DECISION **2025 NSEB 15**
M12285

NOVA SCOTIA ENERGY BOARD

IN THE MATTER OF the **PUBLIC UTILITIES ACT** and the **MARITIME LINK ACT** and the **MARITIME LINK COST RECOVERY PROCESS REGULATIONS**

- and -

IN THE MATTER OF AN APPLICATION by **NSP MARITIME LINK INC.** for approval of a capital project of an estimated amount of $33 million related to submarine cable protection for the Maritime Link

BEFORE: Stephen T. McGrath, K.C., Chair
Roland A. Deveau, K.C., Vice Chair
Steven M. Murphy, MBA, P.Eng., Member

APPLICANT: **NSP MARITIME LINK INCORPORATED**
Shellie Woolham
David Landrigan, Counsel
Norm Dimmell

INTERVENORS: **CONSUMER ADVOCATE**
David J. Roberts, Counsel
Michael Murphy, Counsel

SMALL BUSINESS ADVOCATE
Melissa MacAdam, Counsel
Rebekah L. Powell, Counsel

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PORT HAWKESBURY PAPER LP
James MacDuff

BOARD COUNSEL: William L. Mahody, K.C.

FINAL SUBMISSIONS: November 5, 2025

DECISION DATE: **December 4, 2025**

DECISION: **The capital project is approved, subject to reporting directives and final costs being confirmed in a compliance filing.**

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1.0 SUMMARY

[1] NSP Maritime Link Inc. (NSPML) applied to the Nova Scotia Energy Board to approve a capital project estimated at $33 million for submarine cable protection for the Maritime Link.

[2] Based on information gathered from its marine inspection surveys along its submarine cables between Nova Scotia and Newfoundland, NSPML confirmed that some parts of the Maritime Link submarine cables require additional protection to mitigate localized risks. NSPML noted that the submarine cables are critical infrastructure for the Maritime Link, and any damage could result in an extended outage to repair at significant cost.

[3] NSPML and its experts determined that rock installation using a fall pipe vessel is the only practical and suitable protection solution to address the areas of localized risk. NSPML solicited the market for rock installation services and has entered into an agreement with a contractor. The project was originally planned for April-June 2026, but NSPML confirmed it negotiated with its contractor to advance some of the work in November 2025, with the remaining work still scheduled for the second quarter of 2026. The affected portions of the submarine cables requiring repair of the protection system comprise about 1.5% of the Maritime Link cables' total length.

[4] The application requests that the project costs be recovered commencing in NSPML's 2026 cost assessment. This proceeding was conducted by way of a paper hearing. In addition to NSPML's evidence, Cable Consulting International Limited, a consultant engaged by Board Counsel, reviewed the application, concluding that the project was needed to restore appropriate levels of protection to the subsea cables and that subsea rock installation is the optimal method to remedy the cable protection.

[5] Having reviewed the legislation and the submissions, the Board concludes:

- The submarine cable protection project is approved and it can be added to NSPML's rate base based on final costing to be submitted for approval once the project is complete;
- The collection of depreciation is approved once the project is complete and based on final costing;
- The collection of AFUDC is approved (subject to final financing that is obtained) until the project is complete; and
- NSPML must report on the issues raised by the Board Counsel consultant, as directed in this decision.

2.0 PROJECT BACKGROUND

[6] The Maritime Link between Nova Scotia and Newfoundland & Labrador is a key interprovincial transmission asset that supplies Nova Scotia customers with clean renewable electricity and plays an important role in the region's grid stability. The submarine cables are a critical part of the Maritime Link's infrastructure, and any damage could result in an extended outage to repair at significant cost. NSPML applied to the Board on May 21, 2025, to approve a capital project estimated to cost $33 million for submarine cable protection for the Maritime Link.

[7] When the Maritime Link was built, NSPML undertook studies and conducted surveys to assess conditions along the route for the submarine cables and to identify appropriate cable protection mechanisms. The measures adopted to address risks included cable routing, spacing between cables and cable burial by trenching, supplemented by rock installation where trenching alone did not achieve targets.

