
Nova Scotia Energy Board

IN THE MATTER OF

The Maritime Link Act, S.N.S 2012 c.9
and the
Maritime Link Cost Recovery Process Regulation, N.S. Reg. 189/2012

NSPML Quarterly Report Q2, 2026

REDACTED

July 6, 2026

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1 **1.0 INTRODUCTION**

2
3 This is the Q2 2026 Quarterly Report for the Maritime Link as directed by the Nova
4 Scotia Energy Board (“Energy Board” or “Board”) where the Energy Board ordered in
5 its Supplemental Decision (M05419):

6
7 [115]....detailed reports must be filed by NSPML on a semi-
8 annual basis, on June 15 and December 15 each year. The reports
9 shall commence December 15, 2013. Updated status reports must
10 be filed quarterly.

11
12 As per the Energy Board’s order in its Decision regarding NSPML’s Application for
13 final approval of Maritime Link Project Costs and approval of the 2022 cost assessment
14 (M10206), NSPML continues its quarterly reporting to the NSEB by way of this Report.
15 Additionally, this report includes updates related to submarine cable protection
16 (M12285) and additional information as requested by the Energy Board in letters related
17 to prior quarterly reports.

18
19 Given that the benefits to ratepayers of the Nova Scotia Block and Newfoundland &
20 Labrador Hydro (NLH) market-priced energy are secured by Nova Scotia Power
21 through the Maritime Link, Nova Scotia Power continues to report on these in its
22 Quarterly Maritime Link Benefits Report.

2.0 UPDATE ON THE MARITIME LINK

2.1 Safety and Environment

Safety is a fundamental core value and integral part of every aspect of NSPML’s business. NSPML continues to be risk-focused on the assessment of all work activities. There have been no internal recordable safety incidents to date in 2026, and no environmental incidents. Focus on safety will be critical with the start of the summer transmission inspection and maintenance program and the anticipated upcoming rock protection for the submarine cable; for the latter, a thorough high-risk review has recently been conducted with NSPML management, external experts, and the contractor selected to complete the work.

2.2 Land Access Agreements

There have been no new developments with respect to these processes since the Q1 2026 Report. NSPML continues to work with both the NS and NL Governments in an effort to complete these expropriations.

2.3 Joint Development Agreements

The Regulation Service Agreement is pursuant to the Energy & Capacity Agreement and is being negotiated between NS Power and NLH for their respective System Operators. NSPML has been informed by NS Power that it continues to work with NLH to finalize the associated protocols and documents. NSPML has also been informed by NS Power that their operations are not constrained by the Agreement being outstanding and that there will not be costs to customers prior to its completion.

2.4 Submarine Cables

As previously discussed in the Maritime Link Quarterly Reports, the first portion of NSPML’s Cable Protection Project for the submarine cables took place in October and

1 November of 2025. The second portion is planned for Q3. Since the last quarterly report,
2 engineering and planning activities progressed in order to prepare for the upcoming
3 campaign. The project remains on track to budget.
4

5 NSPML began execution of a nearshore subsea inspection survey of the rock berms at
6 the Horizontal Directional Drilling exit location in Cape Ray in December 2025. After
7 the vessel had been at sea for multiple days in the middle of December, the work was
8 eventually called off due to poor weather conditions. A second attempt occurred in May
9 where bathymetry data was acquired and visual inspection performed for both rock
10 berms in this area. Some small changes were noted from the 2024 survey, and it was
11 confirmed that both cables remain buried. The inspection report will be filed with the
12 NSEB once it is completed.
13

14 The nearshore survey also attempted to identify the location of the upward looking sonar
15 (ULS) near Cape Ray that could not be recovered during the summer of 2025. The
16 recent data obtained did not indicate the presence of the small sonar at its last known
17 location. NSPML notes that this equipment is about 7 years old for a cost under \$50,000.
18 Notwithstanding this, as NSPML's preference is not to leave unused equipment in the
19 marine environment, it will continue to consider potential opportunities for
20 identification and retrieval.
21

