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Request IR-1:

Reference: Figure 2 – Unrecovered DDA costs in 2029 assuming 2026 Securitization.

1. **Please provide an explanation for the expenses included for each unit/plant in the "remaining NBV" column.**

2. **Please provide an explanation for how NSP derived the forecast unrecovered decommissioning costs of $65.6 million.**

3. **Figure 2 states it assumes a 2026 Securitization – would the unrecovered balance at December 31, 2029 change if Securitization did not occur until 2027? If so, please provide a revised version of Figure 2 assuming a 2027 securitization.**

4. **Given securitization has not occurred yet, please discuss if it would be possible to include these costs in the securitization approach and if so, why NSP appears not to have elected to do that.**

Response IR-1:

1. The remaining net book value (NBV) column represents the forecast unrecovered capital costs associated with each unit/ plant. These figures are the cumulative impact of all additions, retirements and depreciation expense for each Unit/Plant to the end of 2029, less the securitization proceeds allocated to each Unit/ Plant.

   NS Power used the actual NBV at December 31, 2025, with forecast figures for Additions, Retirement and Depreciation and Cost of Removal for 2026 to 2029 to determine the Remaining NBV at December 31, 2029. In addition, under this scenario, it was assumed that Securitization would occur in 2026, and the securitized balance would be equal to the

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Remaining NBV at December 31, 2025. Please refer to Appendix B(1) for the detailed calculations.

2. The unrecovered forecast decommissioning costs are calculated as the difference between the Forecast Decommissioning Costs less Cumulative Accretion expense collected from Customers through electricity rates at the end of 2029. See below for the summary by Plant. Detailed annual calculations are included in Appendix C.

Plant	Forecast Retirement Date (End of)	Forecast Decommissioning Costs (Inflation Adj.)	Cumulative Accretion	Unrecovered Forecast Decommissioning Costs
Point Aconi	2029	35.5	11.5	24.0
PTMT	2029	9.0	4.7	4.3
INP	2029	19.7	-	19.7
Trenton	2029	43.3	25.7	17.6
Total		**107.5**	**41.9**	**65.6**

3. No. Provided the scope of the securitization transaction remained the unrecovered NBV of assets expected to be within the scope of the DDA as of December 31, 2025, there would be no change in the forecast unrecovered balance at December 31, 2029.

4. Please refer to 3 above.

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Request IR-2:

Reference: Figure 3 – Unrecovered DDA costs in 2029 assuming 2026 Securitization.

1. Please provide the calculation of the financing costs, including the assumed interest rates.

Response IR-2:

Financing costs were calculated using NS Power's Weighted Average Cost of Capital (WACC) rate of 6.59 percent. Deferred financing costs are calculated on the Remaining NBV at December 31, 2025, with compounding occurring semi-annually.

Please refer to Attachment 1 for the detailed calculation.

Unit/Plant	Remaining NBV Dec. 31, 2025	Deferred Financing costs - May 1, 2026 to Dec 31, 2026	Deferred Financing Costs - Jan 1, 2027 to December 31, 2027	Total Deferred Financing Costs (2026 and 2027)
Point Aconi	356.1	15.8	25.0	40.8
Trenton 5	91.2	4.0	6.4	10.4
Trenton 6	152.0	6.7	10.7	17.4
Trenton Common	65.3	2.9	4.6	7.5
INP	23.5	1.0	1.6	2.7
PTMT	18.2	0.8	1.3	2.1
Steam General	6.7	0.3	0.5	0.8
Total	713.0	31.6	50.0	81.6

2025 DDA Report CA IR-2 Attachment 1 has been filed electronically.