

September 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 – August 2026

Dear Ms. Henwood:

Please find enclosed Nova Scotia Power's FAM Monthly report for August 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.

August 2026 Results

As shown in Figure 1, for the month of August 2026 there was increased energy from Natural Gas, IPPs and Imports which was partially offset by lower energy from Solid Fuel and NSPI Wind, Hydro & Solar.

Figure 1

Month

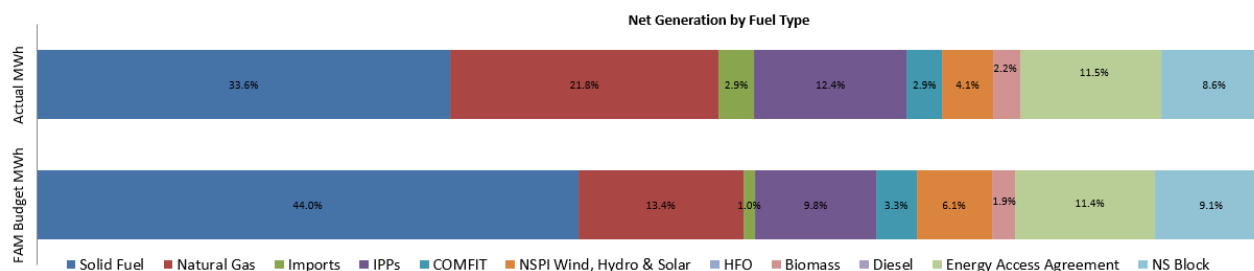


Figure 2

Year-to-Date

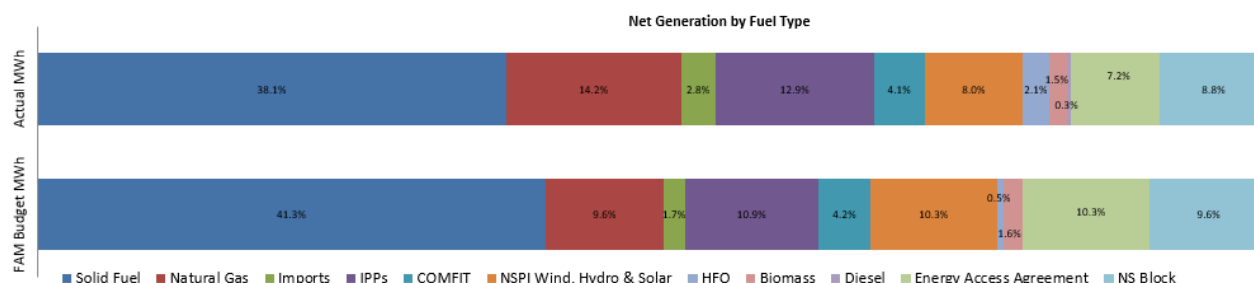


Table 1

August FAM (Over)/Under-Recovery (in \$ millions)			
	Actual	FAM Budget	Variance
Total fuel and purchased power	\$75.6	\$66.9	\$8.7
Fuel adjustments	\$(4.6)	\$(7.3)	\$2.7
Total Adjusted Fuel Costs	\$71.0	\$59.6	\$11.4
Revenue ⁽¹⁾	\$(65.1)	\$(61.3)	\$(3.8)
FAM (Over)/Under Recovery	\$5.9	\$(1.7)	\$7.6

*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	\$686.2	\$616.5	\$69.7
Fuel adjustments	\$ (42.3)	\$ (50.1)	\$7.8
Total Adjusted Fuel Costs	\$643.9	\$566.4	\$77.5
Revenue	\$(601.5)	\$(583.9)	\$(17.6)
FAM Under/(Over) Recovery	\$42.4	\$(17.5)	\$59.9

*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 August 2026, there was an unfavorable variance of \$7.6 million in the recovery of fuel costs as compared to the FAM Budget (\$5.9 million actual under-recovery as compared to \$1.7 million over-recovery in the FAM Budget).

For the month of August 2026, load was approximately 33.0 GWh higher than the FAM Budget, resulting in an increase in fuel costs of \$2.3 million.

The August 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 \$6.4 million. The following table sets out the components of the variance between actual fuel and purchased power cost as compared to the FAM Budget.

