CI C0082133

IT Renew Microsoft Enterprise Agreement

REDACTED

May 4, 2026

Nova Scotia POWER
An Emera Company

NSEB APPROVAL SHEET

Project Title: IT - Renew Microsoft Enterprise Agreement

CI Number: C0082133 **Date:** May 4, 2026

Expenditure Profile		
Year	Budget Amount	Project Estimate
2026	1,800,000	1,987,397
Total	$1,800,000	$1,987,397

Type of Filing

- [X] Capital Project Authorization
  - [ ] Unforeseen and Unbudgeted (U&U)
  - [ ] Planned & Advanced (P&A)
  - [X] Subsequent Approval Item
- [ ] Authorization to Overspend (ATO)
- [ ] Scope Change
- [ ] Final Cost (FIN)

COMMENTS

Submitted on behalf of NOVA SCOTIA POWER INCORPORATED		Approved on behalf of NOVA SCOTIA ENERGY BOARD
Authorized Signatory Dave Pickles Chief Operating Officer	DATE May 4, 2026	DATE

CI Number: C0082133

Title: IT - Renew Microsoft Enterprise Agreement

Start Date:	2026/04
In-Service Date:	2026/06
Final Cost Date:	2027/01
Function:	General Plant
Forecast Amount:	$1,987,397

DESCRIPTION:

This project will purchase the required Software Assurance for user and server licenses under a new three-year Microsoft Enterprise Agreement (EA). Software Assurance is the purchase of all new releases of the licenses during the term of the agreement. The current Microsoft EA expires on June 30, 2026. The Software Assurance relates to previously purchased licenses for Windows Servers, Visual Studio, and SQL. Through this new agreement, NS Power will own all perpetual licenses released by Microsoft for the products included in the agreement during the EA term. This capital application only includes the NS Power portion for the EA.

This renewal follows the same approach completed in 2023 under Board approved project C0047294 IT - Microsoft Enterprise Agreement Renewal (M11166), providing continuity with a previously approved Enterprise Agreement and a licensing model that supports compliance and operational stability.

Summary of Related CIs +/- 2 years:
Pursuant to Section 11.2 of the CEJC, related CIs for General Plant projects include "work completed on the same asset (application, building, etc.)."

- No other projects in 2024 ,2025, 2026, 2027 or 2028

Depreciation Class: General Plant - Office Furniture & Equip – Computer Software

Retirement Information:

- Categorization of Retirement: Accounting Policy 6420 - Retirement and Disposal of Capital Assets
- Percentage of Asset Pool: 0.56%

Estimated Life of the Asset: 3 years

JUSTIFICATION:

Justification Criteria: Information Technology Application and Hardware System

Sub Criteria: Technical

Why do this project?

The current Microsoft EA expires on June 30, 2026 and NS Power must secure a new agreement to maintain license compliance with Microsoft. A new Microsoft EA will be established in order to maintain compliance and ownership of the licenses for the Windows Servers (operating systems that run business applications), Visual Studio (a software development kit used by software developers for enhancements in the software or software maintenance) and SQL (Microsoft's database technology solution, referred to as SQL Server) purchased under the current EA. The EA includes the purchase and ownership of all perpetual licenses released by Microsoft for the products included in the agreement during the term.

Why do this project now?

The current Microsoft EA expires on June 30, 2026. NS Power must have a licensing agreement in place that provides licensing for Windows Servers, Visual Studio and SQL which the new Microsoft EA will provide.

Why do this project this way?

An EA retains NS Power's ownership of software licenses and the right to install the software versions during the term of the agreement. The EA is the only option that meets current business requirements and provides NS Power with the ability to use the licenses on assets running in the production data centres as well as the disaster recovery site.

The 2023 EA converted all Microsoft Office, Client Access licenses, and Windows 10 licenses to a software as a service (SaaS) subscription. This conversion resulted in overall savings on the amount of the EA over the 3-year term as compared to the 2020 agreement. The 2026 EA is duplication of the 2023 EA. Pricing for the in-scope licenses has also increased from the 2023 renewal because of standard price increases by Microsoft.

