

June 10, 2026

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

Dear Ms. Woolham:

M12808 - NSP Maritime Link Inc. - Q1 2026 Quarterly Report

On April 15, 2026, NSP Maritime Link Inc. (NSPML) filed its Q1 2026 report, which included the lists for land expropriation status updates for both Nova Scotia (NS) and Newfoundland and Labrador (NL), and the Independent Engineer's (IE) Site Visit Report dated December 12, 2025. NSPML submitted a request for confidentiality pursuant to Rule 12 of the *Board Regulatory Rules* for the Q1 report. The Board approves NSPML's request for confidentiality.

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 Q1 report, NSPML responded to the items requested by the Board in its Q3 and Q4 decision letter. NSPML noted the following:

- Of the 54 parcels of land in NS subject to expropriation, compensation has been paid for 33 parcels, and no outstanding liability remains, aside from minor issues related to marketable title such as deceased landowners with unsettled estates. For the remaining 21 parcels, compensation has not yet been paid, and NSPML estimates the outstanding amount at about \$100,000. In addition, two land acquisitions are subject to legal challenges by the landowners.
- For NL expropriations, NSPML estimates the compensation to be about \$200,000. None of the property owners in NL has received an offer or payment because the process remains stalled pending the establishment of the expropriation panel.
- Due to weather conditions, the nearshore subsea inspection survey of the rock berms at Horizontal Directional Drilling exit locations has been postponed and is planned to be completed before the rock installation project starts in 2026.
- A second helicopter inspection of all transmission lines in NS was completed at the end of 2025. An inspection of all lines in NS and NL is planned for Q2, 2026.
- The Labrador Island Link (LIL) 900 MW test was completed successfully on March 25 and 26, 2026, and Newfoundland and Labrador Hydro (NLH) is completing the

final review and compiling documentation for submission to the NL System Operator. Upon submission and acceptance, the LIL will be released for full operation up to 900 MW.

The Board notes the following from its review of this quarterly report:

1. Regarding the Land Access Agreement:
 - i. NSPML filed its confidential attachment to the report with a list of the outstanding land claim matters (except for the two Nova Scotia matters over which litigation privilege is claimed). The Board's direction is satisfied on this point.
 - ii. The land expropriation panel to address land matters in Newfoundland and Labrador is not presently available. Please continue to provide an update on this matter.
2. There have been no new updates on the establishment of protocols between NS Power and NLH for the development of the Regulation Service Agreement. However, NSPML noted that customers will not be charged prior to the completion of the Regulation Service Agreement between NS Power and NLH.
3. There have been no new updates on the Subsea and Land Cable Maintenance and Repair Plan.
4. The second portion of the Cable Protection Project for the submarine cables has been deferred from Q2 to Q3 2026 (p. 5).
5. The search for the lost sonar unit near Cape Ray during the subsea inspection survey planned for Q4 2025 was deferred to 2026 before the rock installation project starts. The Board repeats its direction to provide an update on this search.
6. The report notes that Unit 2 of the synchronous condensers at Soldiers Pond is planned to be out of service for a major inspection for 17 weeks from May through August 2026 (p. 8). Is this major inspection part of regular maintenance, or was it caused by an issue with the equipment? Please explain.
7. For the Independent Engineer's (IE) report:
 - i. On page 2 of the report, it states: "SPS (special protection system) is in service and working satisfactorily. Project completion report is pending." Please provide the SPS report in a future Quarterly Report as soon as it is available.
 - ii. On page 3 of the report, it states: "Pole 1 reactor door expansion during high outside temperatures initiated a pole trip (July 2025). Solution is pending." Please provide the details of this pole trip, and the timeline for the solution.
8. A CBC news article posted on February 27, 2026, <https://www.cbc.ca/news/canada/newfoundland-labrador/nl-hydro-update-nfld-power-outages-feb-27-9.7108206> outlined a mass outage in Newfoundland due to a "communications issue" with the Maritime Link. Please provide the details of this event, including the existing or potential solution.
9. Please provide an update on the progress of the final review of Labrador Island Link test results by the NL System Operator.

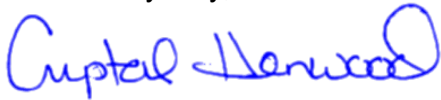


10. NSPML filed an update on the Long-Term Asset Management Plan (LTAMP). (It is noted that the first quarterly update as directed by the Board in its M12394 decision, 2026 NSEB 10, remains due July 31, 2026) NSPML noted that NSPML and NLH requested an extension of the initial review timeframe for the in-service LTAMP submissions. Please continue to update the progress of LTAMP in future quarterly reports.
11. On page 10 of 11, NSPML noted a \$7,096 net credit for the capital cost attributed to the original ML Project in Q4, 2025, and a net credit of \$86,121 year-to-date. NSPML noted a \$7,263,166 capital cost incurred attributed to sustaining capital in Q4, 2025, and a total spend of \$7,529,150 year-to-date. Please provide a breakdown for the net credit and the total spending.

In the previous letter, the Board highlighted the importance of the Regulation Service Agreement, which was originally expected to be completed in 2017. The Board continues to note that NSPML 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 accepts NSPML's Q1 2026 quarterly report and requests that further updates on the numbered items above be included in the next quarterly report.

Yours very truly,



Crystal Henwood
Clerk of the Board

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

