Nova Scotia POWER
An Emera Company

PO Box 910 | Halifax, Nova Scotia | Canada | B3J 2W5

October 21, 2026

Crystal Henwood
Clerk of the Board
Nova Scotia Energy Board
1601 Lower Water Street, 3rd Floor
Halifax, NS B3J 3S3

Re: Fuel Adjustment Mechanism (FAM) Monthly Report – September 2026

Dear Ms. Henwood:

Please find enclosed Nova Scotia Power's FAM Monthly report for September 2026. The confidential versions of the report and the FAM Calculation Model have been uploaded to the Board's confidential website.

The analysis provided in this monthly report and the remainder of this letter uses NS Power's actual data against the 2026 GRA Compliance filing, referenced as the FAM Budget. The FAM Budget was originally developed using pricing data from November 2024.

For the AA and BA information on page M2, the actual data is compared against the amounts presented in the 2026 GRA Compliance filing, which includes actuals up to December 2024.

September 2026 Results

As shown in Figure 1, for the month of September 2026 there was increased energy from Solid Fuel, Natural Gas, and IPPs which was partially offset by lower energy from Energy Access Agreement imports, NS Block deliveries, and NSPI-owned Wind, Hydro & Solar.

Figure 1

Month

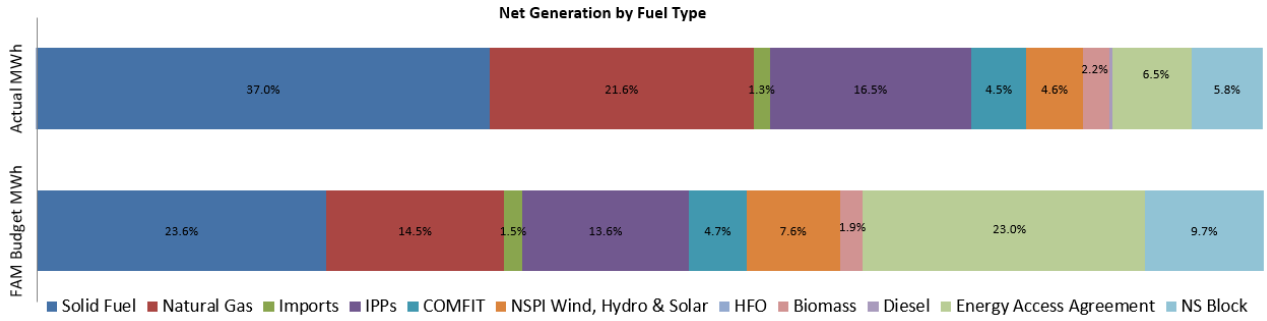


Figure 2

Year-to-Date

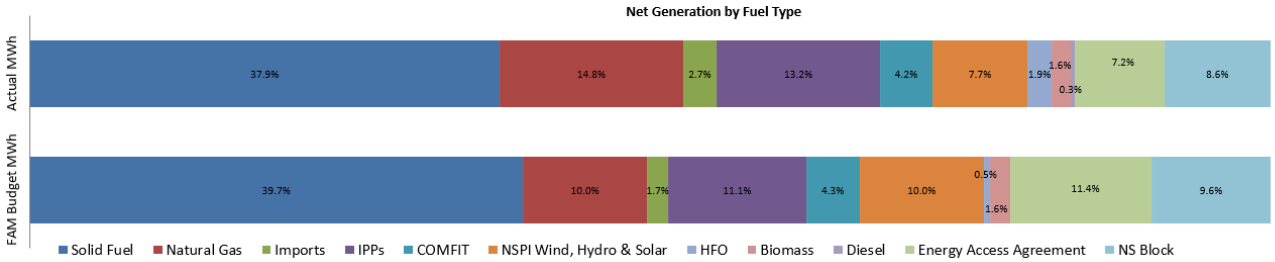


Table 1

September FAM (Over)/Under-Recovery (in $ millions)			
	Actual	**FAM Budget**	**Variance**
Total fuel and purchased power	$66.3	$60.5	$5.8
Fuel adjustments	$(9.2)	$(7.5)	$(1.7)
Total Adjusted Fuel Costs	**$57.1**	**$53.0**	**$4.1**
Revenue	$(55.6)	$ (54.6)	$(1.0)
FAM (Over)/Under Recovery	**$1.5**	**$ (1.6)**	**$3.1**

*Figures presented are rounded to one decimal place which may cause rounding differences on some line items. Figures are presented as follows: (Favourable)/Unfavourable in the variance column. FAM Budget reflects the 2026 GRA Compliance filing of $916.8 million.