[8] During the operational phase of the Maritime Link, NSPML monitored the submarine cables to assess both the condition of the cables and their protection system. As part of its Subsea & Land Cable Maintenance Plan, NSPML conducted marine surveys

along the cables' route to assess risks to the submarine cables and identify necessary corrective work. These surveys identified concerns about the submarine cables:

> … Overall, since 2018, the surveys have consistently shown protection levels in localized areas to be deteriorating or not infilling as expected. Items evidenced through the surveys include widening of cable trenches, free span sections, cable exposures and shallow protection sections that make the cable susceptible to damage in these acute areas, with a particular emphasis on the potential for damage caused by fishing activities or storm impacts. These exposure areas have resulted from natural sediment shifts, storm activity and challenging soil conditions (including boulders) in localized areas.
>
> [Exhibit N-1, p. 9]

[9] NSPML determined that these areas of localized risk need to be addressed. The affected portions of the submarine cables requiring repair of the protection system comprise about 1.5% of the Maritime Link cables' total length. NSPML and its experts have determined that rock installation using a fall pipe vessel is the only practical and suitable protection solution to address the areas of localized risk. NSPML solicited the market for rock installation services and has entered into an agreement with a contractor. The project was originally planned for April-June 2026, but NSPML stated in its Reply Evidence that it was presented with an opportunity to advance some of the work in 2025 due to the availability of a suitable vessel in the Atlantic region, pending successful negotiations with the vessel supplier. In its reply submissions, NSPML confirmed that it signed an amending agreement with its contractor to accelerate some of the remedial work in November 2025, with the remaining work scheduled for Q2 2026. It said this revised two-stage scope of work provides more optionality for execution of the project and improves the risk profile overall, including project cost management.

3.0 REQUESTED APPROVALS

[10] The application asked for approval of the following:

- To progress with the submarine cable protection project and for it to be added to rate base based on final costing. NSPML stated it will provide a final costing report once the project is complete;
- The collection of depreciation starting in 2026 once the project is complete and based on final costing; and
- The collection of AFUDC (subject to final financing obtained) until the project is complete.

[11] The application also requested that the depreciation be recovered starting in NSPML's 2026 cost assessment.

[12] The Board determined that this proceeding be conducted by way of a paper hearing, but it reserved the right to convert it to an oral hearing if circumstances warranted. No party requested an oral hearing.

[13] NSPML's application was supported by the evidence of James Hunt, the principal and owner of Mola Consulting & Advisory Ltd, with 36 years' experience providing offshore engineering, project management and advisory services to the submarine cable and offshore renewable energy sectors. Prior to October 2024, he was a Principal Consultant and the Renewables Technical Authority at Xodus Group Limited. Board Counsel engaged Laurence Trim, Technical Director at Cable Consulting International Limited (CCI), to review NSPML's application. CCI is an engineering consultancy that provides expertise on the technical aspects of land and submarine HVAC and HVDC cable systems. He has 35 years' experience with cable accessories, testing, failure investigations and submarine cable systems (both HVAC and HVDC).

[14] Written closing submissions were filed by the Consumer Advocate and Small Business Advocate on October 29, 2025. They both supported the application but commented on some of the issues and recommendations identified by Mr. Trim of CCI.

NSPML filed its reply submissions on November 5, 2025. The issues identified by NSPML, Mr. Trim, and the intervenors are considered below in this decision.

4.0 ANALYSIS AND FINDINGS

4.1 Is the submarine cable protection project needed?

[15] As noted earlier in this decision, when the submarine cables were installed, the cable protection mechanisms included cable routing, spacing between cables and cable burial in trenches, supplemented by rock installation where trenching alone was not enough. NSPML conducted marine surveys along the cable route to assess both the condition of the cables and its cable protection system. The purpose of these surveys was to assess risks to the submarine cables and identify necessary corrective work. It stated that, since 2018, the "surveys have consistently shown protection levels in localized areas to be deteriorating or not infilling as expected. Items evidenced through the surveys include widening of cable trenches, free span sections, cable exposures and shallow protection sections that make the cable susceptible to damage in these acute areas, with a particular emphasis on the potential for damage caused by fishing activities or storm impacts". These exposed parts of the cable system have been caused by natural sediment shifts, storm activity and challenging soil conditions (including boulders) in some of the areas.

[16] NSPML determined that these "areas of localized risk", which comprise about 1.5% of the Maritime Link's total cable length, need to be addressed. As noted above, NSPML and its consultant determined that rock installation using a fall pipe vessel is the only practical and suitable protection solution to address this issue. It noted that the

Maritime Link is a key interprovincial transmission asset that supplies Nova Scotia customers with clean renewable electricity and plays an important role in the region's grid stability. It said that if further damage occurred, it could lead to an extended outage to conduct repairs at significant cost.

