	6	4.4	358
Guysborough	121	6	4.9	500
Goshen	151	11	7.2	376
Truro	1,852	128	6.9	451
Stellarton	1,697	121	7.1	440
Antigonish	379	22	5.8	471
Dartmouth	3,193	169	5.2	412
Halifax	3,669	203	5.5	384
Bayside	1,105	71	6.4	444
Chester	358	15	4.1	418
Windsor	746	48	6.4	464
Sackville	1,993	150	7.5	435
Bridgewater	804	49	6.0	449
Liverpool	432	28	6.4	477
Shelburne	290	31	10.6	403
Barrington	222	8	3.6	429
Yarmouth	887	61	6.8	416
Clare	230	17	7.3	481
Digby	324	28	8.6	529
Bridgetown	380	22	5.7	358
Kingston	560	29	5.1	435
Coldbrook	1,105	64	5.7	443

There have been no disconnections in 2025, consistent with the customer-first policy following the cyber incident.

2.7.6 HEAT and COVID Fund Details

The COVID Fund has not been in existence since 2022. The HEAT Fund in 2023 and 2024 was exhausted by April and was exhausted by March in 2025. Availability of the funds will recommence in January 2026. There were fewer HEAT fund payments in 2025 (828) than in 2024 (1,041) and 2022 (1,706), but the amount was comparable to 2023 (805). Those numbers are likely to increase for 2026 if NS Power's contribution to the fund increases from $200,000 to $300,000.

3.0 NEXT STEPS AND CONCLUSION

All participants agree that the Working Group is a worthwhile venture which has resulted in some positive steps to assist low-income customers in arrears and in danger of disconnection for non-payment. The Working Group intends to continue its work in 2026 and the first meeting has been scheduled for January 16, 2026.

Major accomplishments in 2025 include approval for the pilot project for the waiver of late fees for customers who receive arrears assistance from charitable organizations, and the creation of the Grassroots Grant.

The discussions and questions raised during meetings are informed and insightful and demonstrate the commitment to finding ways to mitigate the credit and collections issues faced by low-income customers in the province. NS Power appreciates the opportunity to work with the CA and the AEC, as well as others, on this initiative and looks forward to the continued positive working relationship.

Update on Credit and Collections Work

Q1 2025

January 16, 2025

Nova Scotia POWER
An Emera Company

Agenda

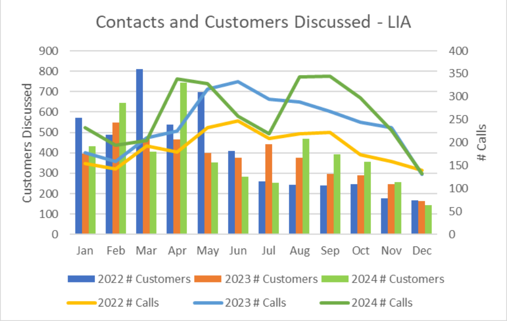
1. Recap of 2024
2. Ideas to Pursue in 2025 (beyond HARP / HEAT winter availability)
   a) Support for customers with late charges
   b) Community Grants
3. Review Affordability Dashboard
4. Open Discussion

Affordability Dashboard

Low Income Advocacy

December 2024

	Calls to NSPI LIA	Accounts Discussed
2022 YTD Dec	2,269	4,847
2023 YTD Dec	2,881	4,475
2024 YTD Dec	3,120	4,733



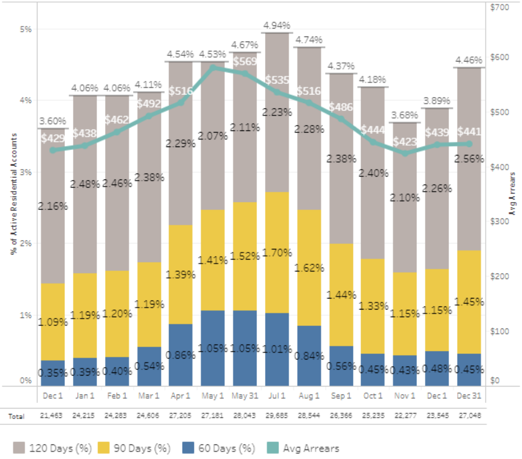
Nova Scotia POWER
An Emera Company

Arrears Trending with Regional Detail

- A total of 27,048 (4.46% of) active customer electric accounts showing signs of elevated risk as of December 31, ~0.4% higher than seasonally observed in past years, and particularly elevated in service areas across the Northeast and Cape Breton.

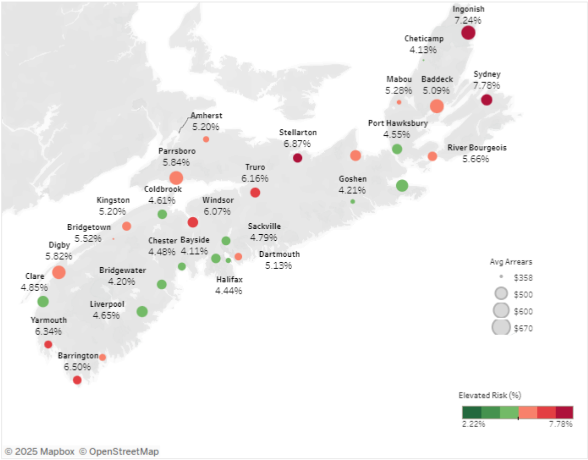
% Accounts with Elevated Risk Overall

of Active Residential electric accounts



Accounts with Elevated Risk by Service Depot

Residential; as of 1/4/2025



Location	Elevated Risk (#)	Avg Arrears	
Amherst	967	$394	5.20%
Antigonish	379	$471	5.75%
Baddeck	200	$543	5.09%
Barrington	222	$429	6.50%
Bayside	1,105	$444	4.11%
Bridgetown	380	$358	5.52%
Bridgewater	804	$449	4.20%
Chester	358	$418	4.48%
Cheticamp	135	$358	4.13%
Clare	230	$481	4.85%
Coldbrook	1,105	$443	4.61%
Dartmouth	3,193	$412	5.13%
Digby	324	$529	5.82%
Goshen	151	$376	4.21%
Guysborough	121	$500	4.66%
Halifax	3,669	$384	4.44%
Ingonish	134	$546	7.24%
Kingston	560	$435	5.20%
Liverpool	432	$477	4.65%
Mabou	172	$377	5.28%
Parrsboro	180	$538	5.84%
Port Hawksb..	229	$457	4.55%
River Bourge..	342	$443	5.66%
Sackville	1,993	$435	4.79%
Shelburne	290	$403	5.50%
Stellarton	1,697	$440	6.87%
Sydney	3,807	$477	7.78%
Truro	1,852	$451	6.16%
Windsor	746	$464	6.07%
Yarmouth	887	$416	6.34%

All percentages reflect distribution of accounts by oldest aged $1.

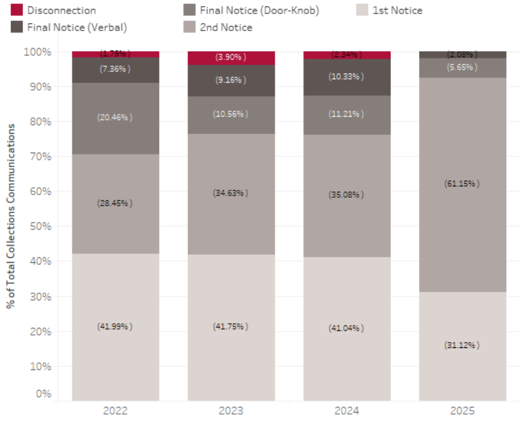
Active residential electric accounts are deemed as having elevated risk when having >=$300 total A/R not under the equal billing program, with either >=$300 owing 60+ days or >$0 owing 90+/120+ days (landlord accounts meeting the criteria are in total statement but excluded at depot level)

Summary of Collections Actions

- Disconnections for non-payment finished down materially year over year, reflected in a diminishing portion of total collection actions taken (2.3% in 2024 YTD, versus 3.9% in 2023)
- Significant effort is invested in supporting customers in addressing arrears before disconnection would take place, both informally and through a formal collections process. Payment arrangements are explored to best meet the customer situation, ranging from short-term plans to equal-billed longer-term plans when necessary

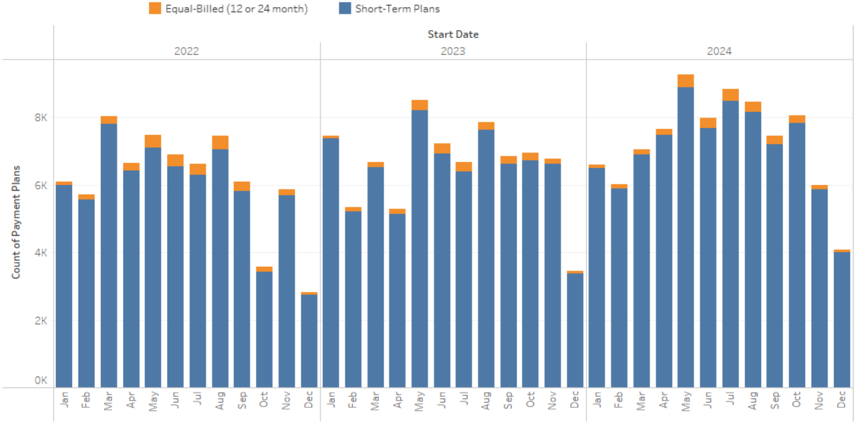
Formal Collections Communication on Overdue Accounts

(Excluding friendly reminders and informal outreach)



Payment Arrangements Opened

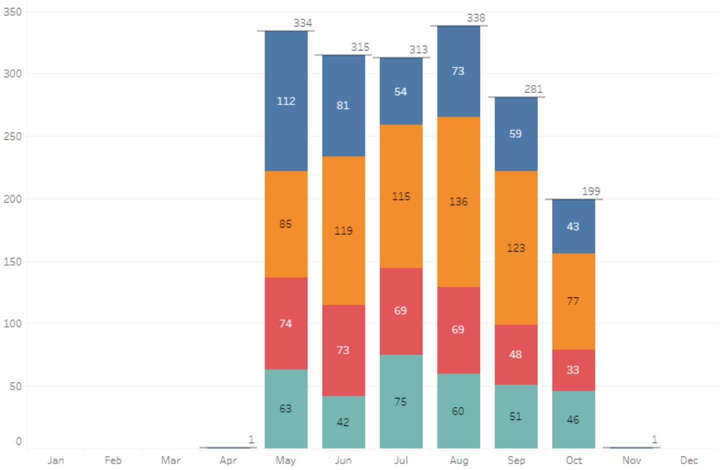
2022 - present; Short-Term (12 weeks), or equal-billed 12 or 24 month plans



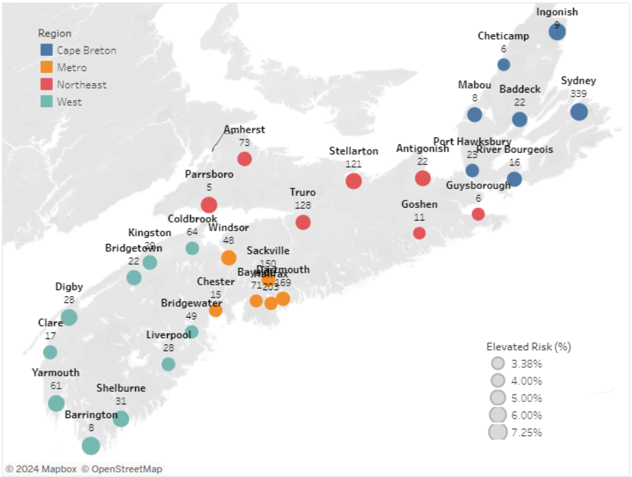
Disconnect for Non-Pay with Regional Detail

- Disconnection activity on residential accounts continues to skew toward areas with elevated risk. For example, 23% of 2024 disconnects have been in Cape Breton where 15% of our customer accounts reside. Disconnection has now paused in 2024, due to anticipation of cooler temperatures.