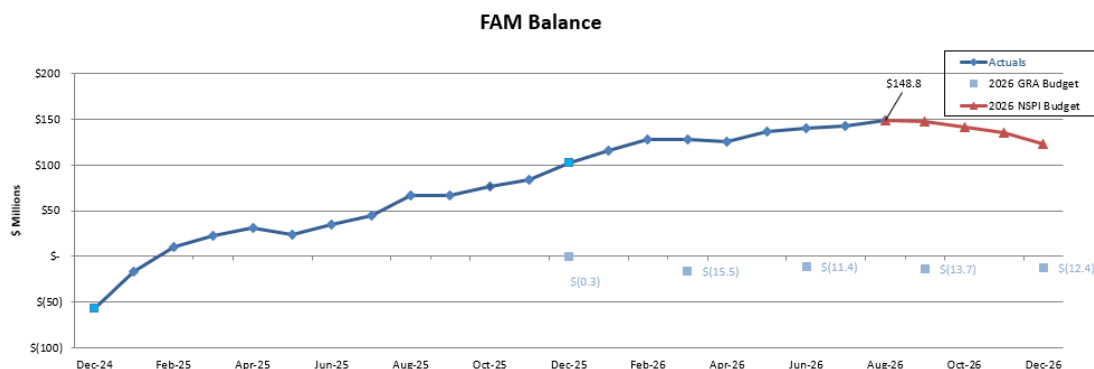
Table 3

Fuel and Purchased Power Variance (in \$ millions)	
	Actual vs FAM Budget
Purchased power pricing and mix	\$3.1
Plant Dispatch	\$1.5
Nova Scotia OBPS carbon tax	\$1.3
Generation mix	\$1.2
Solid fuel pricing and mix, additives, and adjustments	\$0.3
Natural gas, HFO, and LFO pricing and mix	\$(0.9)
Maritime Link Assessment	\$(0.1)
Total excluding load	\$6.4

*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 August 31, 2026, the FAM Balance is an under-recovery of \$148.8 million. Both the GRA and NS Power Internal Budget assumed an increase in fuel rates and collection of AA/BA beginning January 1, 2026.

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 favorable pricing compared to the FAM Budget.

Table 4

	Variance from FAM Budget*
Natural gas consumption (MMBtu)	907,105
Natural gas price (\$/MMBtu)	\$(1.99)

*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 \$8.2 million.

September 21, 2026
C. Henwood

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

Yours truly,

A handwritten signature in blue ink that reads "Sofia Reiner".

Sofia Reiner
Regulatory Specialist

c. Intervenors

Encl.

Nova Scotia Power Inc.
Monthly FAM Reporting
For the Period Ended August 31, 2026

REDACTED

REDACTED (CONFIDENTIAL INFORMATION REMOVED)

Nova Scotia Power Inc.
Monthly FAM Reporting
Summary of Fuel Costs
For the Period Ended August 31, 2026
(millions of dollars)

