
Nova Scotia Energy Board

IN THE MATTER OF *The Public Utilities Act*, R.S.N.S. 1989, c.380, as amended

M12786

2025 Storm Restoration Cost Report

NS Power
Reply Comments

June 25, 2026

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1.0 INTRODUCTION

On April 1, 2026 Nova Scotia Power Inc. (NS Power, the Company) filed its 2025 Storm Restoration Cost Report (2025 Report). The Nova Scotia Energy Board (NSEB, Board) issued a letter on April 2, 2026 setting out a timeline for this proceeding.

NS Power received information requests from intervenors (the NSEB, the Consumer Advocate (CA), the Small Business Advocate (SBA) and the Industrial Group (IG) on April 30, 2026 and filed its responses on May 21, 2026.

The Board's timetable provided for interested party comments to be filed June 11, 2026 and the CA, SBA and IG provided written comments.

Please accept the following as NS Power's reply comments.

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2.0 REPLY TO CONSUMER ADVOCATE (CA) SUBMISSIONS

The CA presented two recommendations to NS Power in its submissions; NS Power will address each in part.

2.1 Formal Definitions of “Storm Ready” and “Storm Response”

The CA submits that it would be appropriate for NS Power to develop a formal definition of "storm ready" and "storm response" to ensure consistency between annual reports and to ensure costs are being appropriately tracked and categorized.

In response to IG IR-2(a), NS Power provided working definitions for the purposes of the 2025 Report: “storm ready” costs are those incurred prior to the storm event, and “storm response” costs are those incurred once the storm has started and restoration activities are underway. In IG IR-3(a)(ii), NS Power further clarified that the operational transition point between these categories is the time of the first outage attributed to the storm event.

NS Power will formalize these definitions for use in future annual Storm Restoration Cost Reports. The definitions will be anchored within the Company’s Emergency Storm Response Plan (ESRP) framework and reflected in future reporting.

2.2 Damage Prediction Accuracy for Smaller Impact Storms

The CA notes that NS Power acknowledged limited accuracy in predicting damage for smaller impact storms, as well as high variability and limited historical data for such storms. The CA recommends that NS Power study this issue further to determine ways to improve its damage prediction on smaller impact storms, and report on its findings either in a compliance filing or in the next Storm Restoration Cost Report.

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1 NS Power acknowledges the inherent challenges associated with forecasting smaller storm events
2 and notes that efforts to refine predictive tools are ongoing. The Company continues to calibrate
3 its Damage Prediction Model (DPM) on an annual basis using actual storm performance data. This
4 calibration process has been part of the model's maintenance since its implementation, and data
5 from 2025 events has been incorporated into the planned Q3 2026 calibration. The current Excel-
6 based DPM is used by subject matter experts to assess potential system impacts based on forecast
7 conditions, historical data, and related inputs.

8
9 In addition, as set out in the 2025 Report, NS Power is developing a project to implement an AI-
10 driven prediction platform (C0082274), which is designed to enhance the prediction of weather-
11 related impacts on distribution assets and customers. Subject to approval by the NSEB, deployment
12 is anticipated to begin as early as Q4 2026, with implementation expected to be completed within
13 six to eight months thereafter. This platform is expected to complement the existing DPM by
14 providing automated, AI-enabled predictive capabilities as an additional reference point, along
15 with enhanced functionality such as automated impact alerting. NS Power has also engaged with
16 other utilities to understand current practices in this area, including the use of similar tools.

17
18 NS Power's Continuous Improvement Team also supports post-event evaluation processes,
19 including Post-Event Critiques following Level 3 and 4 events, including instances when impacts
20 are ultimately smaller than forecast, to identify opportunities for operational and forecasting
21 improvements.

22
23 NS Power considers that its existing processes for continuous improvement and its current Storm
24 Restoration Cost Report framework provide an appropriate mechanism for reflecting ongoing
25 enhancements and does not consider that additional or separate reporting is required.

