

January 12, 2026

shellie.woolham@emera.ca

Shellie Woolham
Director, Regulatory Affairs & Governance
Emera Newfoundland & Labrador
1223 Lower Water Street
Halifax, NS B3J 3S8

Dear Ms. Woolham:

M12516 & M12627 – NSP Maritime Link Inc. – Q3 & Q4 2025 Quarterly Reports

On October 15, 2025, NSP Maritime Link Inc. (NSPML) filed its Q3 2025 report, which included the Independent Engineer's Site Visit Report dated August 28, 2025, and the 2024 Annual O&M Report dated July 16, 2025. NSPML submitted a request for confidentiality pursuant to *Rule 12* of the *Board Regulatory Rules* for the Q3 report. The Board approves NSPML's request for confidentiality. On December 14, 2025, NSPML filed its Q4 2025 report.

The Board panel considering this matter is Stephen T. McGrath, K.C., Chair; Roland A. Deveau, K.C., Vice Chair; and Steven M. Murphy, MBA, P.Eng., Member.

In the Q3 report, NSPML responded to the items requested by the Board in its Q2 decision letter. NSPML noted that Muskrat Falls Unit 2 returned to service in August 2025. NSPML updated the status of the 900 MW Labrador Island Link test, noting the test has been further delayed due to the decreased levels of hydro reservoirs. Furthermore, NSPML stated that the following items remain unchanged with no new status updates:

- The establishment of the land expropriation panel to address land matters in Newfoundland and Labrador.
- The establishment of protocols between NS Power and Newfoundland and Labrador Hydro (NLH) to develop a Regulation Service Agreement.
- The Subsea and Land Cable Maintenance and Repair Plan.
- The second helicopter inspection has been completed of the overhead transmission system in Newfoundland and Labrador, while one is planned for Nova Scotia before year end 2025.

The Board notes the following in the Q3 and Q4 reports:

1. The expropriation panel addressing land matters in Newfoundland and Labrador is still not in place in Q4.
2. The Regulation Service Agreement was not completed during the fourth quarter of 2025, and NS Power continues to work with NLH to complete the protocols for usage.
3. NSPML finalized a contract to conduct a submarine cable protection project. An application (M12285) was submitted to the Board, and the Board issued a decision on December 4, 2025, 2025 NSEB 15, approving the capital project. In its decision, the Board directed NSPML to report on the issues raised by Laurence Trim of CCI, the Board Counsel consultant. NSPML agreed to file a compliance filing after the completion of the project, including the studies and documentation addressing Mr. Trim's recommendations and the details of conducting the remedial work in two phases. NSPML also agreed to provide project updates in its regular quarterly reports to the Board. In the Q4 report, NSPML stated it had started the cable protection activities on October 30 over Areas 2 and 3. NSPML noted that, as of November 14, 2025, approximately "30,000 tonnes of rock was installed as part of this campaign over a total distance of roughly 6 km", which includes all transition rock berms. NSPML is planning to continue the remaining work in Q2 2026.
4. A nearshore subsea investigation of rock berms at HDD exit locations was planned for Q4 2025, with a report to be submitted upon completion.
5. The Subsea and Land Cable Maintenance and Repair Plan remains unchanged during Q4.
6. The Q3 report noted that a drone inspection was completed in July on parts of the HVDC and HVAC transmission lines, however, it did not specify the specific sections or regions that were inspected. In contrast, the Q2 report indicated a spring helicopter inspection of the overhead transmission was completed in May. In the Q4 report, NSPML stated that the company completed a second helicopter inspection of the Newfoundland and Labrador transmission lines, and that the inspection for the Nova Scotia transmission lines was scheduled to be completed before the end of 2025, to ensure winter readiness.
7. A site visit of NSPML's Newfoundland assets was completed by the independent engineer (IE) in July. A copy of the IE report is included in the Q3 report. IE noted that all sites are fully operational and in good order. However, there are a few deficiencies, including vegetation clearance, and corroded ground wires in the transition compound and at a few of the tower locations. The IE noted that NSPML was unable to locate one of its upward looking sonars deployed in Cape Ray to capture ocean data, such as wave heights and current direction as well as velocity. Further investigation to locate the lost unit was planned for later in 2025. The Board directs NSPML to provide an update on the search for the lost sonar unit. In the Q4 report, NSPML noted that the Nova Scotia site visit was completed in late October 2025, with the report to be provided upon completion.



8. In the Q3 attachment 1, NSPML included a copy of the IE report to update NSPML's annual operation and maintenance. The IE noted that "Commissioning of the associated Special Protection System (SPS) is targeted for completion in 2025."
9. The 900 MW Labrador Island Link test is postponed to 2026.
10. In the Q3 report, NSPML reported that several outages occurred on the Labrador Island Link between September and October 2025, including an unplanned outage caused by a failed switch at an electrode site on October 7, 2025.

The Board notes that the Regulation Service Agreement was originally expected to be completed in 2017. The Board wishes to highlight for NSPML that it will be at risk for disallowances should costs be incurred or losses be experienced that would not have occurred (or would not have occurred to the same extent) had the agreement been completed in a timely fashion.

The Board also notes that, notwithstanding recent issues with the expropriation panel in Newfoundland and Labrador, the resolution of land rights was expected to be completed in 2021. In its next quarterly report, NSPML is directed to specifically and separately list every land rights item, legal claim, or other matter it believes affects its ability to move forward with final project closeout, along with the estimated value of the benefit or liability associated with each item.

The Board accepts NSPML's Q3 and Q4 reports and requests that further updates on the numbered items above be included in the next quarterly report.

Yours truly,

Lisa Wallace

for Crystal Henwood
Clerk of the Board

c. William L. Mahody, K.C., Board Counsel
Interested Parties

