



REDACTED

January 17, 2020

Doreen Friis
Regulatory Affairs Officer/Clerk
Nova Scotia Utility and Review Board
1601 Lower Water Street, 3rd Floor
P.O. Box 1692, Unit "M"
Halifax, NS B3J 3S3

Re: Restated Maritime Link Benefits Reports: Q1- Q3 2019

Dear Ms. Friis:

In NSP Maritime Link Incorporated's 2020 Interim Cost Assessment Application (M09277), Bates White Economic Consulting (Bates White), on behalf of the Nova Scotia Utility and Review Board's (NSUARB) Counsel, made certain recommendations with respect to Nova Scotia Power's (NS Power, Company) quarterly reporting of Maritime Link Benefits. In its Order dated November 27, 2019, the NSUARB directed Bates White's recommendations be applied as of January 1, 2019, and the Company's related reports restated and reconciled on that basis.

Following discussions with NSUARB staff, NS Power has revised its previously filed Maritime Link Benefits Reports for Q1, Q2 and Q3 2019 to address Bates White's recommendations. Enclosed are the redacted Q1, Q2 and Q3 2019 Maritime Link Benefit Reports. The confidential files have been uploaded to the NSUARB's confidential repository. NS Power confirms that it will continue to provide this information in future Maritime Link Benefits Reports.

In restating the Q1 2019 Report, NS Power identified an error in the original Q1 2019 Report. The error relates to line losses not being factored into the January bi-lateral benefits calculation (labelled "Other Energy Transactions with Nalcor" in the original Q1 Report) which resulted in the January 2019 benefits being over stated by [REDACTED]. The correct bi-lateral benefit for Q1 2019 is shown in Figure 1 and Figure 2 in Appendix A of the restated Q1 2019 Report with the total benefits number being correspondingly reduced.

In addition, three typographical errors were also identified in the Q1 2019 Report which have been corrected and restated in the Q1 2019 Report. The typographical errors did not affect the actual benefits reported in the Q1 2019 Report. These corrections are as follows:

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(a) the actual February bi-lateral energy flow was [REDACTED] versus [REDACTED] originally reported; (b) Section 2.2 of the Q1 2019 Report indicates [REDACTED] of transactions, whereas the actual volume (as correctly set out in Section 2.1 of the original filing) was [REDACTED]; and (c) originally [REDACTED] of additional energy flow from Nova Scotia was reported in the month of March, whereas the actual additional flow was [REDACTED] from Nova Scotia and [REDACTED] from Newfoundland & Labrador (totaling [REDACTED]). Again, the typographical errors did not impact the actual benefits reported in Q1 2019, as the actual benefits were calculated separately with the correct figures. NS Power confirms that the benefits and energy flow values reported in the Q2 and Q3 2019 Reports are accurate.

If you have any questions with respect to any of the above, please contact me.

Yours truly,



Brian C. Curry
Senior Regulatory Counsel

c. Judith Ferguson
David Landrigan
Nicole Godbout

Nova Scotia Utility and Review Board

IN THE MATTER OF *The Public Utilities Act*, R.S.N.S. 1989, c.380, as amended

2019 Maritime Link Benefits Report Q1 – Restated

NS Power

January 17, 2020

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**Q1 Maritime Link Benefits Report
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**Q1 Maritime Link Benefits Report
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1 **1.0 INTRODUCTION**

2

3 As part of the Consensus Agreement approved by the Nova Scotia Utility and Review Board
4 (NSUARB or Board) with respect to the Nova Scotia Power Incorporated's (NS Power or
5 Company) 2017-2019 Fuel Stability Plan (FSP) and Base Cost of Fuel (BCF) Application, NS
6 Power agreed to track the benefits realized for customers from the Maritime Link prior to the start
7 of the Nova Scotia Block and provide such information to customers on no less than a quarterly
8 basis. Please accept this report as NS Power's first quarterly report (Q1) for 2019 in relation to
9 Maritime Link benefits tracking.