22 Should NSPML reach a conclusion on this matter, it will advise the Board in a future
23 Quarterly Report.
24

25 With respect to NSPML's Subsea and Land Cable Maintenance and Repair Plan,
26 NSPML confirms that there have been no changes made in this quarter.
27

28 **Update on CCI Recommendations**

29

30 During NSPML's oral argument on October 30, 2024 regarding NSPML's 2025
31 Assessment (M11792), Vice Chair Deveau inquired as to whether there was any update
32 on recommendations 2 and 3 from CCI regarding NSPML's Final Project Cost

proceeding (M10206) in 2021¹. NSPML provided an update in the Quarterly Report for December 2024.

There are currently no further updates; however, NSPML will continue to provide this and other updates as applicable to the Board and stakeholders through its Quarterly Report.

2.5 Converters and Substations

The Converters and Substations have been in service since January 2018 and continue to perform well.

The Maritime Link maintained strong availability in 2026, achieving 99.8% Energy Availability (percentage of time that 500 MW would be able to transfer across Maritime Link) and 99.8% Monopole Availability up to the end of May.

On the morning of February 27th, there was the unexpected loss of both communications paths between Woodbine (NS) and Bottom Brook (NL) converter stations. For risk mitigation purposes, the Maritime Link was reduced from over 371 MW to 170 MW and then ramped further down to 0 MW in a coordinated fashion between the System Operators in each province.

With the Maritime Link at 0 MW, the Nova Scotia System Operator sent a control to the Maritime Link to reduce the DC voltage level from 200 kVdc to 160 kVdc. This was a protocol that had been implemented in early operations to minimize system losses during low loads. When the NS system operator adjusted the DC voltage, it reduced only at Woodbine and not at Bottom Brook due to the lack of communication between the stations. During the DC voltage ramp, the Maritime Link began to transmit active power eventually reaching nearly 550 MW; DC line overcurrent protection operated on both poles as expected, tripping both poles.

¹ Recommendation number 1 is closed.

1 This event on the Maritime Link triggered a series of responses on the Newfoundland
2 system including the Labrador Island Link, ultimately resulting in generation trips and
3 widespread power outages in Newfoundland as a result of under and over frequency
4 load shedding. The outage for Newfoundland Power customers lasted between 15
5 minutes to just over an hour.

6
7 Communications infrastructure was restored by approximately 5:00 p.m. that day.
8 Maritime Link Pole 1 returned to service at approximately 5:45 p.m. and Pole 2 by
9 approximately 6:20 p.m.

10
11 There were two main contributing factors to this event:

12 13 Communication path redundancy and diversity

14 The Maritime Link design implemented two independent and redundant
15 communications paths connecting the converter stations. Through the investigation, it
16 was discovered that these paths had been merged by the telecom supplier onto a common
17 infrastructure element during a prior event on their system without NSPML's
18 knowledge. Prior to the event of February 27th, two communications paths had still been
19 in place which can be monitored but were no longer fully diversified in terms of physical
20 routing. Therefore, when this common element of infrastructure on the telecom
21 supplier's system was damaged in Nova Scotia on the morning of February 27th, both
22 communications paths were lost from this single event. NSPML's understanding is that
23 this event was caused by physical damage from external contact on this infrastructure.

24
25 Diversity of the communication paths was restored the following day on February 28th.
26 NSPML is maintaining its engagement with the telecom supplier in order to improve
27 the communication process for changes to their telecom system.

28 29 DC voltage ramp without communication between stations

30 The Maritime Link HVDC system can operate without a functioning telecommunication
31 system. When telecommunication is defective, numerous functions are interlocked with

1 signals from the other station to ensure safe operation. In case certain functions are
2 required, the operators must disable these interlocks manually.