Table 2

Year to Date FAM (Over)/Under-Recovery (in $ millions)			
	Actual	**FAM Budget**	**Variance**
Total fuel and purchased power	$752.6	$677.0	$75.6
Fuel adjustments	$(51.5)	$(57.6)	$6.1
Total Adjusted Fuel Costs	**$701.1**	**$619.4**	**$81.7**
Revenue	$(657.3)	$(638.5)	$(18.8)
FAM Under/(Over) Recovery	**$43.8**	**$(19.1)**	**$62.9**

*Figures presented are rounded to one decimal place which may cause rounding differences on some line items. Figures are presented as follows: (Favourable)/Unfavourable in the variance column. FAM Budget reflects the 2026 GRA Compliance filing of $916.8 million.

For the month of September 2026, there was an unfavorable variance of $3.1 million in the recovery of fuel costs as compared to the FAM Budget ($1.5 million actual under-recovery as compared to $1.6 million over-recovery in the FAM Budget).

For the month of September 2026, load was approximately 3.1 GWh higher than the FAM Budget, resulting in an increase in fuel costs of $0.2 million.

The September variance between the actual total fuel and purchased power cost and the FAM Budget total fuel and purchased power costs (excluding load) is unfavorable by $5.6 million. The following table sets out the components of the variance between actual fuel and purchased power cost as compared to the FAM Budget.

Table 3

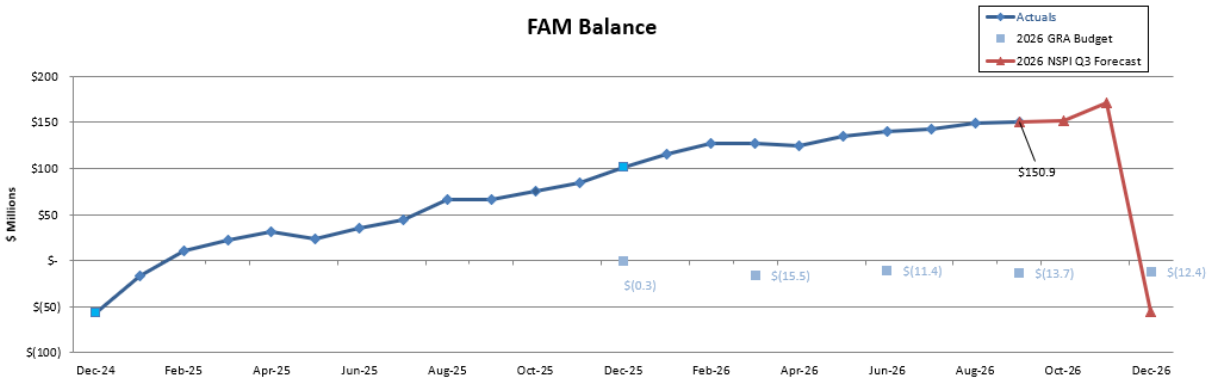
Fuel and Purchased Power Variance (in $ millions) *	
	Actual vs FAM Budget
Generation mix	$6.3
Purchased power pricing and mix	$2.1
Nova Scotia OBPS carbon tax	$(2.0)
Natural gas, HFO, and LFO pricing and mix	$(0.5)
Solid fuel pricing and mix, additives, and adjustments	$(0.2)
Maritime Link Assessment	$(0.1)
Total excluding load	**$5.6**

*Figures presented in Table 3 are rounded to one decimal place which may cause rounding differences on some line items. Figures are presented as follows: (Favourable)/Unfavourable. FAM Budget reflects the 2026 GRA Compliance filing of $916.8 million.

As shown in Figure 3 below, as of September 30, 2026, the FAM Balance is an under-recovery of $150.9 million. Both the GRA and NS Power Internal Budget assumed an increase in fuel rates and collection of AA/BA beginning January 1, 2026.