Contingency Statement

Contingency is not required for this project since the pricing is the final amount from Microsoft for the required licensing.

Reason for Variance

The increase of $187,397 from the 2026 ACE Plan subsequent submittal estimate is due to price increases from Microsoft, and the purchase of additional SQL Server Standard, SQL Server Enterprise and Windows Server Standard Core licenses.

REDACTED (CONFIDENTIAL INFORMATION REMOVED)

Capital Project Detailed Estimate

Location: **General Plant**
CI# : C0082133
Title: IT - Renew Microsoft Enterprise Agreement
Execution Year: 2026

Description	Unit	Quantity	Unit Estimate	Total Estimate	Cost Support Reference	Completed Similar Projects (FP#'s)
Regular Labour						
Digital Services Lead	PD	20	$ 420	$ 8,400		
Business Systems Analyst - Infrastructure	PD	10	$ 420	$ 4,200		
Business Systems Analyst - Database	PD	5	$ 420	$ 2,100		
IT Project Manager	PD	5	$ 420	$ 2,100		
IT Program Manager	PD	5	$ 420	$ 2,100		
			Sub-Total	$ 18,900		
Application Software						
SQL Server Enterprise Core Alng SA 2L	lot	1	[redacted]		Attachment 1	
SQL Server Standard Core Alng SA 2L	lot	1			Attachment 1	
Visual Studio Ent with Github Alng SA	lot	1			Attachment 1	
Visio Studio Pro with Github Alng SA	lot	1			Attachment 1	
n Remote Desktop Services CAL Alng SA UC	lot	1			Attachment 1	
Win Server DC Core Alng SA 2L	lot	1			Attachment 1	
Win Server Standard Core Alng SA 2L	lot	1			Attachment 1	
			Sub-Total	[redacted]		
Consulting						
Microsoft Consulting	lot	1	[redacted]		Attachment 2	
			Sub-Total	[redacted]		
Interest Capitalized						
AFUDC				$ 1,014		
			Sub-Total	$ 1,014		
Administrative Overhead						
Labour AO				$ 10,607		
			Sub-Total	$ 10,607		
			SUB-TOTAL (no AO, AFUDC)	$ 1,975,776		
			TOTAL (AO, AFUDC included)	$ 1,987,397		
Original Cost				$ 1,692,856		

Note 1: The labour figures noted above are an average of salaries across a variety of jobs within similar classifications including fringe, and are used solely for budgeting purposes.
Note 2: Small differences in totals are attributable to rounding.

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Instructions: Select option in Column B.
Columns C through G will auto-populate.

Document No: XXX-XX-XXXX-XXXX

Project Cost Estimate Input Checklist and Maturity Matrix

Equipment Replacement	**Required fields:**	**Estimate Classification**				
Project Name: IT - Renew Microsoft Enterprise Agreement	**Started or Preliminary**	**Class 5**	**Class 4**	**Class 3**	**Class 2**	**Class 1**
Maturity Level of Project Definition Deliverables	**Defined or Complete**					
General Project Data						
A. Scope						
Project Scope of Work Description	Defined (D)	P	P	D	D	D
B. Capacity						
Not Applicable	Not Applicable (NA)					
C. Project Location						
Hardware (server, network infrastructure)	Not Applicable (NA)					
D. Requirements						
Codes and/or Standards	Not Applicable (NA)	NR				
Legislative Requirements	Not Applicable (NA)	NR				
E. Technology Selection						
Design/Technology	Defined (D)	NR	P	D	D	D
F. Strategy						
Contracting/Sourcing	Defined (D)	NR	P	D	D	D
Escalation	Not Applicable (NA)	NR				
G. Planning						
Logistics Plan	Not Applicable (NA)					
Integrated Project Plan	Not Applicable (NA)	NR				
Project Code of Accounts	Defined (D)	NR	P	D	D	D
Project Schedule	Defined (D)	NR	P	D	D	D
Regulatory Approval & Permitting	Not Applicable (NA)	NR				
Risk Register	Not Applicable (NA)	NR				
Stakeholder Consultation/Engagement/Management Plan	Not Applicable (NA)	NR				
Work Breakdown Structure (WBS)	Not Applicable (NA)	NR				
Start-up & Commissioning Plan	Not Applicable (NA)	NR				
Technical Deliverables (Specifications and/or Drawings)						
Network Infrastructure	Not Applicable (NA)					
Data Architecture	Not Applicable (NA)					
Security Assessment	Not Applicable (NA)	NR				
Privacy Impact Assessment	Not Applicable (NA)	NR				
Information Systems/Telecommunication Drawings	Not Applicable (NA)	NR				
Total Responses	**Total # Deliverables for this Project**	1	5	5	5	5
Percentage	**% Defined/Complete towards Class Estimate**	100%	100%	100%	100%	100%