Disconnects for Non-Pay by Month
Residential by Service Area 2024



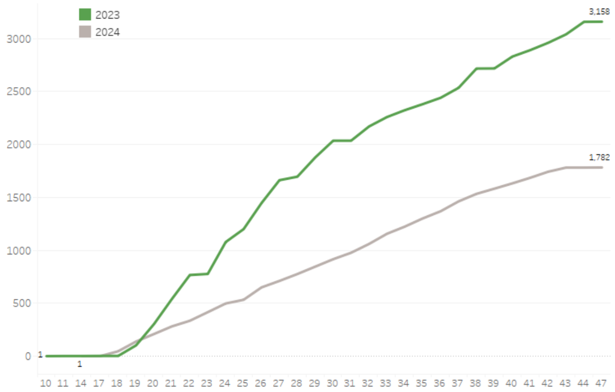
 # Disconnects for Non-Pay by Service Depot
Residential; 2024



Piloting Additional Effort to Reduce Disconnects

- In 2024, NSPI has initiated a pilot to further reduce disconnections; in addition to the robust communication that would precede a disconnection, NSPI has started piloting an auto-campaign to call and email customers scheduled for disconnection 3 days before the date, with a last effort to encourage them to contact us to make arrangements.
- With disconnections paused for the winter, the pilot succeeded in averting 61.3% of scheduled disconnections , and total disconnects for non-payment finished well below 2023 despite higher levels of accounts in arrears through much of the year.

YTD Cumulative Residential Disconnects by Week #



Accounts scheduled for disconnection

Leading indicators - accounts committing to payment or payment terms

Key success measure - lagged as it depends on customer follow-through

Month of Cohort	Unique Accounts Dialed: Day 1	Avg Dials per Account	% Not Redialed after Day 1	% Not Redialed after Day 2	Accounts Disconnected	% Disconnects Averted
Grand Total	3,971	3.4	18.7%	36.2%	1,537	61.3%
October	341	2.2	32.3%	54.0%	78	77.1%
September	424	2.5	27.1%	50.2%	148	65.1%
August	652	2.9	20.7%	42.5%	242	62.9%
July	1,005	3.5	14.1%	31.2%	318	68.4%
June	862	3.9	16.8%	30.4%	341	60.4%
May	499	3.9	14.0%	29.1%	302	39.5%
April	188	4.9	13.3%	21.8%	108	42.6%

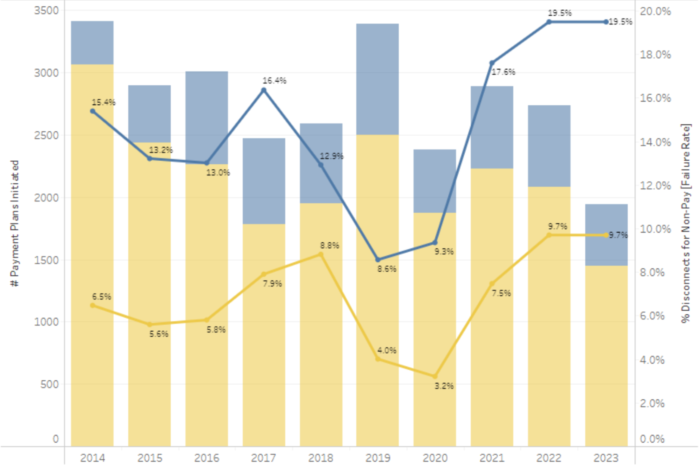
Region	Unique Accounts Dialed: Day 1	Avg Dials per Account	% Not Redialed after Day 1	% Not Redialed after Day 2	Accounts Disconnected	% Disconnects Averted
Grand Total	3,971	3.4	18.7%	36.2%	1,537	61.3%
Cape Breton	742	3.4	18.3%	34.6%	369	50.3%
Metro	1,565	3.5	18.9%	36.9%	571	63.5%
Northeast	817	3.3	19.6%	35.9%	309	62.2%
West	847	3.4	17.7%	36.4%	288	66.0%

Equal-Billed Payment Plans with Regional Detail – Historical View

- The majority of payment arrangements have shown to be largely successful over time, with ~8.3% of plans disconnected due to non-payment since 2014; (note: plans initiated in late 2023 and 2024 YTD will not yet show final disconnect rates, as some plans initiated in these years have not yet closed)
- 24-month plans by design cause greater aging of arrears balances, inherently creating greater risk which has shown in the elevated failure rates observed since 2014 (24-month 14.0% vs 12-month 6.7%).

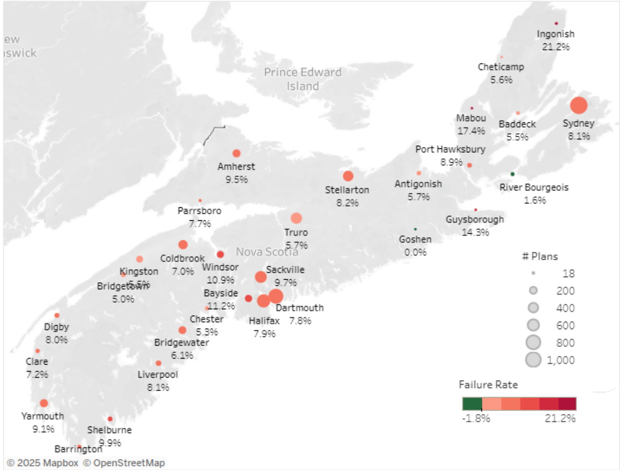
Failed Equal-Billed Repayment Arrangements

Disconnect Rate by Year Plan Initiated (Closed Plans Only)



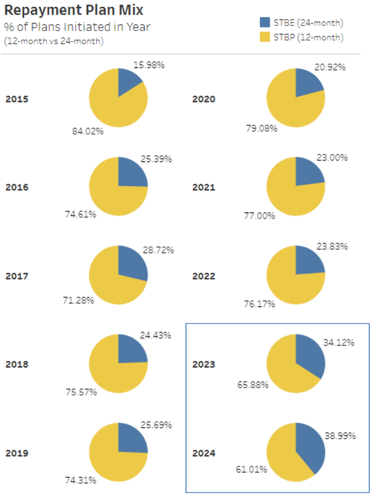
Equal-Billed Repayment Plans and Failure Rates by Service Depot

Open and Closed Plans initiated 2022-2024



Equal-Billed Payment Plans Mix

- Plans initiated in 2024 have continued to shift materially toward 24-months; while this may reflect customers' struggles with the current economic reality, it also illustrates how NSPI continues to work with customers to find a workable plan
- The average point when a plan fails appears to be shifting earlier, although 2023-2024 will be skewed lower due to recency (ie, not yet 12 or 24 months have passed in most plans). Distribution of failures in the first few months appears consistent with 2018-2022; plans are most likely to fail within the first 3-4 months.



Failed Equal-Billed Repayment Arrangements

Disconnect Rate by Year Plan Initiated (Closed Plans Only)

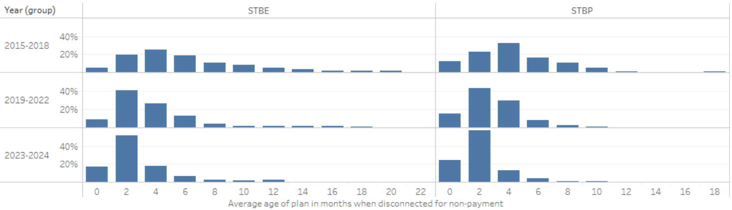
Results will be incomplete for current and immediately preceding year

Contact Typ..		2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	Total
STBE (24-month)	Failure Rate	15.4%	13.2%	13.0%	16.4%	12.9%	8.6%	9.3%	17.6%	19.5%	19.5%	7.3%	14.0%
	Plans	351	462	746	685	635	888	503	665	652	498	287	6,372
STBP (12-month)	Failure Rate	6.5%	5.6%	5.8%	7.9%	8.8%	4.0%	3.2%	7.5%	9.7%	9.7%	7.2%	6.7%
	Plans	3,064	2,436	2,262	1,786	1,953	2,500	1,875	2,225	2,084	1,445	541	22,171
Grand Total	Failure Rate	7.4%	6.8%	7.6%	10.2%	9.8%	5.2%	4.5%	9.8%	12.0%	12.2%	7.2%	8.3%
	Plans	3,415	2,898	3,008	2,471	2,588	3,388	2,378	2,890	2,736	1,943	828	28,543

Average Age of Plan at Failure (months)

Contact Type	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	Total
STBE	5.6	7.6	7.2	7.2	5.8	4.3	5.0	5.1	4.8	3.7	2.4	5.6
STBP	4.8	5.1	5.3	4.9	4.1	2.8	3.3	3.6	3.6	2.7	1.9	4.1

Distribution of Age of Plan at Failure (months)

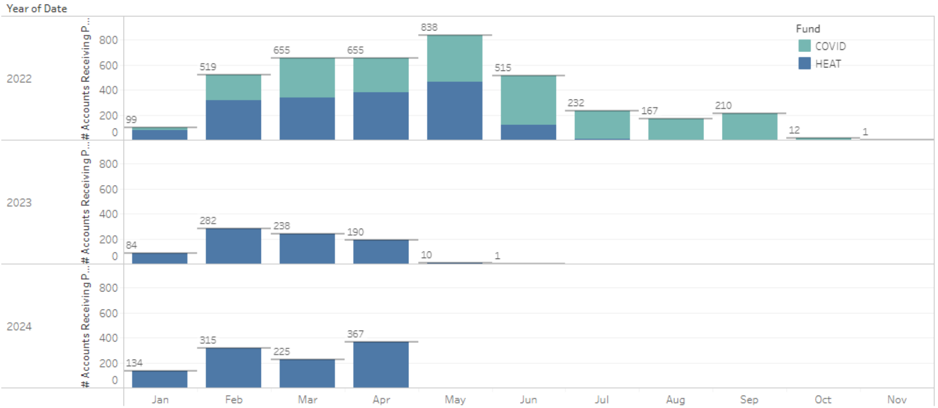


HEAT & COVID Fund Details – 2022 to present

- Low income customers challenged with their energy burden could leverage both the HEAT Fund and COVID Fund in 2022
- The nature of financial supports available for relief changed in 2023; the COVID Fund wound down while the HARP benefit was increased

HEAT and COVID Fund Detail

Count of accounts receiving payments by month paid



HEAT and COVID Fund Totals

		2022	2023	2024	Cumulative
HEAT	# Payments	1,706	805	1,041	3,552
	Distinct NSP Accounts	1,702	799	1,040	3,130
COVID	# Payments	2,197			2,197
	Distinct NSP Accounts	2,168			2,168
Grand Total	# Payments	3,903	805	1,041	5,749
	Distinct NSP Accounts	2,980	799	1,040	4,236

