

October 31, 2019

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Regulatory Affairs Officer/Clerk
Nova Scotia Utility and Review Board
1601 Lower Water Street, 3rd Floor
P.O. Box 1692, Unit "M"
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Re: 2019 Performance Standards - Q3 Update

Nova Scotia Power Inc. (NS Power, Company) confirms that as of October 31, 2019, the 2019 Q3 Performance Standards Report Card can be assessed on NS Power's website in accordance with the Nova Scotia Utility and Review Board's (NSUARB) direction. A link to the Report Card is set out below:

<https://www.nspower.ca/en/home/about-us/performance-standards.aspx>

The purposes of this update is to provide the NSUARB with an overview of the impact that Hurrican Dorian (a category 2 hurricane which occurred on September 7, 2019) has had on the Company's ability to meet the 2019 Performance Standards.

Never in NS Power's history has the Company incurred a weather event of the magnitude of Hurrican Dorian. The impacts of Hurrican Dorian were province wide resulting in more outage events than the Company has experienced cumulatively over the course of a single year. Over 400,000 customers lost power due to the storm. Amongst the damage there was an estimated 7,000 instances of lines broken by trees or with trees leaning on them, and 375 broken or leaning poles

NS Power worked as quickly as possible to safely restore power to customers. The Company had hundreds of power line crews, forestry crews and damage assessment teams dedicated to the storm restoration effort in the aftermath of Hurrican Dorian, including crews from New Brunswick, Newfoundland & Labrador, Ontario, Quebec, Maine and Florida. NS Power also worked with the Nova Scotia Emergency Management Office to prioritize restoration to critical infrastructure, and the Canadian Armed Forces to help remove trees and debris.

The impact of Hurricane Dorian continues to be felt throughout the Company weeks after the winds subsided and the last customer had been restored.

As of September 30, 2019, nine of the thirteen Performance Standards (Reliability, Customer Service, and Storm) are on track to achieve their 2019 targets. However, two standards in the area of Customer Service have been negatively impacted by Hurricane Dorian: (i) the annual percent of estimated bills; and (ii) regular business call answer rate.

In addition to these two Customer Service standards, there are two reliability standards, namely the CKAIID standard (circuit duration) and the CKAIIF standard (circuit frequency), that are trending to exceed the annual targets for two feeders in Cape Breton. The two feeders at issue are 85S-401 and 58C-403. Both feeders are subject to extreme weather and are presently undergoing significant reliability investments, targeted to improve the reliability performance for the customers served from these feeders.

This update addresses the two Customer Service Standards. Details regarding the CKAIID and CKAIIF results will be included in the 2019 Performance Standards Annual Report.

1. Regular Business Call Answer Rate - 70% of calls answered within 30 seconds

The result for the “Regular Business Call Answer Rate” metric as of August 31, 2019 was 71.2 percent and was trending to meet the 70 percent target by year end. However, following Hurricane Dorian, as of September 30, 2019, the metric is now at 69 percent, missing the target by 1 percent.

The call answer rate has been impacted by higher than normal call volumes associated with increased work requests and appointment rescheduling due to Hurricane Dorian. Dorian also effectively reduced the number of business days in September from 21 in 2018 to 13 in 2019. As such, the daily average call volume in September increased from approximately 3900 calls per day in 2018 to approximately 5060 calls per day in 2019. In addition, the volume of emails received into the contact center in September, 2019 increased from 395 per day in 2018 to 811 per day in 2019.

NS Power has utilized overtime, trained new staff and rescheduled training and meetings in attempt to meet the increased demand on contact center resources. These accommodations will continue until such time as the call volume and associated work returns to expected levels. However, despite these efforts, NS Power has been unable to achieve the 70 percent of calls answered within 30 seconds.

2. Estimated Bills – No more than 2% of customer bills based on estimates

The “Estimated Bills <2%” metric as of August 31, 2019 was 1.3 percent and was forecast to be on track to meet the 2 percent target by year end. As a result of Hurricane Dorian’s impact on the Company’s operations, the year to date percentage of bills estimated as of September 30 is now 2.9 percent, exceeding the 2 percent target. The Company forecasts that the year end result for the estimated bill metric will also exceed the target.

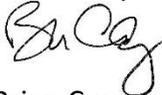
On average, approximately 3000 bills are estimated each month out of 320,000 bills issued. As a direct result of Hurricane Dorian, 53,489 bills were estimated in September, compared to the 3000 monthly average. NS Power meter readers were redeployed during Hurricane Dorian to provide field support to local and contract crews. As a result, meters were not read for a five day period, from September 9 to 13, 2019.

Based on averages, the Company being unable to complete meter reading for 5 days (or approximately 2 percent of the 251 business days in 2019) would result in approximately 80,000 estimated bills (based on 16,000 meters read per day). The Company used overtime prior to the storm on September 5-6 and following the storm on Sept 16, 2019 in order to minimize the number of estimated bills. Specifically, through the use of overtime, approximately 26,511 bills (80,000-53,489) were issued with actual usage rather than estimates.

Reliability data from Hurricane Dorian continues to be analysed, as such, the results for the Performance Standards metrics may change as finalized results become available. Any changes will be provided in the 2019 Performance Standards Annual Report.

Any questions or clarifications with respect to this matter should be directed to my attention.

Yours truly,



Brian Curry
Senior Regulatory Counsel

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- Paul Casey, NS Power
- Nicole Godbout, NS Power