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1 **3.0 REPLY TO SMALL BUSINESS ADVOCATE (SBA) SUBMISSIONS**

2
3 The SBA raised one concern and one recommendation. NS Power will address each below.
4

5 **3.1 Storm Level Classification**

6
7 The SBA expresses concern that storm level classifications (Levels 1–4) do not change during an
8 event, despite the underlying inputs, such as forecast customer impacts and expected restoration
9 timelines, evolving as the event progresses. The SBA notes particular concern regarding storms
10 that are ultimately smaller than anticipated and the potential impact on customer costs.
11

12 NS Power acknowledges that differences may arise between forecast and actual storm impacts.
13 However, the Company considers that maintaining a consistent storm level designation throughout
14 an event is operationally appropriate and aligned with established storm response practices.
15

16 Storm levels are established based on the best available information at the time of Emergency
17 Operations Centre (EOC) activation. NS Power relies on professional meteorological forecasting
18 from third-party providers, including Environment Canada, which draw on multiple weather
19 models to predict storm track and severity. Resource deployment decisions must be made in
20 advance of storm impact based on these forecasts.¹ Consistent with the recommendations of the
21 Board’s Consultant, Liberty Consulting Group in M06321, NS Power adopts a conservative
22 approach to mobilization to ensure adequate preparation, even where the storm ultimately does not
23 materialize at the forecast level.² Customer service and public safety require that NS Power be
24 fully prepared for the forecast storm severity.
25

26 Once the EOC is activated and a storm response is initiated, NS Power maintains that operational
27 posture throughout the event. This approach is consistent with Liberty Consulting’s
28 recommendation in M06321, which emphasized that the EOC should remain activated and in

¹ M12786, Exhibit N-3 – NSPI Responses to IG Information Requests, IR-9(b).

² M06321, Exhibit A-4, September 9, 2014.

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1 control of restoration efforts until they are substantially complete.³ Following that proceeding, NS
2 Power revised its ESRP to provide that once triggered, a Level 2, 3, or 4 restoration response must
3 remain in place until power is restored to all customers affected by the storm event or until a higher
4 response level is triggered.

5
6 Maintaining a fixed storm classification supports stable resource coordination, decision-making,
7 and system restoration, while ensuring continued focus on restoring service to all affected
8 customers, particularly those experiencing longer-duration outages. Reducing the storm level mid-
9 restoration could result in resources being prematurely returned to normal operations, thereby
10 limiting the resources available to address remaining outages, and would dilute the effectiveness
11 of the EOC by requiring EOC leads to divide their attention between restoration efforts and regular
12 business operations.

13
14 While storm level classifications are not revised mid-event, resource deployment is actively
15 managed as conditions evolve. NS Power leverages operational flexibility and established
16 contractor arrangements to scale its response, balancing restoration timelines and costs. Contractor
17 resources are released by the NS Power Storm Lead as restoration work is completed in specific
18 areas or where redeployment is not practical. For example, during the December 5, 2025 event,
19 NS Power mobilized 108 external powerline technicians (PLT) and PLT apprentice contractors
20 based on forecast conditions; as actual impacts were lower than anticipated, those resources were
21 released as work progressed. This approach enables real-time cost and resource management
22 within the existing EOC structure, without requiring changes to storm level designations, roles, or
23 coordination processes.

³ M06321, Exhibit A-4, September 9, 2014.

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3.2 AI-Driven Prediction Model Reporting

The SBA recommends that NS Power include in future Storm Restoration Cost Reports whether the AI-driven prediction model was deployed, how it performed, and how associated costs are treated for regulatory purposes.

As previously noted, NS Power is currently developing project C0082274 for Board review and approval. Costs associated with this project would not form part of the Storm Cost Recovery Rider (SCRR). The capital costs associated with this project are expected to be recovered from customers in the same manner as all other capital investments NS Power makes on behalf of customers. These costs will be included in the Company's revenue requirement and will be reviewed as part of a General Rate Application.

NS Power will include information regarding the deployment and performance of the tool, as appropriate, within the existing annual Storm Restoration Cost Report once the platform is operational.

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4.0 REPLY TO INDUSTRIAL GROUP (IG) SUBMISSIONS

The IG presented eight recommendations to the Board in its submissions. NS Power will address each in turn.