NSPI (FAM) M-1
NON-CONFIDENTIAL

	Current Month		Year-to-Date		2026 Budget	
	<u>Actual</u>	<u>Budget</u> ⁽¹⁾	<u>Actual</u>	<u>Budget</u> ⁽¹⁾	<u>Full Year Budget</u>	<u>% of Budget Spent</u>
Fuel for Generation - Domestic Load						
Solid Fuel	20.4	23.2	199.8	208.7	293.5	68.1%
Natural Gas	11.2	7.9	89.1	61.7	87.4	101.9%
Biomass	2.6	1.9	18.6	15.9	21.6	86.1%
Bunker C	0.3	0.1	27.3	7.4	7.8	350.0%
Furnace	0.5	0.3	4.6	2.9	4.0	115.0%
Diesel	0.5	-	8.9	0.6	0.8	1112.5%
Additives	1.3	1.4	11.2	12.7	17.9	62.6%
GHG Compliance	1.7	0.8	(7.5)	3.7	5.7	-131.6%
Subtotal	38.3	35.6	352.0	313.5	438.7	80.2%
Import Purchases	9.6	7.0	66.3	62.1	94.7	70.0%
Maritime Link	13.2	13.3	126.3	125.8	198.7	63.6%
Non-Wind IPP Purchases	5.5	3.1	39.8	23.4	35.3	112.7%
Wind Purchases	5.5	4.1	55.5	46.3	80.9	68.6%
COMFIT Purchases	3.3	3.8	44.8	44.6	67.5	66.4%
Fuel for Resale Net Margin	(0.0)	-	(0.3)	-	-	0.0%
Exports	0.0	-	1.0	-	-	0.0%
Fuel and Purchased Power	75.5	66.8	685.5	615.8	915.7	74.9%
Water Royalties	0.1	0.1	0.7	0.7	1.1	63.6%
Total Fuel and Purchased Power	75.6	66.9	686.2	616.5	916.8	74.8%
Less: ELIADC Revenue	(4.5)	(5.9)	(39.4)	(43.8)	(67.7)	58.2%
Total Fuel and Purchased Power Less ELIADC Revenue	71.1	61.1	646.8	572.7	849.1	76.2%
Less: Export Revenues	(0.0)	-	(1.9)	-	-	0.0%
Less: 1PT RTP	(0.1)	(0.1)	(0.5)	(0.8)	(1.2)	41.7%
Less: Shore Power	(0.0)	(0.0)	(0.0)	(0.0)	(0.1)	0.0%
Less: EBS	-	(1.1)	-	(5.1)	(7.4)	0.0%
Less: GRLF Fuel Costs	0.1	(0.2)	(0.4)	(0.5)	(1.1)	36.4%
Loss / (Gain): Foreign exchange - Fuel Other	-	-	-	-	-	0.0%
Net Fuel and Purchased Power	71.0	59.6	643.9	566.4	839.2	76.7%
Total System Requirements (GWh)	863.2	830.2	8,015.7	7,706.8	11,392.0	70.4%
Less: Export Sales and Attributed Losses	(0.2)	(0.8)	(5.3)	(7.3)	(13.5)	39.3%
Less: GRLF Requirements	0.8	(2.8)	(5.2)	(6.4)	(15.0)	34.7%
Less: ELIADC	(66.1)	(70.3)	(518.2)	(524.5)	(810.5)	63.9%
Less: Shore Power	(0.2)	(0.2)	(0.6)	(0.3)	(1.3)	46.2%
Less: 1PT RTP	(1.1)	(1.6)	(5.5)	(8.2)	(13.1)	42.0%
Less: EBS	-	(13.7)	-	(65.2)	(95.7)	0.0%
Less: Losses ⁽²⁾	(60.6)	(47.8)	(515.3)	(514.6)	(756.7)	68.1%
Total FAM Sales	735.8	693.1	6,965.7	6,580.2	9,686.1	71.9%

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.

Nova Scotia Power Inc.
 Monthly FAM Reporting
 Summary of Cost Recovery
 For the Period Ended August 31, 2026
 (millions of dollars)

NSPI (FAM) M-2
 NON CONFIDENTIAL

Base Fuel Component (BCF)

	<u>Actual</u>	<u>Budget</u>
2026 Beginning BCF Balance	-	-
(Over)/Under-recovered Prior to Current Month	36.46	(15.87)
(Over)/Under-recovered in Current Month	5.91	(1.68)
Balance Yet to be Recovered	42.37	(17.54)
(Over)/Under-recovery- Remainder of the Year	N/A	(2.39)
Interest on BCF Balance	0.60	(1.17)

Actual Adjustment Component (AA)

	<u>Actual</u>	<u>Budget</u>
2026 Beginning AA Balance	165.86	60.96
Recovered/(Refunded) Prior to Current Month	-	31.51
Opening Balance as of August 1, 2026	165.86	29.45
Recovered/(Refunded) in Current Month	-	3.37
Closing Balance as of August 31, 2026	165.86	26.08
Recovered/(Refunded) Remainder of the Year	N/A	16.21
Interest on AA Balance	7.02	1.74

Balancing Adjustment Component (BA)

	<u>Actual</u>	<u>Budget</u>
2026 Beginning BA Balance	(64.25)	(61.25)
Recovered/(Refunded) Prior to Current Month	-	(37.20)
Non-fuel amounts applied to FAM prior to current period	-	-
Opening Balance as of August 1, 2026	(64.25)	(24.05)
Recovered/(Refunded) in Current Month	-	(3.98)
Non-fuel amounts applied to FAM in current period	-	-
Closing Balance as of August 31, 2026	(64.25)	(20.07)
Recovered/(Refunded) Remainder of the Year	N/A	(19.13)
Interest on BA Balance	(2.85)	(1.57)
FAM Deferral (Over)/Under-Recovery	148.76	(12.53)

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:

REDACTED (CONFIDENTIAL INFORMATION REMOVED)

Nova Scotia Power Inc.
Monthly FAM Reporting
2026 Total Accumulated Unrecovered FAM Balance
For the Period Ended August 31, 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	(60.7)	158.4	42.4	2.1	5.5	147.6
October	(56.6)	149.7	44.4	(2.7)	6.2	141.1
November	(51.4)	138.7	41.8	(0.6)	6.9	135.4
December	(44.5)	124.2	41.1	(5.7)	7.5	122.7

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

**Nova Scotia Power Inc.
Monthly FAM Reporting
Fuel Policies and Organizational Changes
For the Period Ended August 31, 2026**

**NSPI (FAM) M-4
NON CONFIDENTIAL**

Fuel Manual Updates

No Fuel Manual Updates.

