Request IR-1:

(a) What is the current rated capacity (in MW) of the Point Aconi (PA) generating unit?

(b) Is the PA unit classified as lower-emitting or higher-emitting?

(c) Is the PA unit classified as lower-cost or higher-cost compared to other NS Power's thermal units?

(d) What is the expected retirement date of this unit?

(e) What will be the role of this unit after its retirement?

(f) Please provide a list of all capital investments planned for this unit prior to its retirement, including the estimated year of each investment.

(g) Please provide an estimate of the power generation from this unit for each of the next five years.

(h) Please describe the current PA unit's contribution to the system peak, including how and when it will be replaced.

Response IR-1:

(a) The current rated gross capacity of the Point Aconi generating unit is 183 MW, with a net capacity of 168 MW.

(b) Point Aconi's emissions profile is mixed. It has relatively low emissions of sulphur dioxide, mercury, and particulates due to its fluidized bed combustion and baghouse technologies, which capture and retain these pollutants in ash. However, its greenhouse gas emissions,

particularly carbon dioxide (CO_2), are relatively high due to coal combustion and the use of limestone, which contributes additional CO_2 through calcination. Therefore, the unit is lower-emitting for local air pollutants but higher-emitting in terms of greenhouse gas emissions

(c) The cost of dispatching Point Aconi is a function of commodity costs, fuel blends, and emission compliance needs. Those same factors also impact the dispatch cost of other thermal units and vary over time. As a result, Point Aconi moves up or down the generation cost stack relative to other thermal units and cannot be considered to typically be either a high-cost or low-cost unit.

(d) The expected retirement date for Point Aconi is 2029, contingent on the availability of sufficient replacement firm capacity to maintain system reliability as discussed in the 2025 10 Year System Outlook.

(e) After its planned retirement in 2029, the Point Aconi Generating Station may be decommissioned or placed in cold reserve status. In this state, the unit would not operate under normal conditions but could be recalled temporarily in the event of emergency system conditions, such as unexpected generation shortfalls that threaten system reliability.

Once replacement generation is fully operational and reliability is confirmed, Point Aconi will be decommissioned, with activities expected to begin post-2029. These may include environmental remediation and asset dismantling, subject to regulatory approvals and stakeholder engagement. The duration and scope of cold reserve status will depend on system needs and operational assessments conducted by NS Power and the Nova Scotia Independent Energy System Operator (NSIESO).

(f) Please see estimated value and projects projections below for Point Aconi prior to its retirement. Consistent with NS Power's asset management methodology, all avenues to

avoid investment while still mitigating the operational risk are explored where possible. This will remain consistent throughout the remaining life of Pt. Aconi.

Point Aconi 2026		
Assets	**Projects**	**Investment**
Boiler & Auxiliaries	Boiler Refurbishment, Tubes, Walls, Expansion Joints, Headers, Refractory, Arrowheads, Draft Plant, Sootblowers.	$5,884,680
Environmental Systems	Ash Management & Cells, Stack, Precip & Baghouse, Waste Water Treatment	$4,749,922
Fuel Systems	Solid and Liquid Fuel Systems, Limestone & Ash Handling, Mills, Civil Works	$1,877,209
FW Systems	Boiler Feed Pumps, Valves, Heaters, Water Treatment	$413,798
Turbine & Generator	Turbine Auxiliaries, Seal Oil System	$413,798
Other	Routines, Safety Upgrades, Lighting, Electrical, Security, Misc. Valves	$2,068,988
Controls	Control System Upgrades	$1,034,494
		$16,442,889

Point Aconi 2027		
Assets	**Projects**	**Investment**
Boiler & Auxiliaries	Boiler Refurbishment, Tubes, Walls, Expansion Joints, Headers, Refractory, Arrowheads, Draft Plant, Sootblowers.	$3,441,000
CW Systems	Condenser, Pumps, Piping, Valves, Intake Screens	$634,000
Environmental Systems	Ash Management & Cells, Stack, Precip & Baghouse, Waste Water Treatment	$2,379,000
Fuel Systems	Solid and Liquid Fuel Systems, Limestone & Ash Handling, Mills, Civil Works	$1,408,000
FW Systems	Boiler Feed Pumps, Valves, Heaters, Water Treatment	$828,000
Turbine & Auxiliaries	Turbine Valve Refurbishments	$454,000
Other	Routines, Safety Upgrades, Lighting, Electrical, Security, Misc. Valves	$1,034,000
		$10,178,000