Comments:

While AACE does not provide guidelines for Information Technology (IT) projects, industry best practices such as PMI's Practice Standard for Project Estimating recommend IT projects follow a Risk based work cycle like a Decision Gate (DG) process where the project scope, schedule and budget are continuously defined over a series of decision gates. This project is being filed at DG5. The maturity checklist completed above demonstrates that all of project deliverables have been defined and the costs are known. This would be consistent with a Class 1 estimate and as a result no contingency amount has been included in the estimate.

Legend:

The maturity level is an approximation of the completion status of the deliverable. The completion is indicated by the following descriptors:

General Project Data:

- Not Required (NR): May not be required for all estimates of the specified class, but specific project estimates may require at least preliminary development.
- Preliminary (P): Project definition has begun and progressed to at least an intermediate level of completion. Review and approvals for its current status has occurred.
- Defined (D): Project definition is advanced, and reviews have been conducted. Development may be near completion with the exception of final approvals.

Technical Deliverables:

- Not Required (NR): Deliverable may not be required for all estimates of the specified class, but specific project estimates may require at least preliminary development.
- Started (S): Work on the deliverable has begun. Development is typically limited to sketches, rough outlines, or similar levels of early completion.
- Preliminary (P): Work on the deliverable is advanced. Interim, cross-functional reviews have usually been conducted. Development may be near completion except for final reviews and approvals.
- Complete (C): The deliverable has been reviewed and approved as appropriate.

Note: This checklist is intended to be used for IT/OT projects. In lieu of specific AACE guidelines for these types of projects, this checklist was developed by NS Power following the principles of the guidelines to demonstrate confidence in the cost estimate maturity.

T203 - ATTACHMENT 06 - TCO PROJECT FINANCIALS

Project costs must be detailed by major project phase and would normally align with a potential stage-gate (i.e. preliminiary design, intial scoping, requirements, etc.). Within each phase, major cost items must be

The tables may be expanded to include additional phases if required and columns may also be added if it is necessary to include additional fiscal years.

Table A.1 - Project Costs (CAPEX or OPEX)

Project Costs (gross)	**CAPEX**	**2026**	**2027**	**2028**	**2029**	**2030**	**2031**	**2032**	**2033**	**2034**	**2035**
Phase 1 - ***(describe)***											
530050 Regular Labour	*CAPEX*	$ 18,900	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
530200 Overtime Labour	*CAPEX*	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
530900 Office Supplies	*CAPEX*	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
530950 Travel Expense	*CAPEX*	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
532500 Consulting	*CAPEX*	[redacted]	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
532750 Subscription/Info. Software	*CAPEX*		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
532850 Application Software	*CAPEX*	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
533100 External Legal and Audit	*CAPEX*	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
533400 Meals and Entertainment	*CAPEX*	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
536750 Capital Contributions	*CAPEX*	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
535700 Admin Overheads	*CAPEX*	$ 10,607	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
605050 AFUDC Interest	*CAPEX*	$ 1,014	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total Costs (Sum Lines 1, 2, 3)	**$ 1,987,397**	$ 1,987,397	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -

Table A.2- Sustaining Operating Costs

Sustaining Operating Costs (gross)	**OPEX**	**2026**	**2027**	**2028**	**2029**	**2030**	**2031**	**2032**	**2033**	**2034**	**2035**
Microsoft EA subscriptions	*OPEX*	[redacted]				$ -	$ -	$ -	$ -	$ -	$ -
Microsoft Unified Support	*OPEX*					$ -	$ -	$ -	$ -	$ -	$ -
Total Sustaining Operating Costs	**$ 9,394,350**	$ 1,565,725	$ 3,131,450	$ 3,131,450	$ 1,565,725	$ -	$ -	$ -	$ -	$ -	$ -