The 2026 NSPI Q3 Forecast includes a $214.2 million reduction in the FAM Balance related to the fuel impact of securitization as filed with the NSEB on October 9, 2026 in M13133.

Figure 3



As shown in Table 4 below, natural gas consumption was higher than budget. This was a result of increased natural gas dispatch due to favourable pricing compared to the FAM Budget.

Table 4

	Variance from FAM Budget*
Natural gas consumption (MMBtu)	811,650
Natural gas price ($/MMBtu)	$(1.68)

*Variances are against the FAM Budget which reflects the 2026 GRA filing of $916.8 million. Positive numbers reflect amounts higher than forecast; Negative numbers reflect amounts lower than forecast.

In the Board Order received January 16, 2020, regarding M09810, in reference to the long-term deferral of Maritime Link depreciation expense, NS Power was directed to include detail in its FAM Monthly report of the WACC earned in the FAM on these funds. As of September 2021, energy from Newfoundland and Labrador Hydro (NS Block) has started to flow. Since January 2021, NS Power has deferred Maritime Link assessment costs in the amount of $22.8 million, resulting in increased interest payable at WACC to FAM customers of approximately $8.3 million.

Please contact me with any questions or concerns with respect to the FAM Monthly report for September 2026.

Yours truly,



Sofia Reiner
Regulatory Specialist

c. Intervenors

Encl.

Nova Scotia Power Inc.

Monthly FAM Reporting

For the Period Ended September 30, 2026

REDACTED

Nova Scotia POWER
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REDACTED (CONFIDENTIAL INFORMATION REMOVED)

Nova Scotia Power Inc. **NSPI (FAM) M-1**
Monthly FAM Reporting **NON-CONFIDENTIAL**
Summary of Fuel Costs
For the Period Ended September 30, 2026
(millions of dollars)

	Current Month		Year-to-Date		2026 Budget	
	Actual	**Budget [1]**	**Actual**	**Budget [1]**	**Full Year Budget**	**% of Budget Spent**
Fuel for Generation - Domestic Load						
Solid Fuel	15.7	12.4	215.6	221.1	293.5	73.5%
Natural Gas	10.7	7.6	99.9	69.3	87.4	114.3%
Biomass	2.2	1.7	20.8	17.6	21.6	96.3%
Bunker C	(0.1)	0.1	27.2	7.4	7.8	348.7%
Furnace	0.9	0.1	5.4	3.1	4.0	135.0%
Diesel	1.1	-	9.9	0.6	0.8	1237.5%
Additives	1.1	0.7	12.2	13.4	17.9	68.2%
GHG Compliance	(0.2)	0.3	(7.6)	4.0	5.7	-133.3%
Subtotal	31.4	22.9	383.4	336.4	438.7	87.4%
Import Purchases	5.0	10.8	71.3	73.0	94.7	75.3%
Maritime Link	13.2	13.3	139.5	139.1	198.7	70.2%
Non-Wind IPP Purchases	5.3	3.1	45.1	26.5	35.3	127.8%
Wind Purchases	6.6	5.5	62.2	51.8	80.9	76.9%
COMFIT Purchases	4.6	4.9	49.5	49.4	67.5	73.3%
Fuel for Resale Net Margin	(0.0)	-	(0.3)	-	-	0.0%
Exports	0.1	-	1.1	-	-	0.0%
Fuel and Purchased Power	66.2	60.5	751.8	676.2	915.7	82.1%
Water Royalties	0.1	0.1	0.8	0.8	1.1	72.7%
Total Fuel and Purchased Power	66.3	60.5	752.6	677.0	916.8	82.1%
Less: ELIADC Revenue	(8.9)	(6.3)	(48.3)	(50.1)	(67.7)	71.3%
Total Fuel and Purchased Power Less ELIADC Revenue	57.4	54.2	704.2	627.0	849.1	82.9%
Less: Export Revenues	(0.1)	-	(2.0)	-	-	0.0%
Less: 1PT RTP	(0.1)	(0.1)	(0.5)	(0.9)	(1.2)	41.7%
Less: Shore Power	0.0	(0.0)	(0.0)	(0.1)	(0.1)	0.0%
Less: EBS	-	(0.9)	-	(5.9)	(7.4)	0.0%
Less: GRLF Fuel Costs	(0.1)	(0.2)	(0.5)	(0.7)	(1.1)	45.5%
Loss / (Gain): Foreign exchange - Fuel Other	-	-	-	-	-	0.0%
Net Fuel and Purchased Power	**57.1**	**53.0**	**701.1**	**619.4**	**839.2**	**83.5%**
Total System Requirements (GWh)	758.8	755.7	8,774.5	8,462.4	11,392.0	77.0%
Less: Export Sales and Attributed Losses	(2.1)	(1.1)	(7.4)	(8.4)	(13.5)	54.8%
Less: GRLF Requirements	(1.0)	(2.3)	(6.2)	(8.7)	(15.0)	41.3%
Less: ELIADC	(64.4)	(75.5)	(582.6)	(600.1)	(810.5)	71.9%
Less: Shore Power	0.0	(0.4)	(0.6)	(0.7)	(1.3)	46.2%
Less: 1PT RTP	(0.8)	(1.4)	(6.3)	(9.7)	(13.1)	48.1%
Less: EBS	-	(11.0)	-	(76.2)	(95.7)	0.0%
Less: Losses[2]	(59.8)	(45.4)	(575.1)	(560.0)	(756.7)	76.0%
Total FAM Sales	**630.5**	**618.4**	**7,596.3**	**7,198.6**	**9,686.1**	**78.4%**