Point Aconi 2028		
Assets	**Projects**	**Investment**
Boiler & Auxiliaries	Boiler Refurbishment, Tubes, Walls, Expansion Joints, Headers, Refractory, Arrowheads, Draft Plant, Sootblowers.	$3,169,000
CW Systems	Condenser, Pumps, Piping, Valves, Intake Screens	$931,000
Environmental Systems	Ash Management & Cells, Stack, Precip & Baghouse, WWTP	$2,276,000
Fuel Systems	Solid and Liquid Fuel Systems, Limestone & Ash Handling, Mills, Civil Works	$939,000
FW Systems	Boiler Feed Pumps, Valves, Heaters, WTP	$724,000
Turbine & Auxiliaries	Turbine Auxiliaries	$103,000
Other	Routines, Safety Upgrades, Lighting, Electrical, Security, Misc. Valves	$1,034,000
Controls	Control System Upgrades	$414,000
		$9,590,000

Point Aconi 2029		
Assets	**Projects**	**Investment**
Boiler & Auxiliaries	Boiler Refurbishment, Tubes, Walls, Expansion Joints, Headers, Refractory, Arrowheads, Draft Plant, Sootblowers.	$5,306,049
CW Systems	Piping / Pumps	$51,725
Environmental Systems	Ash Management & Cells, Stack, Precip & Baghouse, WWTP	$2,172,438
Fuel Systems	Solid and Liquid Fuel Systems, Limestone & Ash Handling, Mills, Civil Works	$162,933
FW Systems	Boiler Feed Pumps, Valves, Heaters, WTP	$103,449
Turbine & Auxiliaries	Turbine Auxiliaries	$51,725
Other	Routines, Safety Upgrades, Lighting, Electrical, Security, Misc. Valves	$2,068,988
		$9,917,307

(g) The estimated generation from Point Aconi for each of the next five years is summarized in the table below.

Year	Estimated Generation
2026	900 GWh
2027	600 GWh
2028	200 GWh
2029	200 GWh
2030	0 GWh

(h) The firm capacity of Point Aconi is 168 MW. As outlined in the *Path to 2030 – 2024 Update* and the *2025 10-Year System Outlook*, the NSIESO is now responsible for procuring new fast-acting generation required to replace firm capacity and enable the retirement of coal-fired generators, including Point Aconi, by 2030.

Request IR-2:

Starting in 2014, please provide the $/MWh values for each year for the PA unit and compare this cost to similar thermal units such as Point Tupper and Lingan.

Response IR-2:

Due to the cyber incident continuing to affect portions of NS Power's IT system, it is not possible to provide the data requested from 2014 to 2020 at this time. NS Power's IT team is working diligently with cyber security experts to bring the affected portions of its IT system back online. Please refer to the table below for the fuel cost per MWh, excluding emission costs from 2021 to 2024.

	2021	2022	2023	2024
POA $/MWh	[redacted]			
LIN $/MWh				
POT $/MWh				

Request IR-3:

(a) Please describe the impact on the utility's firm capacity, if this project is not implemented.

(b) Were any new firm capacity resources considered to replace the PA firm capacity?

(i) If yes, please explain.

(ii) If not, why not?

Response IR-3:

(a) If this project is not implemented and Point Aconi can not be relied upon to provide firm capacity for the 2025/2026 Winter period, available firm capacity would be reduced by 168 MW and the system Planning Reserve Margin (PRM) for the 2025/2026 Winter would be reduced to 6 percent which is well below the system target PRM of 20 percent. Operating with a PRM this low would create a significant risk of not having sufficient generation capacity available to meet system demand during peak hours.

(b) NS Power inquired about the availability of firm imports from neighbouring jurisdictions. However, they did not have surplus firm capacity available. It is worth noting that NS Power's ability to procure firm imports is currently limited due to the lack of firm import path from New Brunswick to Nova Scotia.

Sustaining capital investment in Point Aconi was evaluated in both the 2020 Integrated Resource Plan and the 2023 Evergreen IRP, both of which demonstrated the cost effectiveness of sustained operation at Point Aconi through the unit's planned retirement date, in alignment with decarbonization policy obligations.

Request IR-4:

(a) Please explain how this refurbishment project aligns with NS Power's plan to meet the 80% renewable target by 2030.

(b) Please explain the specific actions NS Power has taken since the 2014 refurbishment to add new firm capacity to replace PA's unit capacity.

