Nova Scotia Energy Board

IN THE MATTER OF

The Maritime Link Act, S.N.S 2012 c.9
and the
Maritime Link Cost Recovery Process Regulation, N.S. Reg. 189/2012

NSPML Quarterly Report Q4, 2025

December 15, 2025

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1.0 INTRODUCTION

This is the Q4 2025 Quarterly Report for the Maritime Link as directed by the Nova Scotia Energy Board ("Energy Board" or "Board"; formerly the Nova Scotia Utility and Review Board) where the Energy Board ordered in its Supplemental Decision:

> [115]….detailed reports must be filed by NSPML on a semi-annual basis, on June 15 and December 15 each year. The reports shall commence December 15, 2013. Updated status reports must be filed quarterly.

As per the Energy Board's order in its Decision regarding NSPML's Application for final approval of Maritime Link Project Costs and approval of the 2022 cost assessment (M10206), NSPML continues its quarterly reporting to the NSEB by way of this Report. Additionally, as per the NSEB's Decision regarding approval of a capital project related to submarine cable protection (M12285) and its directive to provide regular updates on the project, NSPML will provide these updates within these reports.

Given that the benefits to ratepayers of the Nova Scotia Block and Newfoundland & Labrador (Nalcor) market-priced energy are secured by Nova Scotia Power through the Maritime Link, Nova Scotia Power continues to report on these in its Quarterly Maritime Link Benefits Report.

2.0 UPDATE OF THE MARITIME LINK

2.1 Safety and Environment

Safety is a fundamental core value and integral part of every aspect of NSPML's business. NSPML continues to be risk-focused on the assessment of all work activities. There have been no internal recordable safety incidents to date in 2025, and no environmental incidents. Focus on safety will be critical with the anticipated upcoming rock protection for the submarine cable. Thorough high-risk reviews have recently been conducted with NSPML management, external experts, and the contractor selected to complete the work.

2.2 Land Access Agreements

The majority of land rights are now in place. In NS, NSPML continues to progress towards expropriations for 54 parcels of land, many of them being small anchor easements where the anchor for the transmission line towers is underground. These easements do not affect the ability of the Project to operate according to plan. The related land matters in NL had been with the expropriation panel as per the process originally instituted by the Newfoundland & Labrador government; however, as previously reported, NSPML has recently learned that the expropriation panel is not presently available. Given this recent development, NSPML continues to work with NL Government to determine how to finalize these matters. All lands have been expropriated; however, there are some lands where owners could not be found where funds will be paid into trust, as well as a claim regarding mineral rights.

2.3 Joint Development Agreements

The Regulation Service Agreement between NS Power and Nalcor (NLH) has progressed pending establishment of protocols for usage by NS Power. NLH has completed their filing of the Regulation and Service Agreement (between NS Power and NLH) with the NL PUB and there is now a tariff for regulation service in Newfoundland

& Labrador. NS Power continues to work with NLH to finalize the associated protocols. It is noted that operations are not constrained by this.

2.4 Submarine Cables

As previously discussed in the Maritime Link Quarterly Reports, NSPML's Cable Protection Project for the submarine cables is underway. As outlined in NSPML's Reply Submission for the Project, NSPML negotiated with its contractor to advance a portion of the work to November 2025 to take advantage of a near-term availability of a suitable fall pipe vessel in the Atlantic region. Following successful negotiations, the protection campaign was initiated on October 30 where protection activities occurred over Areas 2 and 3, as defined in the Project scope. This work included protection of all exposures and freespans previously identified in these areas. Cable protection activities were successfully concluded on November 14. Approximately 30,000 tonnes of rock was installed as part of this campaign over a total distance of roughly 6 km, inclusive of all rock berm run-ins and run-outs (i.e. transitions). The remaining work for this initiative is planned for Q2, 2026. The project is on track to budget.

NSPML is currently planning to perform a nearshore subsea inspection survey of rock berms at HDD (Horizontal Directional Drilling) exit locations in Q4. The report will be filed with the NSEB once it is completed.

With respect to NSPML's Subsea and Land Cable Maintenance and Repair Plan ("Plan"), NSPML confirms that there have been no changes made to the Plan in this quarter.