POA Updates

No POA Updates.

Organizational Updates

The position of Administrative Assistant IV was filled on August 31, 2026.

REDACTED (CONFIDENTIAL INFORMATION REMOVED)

Nova Scotia Power Inc.
Monthly FAM Reporting
Mercury Abatement Program
For the Period Ended August 31, 2026
(millions of dollars)

NSPI (FAM) M-5
REDACTED

Generating Unit	Additive Type	Current Month		Year-to-Date	
		Quantity	Cost \$/MWh ^a	Quantity	Cost \$/MWh ^a
Lingan - Unit 1	Powder Activated Carbon				
Lingan - Unit 2	Powder Activated Carbon				
Lingan - Unit 3	Powder Activated Carbon				
Lingan - Unit 4	Powder Activated Carbon				
Point Tupper	Powder Activated Carbon				
Trenton 5	Powder Activated Carbon				
Trenton 6	Powder Activated Carbon				
Lingan	Calcium Chloride				
Point Tupper	Calcium Chloride				
Trenton	Calcium Chloride				
Total Costs - Powder Activated Carbon		224,404 kgs	\$0.878	1,995,430 kgs	\$7.253
Total Costs - Calcium Chloride		37,840 L	\$0.021	93,847 L	\$0.053
Total Mercury Sorbent Costs			\$0.899		\$7.306

^a Calculated using actual MWh produced by unit.

Commentary for the month:

YTD emissions are estimated at 30.5 kg. The forecast indicated YTD emissions by August 2026 of 29.1 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	Estimated data updated with actual data	6.8
Feb	5.8	5.9	-0.1		4.8
Mar	3.7	3.7	0.0		3.3
Apr	3.1	3.2	-0.1		3.3
May	2.0	2.0	0.0		0.7
Jun	2.6	2.8	-0.2		1.9
Jul	2.9	3.0	-0.1		4.6
Aug	4.0				4.5
Sep					3.7
Oct					3.5
Nov					4.1
Dec					6.0
Year to Date (f)	30.5	27.0	-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 August 31, 2026

NSPI (FAM) M-6
REDACTED

	Current Month			Year-to-Date		2026 Budget
	Actual	Budget	% Change	Actual	Budget	Budget
<u>Solid Fuel</u>						
Solid Fuel Consumption Costs (\$)						
Solid Fuel Consumption (MMBtu)						
Solid Fuel Generation (MWh)						
Solid Fuel Price (\$/MMBtu) ⁽¹⁾						
Solid Fuel Price (\$/MWh)						
<u>Natural Gas</u>						
Natural Gas Consumption Costs (\$)						
Natural Gas Consumption (MMBtu)						
Natural Gas Generation (MWh)						
Natural Gas Price (\$/MMBtu) ⁽¹⁾						
Natural Gas Price (\$/MWh)						
<u>Biomass</u>						
Biomass Consumption Costs (\$)						
Biomass Consumption (MMBtu)						
Biomass Generation (MWh)						
Biomass Price (\$/MMBtu)						
Biomass Price (\$/MWh)						
<u>Bunker</u>						
Bunker Consumption Costs (\$)						
Bunker Consumption (MMBtu)						
Bunker Generation (MWh)						
Bunker Price (\$/MMBtu) ⁽¹⁾						
Bunker Price (\$/MWh)						
<u>Light Fuel Oil</u>						
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)						
<u>Imports⁽²⁾</u>						
Imported Power Volume (MWh)						
Imported Power Price (\$/MWh) ⁽¹⁾						
<u>Non-Wind IPP Purchases</u>						
IPP Purchase Volumes (MWh)						
IPP Purchase Price (\$/MWh)						
<u>Wind IPP Purchases</u>						
Wind Purchase Volumes (MWh)						
Wind Purchase Price (\$/MWh)						
<u>COMFIT</u>						
COMFIT Purchase Volumes (MWh)						
COMFIT Purchase Price (\$/MWh)						
<u>Maritime Link</u>						
NS Block & Supplemental Volumes (MWh)	74,343	75,929	-2%	708,216	738,230	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.

