Request IR-1:

Has the property at 19 Nivens Avenue ever been used by NS Power?

(a) If so, please explain its use, and why it is no longer useful.

(b) If not, please explain the intended use for the property when it was purchased, and why it is no longer needed for its intended use.

(c) When was it determined that the property was no longer required to meet the needs of the company?

Response IR-1:

Yes, the property at 19 Nivens Avenue (the "Property") was used by NS Power in the past.

(a) The Property was previously used by NS Power for transformer and pole storage. There is also a parking area on the Property that was leased by [redacted] commencing in 2016, but that lease was released in early 2025. The Property is primarily a vacant lot, with the only infrastructure being owned by Eastward Energy, who has an associated easement that will run with the property as set out in the Agreement of Purchase and Sale.

(b) This property is now unused and no longer required by NS Power. There are also parkland fees associated with this property. NS Power therefore has an interest in releasing its obligations on this property.

(c) The Property was acquired by NS Power as part of the 1992 conveyance.

(d) This was determined in Q1 of 2024 when the Company conducted a review of its existing land portfolio.

Request IR-2:

Is it foreseeable that neighbouring land and/or water lot, or a railway crossing or access, would be required by NS Power for future use related to the nearby Tufts Cove facility, or otherwise?

(a) If yes, please explain why this land is not suitable and/or why it is more cost-effective to sell this land and obtain other lands or water lots later.

(b) If no, please explain how this decision was arrived at.

Response IR-2:

No.

(a) N/A.

(b) The land between 19 Nivens Avenue and the Tufts Cove facility is not owned by NS Power, so the Property is isolated and the Company does not foresee a use for it or a need for access between Tufts Cove and 19 Nivens Avenue. There is a small piece of water frontage associated with 19 Nivens Avenue, but NS Power still owns the water lot beyond that access point. For the Company's purposes the small piece of water frontage on the Nivens property is not useful and NS Power sees no benefit in retention of this land associated with the proximity to Tufts Cove, the water lot, or the railway crossing.

Request IR-3:

What impact, if any, will the sale of this property have on NS Power ratepayers?

Response IR-3:

The sale of this property will result in a reduction to the Company's rate base equal to the book value of the property, which is approximately $1.2 million. The reduction in rate base will decrease financing costs going forward.

Request IR-4:

Please provide the journal entry which will be booked upon sale, if approved, and explain any discretionary accounting treatment, if applicable.

Response IR-4:

There is no discretionary accounting treatment. The retirement of the property will be recorded in accordance with Accounting Policy 6420 - Retirement and Disposal of Capital Assets:

> *09 For retirements of property, plant and equipment other than land, the original cost plus any costs of removal less salvage proceeds is charged to accumulated depreciation, with no immediate gain or loss recognized.*
>
> *17 If the proceeds from the sale of land are greater than the cost of the land plus the retirement costs, then a gain on the sale must be recognized. Consequently, if the proceeds are less than the cost of the land plus the retirement costs, a loss on the sale must be recorded.*

The proceeds and gain on the sale of the property will be recorded in accordance with Accounting Policy 6440 – Gain or Loss on Disposition of Capital Assets:

> *01 Gains or losses on capital assets, with the exception of land, are deferred to accumulated depreciation.*
>
> *02 Gains or losses arising from the sale of land are recognized immediately.*

The accounting entries which will be recorded upon sale are as follows:

Dr. Accumulated Depreciation- Land	$1,172,669	
Cr. Property, Plant, and Equipment- Land		$1,172,669
Dr. Cash	[redacted]	
Cr. Accumulated Depreciation- Land		$1,172,669
Cr. Gain on Sale of Land		[redacted]

Request IR-5:

Are cash flow requirements impacting the decision to sell the land now? Will the funds from this sale of land be used as a source of funding for future projects?

Response IR-5:

No. This parcel is not currently providing service to customers and is not anticipated to be needed in the future. The proceeds from the sale will be used to reduce short-term debt.

Request IR-6:

Was this land used as security for any debt? Please explain.

Response IR-6:

No, this land was not used as security for any debt.

Request IR-7:

Please confirm, or clarify otherwise, that the purchaser is not an affiliate of NS Power.

Response IR-7:

The purchaser is not an affiliate of NS Power.

Request IR-8:

With respect to fair market value:

(a) Was a third-party appraisal done on the property? If yes, please provide.

(b) Please provide any market analysis performed by the realtor and/or other professional.

(c) If neither a nor b were completed, how was the asking price for the property determined?

(d) How long was the property listed and how many offers were received?

(e) Is the Offer to Purchase included with the application (accepted May 27, 2025) the only Agreement between the parties with respect to this property? If no, please explain.

Response IR-8:

(a) Yes, NS Power had an appraisal completed by Turner Drake, which is enclosed as **Confidential Attachment 1**.

(b) After CBRE was engaged they provided a broker opinion of value that corroborated the Turner Drake report, with a slightly higher value given the later date on which this opinion of value was prepared. This is enclosed as **Confidential Attachment 2**.

(c) N/A

(d) NS Power listed the property publicly on January 22, 2025. [redacted]

(e) Yes, the Agreement of Purchase and Sale dated May 27, 2025 is the only agreement between the parties.

19 Nivens Avenue Sale of Land NSEB IR-8 Attachment 1 has been removed due to confidentiality.

19 Nivens Avenue Sale of Land NSEB IR-8 Attachment 2 has been removed due to confidentiality.