

May 15, 2026

lane.myatt@nspower.ca

Lana Myatt
Manager, Regulatory Capital
Nova Scotia Power Inc.
P.O. Box 910
Halifax, NS B3J 2W5

Dear Ms. Myatt:

**M12744 - CI C0080102 - Nova Scotia Power Inc. - 92H-331 Double Circuit Peggy's Cove Rd
- \$4,303,210**

On March 13, 2026, Nova Scotia Power Inc. (NS Power) filed a request with the Nova Scotia Energy Board (Board) for approval of a 2026 Subsequent Approval Item: the 92H-331 Double Circuit Peggy's Cove Road project. The project was submitted as a partially confidential work order. The estimated project cost has increased by \$2,420,637 from the 2026 ACE Plan budget of \$1,882,573. The cost increase is primarily due to the construction length of feeder 92H-335 being updated from 5.5 km to 8.5 km. Further, NS Power indicated that the proposed new three-phase feeder along Peggy's Cove Road will be constructed under live operating conditions to minimize customer impacts and service interruptions.

In the "Why do this project now" section of the application, NS Power explained that existing feeder 92H-331 experienced higher than normal winter peak load conditions exceeding 450 Amps, while it is designed to service a maximum load capacity of 325 Amps. The proposed new feeder will be constructed as a double-circuit feeder and will share infrastructure with existing feeder 92H-331 to resolve the overload issues on 92H-331. NS Power also noted that existing feeder 92H-331 is the only 12 kV feeder in the area, and the adjacent feeder 103H-434 is 25 kV. In addition, other distribution feeders in the area are currently operating above their design capacity during winter peak load; therefore, load transfer through step-down transformers is not possible. As such, existing feeder 92H-331 has limited load transfer capability with adjacent feeders.

NS Power stated that extending feeder 92H-335 from 6 km to 8 km would further reduce the winter peak load on feeder 92H-331 from 320 Amps (at a 6 km feeder length) to 179 Amps (at an 8 km feeder length). NS Power estimated the expected winter peak on feeder 92H-335 after the extension to be 228 Amps. Further, in the application, NS Power filed a Planning Study report to explain the loading conditions for the Tidewater substation. According to the load growth

estimation in Table 14 of the study, the loading on both feeders is expected to remain within design limits over the next 10 years.

Information Requests (IRs) were sent to NS Power by the Board on March 27, 2026, and NS Power provided its responses on April 20, 2026.

In response to IR-1, NS Power stated that the 92H Tidewater substation is currently experiencing transformer overload issues, which will be addressed through a separate project. NS Power indicated that the issue will be resolved by upgrading the transformer using an existing spare unit, which it expects will reduce the overall cost of the transformer replacement project to under \$1 million.

In response to IR-2 and IR-3, NS Power stated that in addition to improving loading conditions, splitting a load from a single heavily overloaded feeder across two feeders would also improve restoration outcomes during unplanned events. NS Power also provided clarification on the February 4, 2024, outage, in which a structure on feeder 92H-331 was struck by a vehicle, resulting in an outage during extreme cold conditions. NS Power explained that service restoration had to be carried out in multiple stages to avoid inadvertently triggering operating feeder protection due to the significant load imbalance before and after restoration and the fact that the load significantly exceeded the 325 Amp feeder design limit. NS Power stated that the multi-stage restoration process contributed to extended outages for customers.

In response to IR-10(a), NS Power stated that identification of the overload condition on feeder 92H-331 was delayed due to rapid load growth and the absence of real-time monitoring devices. NS Power further stated:

... As a result, identification of the overloaded condition was delayed and operational concerns progressed more quickly than what is typical of distribution feeders. Once identified, a detailed analysis (M-AREA-2025-002) was initiated to determine the preferred solution ahead of the capital submission. In parallel with this study, preliminary design work and long-lead equipment and easement procurement for the anticipated solution were advanced to streamline the construction upon project approval.

[N-2, IR-10(a), p. 2]

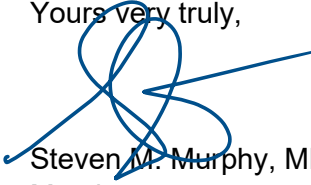
NS Power also noted that its Regional Engineering team reviewed the overload condition on feeder 92H-331, implemented interim mitigation measures to reduce outage risk, and evaluated opportunities for load transfer. NS Power stated that these measures could not fully resolve the overload and that construction of a new feeder remains necessary.

Finally, in response to IR-12, NS Power noted that it considered the conversion of 92H-331 from 12 kV to 25 kV but eliminated this option due to cost and feasibility concerns.



Based on the evidence filed in this proceeding, the Board finds that the proposed 92H-331 Double Circuit Peggy's Cove Road project is necessary. The Board approves the total project cost of \$4,303,210.

Yours very truly,

A blue ink handwritten signature, appearing to be "S. Murphy", written over the text "Yours very truly,".

Steven M. Murphy, MBA, P.Eng.
Member

A blue ink handwritten signature, appearing to be "J. Nicholson", written below the signature of Steven M. Murphy.

Jennifer L. Nicholson, CPA, CA
Member

A blue ink handwritten signature, appearing to be "Darlene Willcott", written below the signature of Jennifer L. Nicholson.

Darlene Willcott, LL.B.
Member



NSEB APPROVAL SHEET

Project Title: 92H-331 Double Circuit Peggy's Cove Rd

CI Number: C0080102

Date: March 13, 2026

Expenditure Profile			Type of Filing	
Year	Budget Amount	Project Estimate	☒	Capital Project Authorization
2026	1,704,973	3,798,558	☐	Unforeseen and Unbudgeted (U&U)
2027	177,600	504,652	☐	Planned & Advanced (P&A)
			☒	Subsequent Approval Item
			☐	Authorization to Overspend (ATO)
			☐	Scope Change
			☐	Final Cost (FIN)
Total	\$1,882,573	\$4,303,210		

COMMENTS

Submitted on behalf of NOVA SCOTIA POWER INCORPORATED

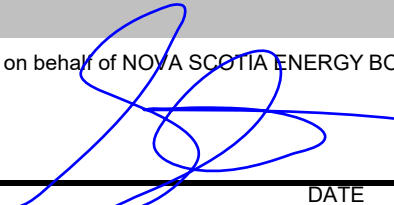


Authorized Signatory
Dave Pickles
Chief Operating Officer

DATE

March 13, 2026

Approved on behalf of NOVA SCOTIA ENERGY BOARD



DATE

May 14, 2026