4.1 Storm Readyng vs. Storm Response: Formal Definitions

The IG recommends that the Board direct NSPI to adopt and file formal definitions of "storm readyng" and "storm response" for use in all future annual reports.

Please refer to the Company's response to the CA's first recommendation above. Consistent with that response, NS Power commits to formalizing definitions of "storm readyng" and "storm response" for use in all future annual Storm Restoration Cost Reports. These definitions will be anchored within the Company's ESRP framework to support consistent application.

However, extending such categorization to Level 1 and Level 2 storms is neither operationally practical nor necessary for regulatory oversight. The Board's direction in M12188 was to distinguish proactive from reactive costs "to the level that is operationally practical."⁴ Level 1 and Level 2 storm responses are typically accomplished within the regular staffing complement and daily operating activities, without the mobilization of external contractors or pre-impact costs that occur in Level 3 and 4 events. As a result, the types of costs that can be readily distinguished for higher-level storms, such as contractor mobilization, accommodations, and pre-impact per diems, do not arise in the same manner for Level 1 and Level 2 events.

Moreover, Level 1 and Level 2 storm costs are fully absorbed within base rates, and variances from base rate allowances are borne by shareholders, not ratepayers. They are not subject to separate cost recovery applications under the SCRR mechanism. The purpose of distinguishing storm readyng from storm response costs is to support transparency in SCRR applications where

⁴ M12188, Board Decision Letter, July 15, 2025, pg. 2.

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1 costs exceed base rate allowances. In the absence of such applications, segregating costs within
2 routine operational activities would impose administrative burden without corresponding
3 regulatory value.

4 5 **4.2 Annual Reporting on Pre-Impact Deployment of Internal Crews, Traffic Control, and** 6 **Vegetation Management Contractors**

7
8 The IG recommends annual reporting on whether internal crews, traffic control contractors, and
9 vegetation management contractors deployed pre-impact resulted in any incremental costs during
10 any storm event in the reporting period. Where such data exists, the IG recommends that NS Power
11 should produce it; where it does not, NS Power should confirm this and explain the basis for
12 concluding that no incremental costs were incurred.

13
14 As noted in response to IG IR-2(c) and IR-2(d), internal resources, traffic control contractors, and
15 vegetation management contractors are not included in the “storm readying” category because they
16 do not incur incremental pre-storm costs such as mobilization, pre-restoration accommodations,
17 or pre-impact per diems. Unlike external PLT contractors, who may be mobilized from other
18 locations, these resources operate from their established depots and do not deploy outside those
19 areas prior to storm impact. They are simply reassigned from regular duties to storm response
20 activities when the event begins.

21
22 Given this operating model, these resource categories do not give rise to the types of incremental
23 pre-impact costs associated with external PLT contractors. Accordingly, NS Power confirms that
24 no incremental costs arise for these resources prior to storm impact. Should this change in the
25 future, any such costs would be reflected in the reporting.

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1 **4.3 Baseline Methodology Report for Contractor Productivity Metrics Platform (Project**
2 **C0082274)**

3
4 The IG recommends that, as part of the Board’s consideration of the subsequent capital application
5 for C0082275 [sic],⁵ the Board should direct NS Power to file, prior to platform implementation,
6 a baseline methodology report identifying: (a) the productivity metrics the platform will generate;
7 (b) what equivalent historical data, if any, exists against which those metrics can be compared; (c)
8 where no historical data exists, what proxy measures NS Power proposes; and (d) how platform-
9 generated metrics will be assessed against that baseline in future annual reports.

10
11 The Company submits that this recommendation is premature and more appropriately addressed
12 in the capital proceeding for project C0082274 once the platform’s capabilities and
13 implementation approach are better defined.

14
15 **4.4 Ongoing Reporting on Contractor Productivity Measures**

16
17 The IG recommends that once the platform is operational, NS Power should be required to report
18 on the contractor crew productivity data generated by the platform for each Level 3 or Level 4
19 event in the Annual Storm Cost Reports and compare that data to the established baseline. If not
20 operational, NS Power should provide an implementation timeline.

