

NOVA SCOTIA UTILITY AND REVIEW BOARD

IN THE MATTER OF: *The Public Utilities Act*

– and –

IN THE MATTER OF: an application by NOVA SCOTIA POWER
INCORPORATED for approval of authorization to overspend
for 2025 ACE Plan Distribution Routines D055 – Planned
Replacement of Deteriorated Equipment, in the amount of
\$11,359,822

INFORMATION REQUESTS

To: Nova Scotia Power Incorporated
Lana Myatt
Manager, Regulatory Capital

From: The Consumer Advocate

Responses Due: July 28, 2026

Copies: 1 electronic copy (PDF searchable)

Contact Person: David J. Roberts
Consumer Advocate
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Request IR-1:

Please provide a comparison of budget and actual spending for all distribution routines for the years 2021-2025.

Request IR-2:

(a) Please provide a workbook in native format with a breakdown of project actual costs by account compared to budget for all distribution routines for 2025.

(b) Please provide a table with the following actual costs for the most recent five years for all distribution routines for 2021-2025.

- i. Regular labour
- ii. Overtime labour
- iii. Contracts
- iv. Materials
- v. Revenue (or capital contributions)
- vi. Administrative Overhead
- vii. All Other
- viii. Total

(c) In CA RIR-3, M12319, NS Power was asked to explain the reason that overtime labour is used for each referenced distribution routine. In its response, NS Power stated, "Overtime in Distribution Routines generally is required to respond to customer outage/emergency events or customer power connections on the distribution system." Please explain how this reason applies to each of the following distribution routines, individually. If this reason does not apply to the distribution routine, please supplement your response given in M12319 with the applicable reason.

- i. D004 New Customer Upgrades
- ii. D006 Regulatory Replacements - Province Estimates
- iii. D007 Joint Use
- iv. D051 System Performance Improvement Routine
- v. D055 Planned Replacement Deteriorated Equipment
- vi. D061 New Customers - Residential
- vii. D062 New Customers – Commercial

(d) For each distribution routine referenced in part (c), please state whether the trend in overtime labour is increasing, stable, or decreasing (or mixed, if unclear). For each routine with an increasing (or mixed) trend in overtime labour, please explain the reason that NS Power has not been able to restrain increases in overtime labour.

(e) For each distribution routine referenced in part (c), please state whether there has been any indirect effects on cost – such as increased use of overtime labour – resulting from work groups being reassigned to storm response or a capital project during their regular hours.

1 **Request IR-3**

2 Please provide data comparing budget versus actuals for D055 for 2021-2025 broken down by Bin
3 Work, Field Driven Work, Street Light and Service Removals, “larger discrete capital projects
4 targeting to improve reliability a given area or with a type of equipment,” or any other relevant
5 categorization tracked by NS Power.
6

7 (a) Please provide the number of work orders (or projects) for each category. If no estimates
8 exist for budget purposes, please explain why not.
9

10 (b) Please provide the regular and labour person hours for each category. If no estimates exist
11 for budget purposes, please explain why not.
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13 (c) Please provide any other available information on the costs and drivers of D055 (including
14 but not limited to those stated in the ATO).
15

16 (d) Please provide a brief definition of each of these categories.
17
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19 **Request IR-4:**

20 Data provided in NSEB RIR-26, M12319, indicate that the average cost of a field driven work
21 order increased from \$1,481 in 2022 to \$3,009 in 2023 and to \$19,664 in 2024.
22

23 (a) Please confirm the values for 2022 to 2024 and provide the corresponding value for 2025.
24

25 (b) Please explain the reasons for the substantial increase in cost for each field driven work
26 order.
27

28 (c) To the extent that NS Power references trends in specific types of field driven work orders
29 in its response to part (b), please provide the number of work orders for each referenced
30 work order type and the cost for those work orders.
31

32 (d) If NS Power is unable to provide quantitative support for the reasons that the average field
33 driven work order has increased in cost, please explain why such data are not available and
34 how NS Power’s management ensures that D055 costs are minimized in the absence of
35 such data.
36
37

38 **Request IR-5:**

39 (a) Please provide a list of all contracts for D055 with actual expenditures for 2025. In your
40 response, please state for each contract is standardized, negotiated on a non-standard basis,
41 or subject to any type of competitive procurement. Please provide the contract budget and
42 actual cost (with capital and operating expenses distinguished) for 2025.
43

44 (b) With reference to the responses to part (a), where standardized or competitively bid
45 contracts are not used to manage costs, please explain the reasons.
46