Figures presented are rounded to one decimal place which may cause $0.1M in rounding differences on some line items.

[1] FAM Budget reflects the GRA Compliance Filing for 2026 of $916.8 million.

[2] Includes losses for all customer classes, with the exception of Export Sales.

REDACTED (CONFIDENTIAL INFORMATION REMOVED)

Nova Scotia Power Inc. **NSPI (FAM) M-2**
Monthly FAM Reporting **NON CONFIDENTIAL**
Summary of Cost Recovery
For the Period Ended September 30, 2026
(millions of dollars)

Base Fuel Component (BCF)

	Actual	Budget
2026 Beginning BCF Balance	-	-
(Over)/Under-recovered Prior to Current Month	42.37	(17.54)
(Over)/Under-recovered in Current Month	1.48	(1.55)
Balance Yet to be Recovered	43.84	(19.09)
(Over)/Under-recovery- Remainder of the Year	N/A	(0.84)
Interest on BCF Balance	0.76	(1.35)

Actual Adjustment Component (AA)

	Actual	Budget
2026 Beginning AA Balance	165.86	60.96
Recovered/(Refunded) Prior to Current Month	-	34.88
Opening Balance as of September 1, 2026	165.86	26.08
Recovered/(Refunded) in Current Month	-	2.94
Closing Balance as of September 30, 2026	165.86	23.14
Recovered/(Refunded) Remainder of the Year	N/A	13.26
Interest on AA Balance	7.90	1.87

Balancing Adjustment Component (BA)

	Actual	Budget
2026 Beginning BA Balance	(64.25)	(61.25)
Recovered/(Refunded) Prior to Current Month	-	(41.18)
Non-fuel amounts applied to FAM prior to current period	-	-
Opening Balance as of September 1, 2026	(64.25)	(20.07)
Recovered/(Refunded) in Current Month	-	(3.47)
Non-fuel amounts applied to FAM in current period	-	-
Closing Balance as of September 30, 2026	(64.25)	(16.60)
Recovered/(Refunded) Remainder of the Year	N/A	(15.66)
Interest on BA Balance	(3.20)	(1.66)
FAM Deferral (Over)/Under-Recovery	**150.91**	**(13.69)**

Figures presented are rounded to two decimal places which may cause $0.01M in rounding differences on some line items.

FAM Budget reflects the GRA Compliance Filing for 2026 of $916.8 million.