Table A.3 - Operating Savings to be Realized

Savings		**2026**	**2027**	**2028**	**2029**	**2030**	**2031**	**2032**	**2033**	**2034**	**2035**
Decommission 20 Servers (TBD)	*OPEX*	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
PwC Managed Services (old PAM partner)	*OPEX*	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Current CyberArk on Prem licensing	*OPEX*	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Current PAM software upgrade/extension cost	*OPEX*	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
(List and Specify)		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total Savings	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -

Note to Authors: Table A.4 Lines 7 through 9 are populated automatically from Tables A.1 through A.3

Table A.4- TCO Financial Summary

TCO	**Total**	**2026**	**2027**	**2028**	**2029**	**2030**	**2031**	**2032**	**2033**	**2034**	**2035**
Total Capital Costs (Line 4)	$ 1,987,397	$ 1,987,397									
Total Sustaining Operating Costs (Line 5)	$ 9,394,350	$ 1,565,725	$ 3,131,450	$ 3,131,450	$ 1,565,725						
Total Operating Savings (Line 6)	$ -										
Net TCO (Line 7+8)-Line 9)	**$ 11,381,747**	$ 3,553,122	$ 3,131,450	$ 3,131,450	$ 1,565,725	$ -	$ -	$ -	$ -	$ -	$ -

FTEs	**Total**	**2026**	**2027**	**2028**	**2029**	**2030**	**2031**	**2032**	**2033**	**2034**	**2035**
Total FTEs Required - Implementation	-	-	-	-	-	-	-	-	-	-	-
Total FTEs Required - Ongoing	-	-	-	-	-	-	-	-	-	-	-
Current FTEs No Longer Required	-	-	-	-	-	-	-	-	-	-	-
Net FTE Requirement (Lines 15+16-17)	-	-	-	-	-	-	-	-	-	-	-

Nova Scotia Power - SA Renewal Quote

Agreement:	47176358
Agreement Name:	Nova Scotia Power Incorporated
Agr. Expiration:	6/30/2026
Quote Expiration:	3/31/2026
Contact:	

EA Perpetual Licenses

Part Number	Description	License Type	Country Of Usage	QTY	Unit Price	Upfront Total	Notes Additional Requirements
7JQ-00343	SQL Server Enterprise Core ALng SA 2L	SA	Canada	[redacted]	[redacted]	[redacted]	3 Year Cost
7NQ-00292	SQL Server Standard Core ALng SA 2L	SA	Canada	[redacted]	[redacted]	[redacted]	3 Year Cost
QEJ-00003	Visual Studio Ent with GitHub ALng SA	SA	Canada	[redacted]	[redacted]	[redacted]	3 Year Cost
QEK-00003	Visual Studio Pro with GitHub ALng SA	SA	Canada	[redacted]	[redacted]	[redacted]	3 Year Cost
6VC-01254	Win Remote Desktop Services CAL ALng SA UCAL	SA	Canada	[redacted]	[redacted]	[redacted]	3 Year Cost
9EA-00278	Win Server DC Core ALng SA 2L	SA	Canada	[redacted]	[redacted]	[redacted]	3 Year Cost
9EM-00270	Win Server Standard Core ALng SA 2L	SA	Canada	[redacted]	[redacted]	[redacted]	3 Year Cost

[redacted]

Please see below for what is required for SHI to process this order.

Physical PO -

1. Physical PO addressed to Microsoft but must be sent to SHI for processing

- OR -

2. Physical PO addressed to SHI with email acknowledgment you understand Nova Scotia Power Incorporated will be invoiced directly by Microsoft

- OR -

PO #

1. Email confirmation of PO# or reference# AND email acknowledgment you understand Nova Scotia Power Incorporated will be invoiced directly by Microsoft

CI C0082133 Attachment 2 has been removed due to confidentiality.