

May 16, 2025

Crystal Henwood
Regulatory Affairs Officer/Clerk
Nova Scotia Energy Board
1601 Lower Water Street, 3rd Floor
P.O. Box 1692, Unit "M"
Halifax, NS B3J 3S3

Re: First Quarter 2025 Capital Items and Reports

Dear Ms. Henwood:

Enclosed for your review and approval are the following capital items:

2025 ACE Plan Capital Items for Subsequent Approval

- CI C0021140 - New 138KV – 25KV Substation Stellarton - \$12,960,396
2025 ACE amount \$10,511,998
\$2,961,645 spent as at March 31, 2025
Partially Confidential
- CI C0068566 - LIN DCS Upgrade - \$1,544,190
2025 ACE amount \$1,440,911
\$18,434 spent as at March 31, 2025
Partially Confidential

2025 ACE Plan Capital Item Less than \$1M

- CI C0049192 – HYD – GUL Generator Refurbishment – \$1,316,589
ACE amount \$732,043
\$7,224 spent as at March 31, 2025
Non-Confidential
- CI C0068662 – TRE5 Baghouse Filter Replacement – \$1,241,640
ACE amount \$534,006
\$0 spent as at March 31, 2025
Non-Confidential

Authorization to Overspend (ATO) Capital Items

- CI C0051136 – TUC2 HP/IP Turbine Refurbishment – \$5,965,028
Originally approved in the 2024 ACE Plan for \$4,264,777
ATO amount \$1,700,251
\$5,965,028 spent as at March 31, 2025
This project is substantively complete, with final project closure activities in progress.
Non-Confidential

Unforeseen & Unbudgeted (U&U) Capital Items

- CI C0073348 – HYD - WRC Surge Lake Volume Optimization – \$1,736,278
\$0 spent as at March 31, 2025
Partially Confidential
- CI C0073965 – TRE5 U&U Burner Nest Waterwall Tube Replacement – \$2,156,407
\$0 spent as at March 31, 2025
Non-Confidential

Request for Confidentiality

Pursuant to Rule 12 of the Board Regulatory Rules, NS Power requests confidential treatment of certain portions of the material filed in support of the following Capital Work Orders:

1. CI C0021140 - New 138KV – 25KV Substation Stellarton
2. CI C0068566 - LIN DCS Upgrade
3. CI C0073348 – HYD - WRC Surge Lake Volume Optimization

NS Power's support for its request is provided below in accordance with Rule 12(4):

Commercial Information

Items 2-3: Partial confidentiality was applied to costs associated with materials, contracts and consulting details provided in these capital work orders.

To protect value for customers and mitigate the risk of prospective proponents having access to the information itemized above, and maintain good business relations with vendors, this information is confidential.

The more a supplier is aware of NS Power's specific requirements and a competing vendor's costs, the better the supplier's ability to obtain the highest price, reduce competition and ultimately increase the cost for NS Power and its customers. The cost of such transparency is not always immediately evident. Information from regulatory proceedings can provide competitive advantages over other suppliers, and that could be advantageous in bidding or negotiation. Higher prices, or avoidable contractual constraints, will result in unnecessary higher costs to customers.

NS Power seeks to keep the terms and conditions of suppliers pricing and arrangements confidential from their other customers or potential competitors. This prevents competitors from using the information to gain a competitive advantage. This is equally true for NS Power, which desires to protect its ability to acquire services and equipment on the most competitive terms. Those "best" terms may not be available if there is a risk that they will be disclosed to the customers or competitors of the supplier.

Since NS Power customer rates are cost-based, the maintenance of confidentiality for these items is to the direct benefit of customers.

System Security

Item 1: Partial confidentiality was applied to the Distribution Planning Study (Attachment 1) for this capital work order.

The enclosed distribution diagrams are confidential due to system security concerns. Protection of the power system preserves reliability and reduces the risks associated with external threats.

Capital Reports

Also included in this package are the 1st Quarter 2025 capital reports ending March 31, 2025.

- Report 1 – Overview of capital expenditures showing actual spending, by function and classification, compared to the 2025 ACE Plan.
- Report 2 – Spreadsheet listing all active projects submitted to the NSEB or referenced in ACE Plans subsequent submittal lists.
- Report 3 – Deferred and Cancelled list for 2025 ACE Plan projects. (This report is included pursuant to the Board's 2009 ACE Plan Order of April 28, 2009.)

- Report 4 – FIN Report. This report includes a list of all Final Cost (FIN) capital work orders that have fallen outside the timelines under the CEJC (within six months of in-service). These projects have either been completed and are outside of the FIN tolerances or forecasted to be outside of the FIN tolerances (the greater of +/- 5% or +/- \$250,000). (This report is included pursuant to NS Power's commitment as part of the 2016 ACE Plan stakeholder engagement process.)

The reports are provided in PDF and electronic Excel format.

Yours truly,

A handwritten signature in blue ink, appearing to read "LMyatt", is positioned above the printed name.

Lana Myatt
Senior Regulatory Analyst

Encl.