

May 6, 2026

Crystal Henwood
Clerk of the Board
Nova Scotia Energy Board
1601 Lower Water Street, 3rd Floor
Halifax, NS B3J 3S3

**Re: M12778 – NS Power Annual Interconnection Processes Proceeding Report
– Reply Comments**

Dear Ms. Henwood:

On March 31, 2026, Nova Scotia Power (NS Power, Company) submitted its second Annual Interconnection Processes Proceeding Report (Annual Report, 2026 Annual Report) to the Nova Scotia Energy Board (NSEB, Board). This report follows NS Power's Interconnection Processes Proceeding – Compliance Report (M10905), submitted to the NSEB on November 29, 2024, and NS Power's first Annual Interconnection Processes Proceeding Report (M12174).

By letter dated April 7, 2026, the Board invited written comments from Interested Parties by Wednesday, April 22, 2026. The Small Business Advocate (SBA) filed written comments. The Consumer Advocate (CA) submitted a letter indicating that it had reviewed the Annual Report and referred the Board to its submissions in M12524, which concerns the related matter of Concentric Energy Advisors' (Concentric) report on FERC Order No 2023.

This submission is NS Power's reply to the written comments provided by the SBA.

Status of Recommendations and Directives

In its comments, the SBA expresses concern that the Annual Report presents a "proposed conclusion of status"¹ of Synapse recommendations and Board directives from M10905 without final stakeholder review. The SBA noted that the

¹ M12778, NS Power Annual Interconnection Processes Proceeding Report, SBA Comments, April 22, 2026, page 2.

table provided in the Report summarized the status of outstanding Synapse recommendations and additional Board directives, with all but five items marked as “Complete.”²

The 2026 Annual Report uses the same reporting format as the Annual Report filed on March 31, 2025, and the M10905 Compliance Filing filed on November 29, 2024. Each of these filings provided a summary of NS Power’s compliance status with respect to Synapse’s recommendations and the Board directives arising from the Board’s initial Decision in M01905 and indicated whether NS Power considered the items to be complete.

Of the 21 recommendations and directives included in Figure 1 of the 2026 Annual Report, 13 had previously been marked complete in either the 2025 Annual Report or the M10905 Compliance Filing. Stakeholders were afforded the opportunity to comment on both submissions, and NS Power responded to stakeholder concerns and requests relating to the recommendations and directives. In its Decision in M10905 and M12174, the Board stated that “Having reviewed the range of filings by Synapse, NS Power, and various interested parties in matters M10905 and M12174, the Board is satisfied that appropriate attention has been focused on transmission and distribution interconnection issues that were of concern to the participants.”³ NS Power’s view is that the “Complete” status of these 13 recommendations and directives was confirmed through the M10905 and M12174 proceedings.

In the 2026 Annual Report, the following three directives were marked as “Complete” for the first time:

- Connect and Manage Approach
- Curtailment
- Lower Capacity Threshold Effects

The Company notes that the stakeholders were provided an opportunity to submit comments on the 2026 Annual Report in this proceeding and/or in the related proceeding concerning Concentric’s review of FERC Order No. 2023. The Company appreciates the input of the parties and notes there will be additional opportunities for stakeholders to comment on the status of the recommendations and directives from M10905 through future Annual Interconnection Process Proceeding Reports.

² M12778, NS Power Annual Interconnection Processes Proceeding Report, SBA Comments, April 22, 2026, page 2.

³ M10905/M12174, Board Review of NS Power’s Interconnection Processes / NSPSO Annual Interconnection Process Proceeding Report, Board Decision, November 14, 2025, page 6.

Transmission-Related Interconnection Processes

The SBA notes that NS Power identified five outstanding directives/recommendations in the Annual Report, three of which NS Power considers to fall within the responsibility of the Independent Electricity System Operator Nova Scotia (IESO-NS). The SBA did not raise any specific concerns regarding NS Power's understanding of the allocation of responsibilities between NS Power and IESO-NS as it relates to Annual Interconnection Process Reports and Concentric's report on FERC Order No 2023.

IESO-NS has confirmed that it is the appropriate entity to address questions related to Concentric's FERC Order No. 2023 report and associated recommendations. IESO-NS has also confirmed that it will assume responsibility for transmission-related interconnection process reporting through annual interconnection process reporting, should the Board determine that such reporting remains necessary. Accordingly, NS Power considers it appropriate to treat directives and recommendations associated with transmission-related interconnection processes and Concentric's FERC Order No. 2023 analysis as complete for the purposes of future NS Power Annual Interconnection Processes Reports.

Distribution Network Upgrade Cost Refund Regulation

In Section 3.0 of the Annual Report, NS Power provided an update on Synapse's outstanding recommendation for NS Power to "Support Development of Additional Distribution Network Upgrade Cost Refund Regulation."

NS Power's cost allocation straw proposal was initially provided in its November 29, 2024 Compliance filing, in accordance with Synapse's directive to "Develop a cost allocation straw proposal for distribution network upgrades." It was revised in the NS Power's Response to Comments filed on January 17, 2025, and discussed at length throughout the M10905 and M12174 proceedings, including in NS Power's stakeholder conference held May 22, 2025. No changes or refinements were made to the cost allocation straw proposal for the 2026 Annual Report.

The NSEB provided direction with respect to cost allocation and refund provisions for distribution network upgrades in its M10905 and M12174 proceeding decision.

NS Power is not presently seeking approval of a cost allocation and refund methodology. Such approval, along with any enabling regulation changes, will be requested through a future application. On that basis, NS Power submits that a technical session at this stage would be premature and more appropriately held as part of a future proceeding.

May 6, 2026
C. Henwood

NS Power respectfully requests the NSEB accept the 2026 Annual Interconnection Process Report, as filed.

Yours truly,

A handwritten signature in blue ink that reads "Jessie Wallace". The signature is written in a cursive style with a large initial "J" and a long, sweeping underline.

Jessie Wallace
Manager, Regulatory Strategic Planning and Innovation