Nova Scotia Energy Board

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September 2, 2026

[redacted]

[redacted]

Dear Ms. Pelley:

M12714 - Nova Scotia Power Inc. - Appeal of a Decision of the Dispute Resolution Officer

This is the Board's decision on your appeal of a decision by the Dispute Resolution Officer (DRO).

The following documentation was filled with the Board:

- The DRO's file and decision, dated February 18, 2026;
- Your appeal of the DRO decision, dated February 19, 2026;
- NS Power's response to your appeal, dated March 10, 2026;
- Your response to NS Power's response, dated March 12, 2026;
- NS Power's email regarding a credit for streetlight rental, dated March 25, 2026;
- Your response to the Board's information requests (IRs), dated April 30, 2026; and
- NS Power's responses to the Board's IRs, dated May 26 and June 25, 2026.

The Board understands that you are seeking an explanation for NS Power's underestimating the usage in your bills for the property at [redacted], which resulted in a large bill following the cyber incident.

You believe that NS Power's prolonged estimated billing practices created a financial burden on your part and request a review of such practices. Your response to Board IR-1 indicates you are specifically requesting that 30 to 40% of the accumulated arrears be forgiven. You also indicate that a repayment plan over a minimum of 24 months would be a reasonable solution for the outstanding balance.

The DRO for NS Power is an independent third party. His role is to address and ideally resolve disputes with NS Power that cannot be resolved through normal customer channels. He is not an employee of NS Power or the Board. Decisions of the DRO are binding on NS Power but not on the customer. Customers may appeal DRO decisions to the Board within 12 days of receipt of the DRO's final written decision.

In his decision, the DRO stated:

> In the context of Board approved Regulation 5.1, NS Power has appropriately billed the Customer for service to [redacted] (Account [redacted].
>
> [Exhibit P-2, p. 2]

BACKGROUND & FINDINGS

You opened account #[redacted] with NS Power for [redacted], in July 2024. Meter [redacted] was installed at this property in February 2021. On February 11, 2026, you contacted NS Power regarding your estimated usage in the latest bill and the impact of the cyber incident on the estimates.

Your bills and estimated usage

The tables below show the summary of your historical usage based on the information before the Board.

Table 1: 2024

Bill date	Meter read	Usage	Daily usage	Total amount due	Service period
August 12, 2024	9835 read Aug 8	58	2.4	$71.53	July 15 - August 8, 2024 (24 days)
October 9, 2024	10434 read Oct 7	599	10.0	$183.59	August 8 – October 7, 2024 (60 days)
December 10, 2024	11273 read Dec 6	840	14.0	$228.39	October 7 – December 6, 2024 (60 days)

Your average usage ranged between 2.4 and 14 kWh/day in this portion of 2024 after you started your account. There was a $27.82 rental fee for a 100W high pressure sodium light in each bill.

Table 2: 2025

Bill date	Meter read	Usage	Daily usage	Total amount due	Service period
February 11, 2025	12729 read Feb 7	1,456	23.1	$346.92	December 6, 2024 – February 7, 2025 (63 days)
April 9, 2025	15197 read Apr 7	2,468	41.8	$551.96	February 7 – April 7, 2025 (59 days)
June 10, 2025	15605 estimated	408	6.4	$152.60	April 7 – June 10, 2025 (64 days)
August 12, 2025	16097 estimated	492	7.8	$168.97	June 10 – August 12, 2025 (63 days)
October 9, 2025	16675 estimated	578	10.0	$10.33	August 12 – October 9, 2025 (58 days)
December 9, 2025	17028 estimated	353	5.8	$32.21	October 9 – December 9, 2025 (61 days)

Your average usage ranged between 23.1 and 41.8 kWh/day in 2025 before the estimated bills were issued. The light rental fee was approximately $28.80 in every bill.

NS Power *Regulation* 5.1 states:

> **METER READING**
>
> When reasonably possible, meters shall be read bi-monthly; however, the Company may read meters on a monthly basis.
> …
>
> ESTIMATED METER READING
>
> If the Company is unable to obtain a meter reading due to circumstances beyond its control … then the amount of power and energy used by the Customer shall be estimated by the Company using the best available data…
>
> In the event that actual meter readings are obtained subsequent to estimated readings, the Company shall make the necessary adjustments…

According to NS Power's response to Board IR-2, it estimated your usage during a period when an actual meter read was not available by calculating the average daily usage from bills issued the previous year for the same property with the same seasonal code and then multiplied that by the number of days in the current service period.

Your June 2025 bill covers 64 days (April 7 to June 10, 2025). NS Power used the June and July 2024 bills from the previous account at the property and your August and October 2024 bills (1,164 kWh total for 182 days) to calculate the average usage of 6.39 kWh/day, multiplied by 64 days to get 408 kWh estimated usage for this billing period.

Similarly, for the August 2025 bill, your usage from the August and October 2024 bills was 657 kWh for 84 days, i.e., 7.81 kWh/day. Your usage for this billing period was estimated at 492 kWh (7.81 kWh/day multiplied by 63 days).

In the October 2025 bill, NS Power:

- credited you back for the **900 kWh** it charged you in the June 2025 bill (408 kWh) and August 2025 bill (492 kWh);

- used the same average usage of 9.97 kWh/day from your October 2024 bill to estimate your usage of 578 kWh for the 58-day period between August 12 and October 9, 2025 (9.97 kWh/day multiplied by 58 days).

This bill was intended to reconcile your June and August 2025 bills, which means NS Power was supposed to charge you for **1,478 kWh** estimated usage for the entire period from April 7 to October 9, 2025 (16,675 kWh estimated in October 2025 minus 15,197 kWh read in April 2025). However, NS Power's system only applied **578 kWh** estimated usage for between August 12 to October 9. Considering the error was in your favour, NS Power did not correct this lower charge.

