Request IR-1:

Reference: **N-1, page 6, Section 2.1.**

Preamble: **NSPI has briefly outlined the procedural history for changes to Regulation 3.6 and the prior Board direction to develop a cost allocation proposal for distribution network upgrades, as previously discussed in Matters M10905 and M12174. NSPI has also confirmed, at lines 20-23:**

> **NS Power has commenced a comprehensive review of its Regulations. As part of this broader effort, the Company is reviewing Regulation 3.6 and considering appropriate updates, including to address considerations arising from M10905. Any changes would be considered within the context of this ongoing review.**

(a) **Please elaborate on the scope of the comprehensive review of its Regulations, and the work completed to date to review and revise Regulation 3.6.**

(b) **Please provide NSPI's current working draft of any proposed amendments to that Regulation.**

(c) **Please confirm that the cost allocation and refund methodology described in Matter M12778, the 2025 Annual Interconnection Process Proceeding Report, reflects NSPI's proposed approach responding to Board's direction in Matters M10905 and M12174, and that NSPI has not yet filed a draft of the proposed Regulation 2.12. If not confirmed, please explain.**

(d) **Considering NSPI's position regarding the methodology to be used for cost allocation, please explain how NSPI proposes to record and report these amounts in its Annual Reports so that the actual net costs borne by non-participating ratepayers can be accurately tracked over time (including the treatment of any refunds).**

(e) **When does NSPI anticipate filing proposed amendments to Regulation 3.6 and Regulation 2.12 for Board review and approval? Please identify specifically any preconditions to completion and whether these are within NSPI's control or outside.**

(f) **In the absence of a Board decision approving a cost allocation regulation, please explain whether NSPI recovered any distribution network upgrade costs in 2025 and, if so, how those costs were recorded.**

Response IR-1:

(a) NS Power's comprehensive Regulation review 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.

With respect to Regulation 3.6, NS Power continues to assess what changes may be required, including to address considerations arising from M10905, amendments to the *Electricity Act* and the resultant changes to NS Power's Net Metering framework. Proceedings such as this CNMP Annual Report review provide additional context that helps inform that work.

(b) NS Power has not finalized proposed amendments to Regulation 3.6 and does not have a working draft to provide at this time. NS Power intends to file proposed amendments for Board review and approval when it is in a position to do so, and not as part of this Annual Report proceeding.

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(c) Not confirmed. The cost allocation and refund methodology described in NS Power's Annual Interconnection Processes Proceeding Report (M12778) reflects the cost allocation straw proposal for distribution network upgrades that was provided in NS Power's November 29, 2024 Compliance Report and revised in NS Power's January 20, 2025 response to comments. NS Power developed this straw proposal in response to NSEB direction in the Interconnection Processes Proceeding (M01905). The 2025 Interconnection Processes Annual Report contained supplementary information on the original cost proposal in response to points raised by the NSEB in its M10905 and M12174 proceeding decision. No changes were made to the straw proposal for the purposes of that Annual Report. This cost allocation straw proposal has not been accepted by the Board, and NS Power has not, and is not currently requesting NSEB approval of a distribution network upgrade cost allocation refund methodology.

NS Power confirms it has not filed any proposed revisions to Regulation 2.12.

(d) Please refer to part (c). The Company submits that it is premature to discuss potential recommendations, requirements, or directives associated with a request that is not currently before the NSEB for approval. Additionally, as provided in NS Power's August 18, 2025 Reply Evidence in response to Synapse's recommendation "to report on the detailed outcomes of distribution network upgrade needs, costs, and cost allocation after a three-year period," details of interconnection customer network upgrade costs and refunds are confidential to the interconnection customer under the SSGIA and so limited information would be publicly available in any case.[1]

(e) NS Power is not in a position to provide a specific timeline for filing proposed amendments to Regulation 3.6 or Regulation 2.12 at this time as the scope and nature of any amendments continue to be evaluated. Proceedings such as this and the interconnection process

[1] M10905, NS Power Reply Evidence, Interconnection Process Proceeding Reply Evidence, August 18, 2025, page 8.

proceedings under M10905 provide relevant context that informs that work. NS Power will file proposed amendments for Board review and approval when it is in a position to do so.

(f) Distribution Network Upgrade costs are currently borne by Interconnection Customers based on the cost-causer approach as set out in the Standard Small Generator Interconnection and Operating Agreement (SSGIA). NS Power does not currently recover any portion of Interconnection Customer Distribution Network Upgrade costs.

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Request IR-2:

Reference: N-1, pages 7, 10, and 11.

Preamble: The 2025 Annual Report refers to the impact of a cybersecurity incident on CNMP administration, including delays in executing Participant Agreements, disruption to bi-directional meter configuration, and the loss of hosting capacity map functionality.

(a) Have the impacts described since been fully resolved and the affected functions restored? If not, please describe what remains outstanding and provide an expected timeline for completion.

(b) Please provide NSPI's estimate of the total incremental costs incurred for CNMP administration as a result of the cybersecurity incident, including a brief description of the main cost categories and the period over which the costs were incurred.

(c) Please confirm whether any of the incremental costs noted are being (or will be) recovered from ratepayers.