Commentary for Month:

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Nova Scotia Power Inc.
Monthly FAM Reporting
2026 Total Accumulated Unrecovered FAM Balance
For the Period Ended September 30, 2026
(millions of dollars)

NSPI (FAM) M-3
NON CONFIDENTIAL

Month	BA Total Outstanding	AA Total Outstanding	BCF Variance		Accumulated Interest	Total Outstanding
			To Current Month	Current Month		
January	(64.2)	165.9	0.0	13.8	0.5	115.9
February	(64.2)	165.9	13.8	18.0	1.1	134.6
March	(64.2)	165.9	31.9	(7.5)	1.7	127.6
April	(64.2)	165.9	24.3	(3.1)	2.2	125.0
May	(64.2)	165.9	21.2	9.9	2.8	135.6
June	(64.2)	165.9	31.1	3.5	3.5	139.7
July	(64.2)	165.9	34.7	1.8	4.1	142.2
August	(64.2)	165.9	36.5	5.9	4.8	148.8
September	**(64.2)**	**165.9**	**42.4**	**1.5**	**5.5**	**150.9**
October	(64.2)	165.9	43.8	0.1	6.2	151.7
November	(64.2)	165.9	43.9	18.8	7.1	171.4
December	(278.4)	165.9	62.7	(12.8)	6.7	(56.0)

Figures presented are rounded to one decimal place which may cause $0.1M in rounding differences on some line items

(1) Future months reflects the NSPI internal budget prepared in Q3 2026 of $1,005.6 million.

(2) Includes the impact of the fuel related portion of securitization as a reduction in BA as filed with the NSEB on October 9, 2026 in M13133.

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Nova Scotia Power Inc.
Monthly FAM Reporting
Fuel Policies and Organizational Changes
For the Period Ended September 30, 2026

Fuel Manual Updates

No Fuel Manual Updates.

POA Updates

No POA Updates.

Organizational Updates

No Organizational Updates.

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Nova Scotia Power Inc.
Monthly FAM Reporting
Mercury Abatement Program
For the Period Ended September 30, 2026
(millions of dollars)

NSPI (FAM) M-5
REDACTED

		Current Month				Year-to-Date			
Generating Unit	**Additive Type**	**Quantity**		**Cost**	**$/MWh[a]**	**Quantity**		**Cost**	**$/MWh[a]**
Lingan - Unit 1	Powder Activated Carbon	[redacted]	kgs	[redacted]		[redacted]	kgs	[redacted]	
Lingan - Unit 2	Powder Activated Carbon		kgs				kgs		
Lingan - Unit 3	Powder Activated Carbon		kgs				kgs		
Lingan - Unit 4	Powder Activated Carbon		kgs				kgs		
Point Tupper	Powder Activated Carbon		kgs				kgs		
Trenton 5	Powder Activated Carbon		kgs				kgs		
Trenton 6	Powder Activated Carbon		kgs				kgs		
Lingan	Calcium Chloride		L				L		
Point Tupper	Calcium Chloride		L				L		
Trenton	Calcium Chloride		L				L		
Total Costs - Powder Activated Carbon		**218,262**	**kgs**	**$0.890**		**2,213,692**	**kgs**	**$8.143**	
Total Costs - Calcium Chloride		**18,645**	**L**	**$0.010**		**112,492**	**L**	**$0.063**	
Total Mercury Sorbent Costs				**$0.899**				**$8.205**	

[a] Calculated using actual MWh produced by unit.

Commentary for the month:

YTD emissions are estimated at 34.7 kg. The forecast indicated YTD emissions by September 2026 of 31.3 kg.

NSPI Environmental Report for Mercury Emissions (b)

Annual Limit = 45 kg (c)

Month	Reported this month (d)	Reported last month	Variance	Reason for variance	2025 Actuals (e)
Jan	6.4	6.4	0.0		6.8
Feb	5.8	5.8	0.0		4.8
Mar	3.7	3.7	0.0		3.3
Apr	3.1	3.1	0.0		3.3
May	1.9	2.0	-0.1		0.7
Jun	2.6	2.6	0.0	Estimated data updated with actual data	1.9
Jul	2.7	2.9	-0.2		4.6
Aug	3.8	4.0	-0.2		4.5
Sep	4.8				3.7
Oct					3.5
Nov					4.1
Dec					6.0
Year to Date (f)	34.7	30.4	-0.5		45*

[b] As reported by NSPI's Environmental Services.