10

11 As outlined in the Company's fourth quarter (Q4) report for 2018, the Maritime Link was in service
12 throughout 2018 and has provided Nova Scotia Power access to a new market, reliability and
13 system loss reductions as well as providing quantifiable benefits related to energy transactions and
14 ancillary services. While there were factors beyond NS Power's control that affected commercial
15 activity in 2018, the Maritime Link continues to provide long term strategic benefits to Nova Scotia
16 and the Atlantic Region, and NS Power remains committed to achieving those benefits for
17 customers in 2019. NS Power will also continue working towards creating incremental value
18 above the Nova Scotia Block and promoting the economic and reliability benefits associated with
19 the Maritime Link.

20

21 In accordance with the Board's Decision dated June 11, 2018 on the confidentiality of the Maritime
22 Link Benefits Quarterly Tracking Report, NS Power provides the amount of energy flowing over
23 the Maritime Link (megawatts not dollar amounts) each quarter on a non-confidential basis.
24 Details of total benefits achieved in 2019 will be provided in the 2019 Q4 Report.

25

26 NS Power confirms that during Q1 2019, 96,863 MWh have flowed over the Maritime Link. NS
27 Power has calculated that it has achieved a total of ██████████ in quantified benefits for customers
28 associated with the Maritime Link in Q1 2019, which compares to ██████████ in Q1 2018. The
29 specific details with respect to the quantifiable benefits achieved in Q1 2019 are provided in
30 **Figure 1 in Confidential Appendix A.**

**Q1 Maritime Link Benefits Report
REDACTED**

1 In the proceeding before the NSUARB for NSP Maritime Link Incorporated's 2020 Interim Cost
2 Assessment Application (M09277), Bates White Economic Consulting (Bates White), on behalf
3 of NSUARB Counsel, made certain recommendations with respect to NS Power's quarterly
4 reporting of Maritime Link Benefits¹. Bates White recommended as follows:
5

6 We recommend that NSPI's Quarterly Reporting of Maritime Link be further
7 standardized and include some reconciliation with previous quarterly reports, its
8 response to BW-IR-2 (c), and its Interim Assessment Application Supplementary
9 Evidence. At a minimum, NSPML should reconcile the [REDACTED] of benefits
10 put forth in its Interim Assessment Application Supplementary Evidence with its
11 [REDACTED] of benefits put forth in its response to BW-IR-2 (c), and restate all
12 six quarterly benefits reports to categorize all benefits to date in a consistent set of
13 benefits categories. NSPML should also elaborate on all MWh of transactions to
14 date on the Maritime Link, distinguishing between transactions flowing power from
15 Nova Scotia from those in which power flows to Nova Scotia. This
16 recommendation will enhance transparency, allow for proper comparisons of
17 benefits accrued through time, and assist future reviews of the determination and
18 calculation of those benefits.²
19

20 In its Order dated November 27, 2019, the NSUARB directed that the Bates White
21 recommendations about the reporting of Maritime Link benefits are to be applied as of January 1,
22 2019, and related reporting shall be restated and reconciled on that basis. NS Power has addressed
23 Bates White's recommendations in the Q1 2019 Report, to the extent applicable, through **Figure**
24 **2** in **Confidential Appendix A**. The Company will incorporate the same information in future
25 Maritime Link Benefits Reports.

¹ M09277, Evidence of Bates White Economic Consulting, dated August 29, 2019, pages 25-27

² M09277, Evidence of Bates White Economic Consulting, dated August 29, 2019, pages 26-27, lines 15-23 and 1

**Q1 Maritime Link Benefits Report
REDACTED**

1 **2.0 Q1 2019 MARITIME LINK BENEFITS**

2
3 **2.1 Q1 2019 Benefits**

4
5 In Q1 2019, NS Power sent Nalcor Energy Marketing Corporation (Nalcor) a total of [REDACTED]
6 of energy to offset Newfoundland & Labrador Hydro (NLH) thermal generation (Holyrod Offset
7 transactions) and [REDACTED] through bilateral transactions. NS Power continues to be actively
8 engaged in pursuit of benefits associated with the use of the Maritime Link on behalf of customers.
9