21
22 As noted above, consideration of productivity metrics is more appropriately addressed within the
23 capital approval proceeding for project C0082274, where the scope, functionality, and
24 implementation of the platform can be fully assessed. NS Power also notes that project timelines
25 and implementation status can be addressed within that capital process.

26
27 NS Power anticipates that the platform will support several enhancements to storm reporting, as
28 noted in response to IG IR-10(c), including contractor productivity metrics, if approved by the

⁵ NS Power notes the correct project number is C0082274.

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1 Board. The Company intends to leverage these capabilities following implementation, and
2 resulting enhancements can be reflected in the annual Storm Restoration Cost Report where
3 appropriate.

4 5 **4.5 Multi-Year Assessment of DPM Forecast Accuracy**

6
7 The IG recommends that the Board direct NS Power to develop and file a multi-year assessment
8 of DPM forecast accuracy for all Level 3 and Level 4 events over the reporting period, including
9 comparisons of predicted versus actual customer impacts, analysis of any directional bias in
10 forecast errors, and discussion of the results of the annual calibration process.

11
12 NS Power submits that such an assessment is not warranted and would result in duplicative
13 reporting without providing meaningful additional value to the Board or stakeholders.

14
15 NS Power already provides detailed information on storm planning, forecasting, and outcomes
16 through existing reporting, including individual storm reports filed for Major Event Days (MED)
17 and Extreme Event Days (EED), the annual Performance Standards Report and the annual Storm
18 Restoration Cost Report. The 2025 Storm Restoration Cost Report included forecast versus actual
19 data for the December 19-20 event, which met MED/EED reporting thresholds, including
20 customer impacts and restoration times.⁶ This level of transparency is consistent with the Board's
21 direction in M12188 and provides stakeholders with the information necessary to assess the
22 Company's storm preparedness and response decisions.

23
24 The DPM is a planning and decision-support tool that relies on external weather forecast inputs
25 and is therefore inherently subject to uncertainty, as recognized by the IG. Forecasts are based on
26 multiple professional meteorological sources and are updated frequently as conditions evolve;
27 accordingly, differences between forecasted and actual outcomes are expected. As demonstrated

⁶ M12786, Exhibit N-1, 2025 Storm Restoration Cost Report Attachment 1.

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1 by the December 5 and December 19 - 20, 2025 events, forecast variance can occur in both
2 directions.

3
4 NS Power applies the DPM alongside expert operational judgment to inform preparedness
5 decisions, using experience to interpret model outputs in real time. While this approach mitigates
6 some forecasting uncertainty, it cannot eliminate it entirely. Variability in outcomes remains an
7 inherent feature of storm forecasting, and differences between forecast and actual impacts reflect
8 that uncertainty rather than any deficiency in the Company's processes.

9
10 In addition, NS Power undertakes annual DPM calibration following each storm season,
11 incorporating observed system performance to refine model parameters based on recent
12 experience. This process enables the Company to assess how the model performed in the prior
13 year, respond to evolving storm trends, and continuously improve the model over time.

14
15 In this context, a prescribed multi-year assessment would introduce significant additional
16 administrative effort without a corresponding regulatory benefit. Such reporting would be highly
17 technical, focused on an inherently uncertain forecasting process, and unlikely to provide
18 meaningful incremental insight beyond what is already available through existing reporting.

19 20 **4.6 Formalized In-Event Resource Reassessment and Reporting on Level 3 Events Below** 21 **50,000 Customers**

22
23 The IG recommends that the Board direct NS Power to formalize its in-event resource
24 reassessment practices to the extent necessary to produce a verifiable record, and to report in each
25 Annual Report on any Level 3 event involving fewer than 50,000 customers where actual impacts
26 tracked materially below the declared level.

27
28 NS Power submits that additional event-specific reporting of this nature is not necessary. Resource
29 deployment prior to and reassessment during storm events are operational decisions supported by
30 established processes, including real-time crew oversight, continuous resource evaluation, and

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1 post-event review mechanisms. These processes enable the Company to actively manage and
2 adjust resource levels as conditions evolve.