- 1 (c) For each competitively bid contract, please describe the procurement including the date,
2 the form of the procurement (e.g., RFP), and number of bids submitted and accepted.
3
- 4 (d) For each contract that has been in effect since 2023 (e.g., the same contract was in effect
5 for any portion of 2022), please provide an explanation as to how, if at all, contract pricing
6 has increased since the contract was signed.
7
- 8 (e) Please provide a copy of each contract for D055 with actual spending in excess of \$750,000
9 along with detailed accounting including contract unit pricing and actual expenditures by
10 unit.
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13 **Request IR-6:**

- 14 (a) Please explain with specificity the types of materials included in materials costs for D055.
15 In your response, for each type of material, please explain the basis for the cost (e.g.,
16 contract pricing, market pricing, most recent delivered item pricing, average bin pricing,
17 etc.).
18
- 19 (b) Please provide the budget and actual materials costs for each type of materials in D055 for
20 the years 2021-2025.
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- 22 (c) Please provide the budget and actual materials costs for D055 for 2025 with all available
23 detail in a workbook in native format.
24
- 25 (d) For each material whose cost exceeded budget by at least 25%:
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- 27 i. Please explain the procurement practices used to obtain the material. In explaining
28 those practices, please explain whether the materials prices were procured through
29 a competitively-bid contract and whether materials prices increased due to an
30 increase in procurement volumes. Please support your response with quantitative
31 data to the extent feasible.
32
 - 33 ii. For any types of materials whose prices increased due to an increase in procurement
34 volumes, please explain how the baseline volume was established (e.g., by NS
35 Power in the course of its procurement process) and whether NS Power has made
36 any changes to its procurement process as a result of the cost increase. As an
37 example of a type of price increase due to an increase in procurement volumes, if
38 Bin Work exceeded expectations, NS Power might procure replacement materials
39 outside of a normal contract at higher-than-typical prices.
40
 - 41 iii. For materials costs that are allocated as a percentage of labour, please provide
42 actual percentage allocation factor for each of the five most recent years and the
43 method for deriving that factor.
44
45
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1 **Request IR-7:**

2 Please explain how the Project Delivery Model (PDM) applies to D055.

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4 (a) Please provide a list and definition of each risk and each uncertainty that NS Power believes
5 applies to D055 activities.

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7 (b) Please explain what planning functions (cost estimates, basis of estimate, risk register) are
8 completed for D055. If these planning functions are not completed, please explain how NS
9 Power manages cost and delivery risk for D055.

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12 **Request IR-8:**

13 Please provide the individual project estimates referenced in NSEB RIR-27(b), M12319.

14
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16 **Request IR-9:**

17 Please explain what is meant by “advancement of higher-priority condition-driven work identified
18 during the feeder inspection program, including projects in the Glace Bay area.” In your response,
19 please clarify the following ambiguities:

20
21 (a) Were already-identified work orders advanced as a result of inspection information
22 increasing the priority?

23
24 (b) Why are projects in the Glace Bay area called out in particular?

25
26 (c) Are there any other sources of increases in work orders for Bin Work other than the feeder
27 inspection program?

28
29
30 **Request IR-10:**

31 Please explain what is meant by “deficiencies driven by regional operations and regional
32 engineering” (e.g., What is a “deficiency” in this context?)

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35 **Request IR-11:**

36 Please provide a comparison of the budget for specific D055 projects in the 2025 ACE Plan in
37 Figure 45 on pages 70-71 (e.g., beginning with 568C-333-Egypt road rebuild) to actual
38 expenditures as included in the ATO.

39
40 (a) For each project that was delayed or cancelled, please provide:

41
42 i. The original scheduled start and completion dates, and the current scheduled start
43 and completion dates, if applicable.

44 ii. The priority (e.g., condition) of the project as identified at the time the 2025 ACE
45 Plan was submitted, its priority at the time that NS Power delayed or cancelled it,
46 and its current priority.

- 1 iii. An explanation of any increase in actual or forecast (budget) cost, if greater than
- 2 3.0%.
- 3 iv. Any update on actual project cost not included in the ATO request.

4

5 (b) For each project that was initiated on schedule, please provide:

6

- 7 i. The start, scheduled completion, and actual completion dates.
 - 8 ii. The priority (e.g., condition) of the project as identified at the time the 2025 ACE
 - 9 Plan was submitted.
 - 10 iii. An explanation of any increase in actual or forecast (budget) cost, if greater than
 - 11 3.0%.
- 12
- 13

14 **Request IR-12:**

15 Please explain how the Street Light/Service installation and removal condition data were updated,

16 and provide supporting data.