Request IR-13:

Please confirm if there were costs associated with the 2025 Cybersecurity incident included in NS Power's 2025 regulated financial statements.

Response IR-13:

Please refer to NSEB IR-14 for details of the costs associated with the 2025 Cybersecurity incident included in NS Power's 2025 regulated financial statements. NS Power's regulated earnings were 8.31 percent in 2025, based on a five-quarter average common equity of 34.8 percent. In order for NS Power to earn at the top of the ROE band (at 40 percent equity) in 2025, NS Power earnings would have needed to be approximately $45 million higher than those reported in 2025. As NS Power's earnings are below the lower end of the approved ROE band, and no amounts related to the Cybersecurity incident were included in the establishment of regulated rates for customers in 2025, there are no direct or indirect costs that have been borne by customers as a result of the Cybersecurity incident in 2025.

Request IR-14:

If any Cybersecurity incident costs were recorded in the regulated statements, please provide a breakdown by cost category, account number, financial statement line item, amount incurred, amount recovered or expected to be recovered from insurance, amount excluded from regulated results, and amount included or proposed for inclusion in customer recovery.

Response IR-14:

NS Power incurred total Cybersecurity incident costs of [redacted] of expenditures which were offset by total expected insurance recoveries of [redacted] In 2025, NS Power received [redacted]. NS Power noted through the reconciliation process that occurred after year end, there was a misallocation of insurance recoveries between Operating, maintenance and general expense (OM&G) and Property, Plant and Equipment (PP&E), which was subsequently corrected in 2026.

[redacted]. The insurance deductible recorded in Operating, maintenance and general expense is recorded in account 001.533550.1101.048.000.0000.000, this cost is categorized in Corporate Groups. The insurance receivable is recorded in Receivables, net (account 001.117350.1101.035.000.0000.000). The insurance receivable is for all costs expected to be recovered from insurance less proceeds received as at December 31, 2025.

In addition, NS Power incurred $7.9 million of incremental costs associated with the Cybersecurity incident that were not included within the insurance recoverable amounts detailed above. These costs relate to the "Extended Customer credit monitoring service and manual meter reading costs."[1] These costs have been excluded from NS Power's Regulated Statements of Income as

[1] Attachment 1, page 5 of 6 of the 2025 Annual Financial Statements.

shown in Attachment 1, page 5 of 6, within the adjustments to Unregulated Retained Earnings – December 31, 2025.

Finally, NS Power incurred [redacted] associated with ERP Software restoration, which was included in the PP&E account 001.162600.000.0000.000.000.0000.000 and has subsequently been included within the insurance claim in 2026.

NS Power's 2025 customer rates did not include any amount related to the 2025 Cybersecurity incident, and further NS Power's 2026/2027 GRA customer rates do not include any amount related the 2025 Cybersecurity incident. In addition, NS Power's regulated earnings were 8.31 percent in 2025, based on a five-quarter average common equity of 34.8 percent. In order for NS Power to earn at the top of the ROE band (at 40 percent equity) in 2025, NS Power earnings would have needed to be approximately $45 million higher than those reported in 2025. As NS Power's earnings are below the lower end of the approved ROE band, there are no direct or indirect costs that have been borne by customers as a result of the Cybersecurity incident in 2025.

Request IR-15:

With reference to Attachment 7, Changes to Chart of Accounts:

(a) Please provide an explanation for the account numbers and cost centers added including clarification as to which accounts and costs centers these amounts were previously recorded under.

(b) Please identify whether any of the additions were created to record costs associated with the Cybersecurity incident.

Response IR-15:

(a) Please refer to Attachment 1.

(b) There were no additions to the accounts and cost centers to record costs associated with the Cybersecurity incident. The costs associated with the Cybersecurity incident were tracked using project codes.