10 **2.2 Additional Commentary**

11
12 The Maritime Link is now in its second year of operation, and both Nalcor and NS Power have
13 worked closely together to overcome early issues and have discovered incremental value on the
14 Maritime Link. The regulatory issues encountered last year have now been addressed. A potential
15 benefit for NS Power in 2019 will be the ability to purchase economic energy, which was not an
16 option until late December 2018. On March 19, 2019 NS Power had its first market transaction
17 over the Maritime Link in which Nalcor sold energy flowing from the island of Newfoundland to
18 Nova Scotia. This energy helped offset more expensive generation in Nova Scotia, and created
19 benefit for Nova Scotia and Newfoundland and Labrador customers. With the exception of [REDACTED]
20 [REDACTED] in March, 2019 which flowed from Newfoundland to Nova Scotia for a benefit of [REDACTED],
21 in every other commercial transaction in Q1, energy flowed from Nova Scotia to Newfoundland
22 for a benefit of [REDACTED].
23

24 In January, NS Power sold and delivered Nalcor [REDACTED] of energy. Due to unseasonably cold
25 weather in Newfoundland, bilateral transactions continued to increase significantly in February.
26 NS Power sold and delivered [REDACTED] of energy for the month of February.
27

28 The month of March saw the largest energy flow for Q1 at [REDACTED], with NS Power sending
29 Nalcor [REDACTED] for HE 6-21 APT and [REDACTED] for all other hours. NS Power was able to sell an

**Q1 Maritime Link Benefits Report
REDACTED**

1 additional [REDACTED] of energy in March over the Maritime Link and [REDACTED] was sold by Nalcor
2 to NS Power in March, 2019.

3
4 Value was also created through the sale of wheel-through transmission from the New Brunswick
5 border to Bottom Brook, Newfoundland; [REDACTED] in January, 2019, [REDACTED] in February, 2019,
6 and [REDACTED] in March, 2019.

**Q1 Maritime Link Benefits Report
REDACTED**

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**Appendix A
2019 Benefits to End of Q1**

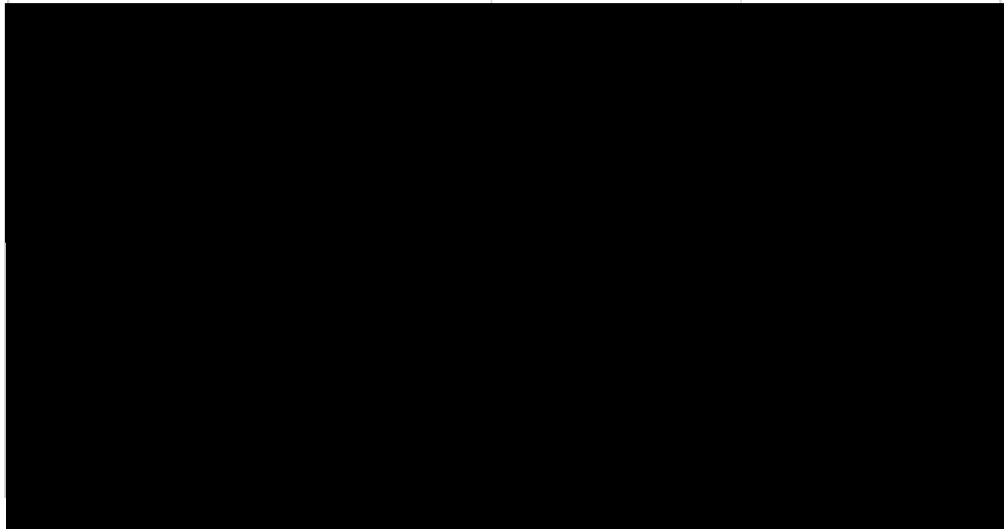
Figure 1: 2019 Q1 and YTD Benefits

	Q1	2019 YTD
		

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**Q1 Maritime Link Benefits Report
REDACTED**

1 **Figure 2: 2019 Q1 and YTD Benefits**

	Q1	2019 YTD
		

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Nova Scotia Utility and Review Board

IN THE MATTER OF *The Public Utilities Act*, R.S.N.S. 1989, c.380, as amended

2019 Maritime Link Benefits Report Q2 – Restated

NS Power

January 17, 2020

REDACTED

**Q2 Maritime Link Benefits Report
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**Q2 Maritime Link Benefits Report
REDACTED**

1 **1.0 INTRODUCTION**

2
3 As part of the Consensus Agreement approved by the Nova Scotia Utility and Review Board
4 (NSUARB or Board) with respect to Nova Scotia Power Incorporated's (NS Power or Company)
5 2017-2019 Fuel Stability Plan (FSP) and Base Cost of Fuel (BCF) Application, NS Power agreed
6 to track the benefits realized for customers from the Maritime Link prior to the start of the Nova
7 Scotia Block and provide such information to customers on no less than a quarterly basis. Please
8 accept this report as NS Power's second quarter report (Q2) for 2019 in relation to Maritime Link
9 benefits tracking.