[c] Province of Nova Scotia Air Quality Regulations - Schedule C section 3(2). Annual limit of 35kg plus mercury diversion credits to a maximum of 10kg as per Schedule C section 7E(3a) for a total of 45kg.

[d] This value is an estimate based on incomplete laboratory results and consumption figures. Environmental Services will finalize this result next quarter.

[e] Shown for comparative purposes. Figures updated in March to reflect finalized amounts.

[f] Figures presented are rounded to one decimal place which may cause $0.1M in rounding differences on some line items.

*Per the Mercury Monitoring Protocol and Air Quality Regulations, for reporting purposes, NS Power applies +/- 5% to the annual emissions.

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Nova Scotia Power Inc.
Monthly FAM Reporting
Volume and Pricing Summary
For the Period Ended September 30, 2026

NSPI (FAM) M-6
REDACTED

	Current Month			Year-to-Date		2026 Budget
	Actual	Budget	% Change	Actual	Budget	Budget
Solid Fuel	[redacted]					
Solid Fuel Consumption Costs ($)						
Solid Fuel Consumption (MMBtu)						
Solid Fuel Generation (MWh)						
Solid Fuel Price ($/MMBtu)[1]						
Solid Fuel Price ($/MWh)						
Natural Gas						
Natural Gas Consumption Costs ($)						
Natural Gas Consumption (MMBtu)						
Natural Gas Generation (MWh)						
Natural Gas Price ($/MMBtu)[1]						
Natural Gas Price ($/MWh)						
Biomass						
Biomass Consumption Costs ($)						
Biomass Consumption (MMBtu)						
Biomass Generation (MWh)						
Biomass Price ($/MMBtu)						
Biomass Price ($/MWh)						
Bunker						
Bunker Consumption Costs ($)						
Bunker Consumption (MMBtu)						
Bunker Generation (MWh)						
Bunker Price ($/MMBtu)[1]						
Bunker Price ($/MWh)						
Light Fuel Oil						
Light Fuel Oil Consumption Costs ($)						
Light Fuel Oil Consumption (MMBtu)						
Light Fuel Oil Generation (MWh)						
Light Fuel Oil Price ($/MMBtu)						
Light Fuel Oil Price ($/MWh)						
Imports[2]						
Imported Power Volume (MWh)						
Imported Power Price ($/MWh)[1]						
Non-Wind IPP Purchases						
IPP Purchase Volumes (MWh)						
IPP Purchase Price ($/MWh)						
Wind IPP Purchases						
Wind Purchase Volumes (MWh)						
Wind Purchase Price ($/MWh)						
COMFIT						
COMFIT Purchase Volumes (MWh)						
COMFIT Purchase Price ($/MWh)						
Maritime Link						
NS Block & Supplemental Volumes (MWh)	43,815	73,479	-40%	752,031	811,709	1,134,000

FAM Budget reflects the GRA Compliance Filing for 2026 of $916.8 million.

Consumption cost totals above are at the budget effective USD rate for the year. These figures do not include the impact of monthly foreign exchange rate variations that are reflected in Summary of Fuel Costs (Report M-1).

[1] Includes impact of commodity hedge settlements.

[2] Includes purchased energy via the Energy Access Agreement with Newfoundland and Labrador Hydro.

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Nova Scotia Power Inc.
Monthly FAM Reporting
Volume and Pricing Summary
For the Period Ended September 30, 2026

