

August 24, 2026

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

Re: M12778 – Nova Scotia Power Incorporated – Interconnection Process Proceeding – Annual Report

Dear Ms. Henwood:

Nova Scotia Power Incorporated (NS Power, Company) filed its compliance report in the initial Interconnection Process Proceeding (M10905) on November 29, 2024 and its first Annual Interconnection Process Proceeding Report (M12174) on March 31, 2025. NS Power filed its second Annual Interconnection Process Proceeding Report (Annual Report) on March 31, 2026.

The Nova Scotia Energy Board (NSEB, Board) invited written comments from interested parties on the Annual Report by April 22, 2026. Comments were filed by the Small Business Advocate (SBA). The Consumer Advocate (CA) referred the Board to its submissions in Matter M12524 (the Concentric FERC 2023 report). NS Power filed Reply Comments on May 6, 2026.

By letter dated August 4, 2026, the NSEB provided the following findings:

The Board acknowledges that most of the 21 recommendations and directives related to the interconnection processes have been completed or transferred to the IESO-NS. Accordingly, the Board directs that going forward, annual reporting on transmission interconnection issues is to be filed by the IESO-NS, and the annual reporting on distribution interconnection issues is to be filed by NS Power. Due dates for both reports will continue as March 31.

The Board accepts NS Power's proposal to include its Distribution Generation and Battery Resource Project reporting in the annual

interconnection processes report, instead of in the annual Commercial Net Metering Program report, as was previously directed.

The Board also provided the following directives:

Regarding temporary suspension of updates to the distribution hosting capacity table and interactive map due to the cybersecurity incident, NS Power is directed to advise the Board of the current status and to provide an expected date when the updates can resume.

On the network upgrade refund issue, NS Power is directed to advise the Board when it expects to file the required regulation for approval. Noting the concerns expressed by the SBA, NS Power should give further consideration to a consultation process with interested parties regarding its latest proposal prior to filing its application.

NS Power responds to the Board's direction in the sections that follow.

Distribution Hosting Capacity

The restoration of normal hosting capacity map activity was dependent on GIS recovery and integration between GIS and CYME Software, both of which have been restored. As set out in NS Power's Monthly Update M12273 filed August 13, 2026, model development for distribution system impact and hosting capacity analysis is underway. New models facilitating preliminary assessments and distribution system impact studies will be available to planning engineers by the end of August. Updates to the public map are currently on track for September 2026.

NS Power will continue to provide updates on this item through the M12273 Monthly Updates and through its Commercial Net Metering Program annual reports.

Distribution Network Upgrade Cost Allocation and Refund Regulation

NS Power is in the process of completing a comprehensive Regulation review which encompasses the Board-approved Regulations as a whole, with the objective of ensuring they are internally consistent and aligned with the Board's directives and the Company's evolving operational requirements. As part of this effort, the Company is undertaking internal discussions across relevant business units to assess the full scope of updates required, alongside a review of relevant legislation, standard utility industry practices, Board directives, and other applicable requirements.

NS Power is not in a position to provide a specific timeline for filing proposed amendments to regulations at this time as the scope and nature of any amendments continue to be evaluated.

August 24, 2026
C. Henwood

Any questions with respect to this matter should be directed to my attention.

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