10
11 As outlined in the Company's first quarter (Q1) report for 2019, the Maritime Link was in service
12 throughout 2018 and year to date 2019 and has provided NS Power access to a new market,
13 reliability and system loss reductions as well as providing quantifiable benefits related to energy
14 transactions and ancillary services. The Maritime Link continues to provide long term strategic
15 benefits to Nova Scotia and the Atlantic Region, and NS Power remains committed to achieving
16 those benefits for customers in 2019 and beyond. NS Power will also continue working towards
17 creating incremental value above the Nova Scotia Block and promoting the economic and
18 reliability benefits associated with the Maritime Link.

19
20 In accordance with the Board's Decision dated June 11, 2018 on the confidentiality of the Maritime
21 Link Benefits Quarterly Tracking Report, NS Power provides the amount of energy flowing over
22 the Maritime Link (megawatts not dollar amounts) each quarter on a non-confidential basis.
23 Details of total benefits achieved in 2019 will be provided in the 2019 Q4 Report.

24
25 NS Power confirms that during Q2 2019, 19,726 MWh flowed over the Maritime Link. NS Power
26 has determined that the Company has achieved a total of [REDACTED] in quantified benefits for
27 customers associated with the Maritime Link in Q2 2019, which compares to [REDACTED] in Q2 2018.
28 Year to date benefits in 2019 equate to [REDACTED]. The specific details with respect to the
29 quantifiable benefits achieved in Q1 and Q2 2019 are provided Figure 1 in Confidential Appendix
30 A.

Q2 Maritime Link Benefits Report
REDACTED

1 In the proceeding before the NSUARB for NSP Maritime Link Incorporated's 2020 Interim Cost
2 Assessment Application (M09277), Bates White Economic Consulting (Bates White), on behalf
3 of NSUARB Counsel, made certain recommendations with respect to NS Power's quarterly
4 reporting of Maritime Link Benefits.¹ Bates White recommended as follows:

5
6 We recommend that NSPI's Quarterly Reporting of Maritime Link be further
7 standardized and include some reconciliation with previous quarterly reports, its
8 response to BW-IR-2 (c), and its Interim Assessment Application Supplementary
9 Evidence. At a minimum, NSPML should reconcile the [REDACTED] of benefits
10 put forth in its Interim Assessment Application Supplementary Evidence with its
11 [REDACTED] of benefits put forth in its response to BW-IR-2 (c), and restate all
12 six quarterly benefits reports to categorize all benefits to date in a consistent set of
13 benefits categories. NSPML should also elaborate on all MWh of transactions to
14 date on the Maritime Link, distinguishing between transactions flowing power from
15 Nova Scotia from those in which power flows to Nova Scotia. This
16 recommendation will enhance transparency, allow for proper comparisons of
17 benefits accrued through time, and assist future reviews of the determination and
18 calculation of those benefits.²

19
20 In its Order dated November 27, 2019, the NSUARB directed that the Bates White
21 recommendations about the reporting of Maritime Link benefits are to be applied as of January 1,
22 2019, and related reporting shall be restated and reconciled on that basis. As such, NS Power has
23 addressed Bates White's recommendations in the Q2 2019 Report, to the extent applicable, through
24 **Figure 2 in Confidential Appendix A**. The Company will incorporate the same information in
25 future Maritime Link Benefits Reports.

¹ M09277, Evidence of Bates White Economic Consulting, dated August 29, 2019, pages 25-27.

² M09277, Evidence of Bates White Economic Consulting, dated August 29, 2019, pages 26-27, lines 15-23 and 1-2.

**Q2 Maritime Link Benefits Report
REDACTED**

1 **2.0 Q2 2019 MARITIME LINK BENEFITS**

2

3 **2.1 Q2 2019 Benefits**

4

5 In Q2 2019, NS Power sent to and received from Nalcor Energy Marketing Corporation (Nalcor)
6 a total of [REDACTED] of energy through bilateral transactions. NS Power continues to be actively
7 engaged in discussions with Nalcor in pursuit of benefits associated with the use of the Maritime
8 Link on behalf of customers.

