

September 1, 2026

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

Dear Ms. Myatt:

**M12899 – Nova Scotia Power Inc. – CI C0082085 – 67C-T64 Transformer Replacement  
- \$2,418,415 (U&U)**

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On June 11, 2026, Nova Scotia Power Inc. (NS Power) filed an application with the Nova Scotia Energy Board (Board) for approval of the replacement of the 67C-T64 Transformer as an Unforeseen and Unbudgeted (U&U) project. The application included a detailed cost estimate for the project and invoices from the contractors for the transformer and associated work.

NS Power stated that the replacement of the transformer at the 67C Whycocomagh Substation was completed and commissioned in October 2025. At the time of the application, the project had already been completed at a total cost of \$2,418,415, with a final cost date of December 2026. NS Power further stated that the final cost date is beyond the normal six months to allow for reconciliation to be completed, because the project was completed during a cyber event when its computer systems were unavailable. Accordingly, NS Power needed more time to validate and confirm actual expenditures once these systems were restored.

In its application, NS Power noted that the 67C-T64 Transformer at the Whycocomagh Substation, the sole electrical supply for the area, failed due to an internal phase-to-phase fault between the A and B phases. The damage from the fault was non-repairable and required an immediate replacement. NS Power installed a mobile transformer as a temporary measure until the new transformer, originally purchased for a future project and already in transit, could be installed. This was possible because the replacement transformer for the other project had a lead time that allowed for ordering and delivery before it was needed for installation.

Board staff issued Information Requests (IRs) to NS Power on June 30, 2026, and NS Power provided its responses on July 22, 2026. In its IR responses, NS Power noted that the transformer had been in service for over 40 years and that transformers have an estimated useful life of 50 years. NS Power further noted that as electrical insulation ages, it is more susceptible to electrical stress, which can lead to breakdowns and phase-to-phase faults. Although the transformer was equipped with high-die fuse protection, these systems cannot

prevent internal faults from insulation breakdown within the equipment and cannot prevent such events with external devices.

Based on the information provided, the Board accepts that this project, which was completed before approval was sought, was necessary and finds the associated costs to be justified and reasonable. Accordingly, the Board approves NS Power's request for \$2,418,415, in relation to this work order.

The Board understands the reasons NS Power for the delay in the final costs date and applying for approval. Now that NS Power has recovered from its cyber event, the Board expects NS Power to return to filing applications on time to avoid delay in their approval.

Yours very truly,



M. Kathleen McManus, K.C., Ph.D.  
Member





**NSEB APPROVAL SHEET**

**Project Title:** 67C-T64 Transformer Replacement

**CI Number:** C0082085

**Date:** June 11, 2026

| Expenditure Profile |               |                  | Type of Filing                                                                                                                                                                                                                                                                                                                                                                                 |
|---------------------|---------------|------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Year                | Budget Amount | Project Estimate |                                                                                                                                                                                                                                                                                                                                                                                                |
| 2025                |               | 2,418,415        | <input type="checkbox"/> Capital Project Authorization<br><input checked="" type="checkbox"/> Unforeseen and Unbudgeted (U&U)<br><input type="checkbox"/> Planned & Advanced (P&A)<br><input type="checkbox"/> Subsequent Approval Item<br><br><input type="checkbox"/> Authorization to Overspend (ATO)<br><input type="checkbox"/> Scope Change<br><input type="checkbox"/> Final Cost (FIN) |
| <b>Total</b>        | \$0           | \$2,418,415      |                                                                                                                                                                                                                                                                                                                                                                                                |

**COMMENTS**

Submitted on behalf of NOVA SCOTIA POWER INCORPORATED

Authorized Signatory  
Dave Pickles  
Chief Operating Officer

DATE  
June 11, 2026

Approved on behalf of NOVA SCOTIA ENERGY BOARD

DATE  
September 1, 2026