Response IR-2:

(a) NS Power has recovered the required systems and data for CNMP administration and to meet its target service levels for the execution of CNMP Participant Agreements. NS Power's ability to reconfigure AMI meters over-the-air (OTA) to allow for bi-directional billing is forecast to be restored by the end of Q2, removing the requirement to rely on manual processes. With respect to restoration of hosting capacity map functionality, please refer to NSEB IR-5. Please also refer to the Company's Monthly Cybersecurity Incident Reports in M12273 for broader system restoration details.

(b-c) No incremental costs for CNMP administration have been identified as a result of the cybersecurity incident.

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Request IR-3:

Preamble: The 2025 Annual CNMP Report does not include any analysis of the cost of the Commercial Net Metering Program to the system or to non-participating ratepayers.

(a) Please provide NSPI's total cost of the CNMP to the system for the 2025 calendar year, broken down by the following categories:

(i) Administrative and operational costs of operating the Program (e.g., staffing, application processing, inspections, and metering);

(ii) Distribution network upgrade costs attributable to CNMP interconnections; and

(iii) Any other costs NSPI attributes to the CNMP.

(b) To the extent any of the costs identified are recovered from non-participating ratepayers through rates, please identify the recovery mechanism(s) and quantify the amounts recovered from each customer class, including the Medium and Large Industrial classes.

(c) Where NSPI has taken the position that the cost allocation methodology should include a refund over a period of up to 20 years (as outlined in Matter M12778), please confirm whether the costs reported for any given year represent only that year's portion of costs and/or refunds (and therefore do not reflect the total costs attributable to CNMP interconnections over the full 20-year accrual period).

Response IR-3:

(a-b) In 2025, the incremental administrative and operational costs of CNMP totaled approximately $3,800.[1] As reported in Appendix A, the cost of distribution network upgrades in 2025 was $0 as no distribution network upgrades were identified as required.[2] In relation to other costs attributable to CNMP, the costs incurred by CNMP customers for Class 2 CNMP interconnection processes was approximately $40,200 in 2025.[3] Program participants are also charged fees for electrical inspection, plans review, and field service costs. As these fees, in particular, are applicable to customers requiring these services regardless of their participation in a net metering program, the Company does not currently track these costs specifically as CNMP customer-related electrical and/or field service work orders.

NS Power recovers these incremental administrative and operational costs through the Program's charges and fees which are billed to the CNMP participant and are not transferred to non-participating ratepayers. For Class 1 CNMP projects that do not engage the DGIP, any service upgrades required to support the interconnection of the customer generator are identified by NS Power's Net Metering and Regional Planning teams and billed to the CNMP participant.

The costs of CNMP to the system include the customer's export of excess electricity in accordance with the *Electricity Act*, which is charged to the FAM and recovered from customers. Please also refer to NSEB IR-6 part (d) in this proceeding and NSEB IR-3 part (d) in the 2025 Net Metering Report (M12783).

(c) Please refer to IG-1 part (d).

[1] Includes application fees, as approved by the Board in M10872, for Class 1 and Class 2 CNMP service.
[2] Distribution network upgrades to support the interconnection of a customer generator under the CNMP are identified through the DGIP process and system impact study and paid for by the interconnection customer.
[3] Includes preliminary assessment and actual DSIS costs paid for by the interconnection customers, in accordance with the interconnection processes.

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Request IR-4:

Reference: Appendix A, Tab 2025 CNMP Summary.

Preamble: The data shows that for all Class 2 projects that reached in-service status in 2025, the actual cost of distribution network upgrades was $0 across the board — maximum, mean, and median. This is despite estimated costs ranging up to $25,000 at the preliminary assessment stage.

(a) Please clarify whether the estimated costs (ranging up to $25,000) are intended to represent the total estimated cost of distribution network upgrades for each individual interconnection or some other value. If the latter, please explain what the estimate represents and how it was calculated.

(b) Where no actual costs are reported in Appendix A, please confirm whether this means: (i) no upgrades were ultimately required; (ii) upgrades were required but the associated costs were recorded elsewhere; and/or (iii) some other explanation applies. Please explain and, if applicable, identify where such costs are recorded.

(c) Please confirm whether Intervenors and the Board can access the System Impact Study referenced. If so, please identify where it can be accessed; if not, please provide a copy.

(d) Please confirm that, for all Class 1 projects where the upgrade cost metrics are reported as "Not Applicable", it is anticipated there will never be associated distribution system upgrade costs. If not, please explain what "Not Applicable" signifies and how/where any such costs are recorded.

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Response IR-4:

(a) The Preliminary Assessment (PA) report template indicates a bracketed window estimate ($0-25,000) and was marked with an "X" for those PA reports. This suggests that the likely network upgrade cost would fall within this cost range. However, the DSIS for those projects show that there is no requirement for a network upgrade, and the cost is listed as $0.

(b) (i) No upgrades were ultimately required.

(c) DSIS documents are not publicly available as they contain confidential customer information. DSIS reports are specific to the interconnection customer that the report is prepared for and shared with. Release of customer-specific DSIS reports would be subject to explicit interconnection customer confirmation and approval.

(d) Confirmed. Class 1 projects are those under 100 kW of nameplate capacity and which do not require a System Impact Study. Therefore, costs associated with 'Deposit for System Impact Study,' 'Study Costs,' 'System Upgrades,' and 'Other' categories are not applicable.