(c) Please explain the specific actions NS Power has taken since the 2014 refurbishment to extend the operation of the PA generating unit closer to its retirement date.

Response IR-4:

(a) The refurbishment of Point Aconi (POA) is necessary to provide the energy and firm capacity needed to meet customer demand while the new generation resources required to achieve the 80 percent renewable target in 2030 are in development.

(b) The 2014 Integrated Resource Plan found that delaying the retirement of existing thermal assets was the lowest cost option.[1] The 2020 IRP also demonstrated that continued utilization of coal capacity through 2040 was the lowest cost resource plan compatible with contemporaneous environmental policy requirements. In alignment with these findings, at that time NS Power had not begun seeking to develop new firm capacity to replace POA's unit capacity.

On October 27, 2021, the Province introduced the Environmental Goals and Climate Change Reduction Act (EGCCRA). The EGCCRA includes the 80 percent RES 2030 goal in addition to the requirement to phase out coal-fired electricity generation in the province

[1] ns-power-irp-2014-final-report-october-15-2014.pdf, Section 5.3 and Section 6.4.1

by 2030. Subsequently, NS Power initiated the 2023 Evergreen IRP which evaluated various resource options to meet the province's updated decarbonization goals, including the retirement of POA and replacement of its firm capacity by 2030.

Since the Evergreen IRP, NS Power has provided annual updates on its progress in developing new firm capacity, which in part is to replace POA unit capacity, in its Path to 2030 reports. As detailed in the Path to 2030 – 2024 Update[2] and the 2025 10 Year System Outlook,[3] the NSIESO is now responsible for the development of new fast acting generation which is necessary to provide replacement firm capacity and retire existing coal fired generators, including POA.

(c) Please refer to part (b) above. NS Power was not planning the retirement of POA prior to 2022. NS Power reviews and adjusts its asset management strategy annually to ensure the unit can meet its operational mission and retirement date while maintaining its reliability and safety objectives through targeted investment. Inputs to this strategy include operational experience, historical and forecasted operational data, recommendations from Original Equipment Manufacturers (OEMs) and third-party technical experts, and engineering analysis of current asset condition and known risks.

[2] M12012, 2025 Annual Capital Expenditure Plan, Appendix H: Path to 2030 -2024 Update, Section: 5
[3] M12386, 2025 10-Year System Outlook, Section: 3.2.7

Request IR-5:

Page 2 of the application states: "This project is critical to addressing immediate risks identified through condition assessments of the LP, HP, and IP turbine component."

(a) When were the most recent condition assessments completed on the LP, HP, and IP turbine components?

(b) Please describe the scope of work associated with these condition assessments.

(c) Please describe the specific findings of these condition assessments.

(d) Please describe the specific immediate risks that were identified through these condition assessments.

Response IR-5:

(a) The most recent internal inspections for the LP was conducted in 2019, and for the HP and IP in 2014. In addition to these inspections, NS Power conducts an annual review of the turbine risk profile through its Steam Turbine and Generator Asset Strategy Committee. This review evaluates the condition and performance of each unit and considers factors such as:

- Results from past inspections and condition assessments
- Significant operational changes or events
- Refurbishment work completed or planned
- Emergent reliability or safety concerns

This process ensures that overhaul and maintenance decisions are informed by both historical data and current operational realities, aligning with NS Power's broader asset management strategy.

(b) The scope of work associated with the condition assessments includes both physical inspections and ongoing asset risk evaluations. The physical inspection scope involved the opening, cleaning, and inspection of turbine components such as rotors, diaphragms, bearings, casings, and seals. This inspection also involved non-destructive testing methods (e.g., magnetic particle, ultrasonic, and eddy current), as well as measurements of the blade root lift and erosion shield evaluations.

As noted in part (a), NS Power's condition assessment process also includes an annual review of the turbine risk profile through the Steam Turbine Asset Strategy Committee. This broader assessment incorporates inspection results along with operational history, significant outages, and refurbishment work. These inputs are used to determine inspection intervals and to plan refurbishment activities, ensuring that investment decisions are based on current asset condition and risk—not solely on historical inspection data.

(c) Findings from the 2014 inspection included:

Low Pressure (LP) Section

- LP outer cylinder gland housing was found deteriorated and required weld repair and machining.

Intermediate Pressure (IP) Section

- The 8th stage rotating blade row required replacement of a section of shroud due to material loss.
- Row 8 rotating blades were observed with material loss of the aerofoil.
- A total of 8 stationary stage row diaphragms required repair, mainly due to material loss.