9

10 **2.2 Additional Commentary**

11

12 Nalcor and NS Power continue to work closely together to achieve incremental value on the
13 Maritime Link. In Q2, [REDACTED] flowed from Newfoundland to Nova Scotia for a benefit of
14 [REDACTED], and [REDACTED] flowed from Nova Scotia to Newfoundland for a benefit of [REDACTED].
15 Opportunities in Q2 were less than in Q1 due to warmer weather reducing overall energy
16 requirements. A potential benefit for NS Power in 2019 continues to be the provision of energy
17 to offset the operation of Holyrood in colder periods. This will depend on Labrador Island Link
18 and weather/load in Q4.

19

20 NS Power sold and purchased from Nalcor [REDACTED] of energy for the month of April, 2019,
21 [REDACTED] of energy for the month of May and [REDACTED] of energy for the month of June,
22 2019.

23

24 Value was also created through the sale of wheel-through transmission from the New Brunswick
25 border to Bottom Brook, Newfoundland; [REDACTED] in April, 2019, [REDACTED] in May, 2019, and
26 [REDACTED] in June, 2019.

**Q2 Maritime Link Benefits Report
REDACTED**

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**Appendix A
2019 Benefits to End of Q2**

Figure 1 - 2019 Q2 and YTD Benefits

	Potential Benefits	
	Q2	2019 YTD
		

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6

**Q2 Maritime Link Benefits Report
REDACTED**

1 **Figure 2 - 2019 Q2 and YTD Benefits**

	Potential Benefits ¹	
	Q2	2019 YTD
		

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Nova Scotia Utility and Review Board

IN THE MATTER OF *The Public Utilities Act*, R.S.N.S. 1989, c.380, as amended

2019 Maritime Link Benefits Report Q3 - Restated

NS Power

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**Q3 Maritime Link Benefits Report
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**Q3 Maritime Link Benefits Report
REDACTED**

1 **1.0 INTRODUCTION**

2

3 As part of the Consensus Agreement approved by the Nova Scotia Utility and Review Board
4 (NSUAR, Board) with respect to Nova Scotia Power Incorporated's (NS Power or Company)
5 2017-2019 Fuel Stability Plan (FSP) and Base Cost of Fuel (BCF) Application, NS Power agreed
6 to track the benefits realized for customers from the Maritime Link prior to the start of the Nova
7 Scotia Block and provide such information to customers on no less than a quarterly basis. Please
8 accept this report as NS Power's third quarter report (Q3) for 2019 in relation to Maritime Link
9 benefits tracking.

10

11 As outlined in the Company's prior reports for 2019, the Maritime Link was in service throughout
12 2018 and year to date 2019 and has provided NS Power access to a new market, reliability and
13 system loss reductions as well as providing quantifiable benefits related to energy transactions and
14 ancillary services. The Maritime Link continues to provide long term strategic benefits to Nova
15 Scotia and the Atlantic Region, and NS Power remains committed to achieving those benefits for
16 customers. NS Power will also continue working towards creating incremental value above the
17 Nova Scotia Block and promoting the economic and reliability benefits associated with the
18 Maritime Link.

19

20 In accordance with the Board's Decision dated June 11, 2018 on the confidentiality of the Maritime
21 Link Benefits Quarterly Tracking Report, NS Power provides the amount of energy flowing over
22 the Maritime Link (megawatts, not dollar amounts) each quarter on a non-confidential basis.
23 Details of total benefits achieved in 2019 will be provided in the 2019 Q4 Report.

24

25 NS Power confirms that during Q3 2019, 29,813 MWh flowed over the Maritime Link. NS Power
26 has determined that the Company has achieved a total of [REDACTED] in quantified benefits for
27 customers associated with the Maritime Link in Q3 2019, which compares with [REDACTED] in
28 benefits Q3 2018. Year to date benefits in 2019 equate to [REDACTED]. The specific details with
29 respect to the quantifiable benefits achieved in Q3 and YTD 2019 are provided in **Figure 1** in
30 **Confidential Appendix A.**