The calculations, based on the estimated billing methodology, are mathematically accurate. However, not making the correction to the estimated bill when it was discovered added to the variance between the estimated billing amounts and the actual usage when a meter reading could finally be obtained.

And lastly, in the December 2025 bill, NS Power used your usage in the December 2024 and October 2025 bills (1,418 kWh total for 245 days) to calculate the average usage of 5.79 kWh/day, then multiplied it with 61 days (from October 9 to December 9, 2025) to get your estimated usage of 353 kWh.

Table 3: 2026

Bill date	Meter read	Usage	Daily usage	Total amount due	Service period
February 10, 2026	25894 read Feb 6	8,867	150.3	$1,679.07	December 9, 2025 – February 6, 2026 (59 days)
April 13, 2026	29347 read Apr 9	3,452	55.7	$1,037.21	February 6 – April 9, 2026 (62 days)

The February 2026 bill is the first bill that has an actual (not estimated) meter read since April 2025. The actual meter read of 25,894 kWh on February 6, 2026, was much higher than the estimated meter read of 17,028 kWh in the December 2025 bill. This means NS Power underestimated your usage in the last four bills before this bill. As a result, this bill is a catch-up bill where NS Power charged you for the difference of 8,867 kWh (25,894 kWh minus 17,028 kWh).

If we consider the full 305-day period between April 7, 2025, and February 6, 2026, your usage was 10,697 kWh (meter read of 25,894 kWh in February 206 minus meter read of 15,197 kWh in April 2025), or 35.07 kWh/day (10,697 kWh divided by 305 days). This average usage fits within your average actual usage range in 2025 and is lower than your average actual usage in the April 2026 bill.

Your streetlight rental

NS Power said in response to Board IR-4 that a previous owner of the property rented a 100W High Pressure Sodium streetlight from NS Power in 2004. In 2022, NS Power removed the streetlight at the request of a subsequent owner but did not close the service order. When NS Power started your service in July 2024, the streetlight rental continued in error.

On March 25, 2026, NS Power said it applied a credit of $341.33 to your account for all the streetlight rental fees NS Power charged you between July 2024 and March 2026. The Board finds that the credit was appropriate.

Your payment plan

The Board has reviewed NS Power's estimated bills and reconciliations in detail to ensure their accuracy. However, the Board understands that this is not the basis of your appeal. Your real issue is with estimated bills over a prolonged period resulting in a marked underestimation of electricity consumption. You do not think this should be allowed. In response to the Board IR-1, you requested that the arrears, due to prolonged estimated billing and missed meter readings, be reduced by approximately 30-40%, and said that a payment plan of minimum 24 months would be reasonable.

NS Power responded to Board IR-3 that it can offer you a 24-month payment arrangement at approximately $280 per month, $43 of which goes toward the $1,037 arrears from your April 2026 bill.

DECISION

Pursuant to the *Public Utilities Act*, the Board is responsible for the general supervision of all public electric utilities operating in Nova Scotia, including NS Power. Among other things, the Board's jurisdiction includes approving *Regulations* that determine how NS Power is allowed to provide electric service to customers, and the rules they (and customers) must follow. In reviewing matters such as your appeal, the Board's role is to determine whether NS Power has properly applied the Board's approved *Regulations* in dealing with its customers.

Regulation 5.1 allows NS Power to estimate bills based on the best available data if the Utility cannot read your meter due to circumstances beyond its control. A criminal cyber attack in the spring of 2025 prevented NS Power's smart meters from relaying usage information to NS Power's billing systems. There is no evidence that it prevented the smart meters from accurately recording usage. NS Power had to send meter readers to go out to homes to obtain actual meter reads, as was done prior to smart meters being installed. This took time as the meter reader function had essentially been eliminated with the introduction of smart meters except for the small percentage of customers who opted out. In the interim, NS Power used estimated billings. The Board finds that NS Power properly invoked *Regulation* 5.1 to use estimated bills in these circumstances.

Estimated billings, by their very nature, will likely not match true electricity consumption when an actual meter reading is obtained. The methodology NS Power used to estimate your bills is the same one that the Utility used for bill estimates prior to smart meters being installed. It is the same method it used for those customers who opted out of smart meter installation. The methodology described above is being reviewed as part of an investigation into the cybersecurity incident that crippled many of NS Power's business functions (Matter M12600). Interestingly, that investigation arose from complaints that bill estimates were too high. Whether improvements can be made to the back-up bill estimation and communication protocols NS Power used, when communication with the smart meters was lost, forms part of the investigation. The confusion that arose from estimated billings, and whether better communications would have helped, is also being reviewed in Matter M12600.

Now that communications between customer smart meters and NS Power's billing systems have been restored, NS Power indicates that bill estimates should have more granular data. Nevertheless, NS Power used the best available data, along with existing estimation protocols, when faced with an unprecedented business interruption. Under the *Regulations*, in this scenario, customers remain liable to pay for the electricity they have actually consumed once a meter read is obtained and a reconciliation is properly calculated.

From all the evidence before it, the Board concludes that NS Power followed Board-approved *Regulations* and has billed you appropriately for electricity consumption at your property. Your appeal is therefore dismissed.

The amount of catch-up bill following a series of estimated bills is very unfortunate. That said, a 24-month repayment plan without interest or penalties is reasonable in the circumstances of this case. The Board encourages you to work with NS Power on such a payment plan to help reduce your outstanding balance over time.

Yours truly,

Richard Melanson, LL.B.
Member

c. Kathleen Murray, Regulatory Counsel, NS Power