M12619 - 2026 Annual Capital Expenditure Plan
Opening Statement of Nova Scotia Power Incorporated
Provided by Dave Pickles, Chief Operating Officer, Nova Scotia Power Incorporated

Thank you, Chair and Members of the Board, for the opportunity to provide opening remarks on Nova Scotia Power's 2026 Annual Capital Expenditure Plan, or ACE Plan.

Nova Scotians count on us for safe, reliable electricity every day. The ACE Plan outlines how we're investing to meet that responsibility.

This year, our proposed capital spending totals $702 million, slightly higher than the $692 million in 2025. Within that total, we are seeking approval of 20 capital work orders and the capital routine program, totaling $284 million. These investments touch every region of the province and support three core objectives: improving reliability, ensuring safety and environmental compliance, and preparing the system for the future.

Reliability is the cornerstone of this plan. Now in year two of the 2025–2029 Reliability Plan, we are investing approximately $1.3 billion in the power system to reduce the duration and frequency of outages in line with Performance Standards. The plan focuses on vegetation management, infrastructure upgrades, and storm hardening to better prepare the grid for extreme weather and modernized operations. Since trees contacting power lines remain the leading cause of outages, our annual tree-trimming investment has increased from $25 million in 2022, to $32 million in 2023, to $45 million since 2024. Alongside this, we are replacing aging equipment, strengthening the transmission and distribution system, and adopting modern technologies that enable faster outage detection, isolation, and restoration, all aimed at building a more resilient grid for customers.

We also welcome the Board-appointed third-party review of our Reliability Plan which is now underway. We value the feedback such a review will provide and see it as an important opportunity to strengthen alignment on priorities, cost effectiveness, and outcomes, particularly as we assess our longer-term five-year plan. We look forward to continuing to work constructively through that process.

The 2026 ACE Plan also includes Appendix F: The Path to 2030 Update which outlines a detailed and specific plan as to how the Company will achieve the 2030 obligations. The Path to 2030 Update also details how Nova Scotia Power will rise to the challenge of increasing energy demand across the province. Utilities everywhere are responding by investing more in their systems. In Nova Scotia, that includes grid scale battery storage and interconnection with neighbouring jurisdictions.

Two grid scale battery facilities, in Bridgewater and Waverley, have been operational since the end of 2025, with a third site in the Annapolis Valley expected to come online this year. These sites are already contributing value, storing energy, and providing power back to the grid for customers, including during periods of high demand, such as the extreme cold snap Nova Scotia experienced at the end of January.

Wasoqonatl Transmission Inc., is a unique partnership between NS Power, the Canadian Infrastructure Bank, and the WMA in Nova Scotia and MUIN Transmission Limited Partnership in New Brunswick. Together, we are progressing work on a new transmission tie between Nova Scotia and New Brunswick. Construction is expected to be completed by 2028, complementing existing interconnections, including the Maritime Link, which flows energy from Newfoundland and Labrador into Nova Scotia.

We are also progressing preliminary engineering assessments to better understand the requirements to support fuel conversions at Lingan and Point Tupper in accordance with the Province's Clean Power Plan. Additionally, opportunities for increased biomass usage are under assessment in preparation for 2030.

These investments are critical as more renewable generation comes onto the system and as we prepare to be off coal in 2030 - along with ensuring consistent service when the sun isn't shining or the wind isn't blowing.

The Path to 2030 Update also reflects the creation of the Nova Scotia Independent Energy System Operator. The IESO now has responsibility for long range system planning and generation procurement, including new wind development. This evolution allows Nova Scotia Power to remain focused on what we do best: delivering reliable service and carrying out complex infrastructure projects safely and efficiently.

Finally, I want to highlight the importance of 2030-transition planning reflected in this ACE Plan. As we work toward the province's 2030 climate goals, some generation assets are nearing retirement or may be used differently in the future. Until those transitions occur, these assets must be maintained in a safe, reliable, and environmentally responsible manner. The 2026 ACE Plan includes mindful, risk-based investments to ensure our fleet can continue to meet customer needs at the lowest possible cost to customers, through 2030 and beyond, while new resources are developed and integrated.

In closing, the 2026 ACE Plan represents months of work by teams across the Company. It reflects a disciplined approach to investment, a strong focus on reliability, and a clear understanding of the transition underway in Nova Scotia's electricity system.

Thank you for the opportunity to speak today.