

May 26, 2026

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Lana Myatt  
Manager, Regulatory Capital  
1223 Lower Water St  
P O Box 910  
Halifax, Nova Scotia B3J 3S8

Dear Ms. Myatt:

**M12745 - Nova Scotia Power Inc. - CI C0080671 - LIN1 HP IP Turbine Refurbishment  
2026 - \$3,249,384**

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The Board has reviewed the application by Nova Scotia Power Inc. (NS Power) dated March 13, 2026. NS Power requested Board approval of a capital expenditure in the amount of \$3,249,384 for the inspection and refurbishment of the Lingan Unit 1 high pressure and intermediate pressure turbine components and other designated components.

Board staff issued Information Requests (IRs) on April 17, 2026, to which NS Power responded on May 8, 2026. A request for confidentiality under *Rule 12* of the *Board Regulatory Rules* was also submitted by NS Power on May 8, 2026, requesting confidential treatment of its response to IR-3 Attachments 1 and 2, and IR-4 Attachment 1. The Board approves NS Power's request for this confidentiality.

The Lingan Unit 1 generating station is a thermal power plant consisting of a dual flow low pressure and a combined high and intermediate pressure turbine that converts steam, supplied by the Lingan boiler into mechanical energy, which is then converted into electrical energy using an electrical generator.

In its application, NS Power noted that the steam turbine overhauls are scheduled based on accumulated operating hours, the frequency of start/stop cycles, thermal cycles, and known equipment conditions, consistent with industry best practices and risk-based asset management principles.

In response to IR-2(c,) NS Power noted that in 2010 the unit had accumulated approximately 234,000 operating hours with 425 start/stop cycles, and by 2026 it had accumulated approximately 340,000 hours with 650 start/stop cycles. In response to IR-3(b), NS Power provided additional application supporting documents and explained that all contract estimates were prepared using quotes and purchase orders from previous turbine projects, which had varying scopes compared to the proposed high pressure/intermediate pressure turbine work in 2026. NS Power's internal subject matter experts reviewed the available

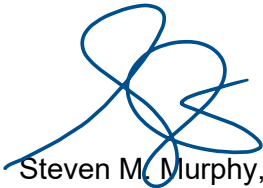
quotes and other project information to estimate the 2026 project contract costs, including appropriate adjustments based on the scale and complexity of the work.

In response to IR-1(d), NS Power confirmed that Lingan Unit 1 does not currently have a firm retirement date, and the previous Integrated Resource Plan had the unit forecasted to operate out to 2050. The unit is expected to be converted from coal as the primary fuel to full heavy fuel oil operation in 2029. The utilization factor for Lingan Unit 1 following conversion to full heavy fuel oil operation is forecast to be "Ultra Low" which is typically less than 1,000 hours annually. The unit will be used for meeting peak system demand.

In response to IR-4(a), NS Power stated that if this project is not implemented, the net present value of the total replacement cost of energy required to replace Lingan Unit 1's energy output from 2026 to 2029 would be \$405,120. This value does not include the cost of replacing the 162 MW of firm capacity provided by Lingan Unit 1, which would need to be supplied by a new combustion turbine unit.

Based on the information provided, the Board finds the work necessary and the corresponding cost justified, particularly given the firm capacity value that Lingan Unit 1 provides to the Nova Scotia grid. Accordingly, the Board approves NS Power's request in the amount of \$3,249,384 with respect to this capital expenditure request.

Yours very truly,



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



## NSEB APPROVAL SHEET

**Project Title:** LIN1 HP IP Turbine Refurbishment 2026

**CI Number:** C0080671

**Date:** March 13, 2026

| Expenditure Profile |               |                  | Type of Filing                      |                                  |
|---------------------|---------------|------------------|-------------------------------------|----------------------------------|
| Year                | Budget Amount | Project Estimate | <input checked="" type="checkbox"/> | Capital Project Authorization    |
| 2026                | 2,780,967     | 2,765,035        | <input type="checkbox"/>            | Unforeseen and Unbudgeted (U&U)  |
| 2027                | 464,025       | 484,349          | <input type="checkbox"/>            | Planned & Advanced (P&A)         |
|                     |               |                  | <input checked="" type="checkbox"/> | Subsequent Approval Item         |
|                     |               |                  | <input type="checkbox"/>            | Authorization to Overspend (ATO) |
|                     |               |                  | <input type="checkbox"/>            | Scope Change                     |
|                     |               |                  | <input type="checkbox"/>            | Final Cost (FIN)                 |
| <b>Total</b>        | \$3,244,992   | \$3,249,384      |                                     |                                  |

### COMMENTS

Submitted on behalf of NOVA SCOTIA POWER INCORPORATED

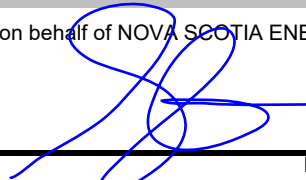


Authorized Signatory  
Dave Pickles  
Chief Operating Officer

DATE

March 13, 2026

Approved on behalf of NOVA SCOTIA ENERGY BOARD



DATE

May 25, 2026