[17] In its evidence, CCI reviewed the technical aspects of the capital project. Mr. Trim concluded that:

- the annual inspection surveys and reactive surveys after extraordinary events (like storm events) are justified and are normal industry practice expected of a prudent system operator;
- the remedial works should be performed to reduce the risk of cable failure, which is consistent with the recommendations presented by CIGRE; and
- the use of subsea rock installation is the optimal solution to avoid multiple vessel mobilisation costs (the availability of a vessel to advance some of the work in November 2025 was unknown to Mr. Trim when he prepared his report).

[18] Mr. Trim stated that CIGRE proceeds through working groups of multi-national experts to develop and publish technical brochures on electrical power systems including HVDC submarine cable systems. The guidance in these brochures, and other publications by CIGRE, is often adopted as engineering best practice, and is often used as the basis for international standards.

[19] Notwithstanding the prudence of performing the remedial work, Mr. Trim noted that there are risks of damage to the cables from these rock placement activities. The additional rock berm that will be applied also "changes the thermal environment of the cable installation". Thus, he made three recommendations:

> Rock impact, cable crush and sidewall bearing pressure studies must be completed prior to commencement of the works.
>
> Consideration into conducting 'offline' condition assessment base line measurements, such as TDR and LIRA measurements, before and after the works to confirm that no significant damage has been imparted to the cables by the works.

> Measurement and assessment of the thermal resistivity of the rock material proposed for the installation such that the thermal impact of the works (even if minimal) can be demonstrated rather than assumed.
>
> [Exhibit N-6, p. 5]

[20] As described in more detail later in this decision, NSPML accepted CCI's recommendations and stated that they had been addressed.

4.1.1 Findings

[21] As a result of marine surveys along the submarine cable route (which CCI said is a normal industry practice expected of a prudent system operator), it was revealed that cable protection levels in localized areas are deteriorating or not infilling since installation, as expected. The conditions include the widening of cable trenches, free span sections, cable exposures and shallow protection sections. It was determined that this makes the cables susceptible to further damage in these areas. The Board accepts NSPML's submission that the work is needed because of the significance of the Maritime Link as a key interprovincial transmission asset that supplies Nova Scotia customers with clean renewable electricity, which plays an important role in the region's grid stability. If further damage occurs it could lead to an extended outage to conduct repairs at significant cost.

[22] The Board accepts NSPML's evidence that the remedial work is needed. This was confirmed by CCI. Accordingly, the Board finds that the project is needed. CCI's recommendations are discussed later in this decision.

4.2 Are the estimated project costs of $33 million reasonable and appropriate?

[23] The application estimated total project costs of $32,962,333, including contract costs, consulting, regular labour, administrative overhead (AO) and travel, contingency, management reserve and AFUDC.

[24] The scope of work for the rock installation itself is to be carried out by a vessel contractor as outlined in a Marine Construction Agreement, which addresses all costs associated with the contractor planning and executing the work, including the supply and type of rock. Since the supplier originates from Europe, the rock installation contract is denominated in Euros. The project costs include hedging costs to provide cost certainty and protect customers from currency fluctuations.

[25] Regular labour represents NSPML employees directly engaged in the management, engineering and execution of the project who charge their activities directly to project cost centres. In applying administrative overhead, NSPML followed NS Power's accounting policy for AO calculations and determined a rate of 101.4% for this project.

[26] NSPML's forecast contingency and management reserve amounts have been determined to be consistent with NS Power's Non-Binding Contingency Guidelines. Contingency considers factors such as the maturity of the cost estimate (AACE Class Estimate Classification System), the type and duration of the project and its associated risk exposure. Calculating the contingency amount used simulation software to perform a Monte Carlo analysis to test thousands of trial runs of project outcomes. The calculated contingency and management reserve amount was assessed at a P75 cost risk confidence in alignment with an AACE Estimate Class and related range, with the amount being below the mid-point of the recommended range of +5% to +20%. The majority of contingency is for allowances for additional rock material and events that would briefly delay the contractor's work. NSPML confirmed that only actual costs to manage the contingent risks will be charged to the project and reflected in the final cost.

[27] NSPML provided further detail about its proposed project costs in the application's confidential Attachment 2 - Capital Project Detailed Cost Estimate. It also responded to several Information Requests related to the project costs.

[28] No party raised concerns about the proposed project costs, but the Small Business Advocate did raise concerns about the impact on costs of advancing a part of the Project in 2025 and a potential impact on the quality of the work. The rock installation was originally intended to be executed entirely in 2026.

