2026 **M12743**

NOVA SCOTIA ENERGY BOARD

IN THE MATTER OF: **The *Public Utilities Act*,** RSNS 1989, c 380 as amended

- and -

IN THE MATTER OF: **AN APPLICATION** by **NOVA SCOTIA POWER INCORPORATED** for approval of CI C0068714 IT Identity and Access Management $6,756,522

INFORMATION REQUESTS

To: Lana Myatt
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From: The Department of Energy

Information Requests Due: May 4, 2026

Responses Due: May 26, 2026

Copies: 1 electronic copy (provided PDF and Word formats)

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Issued at Halifax, Nova Scotia this 4th day of May 2026

Information Requests in the matter M12743 – Approval of the Capital Work Order CI C0068714 - IT-Identify & Access Management, $6,756,522

IR-1. The ACE Plan 2025 budget for C0068714 was $1.27M. Please explain the change in scope of work from ACE 2025 to ACE 2026 in this current application. Please provide a detailed breakdown of the $5.48M variance from the ACE 2025 budget. Specifically, please identify how much of this increase is attributable to:

a) Changes in the National Institute of Standards and Technology (NIST) Cyber Security Framework (CSF) versions.
b) Additional resources required for the October 2026 Identity Governance and Administration (IGA) operationalization.
c) Scope carry-over from 2025 into 2026.

IR-2. Regarding the 15% contingency ($741,554):

a) Please provide a detailed justification for applying a 15% contingency level. Explain why this specific percentage was deemed appropriate for a project at DG4, where the scope of deviation is generally expected to be minimal.
b) Please provide a technical and financial rationale for why a contingency of 10% or lower was not considered sufficient, given that Release One of the project was already deemed in-service in February 2026.

IR-3. The Maturity Matrix indicates that Stakeholder Consultation and Integrated Project Plan are still only at a Preliminary (P) status. Given the project is already in execution (DG4), explain the risks of proceeding without these being Defined or Complete.

IR-4. Why is the Final Cost Date (April 2027) set for six months after the final work concludes in October 2026? Provide a justification for keeping the capital order open for this duration and the anticipated nature of the costs to be incurred during this period.

IR-5. Table A.4 shows a Net Total Cost of Ownership (TCO) of $20.3M over 10 years. Please state whether NS Power has performed a formal cost-benefit analysis comparing the use of IBM Managed Security Services (MSS) versus maintaining these specific identity and access capabilities in-house with NSPI staff.

a) If so, please provide this analysis.
b) If not, explain why such analysis was not performed.
c) Please explain why NSPI considers the outsourced MSS model to be the most cost-effective approach for ratepayers.

IR-6. Provide details on the $192,000 annual savings from the Prior Managed Services identified in Table A.3. Clarify which legacy services are being replaced and why these savings are not realized until 2026.

IR-7. Prior Identity (IAM) project Investments

a) Please provide a full reconciliation between the scope of work of the following projects and the current CI C0068714.

ACE	CI#	Project Title	Project Total
2017	49094	IT - Identity Access Management Infrastructure	1,711,147
2018	49094	IT - Identity Access Mgmt Infrastructure	977,498
2020	49094	IT - Privilege Access Management	590,301
2021	C0031022	IT - Identity & Access Management	982,068
2021	C0011087	IT - Customer Identity & Access Management	676,154
2021	49094	IT - Privilege Access Management (PAM)	3,211,166
2022	49094	IT - Privilege Access Management (PAM)	2,574,244
2022	C0011087	IT - Customer Identity & Access Management	993,294
2022	C0031022	IT - Identity & Access Management	907,938
2023	C0054455	IT - Privileged Access Management (PAM) Phase 3	786,618

b) Please explain why the requirements of the current project were not sufficiently covered under the scope of one or more of these prior projects.

c) Please explain which specific investments areas in these prior projects failed to provide the ‘automated credential lifecycle management’ and ‘credential vaulting’, now deemed critical in this application.

d) Given that NSPI has frequently and repeatedly invested in Identity and Access Management and Privileged Access Management (PAM) over the last eight years, does NSPI anticipate further capital projects in this domain beyond CI C0068714?

e) If no further work is anticipated, what technical or governance guarantees are being implemented to ensure NSPI will not require further identity-related capital approvals in the near future?

IR-8. Did the post-breach forensic audit identify any specific failures, gaps, or misconfigurations in the IAM/PAM systems deployed under the previous projects listed in IR-7(a)?

IR-9. Considering these similar projects completed between 2022 and 2023, what is their remaining useful life? Please explain the accounting treatment of the depreciation – claimed and unclaimed, and any related decommissioning costs to be passed through the rate base after CI C0068714 is placed in service.

PDF page 4, Why do this project now?

Modern IAM capabilities are now required to maintain the effectiveness of other security controls and reduce exposure to unauthorized access risks.

IR-10. Please explain why these capabilities were not included in the scope of the earlier IAM projects during 2017-2023 period as listed in IR-7(a)?

IR-11. Please provide a detailed list of the specific identity controls that were in place prior to the March 2025 incident. Identify which of these pre-breach controls were found to be non-functional, or ineffective and are now being replaced or updated by this project.

IR-12. Please provide a "Gap-to-Scope Mapping" for each release of this project. Specifically, please identify which control gaps identified during the 2025 breach response are directly remedied by the deployment of CyberArk PAM and Saviynt IGA.

IR-13. Does any portion of the increased costs for the 2025 IBM contract or this 2026 capital project represent a re-baselining or "scope expansion" due to internal resource constraints or project delays encountered post-March 2025?

IR-14. Identify which party absorbs the financial risk of deductibles, uninsured losses, or remediation costs in the event of a future credential compromise or vendor error under the new IBM Managed Security Services (MSS) arrangement.

/end