Update on CCI Recommendations

During NSPML's oral argument on October 30, 2024 regarding NSPML's 2025 Assessment (M11792), Vice Chair Deveau inquired as to whether there was any update on recommendations 2 and 3 from CCI regarding NSPML's Final Project Cost proceeding (M10206) in 2021[1]. NSPML provided an update in the Quarterly Report for December 2024.

There are currently no further updates; however, NSPML will continue to provide this and other updates as applicable to the Board and stakeholders through its Quarterly Report.

2.5 Converters and Substations

The Converters and Substations have been in service since January 2018 and continue to perform well.

The Maritime Link has maintained strong availability achieving 98.52% Energy Availability (percentage of the year that 500MW would be able to transfer across Maritime Link) and 100% Monopole Availability as of the end of November.

2.6 Transmission Lines

The overhead transmission system continued to perform well with no significant reliability or availability issues experienced. A second helicopter inspection of all lines has been completed in NL and is planned for NS before year-end to help ensure winter readiness.

[1] Recommendation number 1 is closed.

2.7 Independent Engineer

NSPML remains engaged with the Independent Engineer (IE) related to the Operations phase of the Maritime Link, as per the Federal Loan Guarantee requirements.

The IE completed a site visit of NSPML's assets in Newfoundland and Labrador in late July and of the assets in Nova Scotia in late October. A copy of the report for the NS site visit will be filed with the NSEB once it is completed (the Report for the NL site visit was filed as Attachment 1 in the October 15th Report to the NSEB).

2.8 Status of Nalcor Project and Muskrat Falls

Muskrat Falls Assets

All units are currently available for operation.

Synchronous Condensers at Soldiers Pond

All three units are available and operating normally as required and as dispatched by the NLSO subject to normal operating practice and maintenance requirements.

Labrador Island Link

The Labrador Island Link (LIL) continues to perform well. The 900 MW (LIL) test that was planned for late 2025 has now shifted to 2026. According to Newfoundland & Labrador Hydro, hydro reservoirs are at a decreased level and as such it is necessary to postpone the test "as a result of its continued focus on winter readiness activities and prioritization of reliable service to customers during the winter period, including supporting reservoir levels to meet peak load requirements."

2.9 Status of Benefits to NS Power Customers

With Newfoundland & Labrador Hydro's commissioning of the Labrador Island Link early in 2023, all aspects of the Muskrat Falls Project are now fully operational, supporting significant use of Emera's Maritime Link and providing substantial benefits to customers in both Nova Scotia and Newfoundland & Labrador.

Customer benefits received to date are being reported by NS Power with its Quarterly Maritime Link Benefits Report and otherwise in accordance with the Board's directions in Decision M10206.

Since the Labrador Island Link (LIL) commissioning in April 2023 through the end of September 2025, delivery levels (including purchased) are approximately 174% of the contracted NS Block and approximately 181% YTD in 2025.

3.0 UPDATED COST SUMMARY

NSPML continues to track and report costs, actual and forecast, consistent with the methodologies used in the cost forecast represented in the Maritime Link Project Application. Capitalized Project costs reported to the end of September 2025 have been updated to reflect the Board's Decision in relation to unrecoverable costs. Costs continue to be recorded in accordance with the Affiliate Code of Conduct. All costs provided are in Canadian dollars.

Actual AFUDC has been tracked and recorded monthly up to December 31, 2017 and has been adjusted from approximately $209 million to approximately $208 million in accordance with the Board's Decision, and below the $230 million amount originally estimated.

Total Actual Project Costs as of the end of Q3 2025

In Q3 2025, NSPML's capital cost attributed to the original ML Project was a net credit of $103,771; for a total net credit of $79,025 year-to-date. This primarily relates to the receipt of a warranty claim settlement being partially offset by cost relating to outstanding land matters.

The final project closeout and any associated adjustment to final project costs will be filed with the Energy Board once the outstanding land matters (which are currently undergoing expropriation processes in both NS and NL) and legal claims are finalized.

In Q3 2025, NSPML's capital cost incurred attributed to sustaining capital was $10,161; for a total spend of $265,983 year-to-date. This relates to preliminary engineering associated with the rock installation project and other routine capital items.

4.0 2025 ASSESSMENT FINANCIAL UPDATE

NSPML receives monthly cost recovery revenues from NS Power pursuant to the Board's order.