[29] In its reply submissions, NSPML provided further details about advancing this work in 2025 and addressed the Small Business Advocate's concerns. NSPML stated that the revised execution scope was reviewed with its consultants, who were satisfied that it was appropriate and that any associated risks of accelerating part of the project were appropriately mitigated. NSPML confirmed "that (i) all parties involved are adequately prepared, (ii) the two-stage process is positive in that it increases optionality without compromising the quality of the work, (iii) it provides mitigation earlier for a significant portion of the work scope, and (iv) as the terms of the two-stage process are materially the same as the original terms, NSPML believes undertaking the Project as revised improves the risk profile overall including that of project cost management".

4.2.1 Findings

[30] The Board is satisfied that NSPML has demonstrated that the estimated total project costs of $32,962,333 are reasonable and appropriate. The final project costs are to be confirmed in NSPML's compliance filing after the project is completed.

4.3 Should the Project be approved?

[31] NSPML submitted that this proposed capital project is consistent with the principles set out in NS Power's Capital Expenditure Justification Criteria (CEJC), which

it acknowledges applies to NSPML even though there are differences between the two utilities. The CEJC identifies three questions that should be considered in assessing a capital project:

Why do this project?
Why do this project now?
Why do this project this way?

4.3.1 Findings

[32] As noted by NSPML, the Maritime Link is a key interprovincial transmission asset that supplies Nova Scotia customers with clean renewable electricity and plays an important role in the region's grid stability. It said that if further damage occurred it could lead to an extended outage to conduct repairs at significant cost. Thus, it submitted it is imperative that it proceed with the remedial work as soon as it can. NSPML and its consultant determined that rock installation using a fall pipe vessel is the only practical and suitable protection solution to address this issue. Mr. Trim of CCI confirmed that the remedial works should be performed to reduce the risk of cable failure and the use of subsea rock installation is the optimal solution to avoid multiple vessel mobilisation costs. After the receipt of Mr. Trim's report, NSPML advised that it was able to advance some of the remedial work in November 2025 because of the availability of a suitable vessel from the contractor in the Atlantic region this autumn. The Board understands from NSPML's reply submissions that amending its agreement with the contractor for a two-stage scope of work "improves the risk profile overall including that of project cost management".

[33] However, as noted earlier in this decision, Mr. Trim indicated that there is risk of damage to the cables from these rock placement activities and made three recommendations about the proposed work:

> a) Rock impact, cable crush and sidewall bearing pressure studies must be completed prior to commencement of the works.
>
> b) Consideration into conducting ‘offline’ condition assessment base line measurements, such as TDR [time domain reflectometry] and LIRA [line impedance resonance analysis] measurements, before and after the works to confirm that no significant damage has been imparted to the cables by the works.
>
> c) Measurement and assessment of the thermal resistivity of the rock material proposed for the installation such that the thermal impact of the works (even if minimal) can be demonstrated rather than assumed.
>
> [Exhibit N-6, p. 5]

[34] In its Reply Evidence, NSPML responded positively to CCI’s recommendations. NSPML confirmed that rock impact, cable crush and sidewall bearing pressure studies had been completed for the pending scope of work. It stated that a grade of rock was selected that ensures the rock impact energy for the different areas and rock sizes are below Maritime Link Project established limits. It said that the calculated cable crush pressure from the weight of the rock berms is significantly lower than the crush pressure limit for installation outlined by the Original Equipment Manufacturer (OEM). It also explained the calculations it had performed to ensure the Maritime Link submarine cables OEM-stated maximum allowable sidewall pressure is not exceeded.

[35] With respect to conducting ‘offline’ condition assessment base line measurements before and after the works, NSPML stated it had previously obtained TDR records on both cables from the transition site at Point Aconi (Nova Scotia) and Cape Ray (Newfoundland and Labrador). It also undertook to repeat this scope after the project work is completed and to having the information reviewed. Finally, NSPML stated it completed calculations confirming there are no concerns based on the thermal properties of the proposed materials, noting much of the rock is sourced from the quarry that supplied rock for the original 2017 installation.

[36] The Consumer Advocate and Small Business Advocate agreed that the project is needed and are generally supportive of the project but submitted that more information is needed, noting some of Mr. Trim's recommendations.

[37] In his closing submissions, the Consumer Advocate noted that the studies referenced by NSPML in response to Mr. Trim's recommendations were not supplied to show exactly how the issues were addressed. He suggested that the Board request NSPML provide any records it has about these recommended studies in a compliance filing. The Consumer Advocate also submitted that the Board direct NSPML to provide quarterly status updates and to provide a final report after the work has been completed.