3
4 Although the system knew that communication had been lost between the stations, it
5 still allowed the system operator to enter a DC voltage ramp which presented a condition
6 that should be prevented. The following mitigating actions have been implemented:

- 7
- 8 • NSPML has implemented a site interlock for DC voltage ramp when
9 communication is lost, preventing this event from occurring again.
 - 10 • NSPML has removed the NSSO ML Loss Optimization alarm and the associated
11 DC voltage reduction protocol, but this can be initiated on a case-by-case basis
12 if warranted in the future.
- 13

14 **2.6 Transmission Lines**

15
16 The overhead transmission system continued to perform well with no significant
17 reliability or availability issues experienced. In 2026, two helicopter patrols are planned
18 for each line, one in Q2, and one in Q4. The Q2 helicopter inspections in Newfoundland
19 and Nova Scotia have been completed with no major deficiencies identified on any
20 line.

21
22 Planning and procurement activities are well underway for vegetation management
23 work and drone inspection on sections of the transmission line in Nova Scotia and
24 Newfoundland this year.

26 **2.7 Independent Engineer**

27
28 NSPML remains engaged with the Independent Engineer (IE) related to the operations
29 phase of the Maritime Link, as per the Federal Loan Guarantee requirements. The IE
30 visit at the Newfoundland site occurred at the end of May and the IE's site visit report
31 will be filed once available in the following quarterly report.

1 The following are updates on two items in the prior IE report as requested by the Board:

2
3 *Special Protection System Report*

4 As of the filing date of this report, the final Special Protection System Inspection and
5 Test Record (ITR) is not available. NSPML will file this in the next quarterly report
6 after it is available.

7
8 *Reactor Hall Door Trip*

9 The reactor hall of each HVDC converter station has a large door to the outside. These
10 doors are required to be closed at all times when the station is energized. To protect
11 against electrical risk of an inadvertent and/or unauthorized entry, the doors are
12 equipped with switches that will trip the respective converter station when the switch
13 indicates that the door is open.

14
15 On the morning of July 9, 2025, a trip was initiated by one these switches that indicated
16 that Pole 1 reactor hall door was open. After the trip occurred, the converter station was
17 isolated and placed under permit to investigate. Upon inspection, it was discovered that
18 the reactor hall door was in fact closed and latched and the large door had bowed slightly
19 (determined to be from the outside heat/sun radiation), but sufficiently to activate a
20 switch on this door to indicate “open”. No other issues were discovered during the
21 inspection.

22
23 The door switches were then adjusted, confirmed operational and Maritime Link
24 returned to bipole operation roughly six hours after the event occurred. Although this
25 issue has not re-occurred since this event, another type of switch is being assessed for
26 installation during the scheduled annual outage in September 2026.

27
28 This new type of switch is an upgraded version of the original that provides door
29 monitoring and also automatically locks the door in place until it is safe to enter. The
30 solution enhances safety and avoids the potential for false indications of a door opening.

2.8 Status of NLH Project and Muskrat Falls

The Lower Churchill Falls Project has four main components; Maritime Link, Labrador Island Link (LIL), Labrador Transmission Assets (LTA), and Muskrat Falls. All of these assets with the exception of Maritime Link are owned, operated and maintained by NLH. Muskrat Falls assets include the turbines and generators, while the LIL assets includes the synchronous condensers at Soldiers Pond. The following information was received from NLH through the Joint Operating Committee.

Muskrat Falls Assets

All units are currently available for operation.

Synchronous Condensers at Soldiers Pond

Two of three units are available and operating normally as required and as dispatched by the NLSO subject to normal operating practice and maintenance requirements. Unit 2 is out of service, as reported in the last report, for a planned major 5-year inspection service which is scheduled from May through November 2026. The work on Unit 2 does not impact deliveries to Nova Scotia as the system requires 2 of the 3 synchronous condensers to be operating, or just 1 if Holyrood is running.