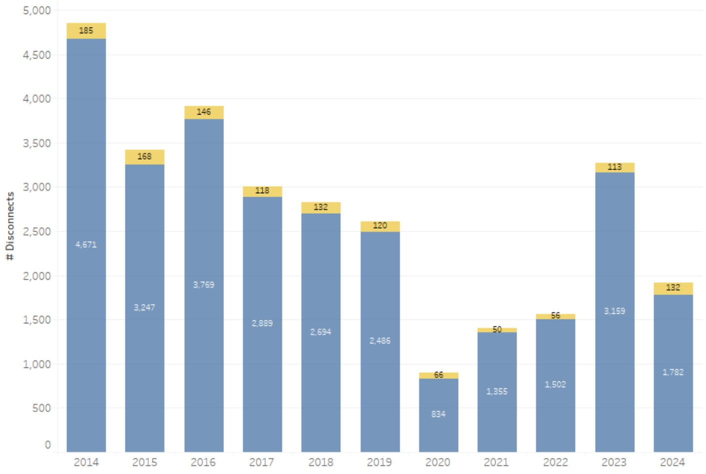
Nova Scotia POWER An Emera Company

Appendix

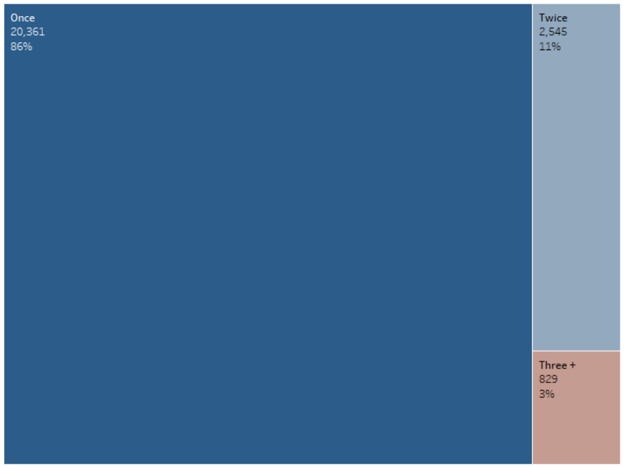
Disconnect for Non-Pay – Historical View (2014-present)

- From 2014, when enhanced customer-centric Collections strategies were first fully deployed, Disconnects for Non-Payment have shown a steadily decreasing trend through 2019;
- A change in Collection strategy during pandemic conditions skewed total disconnects lower from 2020-2021, while a pause in related activities following Fiona impacted 2022 totals; 2023 disconnects returned to ~2015 levels, while 2024 have decreased owing to the initiative on slide 6.

Disconnects for Non-Payment
2014 - present



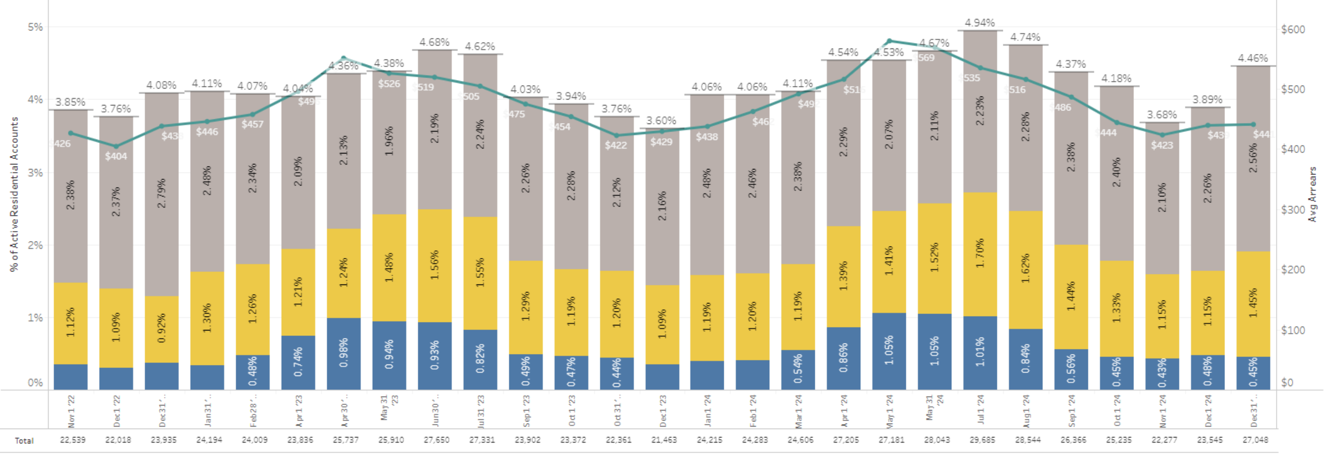
Distinct Accounts Disconnected for Non-Pay
Residential 2014 - present



Customer Lens on Affordability
% of Active Accounts carrying 60+ day arrears balance

Aging Date
10/8/2022 1/4/2025

Public Accounts
Distribution of Accounts by Oldest Aged $



All percentages reflect distribution of accounts by oldest aged $1.
Residential - non-EQB: active residential electric accounts not on the equal billing program
Public Accounts definition: accounts with elevated risk, having >=$300 total A/R, with either >=$300 60+ days or >$0 90+/120+ days

Latest Aging 1/4/2025

Update on Credit and Collections Work

Q2 2025

April 11, 2025

Nova Scotia POWER An Emera Company

Agenda

1. Discussion around Billing Questions / Meter Accuracy
   - Smart Meters & Billing Accuracy next slide.
2. Late Fee Relief
   - Awaiting insight from the board.
3. Community Grants
   - Updates coming late April / May.
4. Review of Payment Plans (question from last meeting)
   - Included in Affordability Dashboard, comparison of different amounts and their success rate in 12-month and 24-month plans.
5. Disconnects for Non-Pay
   - Likely to commence at end of April / beginning of May based on historical temperatures.
   - Nova Scotia Power will continue to strive to find solutions that will help minimize the number of disconnections by working with our customers to find options that meet their unique situation.
6. Community Solar Garden – Discussion on allocating to low-income customers
   - Nova Scotia Power Solar Garden – subscribers pay subscription charge, receive energy credit.
   - Community Solar Program (https://energy.novascotia.ca/renewables/community-solar-program)
     - "The solar energy credit is based on the actual energy generated from the sun, so it varies each month based on the season and the weather. The value of the credit, $0.02/kWh, is the same for every subscriber and doesn't change for the life of your subscription."

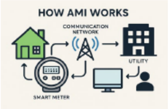
Smart Meters & Billing Accuracy

What are the benefits of smart meters?

- Smart meters improve the accuracy of meter reads as compared to manual meter reading by eliminating human error from data input.
- Smart meters enable improved billing accuracy by reducing the frequency of bill estimates. If an estimate is needed, smart meters enable more accurate estimation of usage.
- Smart meters enable customers to have visibility to their energy usage through the My Energy Insights portal. My Energy Insights provides usage notifications and energy-saving tips to empower customers in managing their energy needs.
- Smart meters enable NS Power to offer a wider variety of rates so customers can choose a rate that best aligns to their needs.

How can I be sure my smart meter is functioning properly?

- Smart meters are inspected and tested for accuracy in accordance with Measurement Canada's requirements.
- Measurement Canada regularly audits NS Power practices to validate meter testing compliance.
- Over 80% of power customers across North America are served by smart meters. (source: Smart Energy International). There are no reports of widespread meter accuracy issues with the smart meters NS Power has installed.
- NS Power has operating procedures to monitor and address meter issues. These procedures, on occasion, identify an inaccurate or failed meter. To date, the overwhelming result of a failed meter has been under-billing a customer.



I've heard of smart meters occasionally having difficulties transmitting data to the utility. Does this affect accuracy?

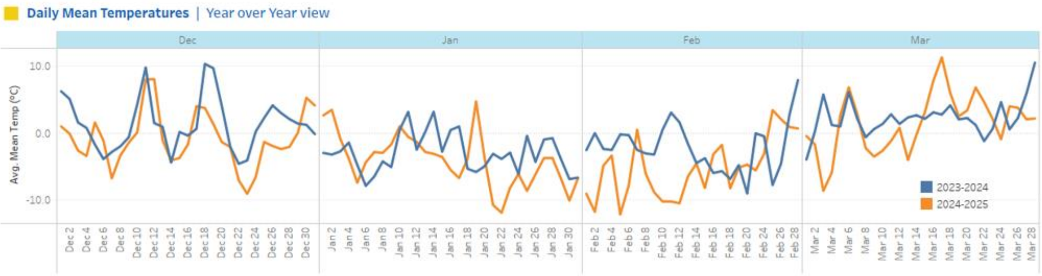
- No. The energy usage measurements are calculated on the smart meter. The usage data is secured and encrypted but there is no change to meter reads during transit to utility systems. A manual read taken at the meter is the same as the electronic read sent to the utility over wireless communications.

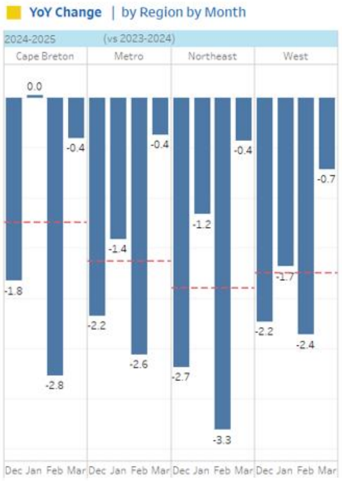
How do smart meters record usage within a 15 minute interval for residential customers?

- Smart meters accumulate kilowatt hour usage as it is consumed at the premise. It works similarly to a vehicle odometer that accumulates mileage as the vehicle travels.

A colder winter continues to fuel higher electric bills

- Materially colder temperatures year over year persisted through the first half of March, which will continue to add strain to energy burdens in the weeks ahead as usage from this period is billed. On average, March required ~6% more heating degree days year over year.





* All results based on mean daily temperatures as reported by Environment Canada across 24 weather stations in Nova Scotia

Nova Scotia Power Support of Bill Amount Questions

We have been focused on encouraging customers to call us to discuss their unique situation, as every customer situation is different. We have found that we can help resolve most questions with a conversation and will leverage this feedback to refine campaigns for the balance of 2025 and winter 2025 / 2026. Specific tactics include:

- Save Energy and Money Campaign
- Equal Billing Promotion (these bills are also monthly)
- MyEnergy Insights Promotion
- Support with Payment Plans for large balances
- Call outs and emails to customers
- Encouraging a call to Customer Care
- Meter Testing (after conversation, if required)
- Discussions with E1

Late Fee Relief Process Overview (to commence upon Board Approval)

Communication: Reactive when charitable organizations contact NS Power to support a customer.

Initial Coordination

- NS Power Low Income Advocate speaks to charitable organization to confirm funding and amount.
- Calculate and immediately reverse 12-month late fees on customer account.
- Communicate late fee reversal to the charitable organization.

Payment Application

- Apply payments from charitable organizations to customer's account upon receipt.

Customer Notification

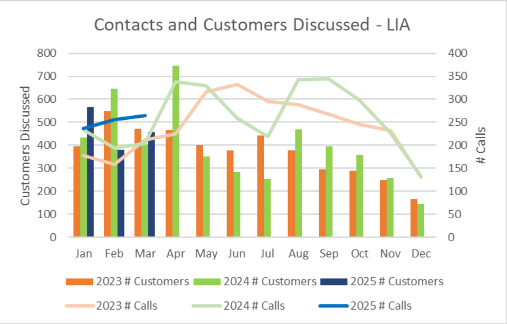
- Charitable organization informs customer about:
  - Approved funds amount.
  - Late fee reversal.
  - Advises customer to call NS Power to set up payment arrangement for remaining balance (NS Power can discuss late fee relief).