- G20 diaphragm repair due to thread damage.

High Pressure (HP) Section

- Some HP inlet nozzle vane repair was necessary on site due to material loss.

Shared/General Components

- Bearings 2 and 3 findings were repaired on site
- Deteriorated HIP casing insulation
- Some casing fasteners required replacement

Findings from 2019 inspection included:

Low Pressure (LP) Section

- LP casing bolts repaired.
- LP heat shield rivets and hand hole repairs due to erosion.
- LP casing joint repaired due to erosion.
- LP balance weight replaced due to erosion.
- Stage 15 nozzle required minor cut-back repair.
- LP diaphragm nozzles fit out of tolerance restored.
- Last stage blade sleeves found stuck and freed up.

Shared/General Components

- Bearings:
  - #3 bearing replaced due to wear.
  - Bearing oil deflector clearances restored.
  - Vibration probes on #2 and #3 bearings replaced due to obsolescence.
- Gland Packing Casing #5:
  - Repaired due to erosion.
  - Fit out of tolerance restored.

- Emergency trip relay restored to tolerance.
- Oil trip solenoid replaced due to malfunction.
- MSV (Main Stop Valve):
  - Cover bonnet out of tolerance restored.
  - Sub bypass head replaced due to erosion.
- Turning gear chain cover gasket leak repaired.

(d) The IP section presents a risk due to material loss. The LP section continues to require more frequent inspection intervals due to cracking.

Request IR-6:

Page 2 of the application states: "The most recent major inspection of these components (LP, HP and IP nozzles, rotor, inner and outer casings, upper and lower bearings, and thermocouples) was conducted in 2014."

(a) Please describe the scope of work associated with this inspection.

(b) Please describe the specific findings of this inspection.

(c) What is the OEM's recommendation for time period/operating hours between inspections for these components?

(i) If the last major inspection of these components does not fall within the limits with the OEM's recommendation, please explain why NS Power opted not to comply with this recommendation.

Response IR-6:

(a) The 2014 inspection scope included opening, cleaning, and detailed inspection of the LP, HP, and IP turbine components, including rotors, diaphragms, bearings, casings, and thermocouples.

(b) Please refer to IR-5 part (c).

(c) The OEM recommends a standard inspection interval of every 4 years. However, NS Power's asset management strategy incorporates a more nuanced approach, leveraging the expertise of internal subject matter experts (SMEs) and a range of operational data to determine appropriate inspection and overhaul timing.

This strategy considers:

- Accumulated operating hours
- Start/stop cycle counts
- Expected future utilization
- Condition assessment findings
- Operational changes or significant events

NS Power has adopted flexible inspection intervals which allow for the extension of asset life when justified by condition-based evidence. These intervals are supported by third-party technical assessments. This approach ensures that inspections and refurbishments are scheduled based on actual asset condition and risk, rather than fixed calendar intervals, optimizing both reliability and cost-effectiveness.

Request IR-7:

Page 2 of the application states: "By 2025, LP, HP and IP turbine will have accumulated over 75,000 operating hours and 80 start/stop cycles since the previous inspection, reaching the threshold for overhaul as defined by NS Power's asset management strategy for steam turbines."

(a) What is the threshold for overhaul as defined by NS Power's asset management strategy for steam turbines?

(b) Please explain how this threshold was developed.

Response IR-7:

(a) NS Power's asset management strategy defines overhaul thresholds based on operating years, adjusted for unit-specific conditions. As a general guideline, the standard target threshold is 6 to 8 operating years. For the Point Aconi unit specifically:

- Low Pressure (LP) turbine: 4 operating years
- High Pressure (HP) and Intermediate Pressure (IP) turbines: 8 operating years

These thresholds reflect the different conditions and operational demands of each section.

(b) These thresholds are developed using a combination of:

- NS Power's operational experience with similar assets
- Industry best practices
- Recommendations from the OEM
- Input from third-party technical experts
- Engineering analysis of component condition, performance history, and risk factors

This multi-source approach ensures that overhaul timing is both technically justified and aligned with reliability and safety objectives.

Request IR-8:

Page 2 of the application states: "Performing the LP, HP and IP turbine refurbishment during the planned 2025 outage aligns with NS Power's asset management strategy, ensuring operational efficiency and minimizing the risk of future unplanned outages."

(a) Please describe the purpose of the planned outage in 2025.

(b) Please describe any other work components/investments that will be completed during the outage.