[38] The Small Business Advocate highlighted Mr. Trim's concern about NSPML's ability to detect any damage to the cables by the rock installation that may cause failure of the cable system in the future. There were also concerns about the potential accelerated timeline for part of the project from 2026 to 2025. While acknowledging there may be benefits to advancing parts of the work, the Small Business Advocate was concerned this could compromise work quality or introduce unforeseen expenses or inefficiencies that could impact project costs. The Small Business Advocate also submitted that NSPML should outline its contingency plan if damage occurs to the submarine cables during the remedial work.

[39] In its reply submissions, NSPML agreed with the Consumer Advocate to provide the studies and documentation to address the recommendations by Mr. Trim. It stated they would be provided as part of NSPML's compliance filing after the project is completed. It also agreed to provide updates through regular quarterly reports to the Board.

[40] As noted earlier in this decision, NSPML confirmed that it signed an amending agreement with its contractor to accelerate part of the remedial work in November 2025 due to the availability of a suitable vessel in the Atlantic region, with the remaining work scheduled for Q2 2026. It said the revised two-stage remedial work was consistent in all material respects with the originally proposed timetable over a single period. It said the revised two-stage scope “increases optionality without compromising the quality of the work” and “improves the risk profile overall including that of project cost management”. NSPML added that it would provide further information about the revised timeline in its compliance filing.

[41] In terms of a contingency plan, NSPML highlighted that the project is being conducted according to industry standards applied globally and using best-in-class equipment. It noted the project was endorsed by both its own consultant and CCI. In the event of damage during the project (which it described as unlikely) or at any time in the future unrelated to this project, NSPML stated that the approach to effect repairs would depend on the specific diagnosed issue, with the steps outlined in NSPML’s Submarine and Land Cable Maintenance and Repair Plan, including engaging the OEM. Further, it noted that, by design, the cables are physically separated so the remedial work only occurs on one cable at any time. In the event of damage to one cable, the other cable would still be available to transfer the NS Block and a significant amount of additional energy.

[42] Based on the evidence and the Board’s findings earlier in this decision, the Board finds that the project is justified under the three branches of the test under the CEJC. There are clear reasons why NSPML should proceed with this project, how it

should carry out the work, and that it should do so at the earliest opportunity to protect the submarine cable system. Accordingly, the Board approves the capital application in the amount of $32,962,333. NSPML remains responsible to act prudently in completing the project. The final cost is to be confirmed in a compliance filing after the project is completed.

[43] As noted above, NSPML has agreed to file a compliance filing after the project is complete, including the studies and documentation addressing Mr. Trim's recommendations and details of conducting the remedial work in two phases. Further, it agreed to provide updates about the project in its regular quarterly reports to the Board. The Board directs NSPML to provide this information as it undertook to do.

4.4 Should the AFUDC be approved?

[44] The Allowance for Funds Used During Construction (AFUDC) represents the financing costs the utility is permitted to capitalize. This covers the return on equity and cost of debt accumulated during the design and construction periods of a project.

[45] NSPML requests that AFUDC be applied to the project costs under NS Power/NSPML Accounting Policy 6240. For purposes of calculating the proposed amount, NSPML used its current Weighted Average Cost of Capital (WACC) of 5.26%. It said that this rate is not reflective of current market conditions to obtain new external debt based on NSPML's balance sheet and a capital structure of about 78% debt and 22% equity. Since financing will not be required until Q2 2026, NSPML said it is reviewing financing options to secure the best rate for customers and will file updated costing once confirmed.

4.4.1 Findings

[46] The application stated that the project was planned for April-June 2026, but NSPML stated in its Reply Evidence that it was presented with an opportunity to advance some of the work in 2025. As with any other capital project undertaken by a utility, the Board expects NSPML to prudently manage the project timetable.

[47] The Board approves NSPML's proposal to apply AFUDC at NSPML's WACC.

[48] The Board also approves the inclusion of AFUDC in NSPML's rate base.

4.5 Should NSPML's proposed depreciation be approved?

[49] NSPML proposes to depreciate the submarine cable protection assets over the remaining life of the NS Block. In the Board's *Maritime Link Final Project Costs* decision approving the Maritime Link project costs (2022 NSUARB 18, M10206), the Board agreed that the Maritime Link Project costs should be fully depreciated at the end of the 35-year duration of the NS Block when the Maritime Link is to be transferred to Nalcor for $1 (see paras. 79-85).

[50] NSPML stated that the rock installation is expected to benefit the Maritime Link over the remaining term of the NS Block and submitted that the project costs be amortized over this period, starting once the project is complete in 2026. It said the remaining life of the NS block at that time will be approximately 30 years.