Affordability Dashboard

Low Income Advocacy

March 2025

	Calls to NSPI LIA	Accounts Discussed
2022 YTD Mar	489	1,870
2023 YTD Mar	548	1,416
2024 YTD Mar	631	1,483
2025 YTD Mar	758	1,402



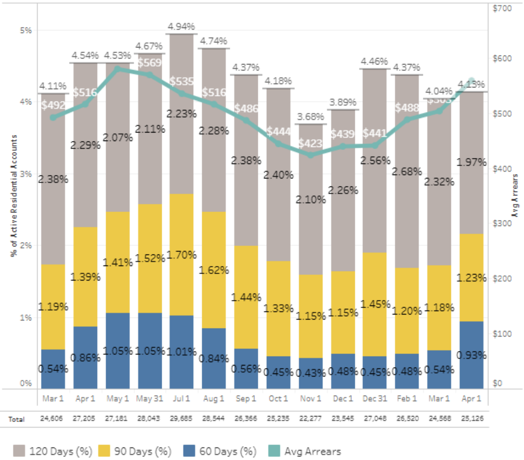
Nova Scotia POWER
An Emera Company

Arrears Trending with Regional Detail

- A total of 25,126 (4.13% of) active customer electric accounts showing signs of elevated risk as of March month-end, down significantly from the same time last year, although up slightly over February month-end as is seasonally typical as peak winter usage is fully billed. Regional challenges continue to be evident in Cape Breton, the Northeast and have been increasing in some Western areas.

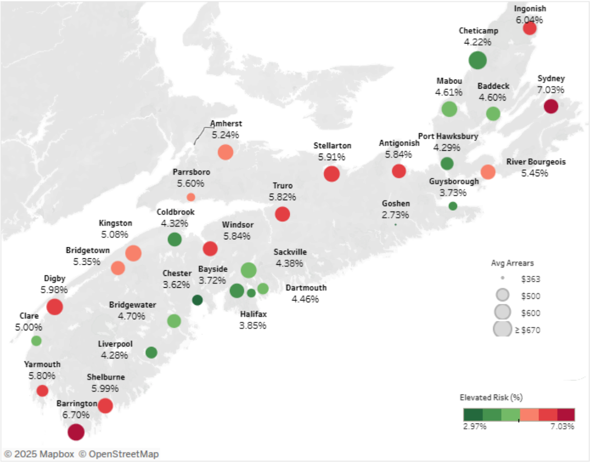
% Accounts with Elevated Risk Overall

of Active Residential electric accounts



Accounts with Elevated Risk by Service Depot

Residential; as of 3/29/2025



Location	Elevated Risk (#)	Avg Arrears	
Amherst	978	$592	5.24%
Antigonish	386	$549	5.84%
Baddeck	181	$551	4.60%
Barrington	229	$628	6.70%
Bayside	1,003	$560	3.72%
Bridgetown	368	$548	5.35%
Bridgewater	904	$541	4.70%
Chester	290	$469	3.62%
Cheticamp	138	$740	4.22%
Clare	237	$464	5.00%
Coldbrook	1,036	$547	4.32%
Dartmouth	2,784	$483	4.46%
Digby	333	$615	5.98%
Goshen	98	$363	2.73%
Guysborough	97	$435	3.73%
Halifax	3,195	$436	3.85%
Ingonish	112	$536	6.04%
Kingston	548	$609	5.08%
Liverpool	399	$493	4.28%
Mabou	151	$592	4.61%
Parrsboro	173	$429	5.60%
Port Hawksb..	216	$519	4.29%
River Bourge..	330	$571	5.45%
Sackville	1,828	$598	4.38%
Shelburne	316	$581	5.99%
Stellarton	1,463	$604	5.91%
Sydney	3,451	$559	7.03%
Truro	1,757	$575	5.82%
Windsor	727	$568	5.84%
Yarmouth	814	$493	5.80%

All percentages reflect distribution of accounts by oldest aged $1.

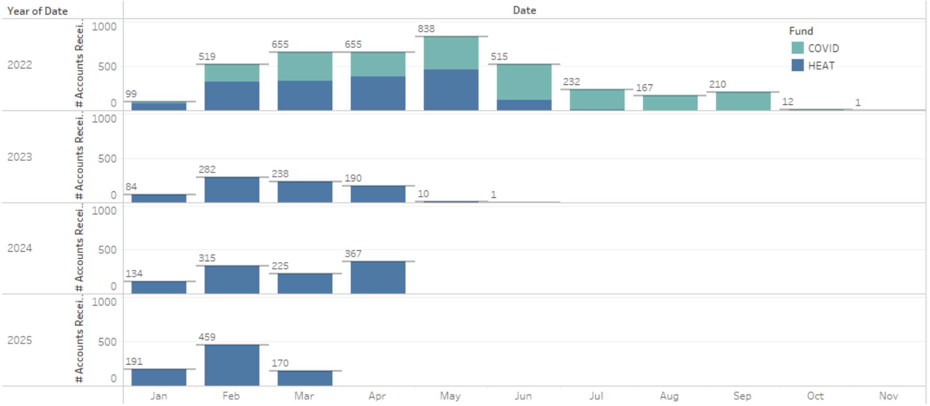
Active residential electric accounts are deemed as having elevated risk when having >=$300 total A/R not under the equal billing program, with either >=$300 owing 60+ days or >$0 owing 90+/120+ days (landlord accounts meeting the criteria are in total statement but excluded at depot level)

HEAT Fund recipients are up year over year through February

- March had a further 170 HEAT Fund recipients before the funding for electric bills was exhausted on March 21.
- A further 46 accounts received a payment from a community organization in March, bringing the YTD total to 106, up from 54 through end of March 2024.

HEAT and COVID Fund Detail

Count of accounts receiving payments by month paid



HEAT and COVID Fund Totals

		2022	2023	2024	2025	Cumulati..
HEAT	# Payments	1,706	805	1,041	820	4,372
	Distinct NSP Accounts	1,702	799	1,040	817	3,753
COVID	# Payments	2,197				2,197
	Distinct NSP Accounts	2,168				2,168
Grand Total	# Payments	3,903	805	1,041	820	6,569
	Distinct NSP Accounts	2,980	799	1,040	817	4,814

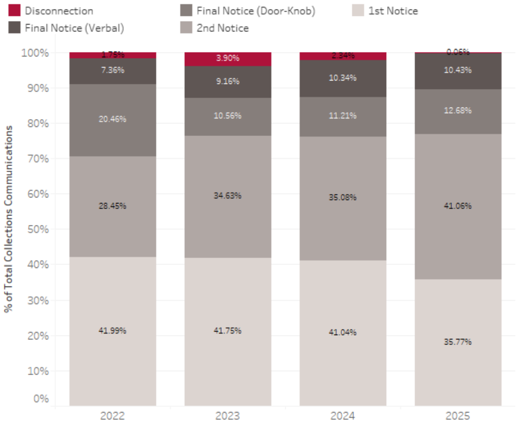
Nova Scotia POWER An Emera Company

Nova Scotia Power continues to work closely with customers in arrears

- Disconnections continue to be paused due to temperature considerations but remain a last resort and a small and diminishing percentage of the formal collections actions taken (2.3% in 2024, versus 3.9% in 2023).
- Significant effort is invested in supporting customers in addressing arrears before disconnection would take place, both informally and through a formal collections process. Payment arrangements are explored to best meet the customer situation, ranging from short-term plans to equal-billed longer-term plans when necessary

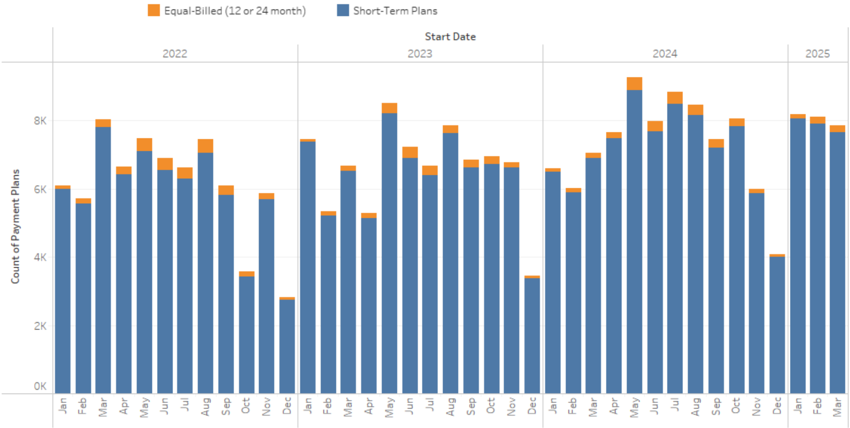
Formal Collections Communication on Overdue Accounts

(Excluding friendly reminders and informal outreach)



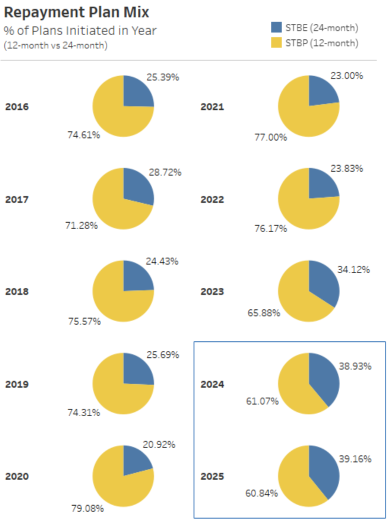
Payment Arrangements Opened

2022 - present; Short-Term (12 weeks), or equal-billed 12 or 24 month plans



Equal-Billed Payment Plans Mix

- The mix in plan term length in early 2025 is comparable to the 2024 mix.
- The average point when a plan fails appears to be shifting earlier, although 2023-2024 will be skewed lower due to recency (ie, not yet 12 or 24 months have passed in most plans). Distribution of failures in the first few months appears consistent with 2018-2022; plans are most likely to fail within the first 3-4 months.