**Q3 Maritime Link Benefits Report
REDACTED**

1 In the proceeding before the NSUARB for NSP Maritime Link Incorporated's 2020 Interim Cost
2 Assessment Application (M09277), Bates White Economic Consulting (Bates White), on behalf
3 of NSUARB Counsel, made certain recommendations with respect to NS Power's quarterly
4 reporting of Maritime Link Benefits.¹ Bates White recommended as follows:

5

6 We recommend that NSPI's Quarterly Reporting of Maritime Link be further
7 standardized and include some reconciliation with previous quarterly reports, its
8 response to BW-IR-2 (c), and its Interim Assessment Application Supplementary
9 Evidence. At a minimum, NSPML should reconcile the [REDACTED] of benefits
10 put forth in its Interim Assessment Application Supplementary Evidence with its
11 [REDACTED] of benefits put forth in its response to BW-IR-2 (c), and restate all
12 six quarterly benefits reports to categorize all benefits to date in a consistent set of
13 benefits categories. NSPML should also elaborate on all MWh of transactions to
14 date on the Maritime Link, distinguishing between transactions flowing power from
15 Nova Scotia from those in which power flows to Nova Scotia. This
16 recommendation will enhance transparency, allow for proper comparisons of
17 benefits accrued through time, and assist future reviews of the determination and
18 calculation of those benefits.²

19

20 The NSUARB has already made a determination on the calculation of benefits and resulting
21 holdback for 2018. As such, NS Power has addressed Bates White's recommendations in the Q3
22 2019 Report, to the extent applicable, through **Figure 2** in **Confidential Appendix A**. The
23 Company will also incorporate the same information in future Maritime Link Benefits Reports.

¹ M09277, Evidence of Bates White Economic Consulting, dated August 29, 2019, pages 25-27.

² M09277, Evidence of Bates White Economic Consulting, dated August 29, 2019, pages 26-27, lines 15-23 and 1-2.

**Q3 Maritime Link Benefits Report
REDACTED**

1 **2.0 Q3 2019 MARITIME LINK BENEFITS**

2

3 **2.1 Q3 2019 Benefits**

4

5 In Q3 2019, NS Power sent to and received from Nalcor Energy Marketing Corporation (Nalcor)
6 a total of [REDACTED] of energy through bilateral and Holyrood Offset transactions. NS Power
7 continues to be actively engaged in discussions with Nalcor in pursuit of benefits associated with
8 the use of the Maritime Link on behalf of customers.

9

10 **2.2 Additional Commentary**

11

12 Nalcor and NS Power continue to work closely together to achieve incremental value on the
13 Maritime Link. In Q3 [REDACTED] flowed from Newfoundland to Nova Scotia, and [REDACTED]
14 flowed from Nova Scotia to Newfoundland. Opportunities in Q3 increased from Q2 due to cooler
15 weather increasing overall energy requirements. This trend is expected to continue in Q4.

16

17 NS Power sold and purchased from Nalcor [REDACTED] of energy for the month of July 2019,
18 [REDACTED] of energy for the month of August and [REDACTED] of energy for the month of
19 September 2019.

20

21 Value was also created through the sale of wheel-through transmission from the New Brunswick
22 border to Bottom Brook, Newfoundland; [REDACTED] in July 2019, [REDACTED] in August 2019, and
23 [REDACTED] in September 2019.

