2025 **M12550**

NOVA SCOTIA ENERGY BOARD

IN THE MATTER OF: **The Public Utilities Act**

IN THE MATTER OF: **An Application by Nova Scotia Power Incorporated to obtain a cost reasonableness review of NS Power – CI C0051815 - $5,959,515 – RTU Replacements Program – Phase 6, as outlined in Section 2.1 of the 2025 Annual Capital Expenditure Plan decision (M12012)**

INFORMATION REQUESTS

To: Midgard Consulting Inc. ("**Midgard**")
Protech Engineering Inc. ("**Protech**")

From: The Industrial Group

Responses Due: March 25, 2026

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Issued at Halifax, Nova Scotia, this 4th day of March 2026.

Request IR-1:

(a) At page 11, Midgard states it assessed "whether the Project, as proposed, is justified, reasonable, and aligned with regulatory expectations for prudent utility investment". Please explain what Midgard considers to be NSEB "regulatory expectations".

(b) What test or standard did Midgard apply for prudence?

Request IR-2:

Preamble: **It appears that Midgard assessed "Overall Project Prudence & Ratepayer Interest" under three categories: Project Execution Strategy (page 21), Project Controls & Governance (page 27) and Assessment of Cost Reasonableness (page 36), collectively summarized at pages 38-39.**

Of the findings, please identify which, if any are not aligned with regulatory expectations for prudent utility investment.

Request IR-3:

Reference: Page 39, Midgard Commentary on Report Section 5.1.

> ***"While NSPI identifies valid complexity drivers, the specific magnitude of labour increases remains unsubstantiated. A 33% variance exists between NSPI's filed estimate and an independent allocation derived from Phase 6 technical documents. This variance is driven by unresolved disputes regarding installation duration and the absence of task-level traceability. Midgard recommends a 30% reduction in labour hours to reflect reasonable productivity levels supported by technical documentation."***

(a) Please confirm that applying the recommended 30% reduction in labour hours would reduce the prudent capital cost for the project. If not, please explain.

(b) With reference to the revised estimate from NSPI totaling $5,058,964 and line-item build up at pages 17-18, please confirm the labour subtotal used for dollar translation and identify included/excluded lines for adjustment.

(c) Please provide a full recalculated total, adjusting for the 30% reduction in labour hours with updated overhead, contingency and AFUDC if applicable.