Failed Equal-Billed Repayment Arrangements

Disconnect Rate by Year Plan Initiated (Closed Plans Only)

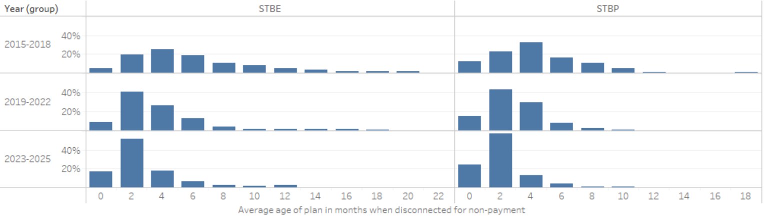
Results will be incomplete for current and immediately preceding year

Contact Typ..		2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	Total
STBE (24-month)	Failure Rate	15.4%	13.2%	13.0%	16.4%	12.9%	8.6%	9.3%	17.6%	19.4%	17.6%	5.0%	0.0%	13.6%
	Plans	351	462	746	685	635	888	503	665	656	551	419	7	6,568
STBP (12-month)	Failure Rate	6.5%	5.6%	5.8%	7.9%	8.8%	4.0%	3.2%	7.5%	9.7%	9.6%	4.9%	0.0%	6.6%
	Plans	3,064	2,436	2,262	1,786	1,953	2,500	1,875	2,225	2,086	1,453	802	17	22,459
Grand Total	Failure Rate	7.4%	6.8%	7.6%	10.2%	9.8%	5.2%	4.5%	9.8%	12.0%	11.8%	4.9%	0.0%	8.2%
	Plans	3,415	2,898	3,008	2,471	2,588	3,388	2,378	2,890	2,742	2,004	1,221	24	29,027

Average Age of Plan at Failure (months)

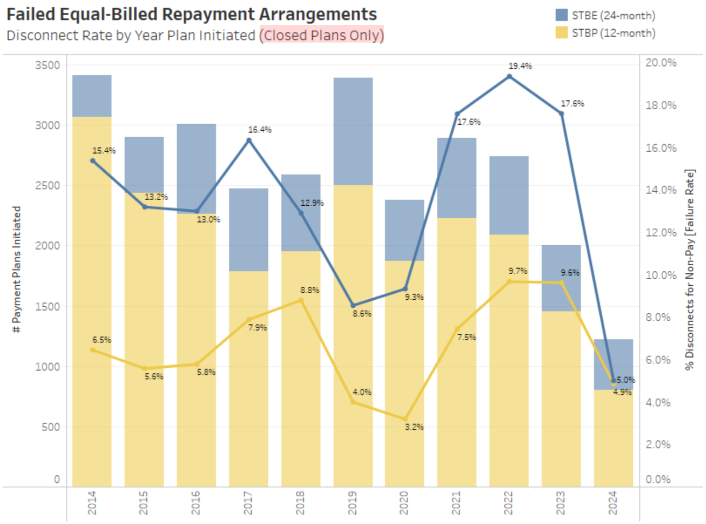
Contact Type	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	Total
STBE	5.6	7.6	7.2	7.2	5.8	4.3	5.0	5.1	4.8	3.7	2.4	5.6
STBP	4.8	5.1	5.3	4.9	4.1	2.8	3.3	3.6	3.6	2.7	1.9	4.1

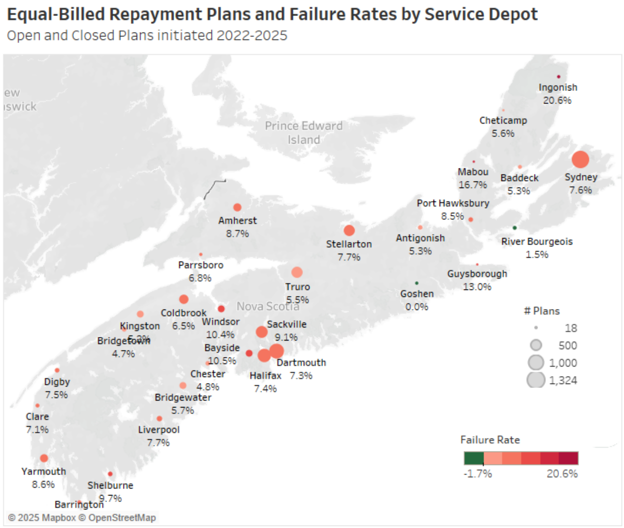
Distribution of Age of Plan at Failure (months)



Equal-Billed Payment Plans with Regional Detail

- The majority of payment arrangements have shown to be largely successful over time, with ~8.2% of plans disconnected due to non-payment since 2014; (note: plans within the last 12 or 24 months will not yet show final disconnect rates, as some plans initiated in these years have not yet closed)
- 24-month plans by design cause greater aging of arrears balances, inherently creating greater risk which has shown in the elevated failure rates observed since 2014 (24-month 14.0% vs 12-month 6.7%).



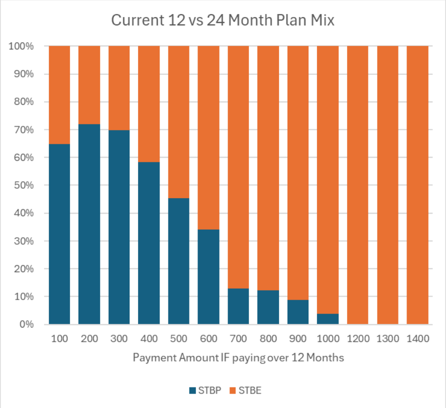


Equal-Billed Plan Performance by Payment Amount

- The table below show the current standing of 12 and 24-month plans, binned by payment amount. Plans in the “0” column are current in their repayment, while plans in the (e.g.) “2” column are 2 payments behind their scheduled repayment. Comparable rows (e.g., $100 for 12 months, or $50 for 24 months) are shown using the diagonal bordering.

- Larger arrears amounts are more likely to be amortized over 24 months to minimize the payment burden. Current payment performance is comparable for 12 and 24-month cohorts; overall, 33% of 12-month plans are current versus 29% of 24-month plans, while 96% of 24-month plans are within 2 payments versus 92% of 12-month plans. Plans in both amortizations show increasing struggles to remain on plan as payment amounts increase.

		Budget Payments Behind (as of Apr 1, 2025)															
		STBP (12-month)							**STBE (24-month)**								
Payment Bin	**Plans**	**0**	**1**	**2**	**3**	**4**	**5**	**6**	**0**	**1**	**2**	**3**	**4**	**5**	**6**	**Plans**	**Payment Bin**
50	14	36%	29%	29%			7%		21%	54%	25%					24	**50**
100	38	37%	47%	13%	3%												
150	62	34%	48%	10%	6%	2%			25%	47%	23%	5%				60	**100**
200	105	28%	54%	12%	4%	2%											
250	139	41%	41%	12%	5%	1%			29%	55%	12%	3%		2%		104	**150**
300	110	38%	37%	18%	6%												
350	116	34%	34%	21%	7%	3%			28%	57%	13%	2%				145	**200**
400	94	33%	46%	12%	7%	2%											
450	81	26%	49%	15%	6%	2%	1%		27%	46%	21%	5%	1%			124	**250**
500	43	30%	40%	16%	9%	5%											
550	46	15%	59%	17%	4%	2%		2%	31%	49%	17%	2%	2%			121	**300**
600	20	30%	15%	30%	10%	15%											
650	9	22%	44%	11%	22%				40%	46%	12%	1%	1%			98	**350**
700	6	67%	17%	17%													
750	8		63%	13%	13%	13%			28%	43%	20%	8%	3%			80	**400**
800	4	50%	50%														
850	4		75%	25%					27%	44%	18%	11%				55	**450**
900									37%	27%	23%	10%	3%			30	**500**
950									34%	45%	10%	7%	3%			29	**550**
1050									23%	45%	32%					22	**600**
1200										40%	20%	20%	20%			5	**650**
1300									21%	64%	14%					14	**>700**
1400																	
Total	**899**	**33%**	**44%**	**15%**	**6%**	**2%**	**0%**	**0%**	**29%**	**49%**	**17%**	**4%**	**1%**	**0%**		**911**	**Total**

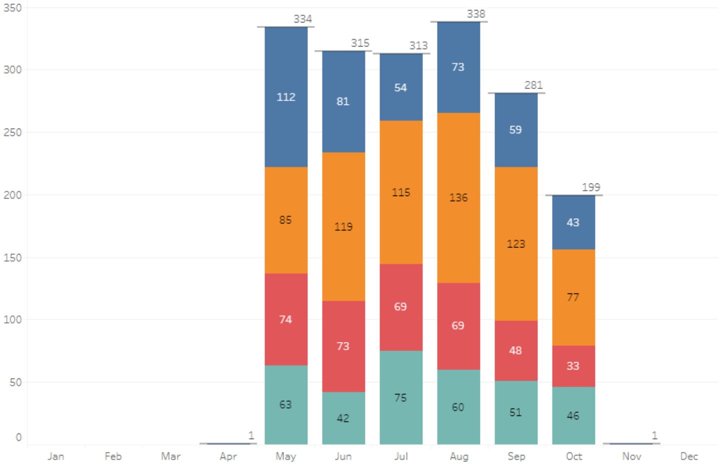


Appendix

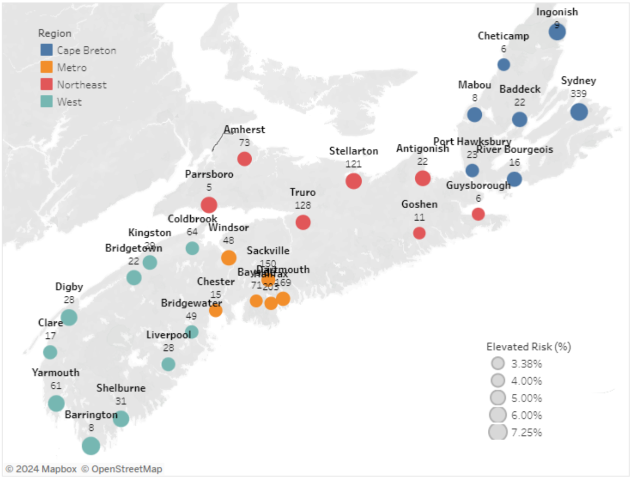
Disconnect for Non-Pay with Regional Detail

- Disconnection activity remains paused due to cooler temperatures. The final 2024 view is shown here, where disconnections skewed toward areas with elevated risk. For example, 23% of 2024 disconnects have been in Cape Breton where 15% of our customer accounts reside.

Disconnects for Non-Pay by Month
Residential by Service Area 2024



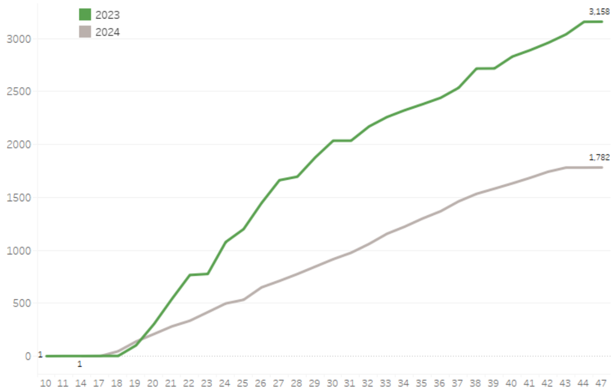
 # Disconnects for Non-Pay by Service Depot
Residential; 2024



Piloting Additional Effort to Reduce Disconnects

- Disconnects remain paused due to cooler temperatures.
- Results of the pilot to layer in additional communication with customers 3 days before a scheduled disconnect is shown below.
- While communication is already robust, the pilot of additional effort to contact the customer to make arrangements prior to disconnect proved to be very successful, with 61% of scheduled disconnects included averted. The intent will be to continue the effort in 2025, closely monitoring the success of the payment arrangement commitments reached.