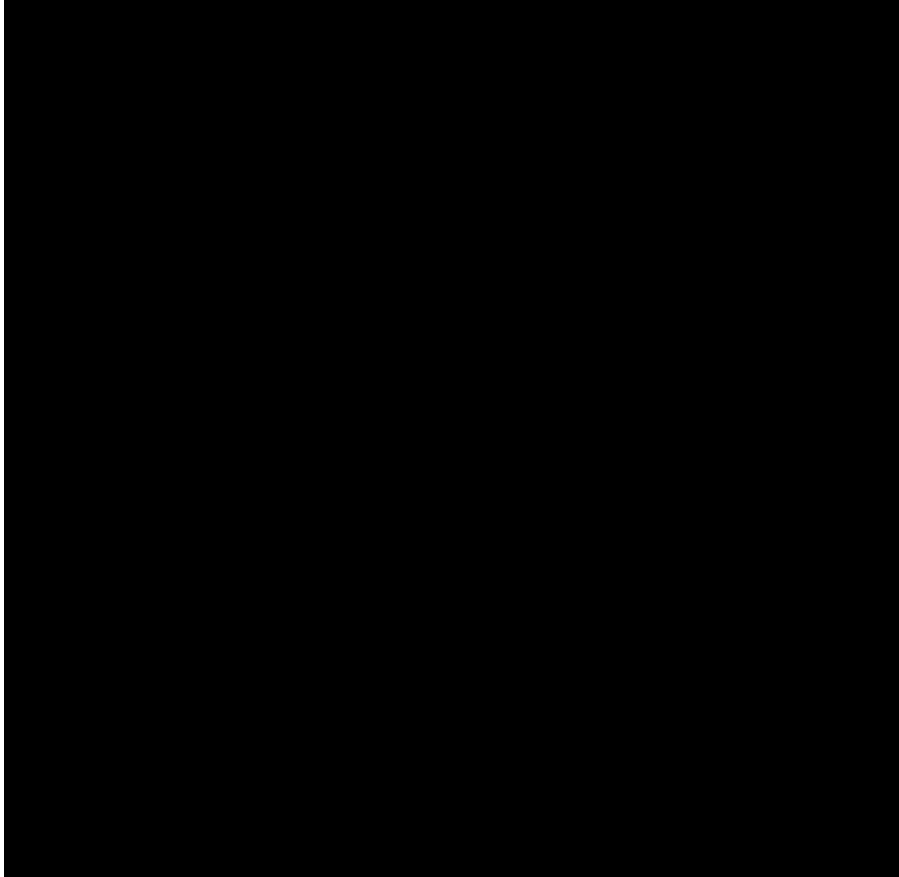
**Q3 Maritime Link Benefits Report
REDACTED**

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Appendix A

2019 Benefits to End of Q3

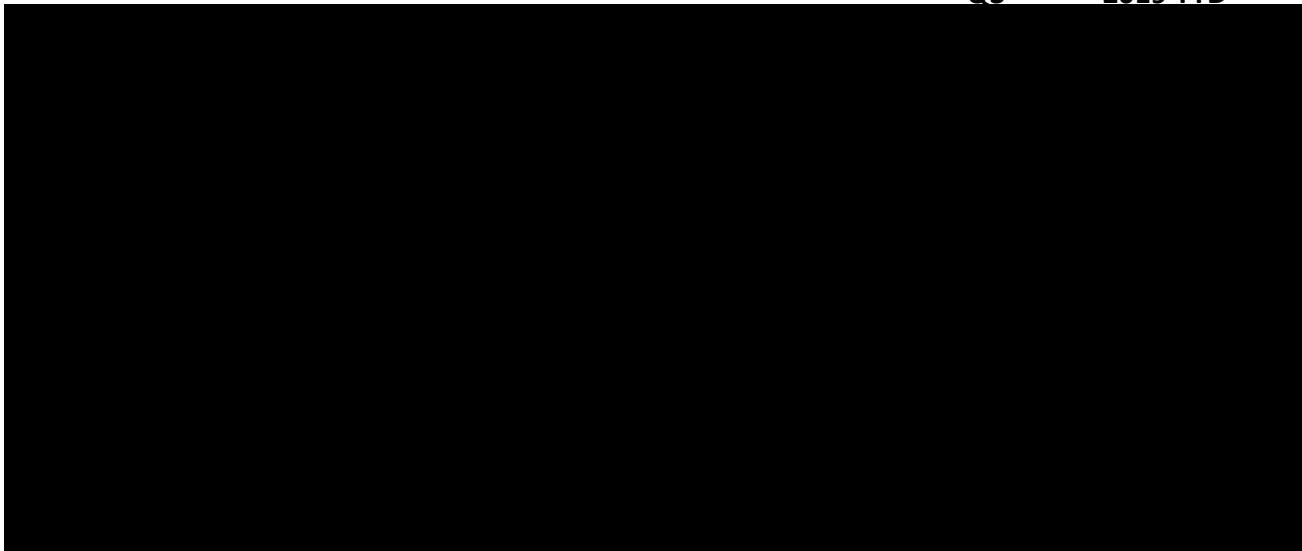
Figure 1. - 2019 Q3 and YTD Benefits



**Q3 Maritime Link Benefits Report
REDACTED**

1 **Figure 2. - 2019 Q3 and YTD Benefits**

Q3 2019 YTD



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