4.5.1 Findings

[51] The Board finds that the proposed depreciation treatment is consistent with its findings in its *Final Project Costs* decision noted above. On that basis, the Board approves the proposed depreciation methodology. The depreciation amount is to be confirmed when the final rock installation project costs are approved by the Board.

4.6 New factors under the *Energy and Regulatory Boards Act*

[52] On April 1, 2025, the *Energy and Regulatory Boards Act*, SNS 2024, c 2, Sch A (*ERB Act*) was proclaimed. It introduced new factors that the Board must consider in addition to the scope of the Board's authority under the *Public Utilities Act*. Section 6(2) of the *ERB Act* provides that, in considering capital applications, the Board must consider the following factors:

> **6 (2)** In approving or fixing rates, tolls, charges, tariffs, capital applications and all other matters over which the Energy Board has authority, the Board shall give appropriate consideration to the extent to which such rates, tolls, charges, tariffs, capital applications or other matters
>
> (a) support competition and innovation in the provision of energy resources in the Province;
>
> (b) support the development of a competitive electricity market;
>
> (c) ensure the provision of safe, secure, reliable and economical energy supply in the Province;
>
> (d) support sustainable development and sustainable prosperity; and
>
> (e) support such other factors as prescribed by the regulations,
>
> with the goal of approving rates, tolls, charges, tariffs, capital applications or other matters that are consistent with the purpose of this Act, the *More Access to Energy Act* and the regulations.

[53] The terms "sustainable development" and "sustainable prosperity" in s. 6(2)(d) are not defined in the *ERB Act*, but the terms are also used in the *More Access to Energy Act*, SNS 2024, c 2, Sch B, s 1. In the latter *Act*, "sustainable development" is defined as having the same meaning as in the *Environment Act* and "sustainable prosperity" as having the same meaning as in the *Environmental Goals and Climate Change Reduction Act*. These terms are used in a similar context in these statutes. While there is no express purpose clause in the *ERB Act*, s. 2 of the *More Access to Energy Act* states:

> **2** The purpose of this Act is to
>
> (a) increase competition and innovation in the Province's energy sector;
>
> (b) ensure the provision of a safe, secure, reliable and economical energy supply in the Province;
>
> (c) ensure a transparent, efficient and coordinated approach to Provincial energy-supply planning;
>
> (d) provide for competitive procurement practices for new energy-system resources;
>
> (e) support the sustainable development, sustainable prosperity, energy efficiency and greenhouse gas emissions reduction goals of the Province articulated in the Environmental Goals and Climate Change Reduction Act; and
>
> (f) provide for a phased transition of the system operator from Nova Scotia Power Incorporated to an Independent Energy System Operator.

[54] The terms "sustainable development" and "sustainable prosperity" are used in similar contexts in these statutes. Under s. 6(2)(d) of the *ERB Act*, the Board's review of capital applications is to consider these factors with the goal that their approval is consistent with, among other things, the *More Access to Energy Act*. Further, the submarine cable protection project for the Maritime Link being reviewed in the present application will be part of the transmission system controlled by the Nova Scotia Independent Energy System Operator under the *More Access to Energy Act*. For these reasons, and considering the text, context and purpose of the provisions, the Board assigns the same definitions to these two terms when applying them under the *ERB Act*.

[55] NSPML did not address the factors under s. 6(2)(d) of the *ERB Act* in its application. However, the Board is satisfied that the proposed capital project will serve to protect the submarine cable link between Nova Scotia and Newfoundland and Labrador, which will help to secure the delivery of Muskrat Falls energy to customers in Nova Scotia. This significant source of renewable energy will support attaining important environmental policy goals outlined by the Province, including the achievement of 80% renewable

electricity and the phasing out of coal by 2030. In that context, the Board finds that the application is consistent with the factors under s. 6(2)(d) of the *ERB Act*.

5.0 SUMMARY OF FINDINGS AND DIRECTIVES

[56] The Board approves the submarine cable protection project estimated at $33 million, to be confirmed in a final costing for approval by the Board. The project is approved for inclusion in NSPML's rate base. The collection of depreciation and AFUDC is also approved.

[57] NSPML must report on the issues raised by the Board Counsel consultant, as directed in this decision.

[58] An Order will issue accordingly.

DATED at Halifax, Nova Scotia, this 4th day of December 2025.

Stephen T. McGrath

Roland A. Deveau

Steven M. Murphy