Nova Scotia POWER
An Emera Company

PO Box 910 ● Halifax, Nova Scotia ● Canada ● B3J 2W5

November 3, 2025

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

Re: M12273 – Nova Scotia Power's Cybersecurity Incident – Monthly Update 3

Dear Ms. Henwood:

On July 14, 2025, the Nova Scotia Energy Board (NSEB, Board) directed Nova Scotia Power (NS Power, the Company) to file monthly progress reports about its response to the recent cybersecurity incident that impacted NS Power (Incident) and its progress in preparing the requested report about the Incident (Incident Report). The Company's first monthly report was filed on August 20, 2025.

NS Power remains on schedule to provide the Incident Report to the Board on or before December 31, 2025.

The following provides NS Power's third Monthly Update Report and is intended to update the second Monthly Update Report and, therefore, should be read/considered in conjunction with that prior report. The information provided in this report is complete as at the time of filing to the best of NS Power's knowledge. As new information becomes available and/or additional progress is made in the Company's recovery efforts, it will be reflected in these monthly update reports.

<u>Incident Impact and Response</u>

Financial Enterprise Resource Planning

Since NS Power's last monthly update, the Company completed a significant milestone in the re-establishment of its financial technology system functionality. The ERP system was enabled for General Ledger functionality, the first of three phases of enablement.

Progress is being made to address the impact of the incident on NS Power's invoice payment processes. The Company recognizes that this disruption has had an impact on many vendors and suppliers, and it has put several measures in place to return to normal invoice payment processes and timelines.

The IT and Finance teams have been working diligently to restore our systems safely and securely, including dozens of additional colleagues and resources from other parts of the business and external partners who have been brought in to help speed up the payment process. This has involved extensive manual work and establishing temporary workarounds while the systems were unavailable. NS Power anticipates all invoices will be paid by the end of the year.

Customer Notifications

As noted in NS Power's September 5, 2025 response to IR-2 in NSEB M12273, NS Power has been actively investigating the cybersecurity incident with the assistance of leading third-party data analysis experts to determine the precise number of impacted individuals. This investigation has been complex given the severe nature of the Incident. This data analysis process is nearing completion. NS Power continues to directly notify active customers whose data it has identified as having been impacted, and offering them an additional opportunity to sign up for credit monitoring if they had not already done so, after five years of free credit monitoring was made available to all current and former customers in June 2025, regardless of whether their data had been identified as having been impacted.

Ongoing Regulatory Matters

As a result of the impacts noted above, several matters before the Board have been affected. As noted at the outset of this report, the following updates what had been provided in the second Monthly Update Report.

Rates-Related Matters

Rates-related matters have been affected by the Incident.

Time Varying Pricing

On October 28, 2025, the NSEB issued its Decision regarding NS Power's Application for Approval of 2025/26 Time Varying Pricing Tariffs of October 1, 2025. The Company is considering compliance measures to address various Board direction in its Decision.

Extra Large Industrial Active Demand Control Tariff and One-Part RTP Tariffs

Since NS Power's last monthly update, the Company's IT restoration team has made progress in securing the connection between Hitachi's Portfolio Optimizer software and NS Power's network, as well as re-establishing the Plant Information (PI) data system environment to begin reconnection to plants and systems. Both systems are essential for re-establishing processes related to evaluating ELIADC and determining the cost to serve PHP and One-Part RTP. NS Power anticipates that these prerequisite systems will be available in November 2025 and will work diligently to populate the necessary databases and restore the dependent processes once system access is re-established.

Fuel Adjustment Mechanism

Fuel Adjustment Mechanism (FAM) related matters have been affected by the Incident. The Company has commenced preparations for the 2024/2025 FAM Audit and is in the process of determining the extent of the impact on the Audit. NS Power will provide an update in the Incident December 2025 update.

Demand Side Management

E1's Demand Response Programming

The Company continues to coordinate with E1 on demand response (DR) events, which will proceed independently of the TVP program. NS Power will continue to notify E1 of DR events, and E1 will continue to administer its DR program.

AMI data will not be available for evaluation, measurement and verification of the DR programming for the upcoming winter season. E1 has confirmed that device-level data will continue to support performance validation for its residential 'Eco Shift' program, and that alternate approaches (e.g., dataloggers) are being implemented to ensure accurate measurement of commercial 'Smart Synergy' events at the facility level. The Company continues to support E1 in its efforts to maintain program continuity.

Miscellaneous

Customer Energy Management Evaluation, Measurement, and Verification

As only AMI data up to March 31, 2025 will be available for analysis for 2025, the My Energy Insights (MEI) platform is unavailable, and associated data, analysis and customer alerts are therefore also unavailable. In the interim, NS Power is consulting with Econoler to develop an alternative 2025 CEM EM&V approach that reflects the data limitations identified in this report, and will provide the proposal to the NSEB for their consideration upon completion.

Recovery Timeline

NS Power's efforts have continued to focus on restoring the most critical business functions. Those functions are enabled by supporting technology such as enterprise reporting, data integration, and other supporting systems. Since NS Power's last monthly update, progress has been made in re-implementing those supporting capabilities which in turn have enabled capabilities referenced above in 'Incident Impact and Response'. Full restoration for major capabilities is still expected to progress through 2026. The Recovery Program Office continues to support the prioritization of program efforts in alignment with the expectations of leadership and external stakeholders.

Update on OPC Investigation

As noted in previous reports, the Office of the Privacy Commissioner of Canada (OPC) has initiated an investigation into the Incident, which remains ongoing. The Company continues to fully cooperate with the OPC and is committed to addressing the OPC's concerns and resolving the investigation in an efficient and expeditious manner.

Yours truly,

Judith Ferguson
Executive Vice President, Regulatory, Legal, and Government Relations