Response IR-8:

(a) The planned 2025 outage at the Point Aconi Generating Station is part of NS Power's routine annual outage program, which is conducted across all thermal generating units. These outages are essential for executing a range of projects that address safety, reliability, and environmental performance, and to ensure the continued safe and reliable operation of the unit.

For 2025, a key focus of the outage is the refurbishment of the LP, HP, and IP turbine components. This major turbine work is in alignment with NS Power's asset management strategy, which is based on accumulated operating hours, thermal cycles, and condition assessments. The refurbishment will address known degradation mechanisms such as erosion and creep, and mitigate the risk of unplanned failures.

(b) During the 2025 outage at the Point Aconi Generating Station, in addition to the refurbishment of the LP, HP, and IP turbine components, NS Power will complete several other planned work activities. These include the Turbine Insulation Rebuild to restore thermal efficiency and maintain safe operating conditions, the 8th Stage Blade Replacement to address wear and ensure continued turbine performance, and maintenance

on the Control and Relief Valves (CRVs) to support proper pressure regulation and system protection. Significant boiler-related work will also be undertaken, including coal chute improvements, superheater refurbishments, refractory repairs, and boiler burner component upgrades. Other critical systems receiving attention include the condenser water box relining, feed pump rebuilds, and cooling water pump replacements, all aimed at improving thermal efficiency, reliability, and operational safety. These activities are scheduled concurrently to optimize outage efficiency and align with NS Power's asset management strategy.

NS Power is also investing in a series of sustaining capital and routine upgrades during the outage to support long-term asset performance and regulatory compliance. These include electrical system enhancements such as breaker refurbishments, and transformer replacements; control system modernization through DCMS upgrades; and infrastructure improvements including HVAC system upgrades. Environmental and fuel system investments are also planned, such as limestone cyclone relining and ash and coal system refurbishments. Collectively, these activities reflect NS Power's commitment to proactive asset management, outage efficiency, and continued alignment with environmental and safety standards.

Request IR-9:

(a) What is the required lead time for parts delivery for the project?

(b) Will parts be purchased in advance of the planned outage to limit the impact that delivery delay may have on overall outage time?

(i) If not, why not?

Response IR-9:

(a) Most parts required for this project have an estimated lead time of 10 to 16 weeks. This timeframe has been incorporated into the project planning to ensure timely delivery and alignment with the scheduled 2025 outage.

(b) Yes, NS Power will purchase parts in advance of the planned 2025 outage to mitigate the risk of delivery delays and minimize any potential impact on the overall outage schedule. This proactive approach supports outage readiness and aligns with the project's risk management and execution strategy.

Request IR-10:

(a) If the inspection reveals that there are some components that do not need to be replaced, will NS Power be able to return purchased replacement parts for a credit?

(b) If not, what will NS Power with the parts that are not required?

Response IR-10:

(a) No, NS Power will not be able to return purchased replacement parts for credit if inspection reveals that some components do not need to be replaced. This policy is consistent with NS Power's asset management strategy, which emphasizes operational reliability and outage minimization. Ensuring that all potentially required components are available prior to work commencement helps avoid delays that could extend outages. The potential operational and customer impacts of such delays outweigh the financial benefits of returning unused materials.

(b) Parts that are not required will be reallocated to project stock inventory as critical spares to ensure their availability for future maintenance or refurbishment activities.

Request IR-11:

Regarding the Project Cost Estimate Input Checklist and Maturity Matrix on pages 4 to 5 of the application:

(a) The matrix suggests that 97% of the Class 1 deliverables for the proposed project are complete (the same percentage as completed Class 3 deliverables). As such, please explain why the project costs estimate has not been devel-oped to a Class 1 level.

(b) Please explain the relevance of the "Inclusions" noted on page 5, particularly given the last line which states: "This RP excludes power generating facilities and high-voltage transmission".

Response IR-11:

(a) Although 97 percent of Class 1 deliverables are complete, the estimate has been classified as Class 3 due to key considerations around definition confidence, risk profile, and strategic conservatism. While the deliverables are largely in place, the estimate incorporates a 10 precent contingency to account for uncertainties such as component wear and inspection findings, factors that introduce residual risk inconsistent with the tighter accuracy expectations of a Class 1 estimate. Additionally, the estimate methodology and timing align more closely with Class 3 standards. The decision to apply the lower bound of Class 3 contingency reflects a prudent, risk-aware approach to cost forecasting at this stage.