3
4 The existing Storm Restoration Cost Report provides forecast-versus-actual outcomes and
5 information on resource deployment for Level 3 and Level 4 events, allowing for assessment of
6 the effectiveness of these practices. Introducing a reporting requirement focused on a subset of
7 events where actual impacts fall below forecast would not provide meaningful additional insight.

9 **4.7 Enhanced Prudence Standard for Storm Cost Recovery Rider Applications**

10
11 The IG recommends that, for any SCRR application involving a Level 3 event affecting fewer than
12 50,000 customers where restoration duration was the sole determinant of the Level 3 designation,
13 NS Power be required to demonstrate: (a) the basis for the pre-storm restoration duration forecast;
14 (b) a comparison of forecast versus actual restoration duration and customer impact; (c) where
15 both were materially below Level 3 thresholds, why the forecast was not unduly conservative; and
16 (d) the incremental costs attributable to the Level 3 designation relative to a Level 2 response. The
17 IG further proposes that, where this standard is not met, the Board should have a defined basis to
18 disallow costs associated with the elevated designation.

19
20 NS Power respectfully disagrees with this recommendation. The proposal would alter the existing
21 storm cost recovery framework and risks discouraging prudent storm preparation.

22
23 Storm level designations are operational classifications under the Company's ESRP, used to guide
24 readiness, organizational structure, and resource deployment based on forecast conditions. They
25 are not intended to determine cost recovery eligibility and do not correspond to discrete cost
26 elements that can be meaningfully isolated or compared across categorized storm levels. Where
27 fewer than 50,000 customers are forecast to be affected, restoration duration is an appropriate
28 determining factor for the response level, reflecting the anticipated scale and complexity of the
29 event.

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1 The SCRR already provides appropriate regulatory oversight. Where Level 3 and Level 4 costs
2 exceed base rate allowances, NS Power must seek Board approval, and all costs are subject to
3 prudence review. This framework allows the Board to assess whether decisions were reasonable
4 based on the information available at the time. The proposal raised by the IG would effectively
5 introduce a hindsight-based standard under which conservative outage predications based on third
6 party meteorological forecasts could be treated as imprudent if outcomes differ. This would
7 undermine the existing storm recovery framework.

8
9 Further, as discussed above, outcomes may vary materially from forecasts in either direction. NS
10 Power must take a prudent approach to preparation based on the best information available at the
11 time, erring on the side of ensuring customer safety and avoiding adverse restoration outcomes.
12 Evaluating these decisions with the benefit of hindsight risks discouraging appropriate planning in
13 advance of storm events.

15 **4.8 Lessons Learned Reporting**

16
17 The IG recommends that the Board direct NS Power to ensure that lessons learned included in
18 future annual reports be tied to specific, measurable outcomes with baselines and target dates, and
19 include material findings from the post-event critique process, including operational and safety
20 findings.

21
22 NS Power notes that lessons learned are documented in individual storm reports filed with the
23 Board, rather than in the annual Storm Restoration Cost Report.

24
25 Following significant storm events, the Company conducts post-event reviews to assess response
26 effectiveness, identify lessons learned, and evaluate opportunities for improvement. These reviews
27 often result in observations and, where appropriate, recommendations for corrective action.
28 However, not every event gives rise to material findings or changes to processes. The absence of
29 significant recommendations should not be interpreted as a lack of critical evaluation or continuous
30 improvement. Rather, it may indicate that existing processes, procedures, and response strategies

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1 performed effectively under the circumstances. Confirmation that processes are operating as
2 intended is itself a meaningful outcome of the review process and demonstrates that prior
3 improvements have been sustained.

4
5 NS Power submits that its existing post-event critique process provides an appropriate mechanism
6 for review and continuous improvement. The Company will continue to conduct post-event
7 reviews and document lessons learned in individual storm reports, consistent with its current
8 practice.

9
10 NS Power thanks intervenors for their submissions and the Board for the opportunity to reply.