Labrador Island Link

The Labrador Island Link (LIL) continues to perform well. The 900 MW (LIL) test occurred in March.

2.9 Status of Benefits to NS Power Customers

With NLH's commissioning of the LIL early in 2023, all aspects of the Muskrat Falls Project are now fully operational, supporting significant use of Emera's Maritime Link

1 and providing substantial benefits to customers in both Nova Scotia and Newfoundland &
2 Labrador.

3
4 Customer benefits received to date are being reported by NS Power with its Quarterly
5 Maritime Link Benefits Report and otherwise in accordance with the Board's directions
6 in Decision M10206.

7
8 **2.10 Update on LTAMP**

9
10 During the 2026 Assessment hearing in December 2026, NSPML agreed to provide
11 quarterly updates on the commercial LTAMP progress while respecting the sensitivity
12 of the content. The Company provided the first quarterly update in Q1 2026.

13
14 In the Decision on the Application for Approval of its 2026 Revenue Requirement and
15 Cost Assessment (M12394) at paragraph 36, The Board directed NSPML as follows:

16
17 The Board agrees and directs NSPML to provide quarterly status reports
18 on the commercial in-service LTAMP, with the first report due July 31,
19 2026. The quarterly reports are to be filed with the Board until the
20 commercial in-service LTAMP and related true-up application is filed
21 with the Board.

22
23 While the Board's direction was to file the quarterly report starting on July 31, 2026,
24 the Company requests that the Board accept the update in this already-established
25 quarterly report as compliance with the direction in M12394. The Company requests
26 permission to continue to include updates on LTAMP progress in upcoming quarterly
27 reports.

28
29 Please refer to Confidential Attachment 1 for the LTAMP update this quarter.

1 **3.0 UPDATED COST SUMMARY**

2
3 NSPML continues to track and report costs, actual and forecast, consistent with the
4 methodologies used in the cost forecast represented in the Maritime Link Project
5 Application. Capitalized Project costs reported to the end of March 2026 have been
6 updated to reflect the Board's Decision in relation to unrecoverable costs. Costs
7 continue to be recorded in accordance with the Affiliate Code of Conduct. All costs
8 provided are in Canadian dollars.

9
10 Actual AFUDC has been tracked and recorded monthly up to December 31, 2017 and
11 has been adjusted from approximately \$209 million to approximately \$208 million in
12 accordance with the Board's Decision, and below the \$230 million amount originally
13 estimated.

14
15 **Total Actual Project Costs as of the end of Q1 2026**

16
17 In Q1 2026, NSPML's capital cost attributed to the original ML Project was - \$9,568.
18 This primarily relates to outstanding land matters.

19
20 The final project closeout and any associated adjustment to final project costs will be
21 filed with the Energy Board once the outstanding land matters (which are currently
22 undergoing expropriation processes in both NS and NL) and legal claims are finalized.

23
24 In Q1 2026, NSPML's capital cost incurred attributed to sustaining capital was
25 \$126,662. This primarily relates to preliminary work associated with the final phase of
26 the rock installation project, with completion scheduled for the second half of 2026.
27 Additionally, there were some other small routine capital items completed.

As requested by the Board, the following is a breakdown of the credits in 2025:

Description	Total
Land Matters	
Warranty Claim Settlement	
ML Project Capital	(86,120)

Description	Total
Submarine Cable Installation Project	
Routine Capital	
Sustaining Capital	7,529,150

1 **4.0 2026 ASSESSMENT FINANCIAL UPDATE**

2

3 NSPML has been receiving monthly cost recovery revenues from NS Power pursuant

4 to the Board’s Interim Order issued on December 23, 2025. Following the Board’s

5 Decision on May 11, 2026, a credit was applied to the June 2026 invoice for \$500,000

6 plus WACC of \$6,578 to account for the reduction in NSPML’s 2026 Assessment.

Attachment 1
has been removed due to confidentiality