REDACTED (CONFIDENTIAL INFORMATION REMOVED)

Nova Scotia Power Inc.
Monthly FAM Reporting
Volume and Pricing Summary
For the Period Ended August 31, 2026

NSPI (FAM) M-7
NON CONFIDENTIAL

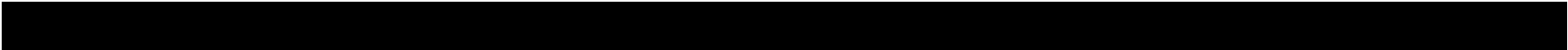
Category	Variance from Budget	Details
Total Fuel and Purchased Power Expense	13% above Budget for the month	
Total System Requirements	4% above Budget for the month	
Total FAM Sales	6.2% above Budget for the month	August's 735.8 GWh was more than the FAM Budget of 693.1 GWh.
Net Fuel and Purchased Power Costs	19.1% above Budget for the month	August's \$71.0M was more than the FAM Budget of \$59.6M.
Purchased Power Costs	32.8% above Budget for the month	August's \$23.9M was more than the FAM Budget of \$18.0M. Purchased Power was higher primarily due to increased imported energy purchases and IPP Wind generation compared to Budget. This was partially offset by lower COMFIT purchases.
Maritime Link	0.8% below Budget for the month	August's \$13.2M was less than the FAM Budget of \$13.3M.
Solid Fuel Costs	12.1% below Budget for the month	August's \$20.4M was less than the FAM Budget of \$23.2M. Solid Fuel expenditure decreased primarily due to lower commodity pricing and lower solid fuel generation than Budget. This was displaced by increased purchased power and natural gas generation.
Natural Gas	41.8% above Budget for the month	August's \$11.2M was more than the FAM Budget of \$7.9M. Natural Gas was higher primarily due to increased generation at Tuft's Cove due to increased total system requirements and favourable commodity pricing compared to the Budget.
Biomass Fuel Costs	36.8% above Budget for the month	August's \$2.6M was more than the FAM Budget of \$1.9M. The increase was primarily due to accounting adjustments recognized as part of quarterly biomass pile survey results, resulting in an increased biomass consumption.
Heavy Fuel Oil	Above Budget for the month	August's \$0.3M was more than the FAM Budget of \$0.1M.
Mercury Sorbent/Additives	7.1% below Budget for the month	August's \$1.3M was less than the FAM Budget of \$1.4M.
GHG Compliance	Above Budget for the month	August's \$1.7M was more than the FAM Budget of \$0.8M. The increase is primarily due to updated January-July emissions estimates.
Mercury Emissions	Above Budget for the month	August's 4.0kg was more than the Budget of 2.8kg.

Nova Scotia Power Inc.
Monthly FAM Reporting
ELIADC Tariff Revenue
For the Period Ended August 31, 2026

NSPI (FAM) M-8
REDACTED

	August \$	August MWh
CBL Energy Charge - Fuel & Purchased Power ⁽¹⁾	\$ 5,233,926	76,475
Accrual Booked	38,464	562
Accrual Reversed	(746,739)	(10,911)
ELIADC in Monthly FAM Report (reported on M-1)	\$ 4,525,651	66,126

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 (\$)
August 2026	\$ 5,233,926	\$ 107,829	76,475		\$ 382,373	\$ 78,004	\$ 5,802,132



Nova Scotia Power Inc.
Monthly FAM Reporting
NS Power Energy Marketing Inc. Transaction Reporting
For the Period Ended August 31, 2026

NSPI (FAM) M-9
REDACTED

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

Nova Scotia Power Inc.
Monthly FAM Reporting
NS Power Energy Marketing Inc. Transaction Reporting
For the Period Ended August 31, 2026

NSPI (FAM) M-9
REDACTED

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

Nova Scotia Power Inc.
Monthly FAM Reporting
NS Power Energy Marketing Inc. Transaction Reporting
For the Period Ended August 31, 2026

NSPI (FAM) M-9
REDACTED

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

Nova Scotia Power Inc.
Monthly FAM Reporting
NS Power Energy Marketing Inc. Transaction Reporting
For the Period Ended August 31, 2026

NSPI (FAM) M-9
REDACTED

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

Nova Scotia Power Inc.
Monthly FAM Reporting
NS Power Energy Marketing Inc. Transaction Reporting
For the Period Ended August 31, 2026

NSPI (FAM) M-9
REDACTED

Product	Buy/Sell	Date/Time	Volume ⁽²⁾	Price ⁽¹⁾	Cost/(Revenue) ⁽¹⁾
[REDACTED]					
⁽¹⁾ Transactions are denoted in \$USD.					
⁽²⁾ Power and natural gas transactions are measured in MWh and MMBtu, respectively.					