Nova Scotia Power Inc.
Changes to Chart of Accounts

Account Number	Account Description	Explanation for adding	Previously recorded under Account
175700	WASOQONATL TRANSMISSION	To record investments related to assets for Wasoqonatl Transmission Inc.	N/A - There were no amounts previously recorded related to this.
210200	SHORT TERM NOTES	To record short-term notes.	N/A - There were no amounts previously recorded related to this.
211250	AP LTSA	This account is not typically used by NS Power, the balance of $39,924.07 recorded as at December 31, 2025 was recorded to this account rather than another Accounts Payable account in error, as the amount relates to regulated accounts payable this has no implications on the overall presentation of NS Power's regulated financial statements.	
213300	AP COMMON SHARE DEDUCTION	This account is not typically used by NS Power, the balance of $0.67 recorded as at December 31, 2025 was recorded to this account rather than another Accounts Payable account in error, as the amount relates to regulated accounts payable this has no implications on the overall presentation of NS Power's regulated financial statements.	
213350	AP PARKING PAYROLL DEDUCTION	This account is not typically used by NS Power, the balance of $24.63 recorded as at December 31, 2025 was recorded to this account rather than another Accounts Payable account in error, as the amount relates to regulated accounts payable this has no implications on the overall presentation of NS Power's regulated financial statements.	
213360	AP TRANSIT PASS PAYROLL DEDUCTION	To record the both the employee deduction and employer-paid portion of the transit pass benefit as a liability to subsequently be remitted to Halifax Transit.	This was previously recorded under account 243350 ACCRUED OTHER PAYROLL DEDUCTIONS.
242810	ACCRUED INC TAX NON CANADIAN RESIDENCE	This account is not typically used by NS Power, the balance of $28,489.71 recorded as at December 31, 2025 was recorded to this account rather than another Accounts Payable account in error, as the amount relates to regulated accounts payable this has no implications on the overall presentation of NS Power's regulated financial statements.	
412140	REG RES TIME OF USE FAM AA FUEL COST	To record regulated residential time of use revenue from FAM base AA fuel.	N/A - There were no amounts previously recorded related to this.
412150	REG RES TIME OF USE FAM BA FUEL COST	To record regulated residential time of use revenue from FAM base BA fuel.	N/A - There were no amounts previously recorded related to this.
412210	REG RES TIME OF USE DSM BA COST	To record the recovery of regulated residential critical peak pricing revenue from Demand Side Management program costs BA.	N/A - There were no amounts previously recorded related to this.
412315	REG RES CPP DSM BA COST	To record the recovery of regulated small general time of use revenue from Demand Side Management program costs BA.	N/A - There were no amounts previously recorded related to this.
412540	REG SMALL GEN TIME OF USE FAM AA FUEL COST	To record regulated small general time of use revenue from FAM base AA fuel.	N/A - There were no amounts previously recorded related to this.
412610	REG SMALL GEN TIME OF USE DSM BA COST	To record the recovery of regulated small general time of use revenue from Demand Side Management program costs BA.	N/A - There were no amounts previously recorded related to this.
412715	REG SMALL GEN CPP DSM BA COST	To record the recovery of regulated small general critical peak pricing revenue from Demand Side Management program costs BA.	N/A - There were no amounts previously recorded related to this.
413190	REG RES DSM BA COST	To record the recovery of regulated residential revenue from Demand Side Management program costs BA.	N/A - There were no amounts previously recorded related to this.
413280	REG RES ACCRUED DSM BA COST	To record accrued regulated residential revenue from Demand Side Management program costs BA.	N/A - There were no amounts previously recorded related to this.
413415	REG RES TIME OF DAY DSM BA COST	To record the recovery of regulated residential time of day revenue from Demand Side Management program costs BA.	N/A - There were no amounts previously recorded related to this.
413580	REG RES TIME OF DAY ACCRUED DSM BA COST	To record accrued regulated residential time of day revenue from Demand Side Management program costs BA.	N/A - There were no amounts previously recorded related to this.
414190	REG SMALL GEN DSM BA COST	To record the recovery of small general revenue from Demand Side Management program costs BA.	N/A - There were no amounts previously recorded related to this.
414280	REG SMALL GEN ACCRUED DSM BA COST	To record accrued regulated small general revenue from Demand Side Management program costs BA.	N/A - There were no amounts previously recorded related to this.
414390	REG GEN DSM BA COST	To record the recovery of general revenue from Demand Side Management program costs BA.	N/A - There were no amounts previously recorded related to this.
414480	REG GEN ACCRUED DSM BA COST	To record accrued regulated general revenue from Demand Side Management program costs BA.	N/A - There were no amounts previously recorded related to this.
414580	REG LARGE GENERAL DSM BA COST	To record regulated large general revenue from Demand Side Management program costs BA.	N/A - There were no amounts previously recorded related to this.
414640	REG GENERAL TIME OF USE FAM AA FUEL COST	To record regulated general time of use revenue from FAM base AA fuel.	N/A - There were no amounts previously recorded related to this.