YTD Cumulative Residential Disconnects by Week #



Accounts scheduled for disconnection

Leading indicators - accounts committing to payment or payment terms

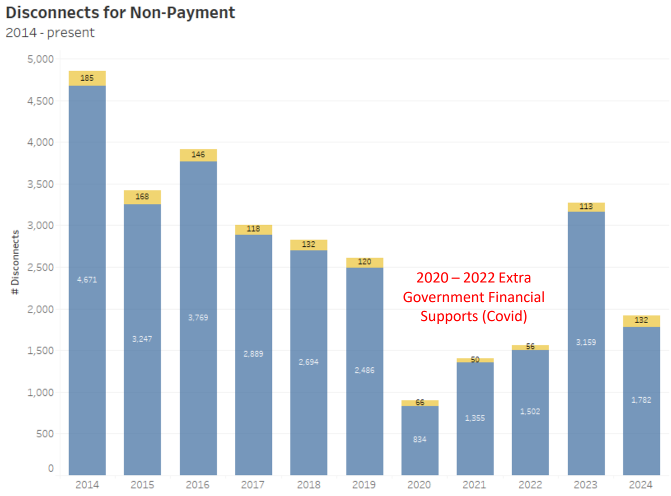
Key success measure - lagged as it depends on customer follow-through

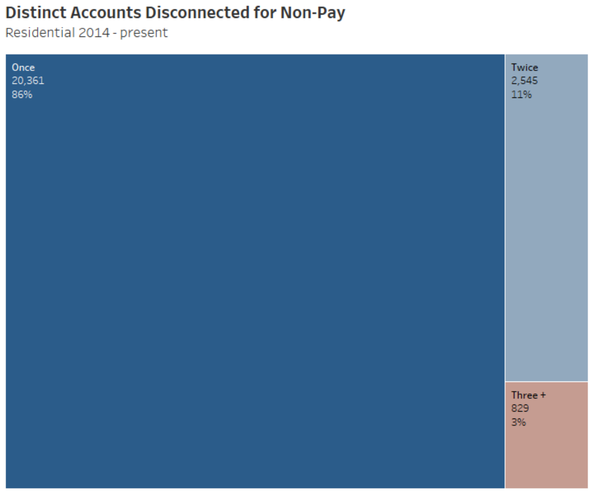
Month of Cohort	Unique Accounts Dialed: Day 1	Avg Dials per Account	% Not Redialed after Day 1	% Not Redialed after Day 2	Accounts Disconnected	% Disconnects Averted
Grand Total	3,971	3.4	18.7%	36.2%	1,537	61.3%
October	341	2.2	32.3%	54.0%	78	77.1%
September	424	2.5	27.1%	50.2%	148	65.1%
August	652	2.9	20.7%	42.5%	242	62.9%
July	1,005	3.5	14.1%	31.2%	318	68.4%
June	862	3.9	16.8%	30.4%	341	60.4%
May	499	3.9	14.0%	29.1%	302	39.5%
April	188	4.9	13.3%	21.8%	108	42.6%

Region	Unique Accounts Dialed: Day 1	Avg Dials per Account	% Not Redialed after Day 1	% Not Redialed after Day 2	Accounts Disconnected	% Disconnects Averted
Grand Total	3,971	3.4	18.7%	36.2%	1,537	61.3%
Cape Breton	742	3.4	18.3%	34.6%	369	50.3%
Metro	1,565	3.5	18.9%	36.9%	571	63.5%
Northeast	817	3.3	19.6%	35.9%	309	62.2%
West	847	3.4	17.7%	36.4%	288	66.0%

Disconnect for Non-Pay – Historical View (2014-present)

- From 2014, when enhanced customer-centric Collections strategies were first fully deployed, Disconnects for Non-Payment have shown a steadily decreasing trend through 2019;
- A change in Collection strategy and additional government supports during pandemic conditions skewed total disconnects lower from 2020-2022, while a pause in related activities following Fiona further impacted 2022 totals; 2023 disconnects returned to ~2015 levels, while 2024 have decreased owing to the 3-day notice on scheduled disconnects.





Nova Scotia POWER An Emera Company

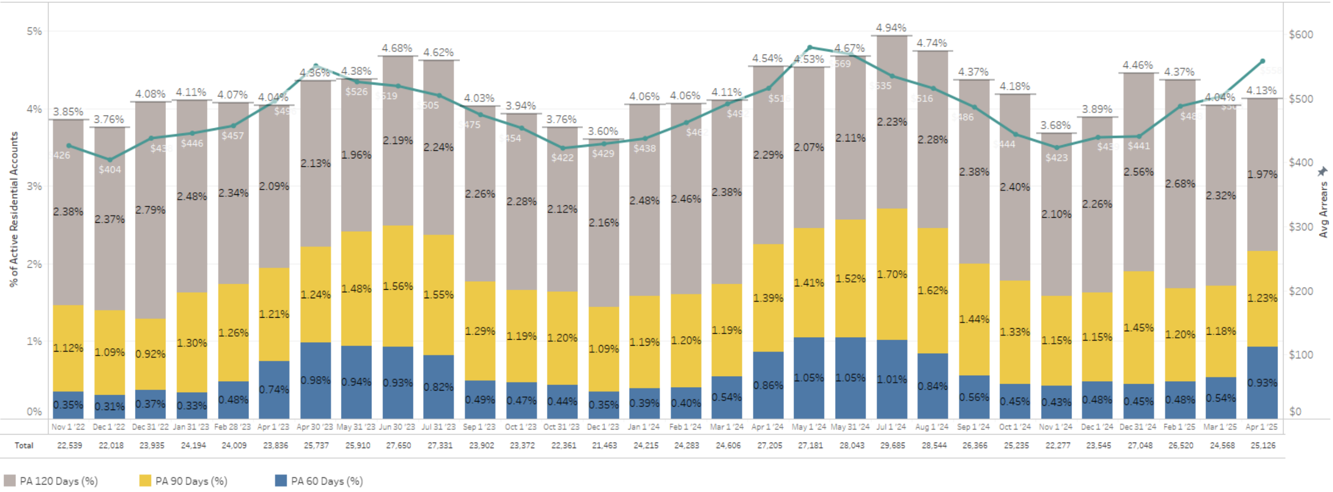
Customer Lens on Affordability

% of Active Accounts carrying 60+ day arrears balance

Aging Date
10/8/2022 4/1/2025

Public Accounts

Distribution of Accounts by Oldest Aged $



All percentages reflect distribution of accounts by oldest aged $1.
Residential - non-EQB: active residential electric accounts not on the equal billing program
Public Accounts definition: accounts with elevated risk, having >=$300 total A/R, with either >=$300 60+ days or >$0 90+/120+ days

Latest Aging 4/1/2025

Update on Credit and Collections Work

Q3 2025

June 17, 2025

Nova Scotia POWER
An Emera Company

Agenda

1. Discussion around current Customer Support
    - Billing has resumed and a dedicated billing website has been launched (on next slide).
        - We are focused on keeping the days billed consistent, but the time between bills has been affected by the April 25-June 2 pause in billing.
        - Key notes: NS Power is not currently charging late fees and not currently disconnecting customers for non-pay.
    - My Account is back online; it is safe to login and make payments.
        - We are recommending any customers with concerns register their NS Power account as a payee through their bank and pay that way (this is how most of our payments arrive).
    - Payment processing was delayed but is now caught up.
    - Billing has resumed – starting June 16 and for the next several weeks, most bills will be estimated and this is explained on the website.
2. Late Fee Relief
    - Approved by the board.
    - We will be prepared to deploy this immediately (not currently required as we are not charging late fees).
3. Community Solar Garden – Discussion on allocating to low-income customers (carried forward from April meeting)
    - Nova Scotia Power Solar Garden – subscribers pay subscription charge, receive energy credit.
    - Community Solar Program (https://energy.novascotia.ca/renewables/community-solar-program)
        - "The solar energy credit is based on the actual energy generated from the sun, so it varies each month based on the season and the weather. The value of the credit, $0.02/kWh, is the same for every subscriber and doesn't change for the life of your subscription."

NS Power has launched a billing website to help customers (nspower.ca/billing)

- Our meters continue to accurately record usage; we are not able to retrieve this information and apply it to bills. We are estimating bills to customers and continuing to promote Equal Billing (Equal Billing calculations can still be accurately made).
- This website is featured in bill inserts for customers receiving their bills, and Customer Care is available to answer customer questions.

BILLING PROCESS

We are continuing to work on restoring all regular services to our customers following the recent cyber incident.

While meters continue to accurately record energy usage, we are not currently able to retrieve this information and apply it to your bill. To get billing back on schedule, so balances don't add up, we will provide an estimated bill for most customers.

Login to MyAccount | Customer Service | Consider Equal Billing | Ways to Pay

What does this mean for you?

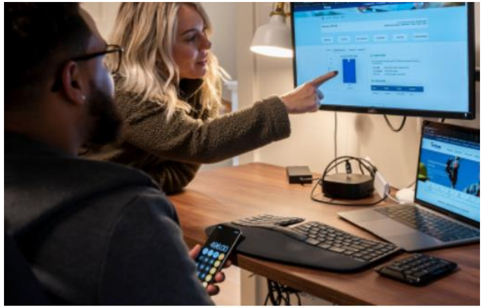
For most customers, your energy usage after April 24 will be estimated based on your historical usage during the same time period in 2024. When we are able to retrieve your current energy usage data from your meter, your bill will be adjusted to reflect your actual usage.

We want to assure our customers of our continuing promise that they will never pay for power they do not use. We know that estimated energy bills are not the typical experience for our customers. We're here to work with you and encourage customers with concerns to call us at 1-800-428-6230 to discuss options.

Why estimated bills?

While we continue to work on restoring systems, providing estimated bills will address concerns we've heard from customers about the pause in billing and the risk of getting a bill for a longer timeframe.

Any differences between estimated and actual usage will be addressed and accurately reflected in a future bill. There will continue to be no late charges or penalties on any outstanding balances while bills are being estimated—including for customers who make the personal decision to wait for a bill based on actual usage before paying. We do recommend paying the estimated amount, or close to it, to help manage account balances.



Consider Equal Billing

Our Equal Billing Plan can help you manage your budget by spreading the cost of your annual electricity use over 12 equal monthly payments.

LEARN MORE

Affordable Energy Coalition, Consumer Advocate and Nova Scotia Power

Update on Credit & Collections Work

Q4 2025 (October 3, 2025)

Nova Scotia
POWER
An Emera Company

Agenda

- Grassroots Grants Launch
- Late Fee Forgiveness Pilot
- Current Situation and Tactics
- Review of Affordability Dashboard
- Annual Report to the NSEB

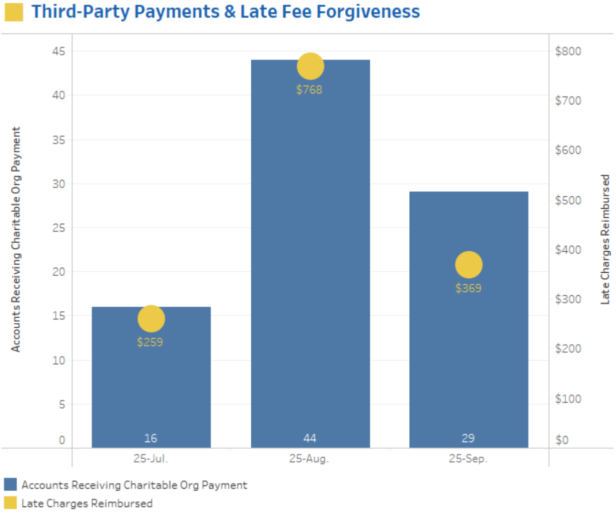
Grassroots Grants Program

Submit your application by November 14, 2025 to be considered for funding

Late Fee Forgiveness

- On June 11, 2025, the NSEB approved a 12-month pilot allowing Nova Scotia Power to forgive late fees for accounts receiving payment from a third-party charitable organization.
- The pilot concept arose from discussions with stakeholders on energy affordability and is intended to remove unnecessary additional financial pressures on customers already struggling with their energy burden, as indicated by the financial support received from charitable organizations.
- The pilot will run from July 1, 2025 to June 30, 2026, and eligible accounts will receive reimbursement of any late fees charged to their account in the 12 months preceding the third-party payment
- Nova Scotia Power has paused late fees for all accounts following the April cyber incident. However, customers eligible under this pilot may have incurred late fees in the period prior to April 2025, and those late fees may be eligible for forgiveness.

