

NON-CONFIDENTIAL

Request IR-1:

Refer to Exhibit N-1, NSPI's application for approval of CI 50518 HYD Ruth Falls Main Dam Refurbishment ATO Non-Confidential (N-1 ATO) and section titled "Why do the project this way?" on page 2 of 10 that presents Options 1 through 5 and respond to the following:

(a) Please provide the principal characteristics of each option considered that underpinned the conclusion that each option reviewed was less desirable than the option that was ultimately chosen, # 4.

(b) In addition, please describe what investigation, if any, NSPI has conducted regarding any changes to the characteristics of each option and conclusions reached.

Response IR-1:

(a) Five options were originally considered; four refurbishment options and one replacement option. All options would address the deficiencies and meet the intent of the CDA Guidelines. As such, NS Power selected the lowest cost option of the available alternatives.

(b) Please refer to NSUARB IR-7.

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1 **Request IR-2:**

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3 **Refer to N-1 ATO, page 2 of 10, Reason for Variance – ATO, para 1., Environmental**
4 **Permitting Requirements, and answer the following:**

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6 **(a) What requirements did Fisheries and Oceans Canada (DFO), and the Nova Scotia**
7 **Department of Environment and Climate Change (NSECC) ask of NSPI during the**
8 **environmental permit process?**

9
10 **(b) Please provide copies of correspondence from the agencies and the responses by NSPI,**
11 **including reports and studies filed.**

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13 **Response IR-2:**

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15 **(a-b) Please refer to NSUARB IR-12, part (a), and CA IR-5, part (a).**

REDACTED

Request IR-3:

Refer to N-1 ATO page 3 of 10, para 2. Extended Construction Timeline, in which the Company concluded that the extended timeline led to increased project costs, associated with Contracts and Consulting detailed on page 5 of 10 and answer the following:

- (a) Please explain how the variance amounts set out for the Contracts and Consulting categories are allocated between the following sub-categories:**
- a. the extended timeline;**
 - b. delay in work; and**
 - c. additional work scope.**
- (b) Please describe the type of work that is responsible for the increased scope identified above.**
- (c) Please describe the reasons NSPI believes the increases are reasonable considering today's labor costs.**

Response IR-3:

- (a) Please refer to NSUARB IR-10 (b) (i) for the breakdown of Contract Cost variance amounts. Please refer to the table below for the breakdown of the Consulting Cost variance amounts. Please note the “extended timeline” and “delays in work” subcategories are combined into 1 subcategory “extended timeline”, since delays in work were caused by extended timeline resulting from permits approvals delays.**

Description	Increase in costs (in Thousands)
CONSULTING – ENVIRONMENTAL PERMITTING REQUIREMENTS	
Offsetting (West River Project)	\$547
Post-Construction monitoring	\$309
Fishway passage improvements design	\$192
Fish count	\$122
Juvenile Gaspereau Entrainment Study	\$120
3D Hydraulic modelling	\$118
Drawdown monitoring plan	\$55
Barn Swallow Monitoring Plan and monitoring	\$19

CI 50518 - HYD - Ruth Falls Main Dam Refurbishment ATO (NSUARB M11927)
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Aerial Imagery Collection for the Juvenile Gaspereau Entrainment Study	
Environmental Permitting Application fees	
Environmental Maintenance Flow Assessment)	\$1
Wetland delineation and functional assessment	-\$1
EXTENDED CONSTRUCTION TIMELINE	
Additional design efforts for rubber dams' controls building	\$43
Electrical design work for Rubber Dam Controls Building	\$33
Construction Support in 2025-2026	\$27
Conceptual / Detailed design	\$3
ARCHEOLOGY AND MI'KMAQ ENGAGEMENT	
Archaeological reconnaissance during the drawdown	\$106
KMKNO Capacity Payments	
ADDITIONAL DESIGN EFFORTS	
RFP support by the external Engineering Consultant	-\$6
TOTAL ¹	\$1,631

- (b) Please refer to the details in the tables provided in (a) for the work description.
- (c) NS Power attributes the increases to the delayed construction in 2025 combined with the substantial permitting requirements posed by the regulators as well as the substantial and progressive pricing shifts in the construction materials commodity markets.

¹ Totals may be off due to rounding of individual line items.

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Request IR-4:

Refer to N-1 ATO, page 3 of 10, para 2. Extended Construction Timeline, in which the Company concluded that the extended timeline led to increased project costs, including increased material costs, and answer the following:

(a) What were the drivers of the material costs increase?

(b) Please identify which material cost changes corresponded to a change in scope since 2018?

Response IR-4:

(a) The costs included in the original Application were established in 2018. However, as a result of the environmental regulatory requirements, the dam refurbishment work will not start until 2025. There have been substantial pricing shifts in the steel commodity markets since 2018, with prices increasing significantly due to increased demand and reduced supply of both structural steel members and miscellaneous metals. This has impacted the price of the structural steel superstructure, the vertical lift gates and the rebar required for the concrete. The commodity prices of concrete additives, cement, oil, and lumber have also increased and had direct impacts on Project costs. The price of oil has had an impact on the project costs as diesel fuel is required to operate all of the heavy equipment.

(b) Changes in scope were necessary to meet DFO requirements to improve existing fish passage at Ruth Falls dam both upstream and downstream and to install new upstream eel passage. These costs were additional and had not been included as part of the scope of the ACE 2019 filing. Therefore, the costs change is attributed to the scope change rather than a result from materials costs increase.