(b) NS Power bases its Project Cost Estimate Input Checklist and Maturity Matrices on the AACE International Recommended Practices (RPs). AACE publishes both generic and industry-specific input checklists and maturity matrices. The project team selects the matrix type that most closely aligns with the scope of the project being executed. For this project, the matrix was based upon AACE International RP 18R-97 Cost Estimate

Classification System – As Applied in Engineering, Procurement, and Construction for the Process Industries.

Currently, AACE does not publish RPs specific to thermal electrical generation. However, there are RPs tailored to hydroelectric generation, nuclear electrical generation, and electrical transmission infrastructure. Therefore, NS Power applies the most appropriate matrix available for each project type. For hydropower or transmission projects, matrices with better alignment to those scopes are used. The "Inclusions" noted on Page 5 of the application were included without proper reference to AACE International RP 18R-97 and without additional context provided.

Request IR-12:

Attachments 1, 2 and 3 of the application provide vendor pricing that appears to be based on a master services agreement between the vendor and NS Power. The vendor quotes for "Turbine Parts" and for "Turbine Contractor" in U.S. dollars and there is an additional amount added to the price to convert from U.S. to Canadian dollars.

(a) Please confirm as noted, that all third-party pricing provided on Page 3 of the application, including the pricing from the selected vendor, was obtained through a competitive procurement process.

(i) If not confirmed, please explain.

(b) If NS Power intends to sole-source any work to the vendor that will not involve a competitive procurement process, please explain whether there are any Canadian companies that could have provided the work and how NS Power can ensure it is obtaining best value for money for this work without a competitive procurement process.

Response IR-12:

(a) Not confirmed.

(i) A steam turbine is highly specialized equipment. The selected vendor is the OEM. Third party vendors do not have access to proprietary design information of the equipment required to produce parts to OEM specifications for the Point Aconi Steam Turbine. Any third party parts require reverse engineering, which introduces inherent technical and reliability risks, and adds time to the outage, potentially weeks or longer, and can require additional opening and closing of equipment depending on delivery times. The OEM is uniquely positioned to supply parts built

to the original installed dimensions and provide technical field advisory services, as they have exclusive access to original drawings and engineering data.

(b) There are no Canadian companies that can provide parts to the OEM specifications without significant reverse engineering or technical field advisory services with access to original design engineering specifications. For specialized equipment, such as steam turbines, utilizing the OEM avoids the added cost and time of reverse engineering. Depending on the part, the turbine can require disassembly to measure the part in place. If delivery timelines are extended, the machine may need to be reassembled and put back in service until the part is available, requiring another disassembly and reassembly. Utilizing OEM services avoids this and also incorporates any learnings from similar machines since the original manufacturing.

Request IR-13:

Assuming the project is approved by the Board and the full project cost is included in NS Power's rate base once placed into service, please identify the rate base dollar amount associated with the project that NS Power expects to transfer to the DDA upon retirement of the POA generating facility in 2029/30.

Response IR-13:

NS Power forecasts a remaining net book value of approximately $4.5 million to be transferred to the DDA associated with this investment upon retirement of the POA generating facility in December 2029.

Request IR-14:

(a) If this project were not to proceed, please identify the net present value of the total replacement cost of energy to replace POA energy for 2026 to 2029, assuming 7555, 2592, 1264 and 481 service hours for POA in 2026, 2027, 2028 and 2029, respectively (as identified in response to NSUARB IR-18 in the 2025 ACE Plan proceeding (M12012)).

(b) Please identify all assumptions used for the analysis and provide the results in pdf and electronic format with all formulae intact.

Response IR-14:

(a) The present value of the replacement energy costs is $8,023,193. This is calculated using the replacement energy values in the current year's Economic Analysis Model. There are replacement energy cost (REC) savings in 2026. However, in 2027-2029 there are no REC savings because the cost of replacement energy is lower than the cost of energy from POA.

While Point Aconi does provide REC savings in 2026, this only represents a portion of the value the unit provides to the system. This is why this project, and all Point Aconi investment, is justified on capacity as opposed to replacement energy costs. In addition to providing energy, POA also provides 168 MW of firm capacity, which has been tested as the most economic option through the 10-Year System Outlook and Evergreen IRP processes for providing that capacity. Absent the firm capacity provided by Point Aconi, the system would be at significant risk of not having sufficient generation capacity available to meet system demand during peak hours (please refer to IR-3, part (a) for more details).

(b) Please refer to Partially Confidential Attachment 1.

C0061003 NSEB IR-14 Attachment 1 has been removed due to confidentiality.