Early Pilot Results

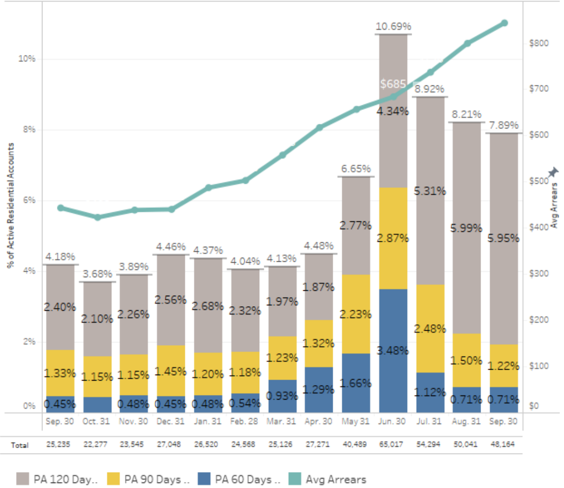


Supports for Customers and Outstanding Balances

Background:
- NS Power did not issue bills from April 25 until early June.
- NS Power has not been charging late fees since April 25 and paused collection activity for several months.
- We will not disconnect any residential customers in 2025.
- We are seeing improvements in accounts with elevated risk, but balances for remaining customers continue to increase.
- Some support for customers is changing (HARP to $400, eligibility adjustment).

Tactics:
- Help customers act on balances and stop them from growing.
- Resume all collection outreach to customers, no mention of ‘disconnecting service’ in 2025. All language to focus on helping customers.
- Include options to put overdue balances in payment plans (this has been happening since billing resumed in June).
- Empower Customer Care to offer 30-month payment plans until June 2026.
- Continued increased HEAT fund contribution: $300K in 2026.
- Timing of late fee charges / continued support of late fee waiver pilot.
- Grassroots Grants launch.
- Increased reminder communication, leveraging last year’s disconnection reduction pilot.
- Other potential options in 2026 (Community Events, Support Programs).

% Accounts with Elevated Risk Overall
of Active Residential electric accounts



All percentages reflect distribution of accounts by oldest aged $1.
Active residential electric accounts are deemed as having elevated risk when having >=$300 total A/R not under the equal

Affordability Dashboard

Low Income Advocacy

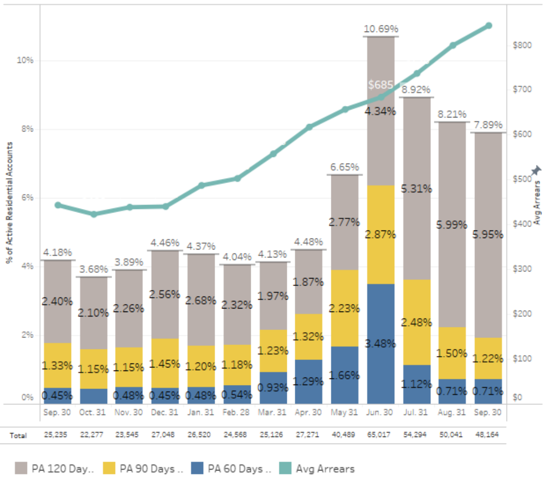
September 2025

Arrears Trending with Regional Detail

- A total of 48,164 (7.89% of) active residential customer electric accounts have elevated arrears as of September month-end. This measure continues to improve month over month since peaking in June, but the percent of accounts with arrears over 120 days remains near 6%, and average arrears amounts across these accounts is now $844, a value which has increased consistently since last September.

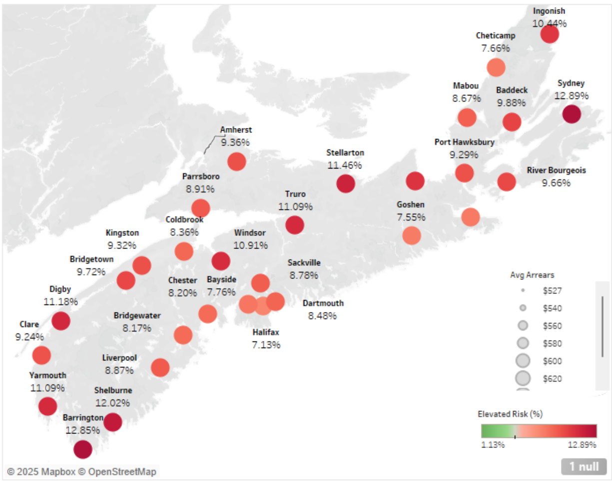
% Accounts with Elevated Risk Overall

of Active Residential electric accounts



Accounts with Elevated Risk by Service Depot

Residential; as of 2025-09-30



Location	Elevated Risk (#)	Avg Arrears	
No Premise ..	2,484	$527	1.13%
Amherst	3,510	$870	9.36%
Antigonish	1,410	$921	10.63%
Baddeck	780	$876	9.88%
Barrington	880	$954	12.85%
Bayside	4,223	$866	7.76%
Bridgetown	1,333	$908	9.72%
Bridgewater	3,164	$826	8.17%
Chester	1,318	$875	8.20%
Cheticamp	502	$1,055	7.66%
Clare	879	$815	9.24%
Coldbrook	4,017	$882	8.36%
Dartmouth	10,637	$786	8.48%
Digby	1,255	$876	11.18%
Goshen	542	$683	7.55%
Guysborough	399	$670	7.62%
Halifax	11,789	$676	7.13%
Ingonish	389	$908	10.44%
Kingston	2,005	$928	9.32%
Liverpool	1,659	$839	8.87%
Mabou	570	$921	8.67%
Parrsboro	555	$823	8.91%
Port Hawksb..	937	$883	9.29%
River Bourge..	1,176	$860	9.66%
Sackville	7,371	$912	8.78%
Shelburne	1,271	$888	12.02%
Stellarton	5,692	$878	11.46%
Sydney	12,695	$881	12.89%
Truro	6,715	$907	11.09%
Windsor	2,731	$895	10.91%
Yarmouth	3,118	$878	11.09%
Grand Total			7.86%

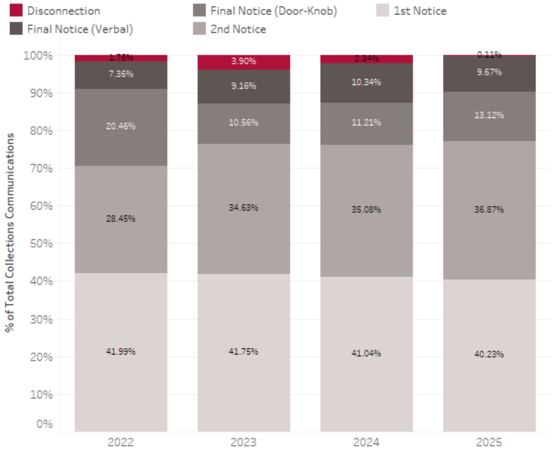
All percentages reflect distribution of accounts by oldest aged $1.
Active residential electric accounts are deemed as having elevated risk when having >=$300 total A/R not under the equal billing program, with either >=$300 owing 60+ days or >$0 owing 90+/120+ days

Nova Scotia Power continues to work closely with customers in arrears

- Collection actions remain mostly paused following the identification of a cyber incident in April.
- Historical results show disconnection remains a last resort, and accounts for a diminishing percentage of formal collections actions taken (2.3% in 2024, versus 3.9% in 2023).
- Significant effort is invested in supporting customers in addressing arrears before disconnection would take place, both informally and through a formal collections process. Payment arrangements are explored to best meet the customer situation, ranging from short-term plans to equal-billed longer-term plans when necessary

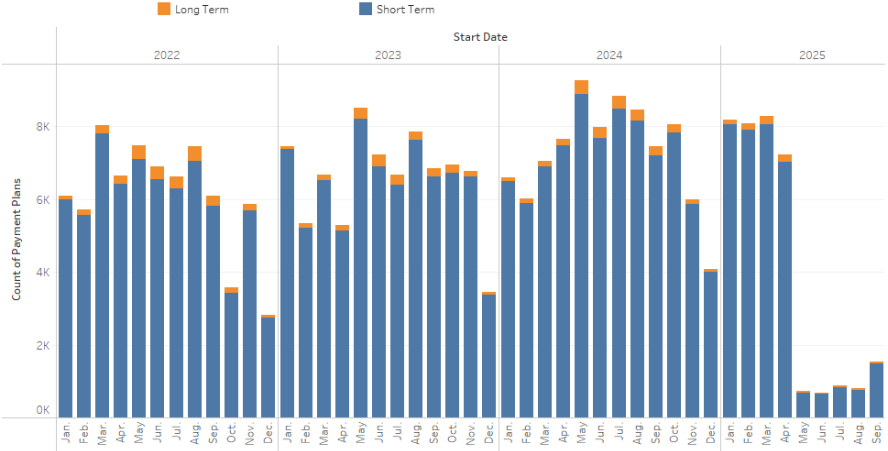
Formal Collections Communication on Overdue Accounts

(Excluding friendly reminders and informal outreach)



Payment Arrangements Opened

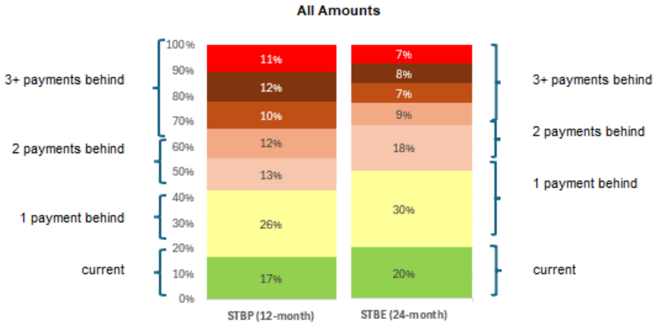
2022 - present; Short-Term (12 weeks), or equal-billed 12 or 24 month plans



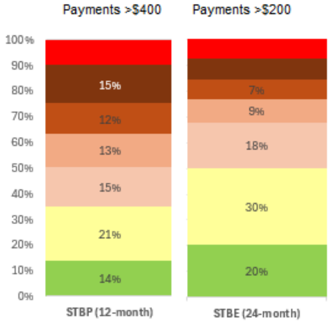
Equal-Billed Plans – Current Performance by Payment Amount

- Continued monitoring of 12 versus 24 month repayment plans shows that payment performance remains reasonably comparable for smaller monthly amounts, and we continue to see that larger arrears amounts are more likely to remain on plan when amortized over longer periods.
- In general, plans show increased struggles to remain on plan as payment amounts increase, showing the merit of early intervention to help customers arrange repayment terms.
- Charts below are as of September 30, 2025.

All Plans



Comparable Arrears



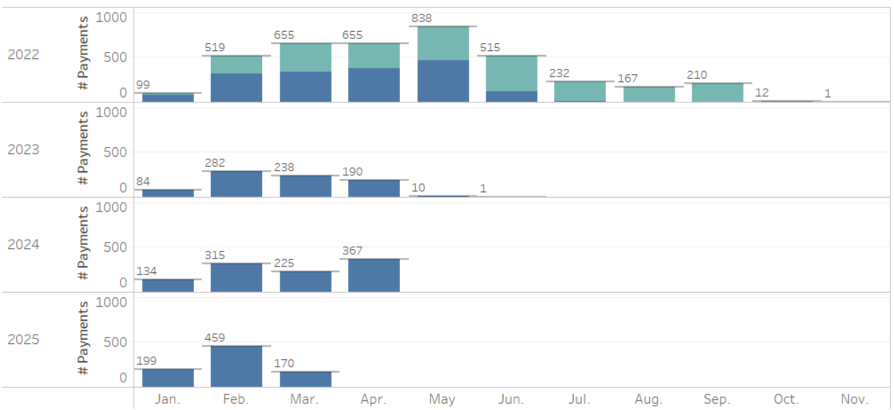
Appendix

HEAT Fund

- The HEAT fund was exhausted in late March and will recommence in January 2026.
- Provincial Heating Rebate eligibility will be tighter in 2026, and benefit amounts down year over year, which could add strain to customer's struggling with their energy burden.