REDACTED (CONFIDENTIAL INFORMATION REMOVED)

Account Number	Account Description	Explanation for adding	Previously recorded under Account
414710	REG GENERAL TIME OF USE DSM BA COST	To record the recovery of regulated general time of use revenue from Demand Side Management program costs BA.	N/A - There were no amounts previously recorded related to this.
414900	REG GENERAL CPP DSM BA COST	To record the recovery of regulated general critical peak pricing revenue from Demand Side Management program costs BA.	N/A - There were no amounts previously recorded related to this.
415190	REG SMALL IND DSM BA COST	To record the recovery of small industrial revenue from Demand Side Management program costs BA.	N/A - There were no amounts previously recorded related to this.
415280	REG SMALL IND ACCRUED DSM BA COST	To record accrued regulated small industrial revenue from Demand Side Management program costs BA.	N/A - There were no amounts previously recorded related to this.
415390	REG MEDIUM IND DSM BA COST	To record regulated medium industrial revenue from Demand Side Management program costs BA.	N/A - There were no amounts previously recorded related to this.
415480	REG MEDIUM IND ACCRUED DSM BA COST	To record accrued regulated medium industrial revenue from Demand Side Management program costs BA.	N/A - There were no amounts previously recorded related to this.
415580	REG LARGE IND DSM BA COST	To record regulated large industrial revenue from Demand Side Management program costs BA.	N/A - There were no amounts previously recorded related to this.
415690	REG LARGE IND INTERRUPT RIDER DSM BA COST	To record regulated large industrial interrupt rider revenue from Demand Side Management program costs BA.	N/A - There were no amounts previously recorded related to this.
415855	REG SHORE POWER DSM BA COST	To record regulated shore power revenue from Demand Side Management program costs BA.	N/A - There were no amounts previously recorded related to this.
415970	REG GRLF REPLACEMENT LOAD FOLLOWING DSM BA COST	To record regulated GRLF replacement load following revenue from Demand Side Management program costs BA.	N/A - There were no amounts previously recorded related to this.
415990	REG TIME OF USE REAL TIME PRICE DSM BA COST	To record regulated time of use real time pricing revenue from Demand Side Management program costs BA.	N/A - There were no amounts previously recorded related to this.
416190	REG UNMETERED DSM BA COST	To record the recovery of unmetered revenue from Demand Side Management program costs BA.	N/A - There were no amounts previously recorded related to this.
416280	REG UNMETERED ACCRUED DSM BA COST	To record accrued regulated unmetered revenue from Demand Side Management program costs BA.	N/A - There were no amounts previously recorded related to this.
416315	REG MUNICIPAL DSM BA COST	To record regulated municipal revenue from Demand Side Management program costs BA.	N/A - There were no amounts previously recorded related to this.
534100	COST RECOVERY EXECUTIVE STOCK OPTION PLAN	This account is not typically used by NS Power, the balance of $1.91 recorded as at December 31, 2025 was recorded to this account rather than another Operating, General and Maintenance account in error, as the amount relates to regulated operating costs this has no implications on the overall presentation of NS Power's regulated financial statements.	

Cost Centre Number	Cost Centre Description	Explanation for adding	Previously recorded under Cost Centre
41	OFFICE OF THE CFO	This cost centre is not typically used by NS Power, the balance of $1,317.08 recorded as at December 31, 2025 was recorded to this cost centre in error. As the amount was correctly presented as an regulated operating cost regardless of the cost centre used to record this transaction, this has no implications on the overall presentation of NS Power's regulated financial statements.	
59	PAYROLL	This cost centre is not typically used by NS Power, the balance of $32.81 recorded as at December 31, 2025 was recorded to this cost centre in error. As the amount was correctly presented as an regulated operating cost regardless of the cost centre used to record this transaction, this has no implications on the overall presentation of NS Power's regulated financial statements.	
122	OFFICE OF THE CDO	To record allocation of expenses related to the Office of the Chief Digital Officer during the period which the CDO was seconded to Nova Scotia Power.	N/A - There were no amounts previously recorded related to this.
130	COMMERCIAL INVESTMENTS AND FINANCIAL ANALYSIS	This cost centre is not typically used by NS Power, the balance of $365.60 recorded as at December 31, 2025 was recorded to this cost centre in error. As the amount was correctly presented as an regulated operating cost regardless of the cost centre used to record this transaction, this has no implications on the overall presentation of NS Power's regulated financial statements.	
151	BUSINESS TRANSFORMATION	This cost centre is not typically used by NS Power, the balance of $101.76 recorded as at December 31, 2025 was recorded to this cost centre in error. As the amount was correctly presented as an regulated operating cost regardless of the cost centre used to record this transaction, this has no implications on the overall presentation of NS Power's regulated financial statements.	
160	DIVERSITY, EQUITY AND INCLUSION	To record allocation of expenses related to the Diversity, Equity and Inclusion team established in 2025.	This was previously recorded under cost centre 008 Human Resources.
161	BUSINESS VALUE TEAM	To record allocation of expenses related to the Business Value Team established in 2025.	This was a new initiative in 2025, and there were previously no costs related to this recorded.
163	ERP PRODUCT SUPPORT	This cost centre is not typically used by NS Power, and should not have a balance recorded as at December 31, 2025. The balance of $115,902.20 recorded as at December 31, 2025 represents unallocated costs that were corrected in January 2026.	

