Nova Scotia Utility and Review Board

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

2020 Maritime Link Benefits Report Q1

NS Power

May 15, 2020

REDACTED

2020 Maritime Link Benefits Report Q1 REDACTED

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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 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 agree				
6	to track the benefits realized for customers from the Maritime Link prior to the start of the Nov				
7	Scotia Block and provide such information to customers on no less than a quarterly basis. In i				
8	Order dated November 27, 2019 in respect of NSP Maritime Link Incorporated's (NSPML) 2020				
9	Interim Cost Assessment (M09277), the NSUARB directed the quarterly reports to be continued				
10	Please accept this report as NS Power's first quarterly report (Q1) for 2020 in relation to Maritin				
11	Link benefits tracking.				
12					
13	The Maritime Link was in-service since 2018 and has provided NS Power access to a new market				
14	reliability and system loss reductions as well as providing quantifiable benefits related to energy				
15	transactions and ancillary services. The Maritime Link continues to provide long term strategic				
16	benefits to Nova Scotia and the Atlantic Region, and NS Power remains committed to achieving				
17	those benefits for customers in 2020 and beyond. NS Power will also continue working toward				
18	creating incremental value above the Nova Scotia Block and promoting the economic and				
19	reliability benefits associated with the Maritime Link.				
20					
21	In accordance with the Board's Decision dated June 11, 2018 on the confidentiality of the Maritin				
22	Link Benefits Quarterly Tracking Report, NS Power provides the amount of energy flowing ov				
23	the Maritime Link (megawatts not dollar amounts) each quarter on a non-confidential base				
24	Details of total benefits achieved year to date in 2020 are provided in this report.				
25					
26	NS Power confirms that during Q1 2020, 178,757 MWh flowed over the Maritime Link, which				
27	compares to 96,863 MWh in Q1 2019. NS Power has determined that the Company has achieve				
28	a total of in quantified benefits for customers associated with the Maritime Link in C				
29	2020. The specific details with respect to the quantifiable benefits achieved are provided				
30	Confidential Appendix A.				

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1 In NSPML's 2020 Interim Cost Assessment proceeding (M09277), Bates White Economic 2 Consulting (Bates White), on behalf of NSUARB Counsel, made certain recommendations with 3 respect to NS Power's quarterly reporting of Maritime Link Benefits.¹ 4 5 We recommend that NSPI's Quarterly Reporting of Maritime Link be further 6 standardized and include some reconciliation with previous quarterly reports, its 7 response to BW-IR-2 (c), and its Interim Assessment Application Supplementary 8 Evidence. At a minimum, NSPML should reconcile the 9 put forth in its Interim Assessment Application Supplementary Evidence with its of benefits put forth in its response to BW-IR-2 (c), and restate all 10 six quarterly benefits reports to categorize all benefits to date in a consistent set of 11 12 benefits categories. NSPML should also elaborate on all MWh of transactions to 13 date on the Maritime Link, distinguishing between transactions flowing power from 14 Nova Scotia from those in which power flows to Nova Scotia. This 15 recommendation will enhance transparency, allow for proper comparisons of benefits accrued through time, and assist future reviews of the determination and 16 calculation of those benefits.² 17 18 19 The NSUARB has already made a determination on the calculation of benefits and resulting hold 20 back for 2018. As such, NS Power addressed Bates Whites' recommendations in the O3 and O4 21 2019 Reports, to the extent applicable, through **Figure 2** in **Confidential Appendix A**. The 22 Company continues to incorporate the same information in this Q1 2020 and future Maritime Link 23 Benefits Reports. 24

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.

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1	2.0	Q1 2020 MARITIME LINK BENEFITS			
2					
3	2.1	Q1 20202 Benefits			
4					
5	In Q	1 2020, NS Power sent to Nalcor Energy Marketing Corporation (Nalcor) a total of			
6		of energy through bilateral and Holyrood Offset transactions.			
7	the p	arties during this quarter was by			
8	engaged in discussions with Nalcor in pursuit of benefits associated with the use of the Maritime				
9	Link on behalf of customers.				
10					
11	2.2	Additional Commentary			
12					
13	NS Power sold Nalcor of energy for the month of January, 2020,				
14	energy for the month of February and of energy for the month of March, 2020.				
15					
16	Value was also created through the sale of wheel-through transmission from the New Brunswick				
17	border to Bottom Brook, Newfoundland; in January, 2020, in February, 2020.				
18	and	in March, 2020.			
19					

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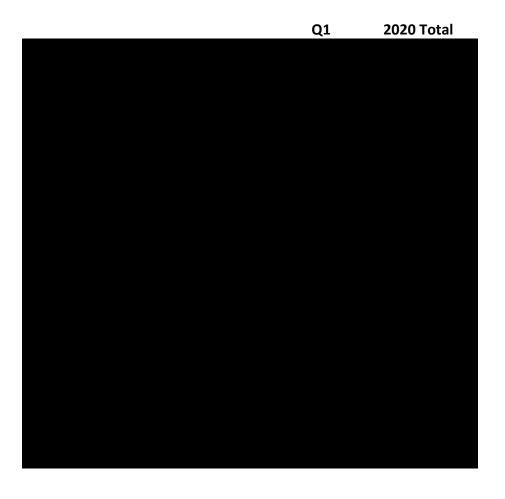
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1 Appendix A

2020 Benefits to End of Q1

Figure 1. 2020 Q1 & Total 2020 Benefits

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Figure 2. 2020 Q1 & Total Benefits



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