HEAT and COVID Fund Detail

Count of accounts receiving payments by month paid



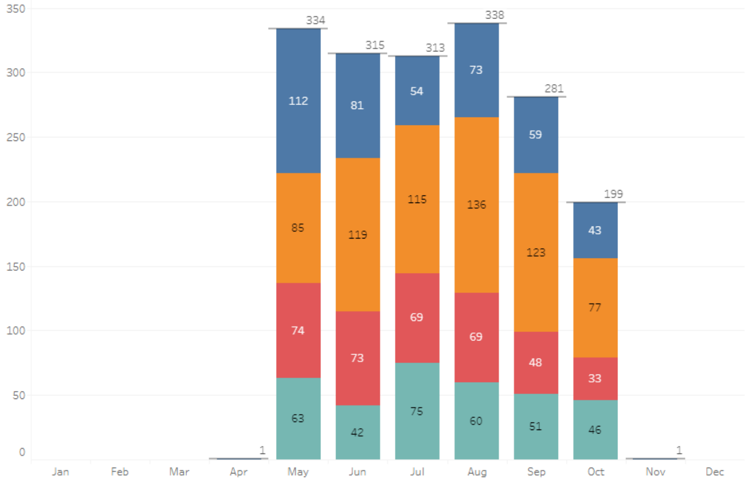
HEAT and COVID Fund Totals

		2022	2023	2024	2025	Total
HEAT	# Payments	1,706	805	1,041	828	4,380
	Distinct NSP Accounts	1,702	799	1,040	825	3,761
COVID	# Payments	2,197				2,197
	Distinct NSP Accounts	2,168				2,168
Grand Total	# Payments	3,903	805	1,041	828	6,577
	Distinct NSP Accounts	2,980	799	1,040	825	4,822

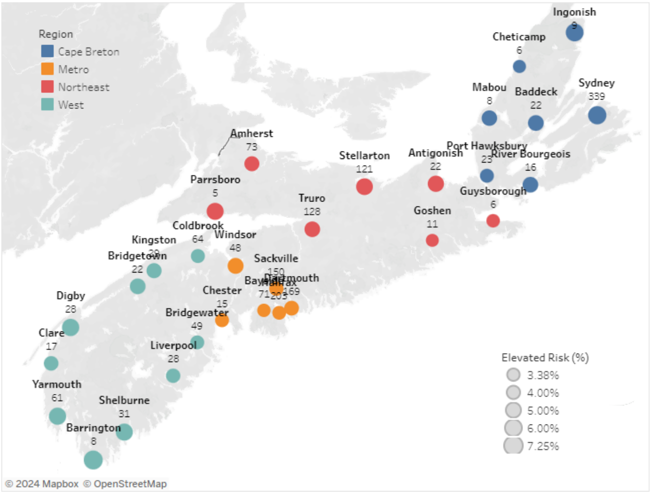
Disconnect for Non-Pay with Regional Detail

- Disconnection activity remains paused in 2025. The final 2024 view is shown here, where disconnections skewed toward areas with elevated risk. For example, 23% of 2024 disconnects have been in Cape Breton where 15% of our customer accounts reside.

Disconnects for Non-Pay by Month
Residential by Service Area 2024



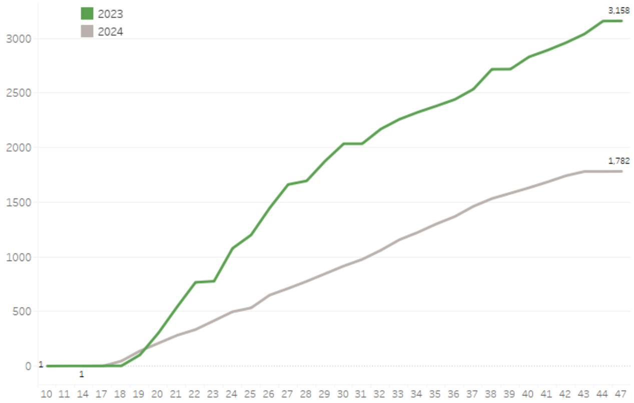
 # Disconnects for Non-Pay by Service Depot
Residential; 2024



Piloting Additional Effort to Reduce Disconnects

- Disconnects remain paused due to cooler temperatures.
- Results of the pilot to layer in additional communication with customers 3 days before a scheduled disconnect is shown below.
- While communication is already robust, the pilot of additional effort to contact the customer to make arrangements prior to disconnect proved to be very successful, with 61% of scheduled disconnects included averted. The intent will be to continue the effort in 2025, closely monitoring the success of the payment arrangement commitments reached.

YTD Cumulative Residential Disconnects by Week #



Accounts scheduled for disconnection | Leading indicators - accounts committing to payment or payment terms | Key success measure - lagged as it depends on customer follow-through

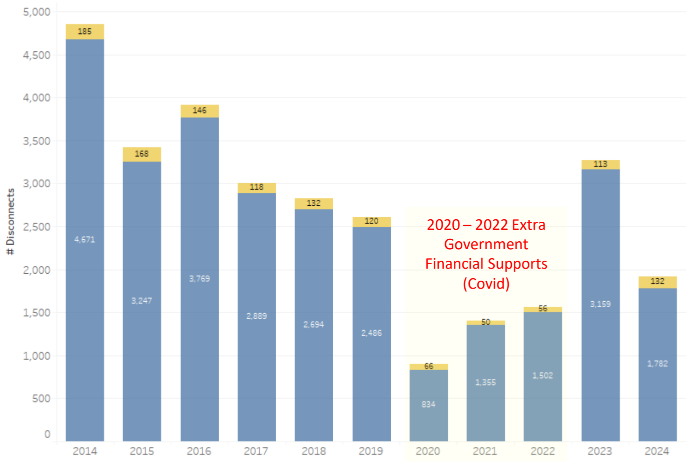
Month of Cohort	Unique Accounts Dialed: Day 1	Avg Dials per Account	% Not Redialed after Day 1	% Not Redialed after Day 2	Accounts Disconnected	% Disconnects Averted
Grand Total	3,971	3.4	18.7%	36.2%	1,537	61.3%
October	341	2.2	32.3%	54.0%	78	77.1%
September	424	2.5	27.1%	50.2%	148	65.1%
August	652	2.9	20.7%	42.5%	242	62.9%
July	1,005	3.5	14.1%	31.2%	318	68.4%
June	862	3.9	16.8%	30.4%	341	60.4%
May	499	3.9	14.0%	29.1%	302	39.5%
April	188	4.9	13.3%	21.8%	108	42.6%

Region	Unique Accounts Dialed: Day 1	Avg Dials per Account	% Not Redialed after Day 1	% Not Redialed after Day 2	Accounts Disconnected	% Disconnects Averted
Grand Total	3,971	3.4	18.7%	36.2%	1,537	61.3%
Cape Breton	742	3.4	18.3%	34.6%	369	50.3%
Metro	1,565	3.5	18.9%	36.9%	571	63.5%
Northeast	817	3.3	19.6%	35.9%	309	62.2%
West	847	3.4	17.7%	36.4%	288	66.0%

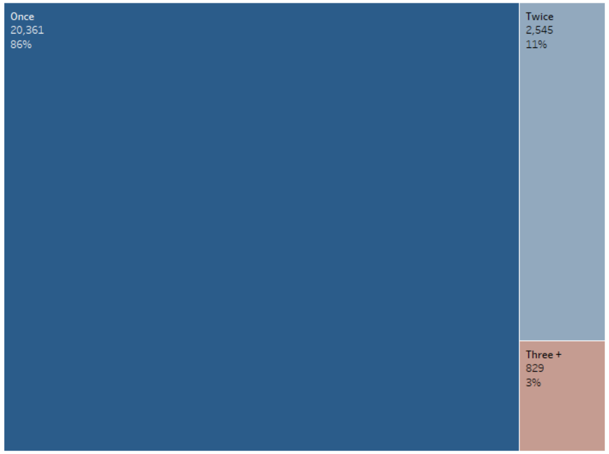
Disconnect for Non-Pay – Historical View (2014-present)

- From 2014, when enhanced customer-centric Collections strategies were first fully deployed, Disconnects for Non-Payment have shown a steadily decreasing trend through 2019;
- A change in Collection strategy and additional government supports during pandemic conditions skewed total disconnects lower from 2020-2022, while a pause in related activities following Fiona further impacted 2022 totals; 2023 disconnects returned to ~2015 levels, while 2024 have decreased owing to the 3-day notice on scheduled disconnects.

Disconnects for Non-Payment
2014 - present



Distinct Accounts Disconnected for Non-Pay
Residential 2014 - present



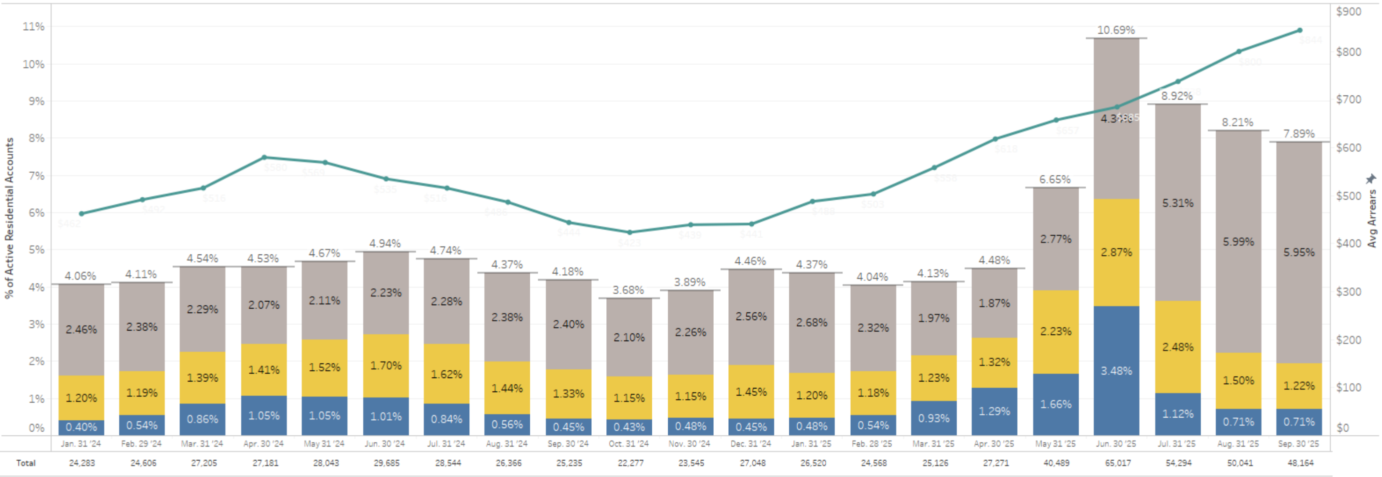
Nova Scotia POWER An Emera Company

Customer Lens on Affordability

% of Active Accounts carrying 60+ day arrears balance

Public Accounts

Distribution of Accounts by Oldest Aged $



PA 120 Days (%) PA 90 Days (%) PA 60 Days (%)

All percentages reflect distribution of accounts by oldest aged $1.

Residential - non-EQB: active residential electric accounts not on the equal billing program

Public Accounts definition: accounts with elevated risk, having >=$300 total A/R, with either >=$300 60+ days or >$0 90+/120+ days

Latest Aging	2025-09-30