REDACTED (CONFIDENTIAL INFORMATION REMOVED)

REDACTED

Request IR-16:

(a) Please identify any indirect costs recognized in 2025 that arose from the Cybersecurity incident, including insurance premium changes, deductibles, business continuity costs, temporary staffing, billing and collection costs, customer notification, credit monitoring, legal costs, consultant costs and other costs.

(b) Please explain the accounting and regulatory treatment of these costs.

Response IR-16:

(a) [redacted] Carrying appropriate insurance coverage is a fundamental and prudent utility practice. Insurance is purchased to protect against losses and their financial impacts regardless of fault. Insurance premiums are typically established based on an insurer's actuarial assessment of the utility's overall risk profile, claims history, market conditions, and numerous other factors which can change year over year. [redacted]. Any business continuity costs, temporary staffing, billing and collection costs, and other indirect costs have been accounted for in the respective cost category and financial statement line item in the normal course of business. Any indirect costs arising from the cybersecurity incident recognized in 2025 did not result in separately identifiable costs beyond those reflected in the relevant expense categories and described in NSEB IR-14, and were not separately tracked by NS Power.

(b) As NS Power's 2025 customer rates did not include any amount related direct or indirect costs recognized in 2025 that arose from the Cybersecurity incident and NS Power's 2026/2027 GRA customer rates do not include any amount related to direct or indirect costs that arose from the Cybersecurity incident, no amounts related to the Cybersecurity incident are being directly recovered from customers. NS Power's regulated earnings were 8.31 percent in 2025, based on a five-quarter average common equity of 34.8 percent. In order for NS Power to earn at the top of the ROE band (at 40 percent equity) in 2025, NS Power earnings would have needed to be approximately $45 million higher than those reported in 2025. As NS Power's earnings are below the lower end of the approved ROE band, there are no direct or indirect costs that have been borne by customers as a result of the Cybersecurity incident in 2025.

Request IR-17:

Please provide a detailed reconciliation of the operating expenses between the audited statements and the regulated statements.

Response IR-17:

Please refer to Attachment 5 and Attachment 9 of the 2025 Annual Financial Statements.

Request IR-18:

With regards to Attachment 1, Summary of Unregulated Adjustments:

(a) Please provide further details of the Unregulated Retained Earnings line item “Extended customer credit monitoring service costs and manual meter reading costs”.

(b) A detailed breakdown of “Unregulated compensation” for 2023 – 2025.

Response IR-18:

(a) The Unregulated Retained Earnings line item “Extended customer credit monitoring service costs and manual meter reading costs,” relates to costs associated with the 2025 Cybersecurity incident [redacted]. Extended customer credit monitoring service costs refers to the TransUnion customer credit monitoring services purchased for customers [redacted] Manual meter reading costs refers to the third-party manual meter reading services required to read customer meters in-person and gather energy use data [redacted]

(b) Please refer to Attachment 1.

Nova Scotia Power Inc.
Unregulated compensation

As at millions of Canadian dollars	**2025 Total Expense ($ millions)**	**2024 Total Expense ($ millions)**	**2023 Total Expense ($ millions)**
DSU, PSU (mgt only) & stock options	7.2	3.4	1.7
Incentive (Acrued incentive for current year, includes executives) at 50%	6.8	12.2	6.8
Executive incentive (removal of other 50% resulting in 100% removal of executive incentive)	0.9	1.8	1.1
Executive compensation adjustment	0.5	0.5	0.6
Unregulated Pension - SERP	0.0	0.0	0.1
Corporate allocations from Emera (Incentive included in OH)	0.7	0.4	0.4
Corporate allocations from Emera (Board fees)	0.2	0.2	0.2
Total unregulated compensation	**16.3**	**18.5**	**10.8**

Request IR-19:

Please provide a breakdown of the accounts payable balance by major category and the principal drivers of the increase from 2024.

Response IR-19:

Please refer to the table below for a breakdown of the accounts payable balance by major categories.

As at millions of Canadian dollars	**Actual (Dec - 2025)**	**Actual (Dec - 2024)**	**Variance**
Payables - Trade	284.6	183.2	101.4
Customer Deposits	15.5	13.6	1.9
Accounts Payable	**300.1**	**196.8**	**103.3**

The increase in Accounts Payable - Trade is primarily due to Eastern Clean Energy Initiative projects.