

# 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 Q2

NS Power

August 14, 2020

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**2020 Maritime Link Benefits Report Q2  
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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 (UARB 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. In its  
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 second quarter report (Q2) for 2020 in relation to Maritime  
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 towards  
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 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 year to date in 2020 are provided in this report.

25

26 NS Power confirms that during Q2 2020, 24,505 MWh flowed over the Maritime Link, which  
27 compares to 19,726 MWh in Q2 2019. NS Power has determined that the Company has achieved  
28 a total of [REDACTED] in quantified benefits for customers associated with the Maritime Link in Q2  
29 2020. The specific details with respect to the quantifiable benefits achieved are provided in  
30 Confidential Appendix A.

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1 In the proceeding before the NSUARB for NSP Maritime Link Incorporated’s 2020 Interim Cost  
2 Assessment (M09277), Bates White Economic Consulting (Bates White), on behalf of NSUARB  
3 Counsel, made certain recommendations with respect to NS Power’s quarterly reporting of  
4 Maritime Link Benefits.<sup>1</sup>

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.<sup>2</sup>

19

20 NS Power addressed Bates Whites’ recommendations in the Q3 and Q4 2019 Reports, to the extent  
21 applicable, through **Figure 2** in **Confidential Appendix A**. The Company continues to  
22 incorporate the same information in this Q2 2020 and future Maritime Link Benefits Reports.

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

<sup>2</sup> 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 Q2 2020 MARITIME LINK BENEFITS**

2  
3 In Q2 2020, NS Power sent to Nalcor Energy Marketing Corporation (Nalcor) a total of [REDACTED]  
4 of energy and received from Nalcor a total of [REDACTED] of energy, all through bilateral  
5 transactions. NS Power continues to be actively engaged in discussions with Nalcor in pursuit of  
6 benefits associated with the use of the Maritime Link on behalf of customers.

7  
8 **2.1 Additional Commentary**

9  
10 For the month of April 2020, NS Power sold [REDACTED] of energy to Nalcor and purchased [REDACTED]  
11 [REDACTED] of energy from Nalcor. NS Power also purchased [REDACTED] of energy from Nalcor for  
12 the month of May 2020 and purchased [REDACTED] of energy from Nalcor for the month of June  
13 2020.

14  
15 Value was also created through the sale of wheel-through transmission from the New Brunswick  
16 border to Bottom Brook, Newfoundland; [REDACTED] in April 2020, [REDACTED] in May 2020, and  
17 [REDACTED] in June 2020.

18  
19 On May 25, 2020, operation of the Maritime Link brought additional value during a 4 hour  
20 controlled islanded operation of Cape Breton. The Cape Breton export line had to be isolated due  
21 to a nearby forest fire. The Maritime Link played a role by helping to manage island frequency,  
22 load and voltage during this period. Without the Maritime Link, the alternate generation scenario  
23 would have included running combustion turbines. The net benefit by avoiding this more costly  
24 scenario is estimated to be [REDACTED].

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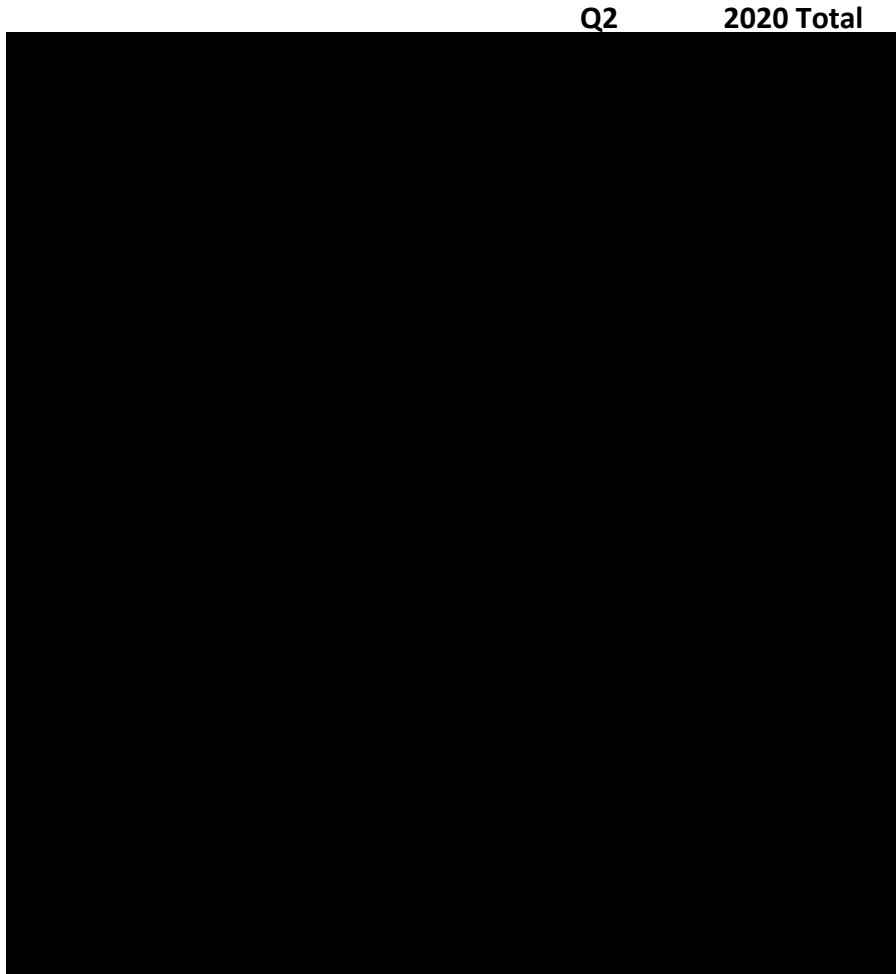
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**Appendix A**

2

**2020 Benefits to End of Q2**

**Figure 1. 2020 Q2 & Total 2020 Benefits**



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**Figure 2. 2020 Q2 & Total Benefits**

**Q2**

**2020 Total**