NSPI (FAM) M-7
NON CONFIDENTIAL

Category	Variance from Budget	Details
Total Fuel and Purchased Power Expense	9.6% above Budget for the month	
Total System Requirements	0.4% above Budget for the month	
Total FAM Sales	2% above Budget for the month	September's 630.5 GWh was more than the FAM Budget of 618.4 GWh.
Net Fuel and Purchased Power Costs	7.7% above Budget for the month	September's $57.1M was more than the FAM Budget of $53.0M.
Purchased Power Costs	11.5% below Budget for the month	September's $21.5M was less than the FAM Budget of $24.3M. Purchased Power was lower primarily due to reduced energy deliveries from Newfoundland and Labrador Hydro as a result of the Labrador-Island Link (LIL) outage, which reduced Energy Access Agreement (EAA) deliveries compared to the FAM Budget. This was partially offset by increased IPP wind purchases.
Maritime Link	0.8% below Budget for the month	September's $13.2M was less than the FAM Budget of $13.3M.
Solid Fuel Costs	26.6% above Budget for the month	September's $15.7M was more than the FAM Budget of $12.4M. Solid Fuel expenditure increased primarily due to higher solid fuel generation to offset reduced EAA deliveries and increased total system requirements. In addition, lower commodity pricing partially offset the increase.
Natural Gas	40.8% above Budget for the month	September's $10.7M was more than the FAM Budget of $7.6M. Natural Gas was higher primarily due to increased generation at Tufts Cove compared to the FAM Budget due to reduced EAA deliveries and increased total system requirements. This was partially offset by favourable commodity pricing.
Biomass Fuel Costs	29.4% above Budget for the month	September's $2.2M was more than the FAM Budget of $1.7M. Biomass Fuel Costs were higher primarily due to the pricing of the current blend being higher than the FAM Budget due to the quarterly biomass survey results.
Heavy Fuel Oil	Below Budget for the month	September's credit of ($0.1M) was less than the FAM Budget of $0.1M. This was due to a reallocation of HFO transportation costs.
Mercury Sorbent/Additives	57.1% above Budget for the month	September's $1.1M was more than the FAM Budget of $0.7M.
GHG Compliance	Below Budget for the month	September's credit of ($0.2M) was less than the FAM Budget of $0.3M. The decrease is due to updated final carbon emissions for 2025 and changes in the fleet-wide generation mix compared to the FAM Budget.
Mercury Emissions	Above Budget for the month	September's 4.8 kg was more than the Budget of 2.5 kg.

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Nova Scotia Power Inc.
Monthly FAM Reporting
ELIADC Tariff Revenue
For the Period Ended September 30, 2026

NSPI (FAM) M-8
REDACTED

	September $	September MWh
CBL Energy Charge - Fuel & Purchased Power[1]	$ 3,985,524	58,234
Adjustment - Q3 2026 [2]	4,521,647	
Accrual Booked	461,401	6,742
Accrual Reversed	(38,464)	(562)
ELIADC in Monthly FAM Report (reported on M-1)	$ 8,930,107	64,414

ELIADC Report

	CBL Energy Charge ($)				CBL Adder ($)		
Month	Fuel & Purchased Power Charge	Variable Operating & Maintenance Charge	Total Actual Energy (MWh)[1]	Target Energy (MWh)	Fixed Cost Recovery	Var Capital Adder ($)	Total Billed Charge ($)
September 2026	$ 3,985,524	$ 82,110	58,234	[redacted]	$ 291,169	$ 59,399	$ 4,418,201

[redacted]

[2] The Q3 2026 adjustment is preliminary. The difference between the preliminary amount and the confirmed amount will be finalized with the ELIADC 2026 Annual Report.

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Nova Scotia Power Inc.
Monthly FAM Reporting
NS Power Energy Marketing Inc. Transaction Reporting
For the Period Ended September 30, 2026

NSPI (FAM) M-9
REDACTED

Product	Buy/Sell	Date/Time	Volume [2]	Price[1]	Cost/(Revenue)[1]
[redacted]					

REDACTED (CONFIDENTIAL INFORMATION REMOVED)

Nova Scotia Power Inc.
Monthly FAM Reporting
NS Power Energy Marketing Inc. Transaction Reporting
For the Period Ended September 30, 2026

NSPI (FAM) M-9
REDACTED

Product	Buy/Sell	Date/Time	Volume [2]	Price[1]	Cost/(Revenue)[1]
[redacted]					

REDACTED (CONFIDENTIAL INFORMATION REMOVED)

Nova Scotia Power Inc.
Monthly FAM Reporting
NS Power Energy Marketing Inc. Transaction Reporting
For the Period Ended September 30, 2026

NSPI (FAM) M-9
REDACTED

Product	Buy/Sell	Date/Time	Volume [2]	Price[1]	Cost/(Revenue)[1]
[redacted]					
Transactions are denoted in $USD.					

[2] Power and natural gas transactions are measured in MWh and MMBtu, respectively.