

Nova Scotia Utility and Review Board

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

2021 Maritime Link
Benefits Report
for period
November 1 to December 31, 2021
NS Power

REDACTED

April 19, 2022

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12

1 **1.0 INTRODUCTION**

2
3 On November 12, 2021 Nova Scotia Power Incorporated (NS Power, Company) filed the Q3
4 Maritime Link Benefits Report that included benefits from July 1 to August 14, 2021, up to the
5 commencement of the Nova Scotia Block. At the direction of the Nova Scotia Utility and Review
6 Board (NSUARB or Board), on November 25, 2022 NS Power filed a supplementary Maritime
7 Link Benefits Report that included benefits from August 15, 2021 and October 31, 2021.

8
9 In its Decision dated February 9, 2022 with respect to NSP Maritime Link’s (NSPML) application
10 for final approval of the Maritime Link project costs and the 2022 cost assessment, the NSUARB
11 provided the following direction with respect to NS Power’s filing of Maritime Link Benefits
12 Reports (Report) as follows:

13
14 Therefore, the Board finds that NSPML and NS Power need to continue
15 filing quarterly reports until otherwise directed by the Board. Any
16 transition away from the stand-alone reports to some form of FAM
17 reporting will be addressed at the appropriate time.¹
18

19 The NSUARB provided the following further direction to NS Power and NSPML with respect to
20 the contents of those Reports:

- 21
- 22 1. Maintain current quarterly Maritime Link reports, supplemented with the
23 enhancements identified in the Bates White Undertaking U-23 response
24 regarding the interim period. Those reports are also to include summaries
25 focused on the quantities and values of makeup energy and capacity, with
26 details being better addressed during a FAM audit process. In addition, the
27 reports are to include financial data comparing capital and operating
28 expenditures against budgeted amounts, reports on the status of MFGS and
29 LIL commissioning, outstanding contractual, warranty and insurance
30 claims, final close out punch list matters, outstanding expropriations, and
31 outstanding operating agreements yet to be finalized.
 - 32 2. Maintain current quarterly Maritime Link Benefits reports which also
33 identify costs associated with replacement cost of undelivered energy and

¹ M10206, NSP Maritime Link Application for final approval of the Maritime Link Project Costs and approval of the 2022 Cost Assessment, NSUARB Decision, February 9, 2022, pages 88-89 of 94.

**2021 Maritime Link Benefits Q4 Report November 1 to December 31, 2021
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- 1 costs associated with extended operation of Lingan 2 and another thermal
2 resource that was intended to be displaced by Muskrat Falls deliveries.
3 3. File the annual Independent Engineer O&M Report.
4 4. File the annual marine survey report.
5 5. File the Long Term Asset Management Plan (LTAMP) once completed.
6 6. Report on any forced outages experienced on the assets extending from
7 MFGS to Woodbine.
8 7. Report on wheel-through energy between Newfoundland and New
9 Brunswick, along with the associated OATT revenues.²
10

11 The items applicable to NS Power are included in this Report.
12

13 In accordance with the NSUARB's direction, this Report covers the benefits received for the
14 period from November 1, 2021 to December 31, 2021 and contains the items directed by the
15 NSUARB applicable to NS Power.
16

17 In Summary, NS Power confirms that from November 1, 2021 to the end of December 31, 2021,
18 86,500 MWh of energy was supplied to NS Power over the Maritime Link. NS Power has
19 determined that the Company achieved a total of \$ [REDACTED] in quantified benefits for customers
20 associated with the Maritime Link from November 1, 2021 up to the end of December 31, 2021.
21

22 Total quantifiable benefits in 2021, up to December 31, 2021, were \$ [REDACTED] compared to
23 2020 full year benefits of \$4,164,086. The specific details with respect to the quantifiable benefits
24 achieved are provided in Confidential Appendix A.
25

² M10206, NSP Maritime Link Application for final approval of the Maritime Link Project Costs and approval of the 2022 Cost Assessment, NSUARB Decision, February 9, 2022, page 89 of 94.

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2.0 NOVEMBER 1 TO DECEMBER 31, 2021 MARITIME LINK BENEFITS

For the period from November 1, 2021 to December 31, 2021 inclusive, NS Power received from Nalcor a total of 86,500 MWh of energy.

2.1 Additional Commentary

NS Power received from Nalcor 37,323 MWh of energy in November, 2021 and 49,177 MWh of energy in December 2021.

Value was also created through the sale of wheel-through transmission between the New Brunswick border to Bottom Brook, Newfoundland: 24,759 MWh of transmission in November and 695 MWh of transmission in December 2021, totaling \$ [REDACTED] and \$ [REDACTED] respectively.

Additional benefit was realized through the import of emergency energy over the Maritime Link. On November 17, 2021 emergency energy was imported over the Maritime Link for 2 hours in the early evening, supplying a total of [REDACTED] MWh to the Nova Scotia system. On December 8, 2021 emergency energy was imported over the Maritime Link for 4 hours in the evening, supplying a total of [REDACTED] MWh to the Nova Scotia Power system. On December 10, 2021 emergency energy was imported over the Maritime Link for 6 hours in the morning and 4 hours in the evening, supplying a total of [REDACTED] MWh to the Nova Scotia Power system. The import over the Maritime Link provided additional energy to support reliable supply to customers and load/generation balance during this period.

The amount of energy delivered over the Maritime Link in the Report period, broken out by Base Block energy, Supplemental energy, Makeup energy and Additional energy, is provided in Partially Confidential Appendix B.

Undelivered energy at the beginning of the Report period was 184,232 MW and was 359,446 MW at the end of the Report period which will be delivered at a later date. A detailed accounting of all undelivered energy, including the replacement value, is provided in Partially Confidential

1 Appendix C. The total replacement cost of undelivered Maritime Link energy for 2021 was 1.3
2 times greater than the total quantifiable 2021 Maritime Link benefits.

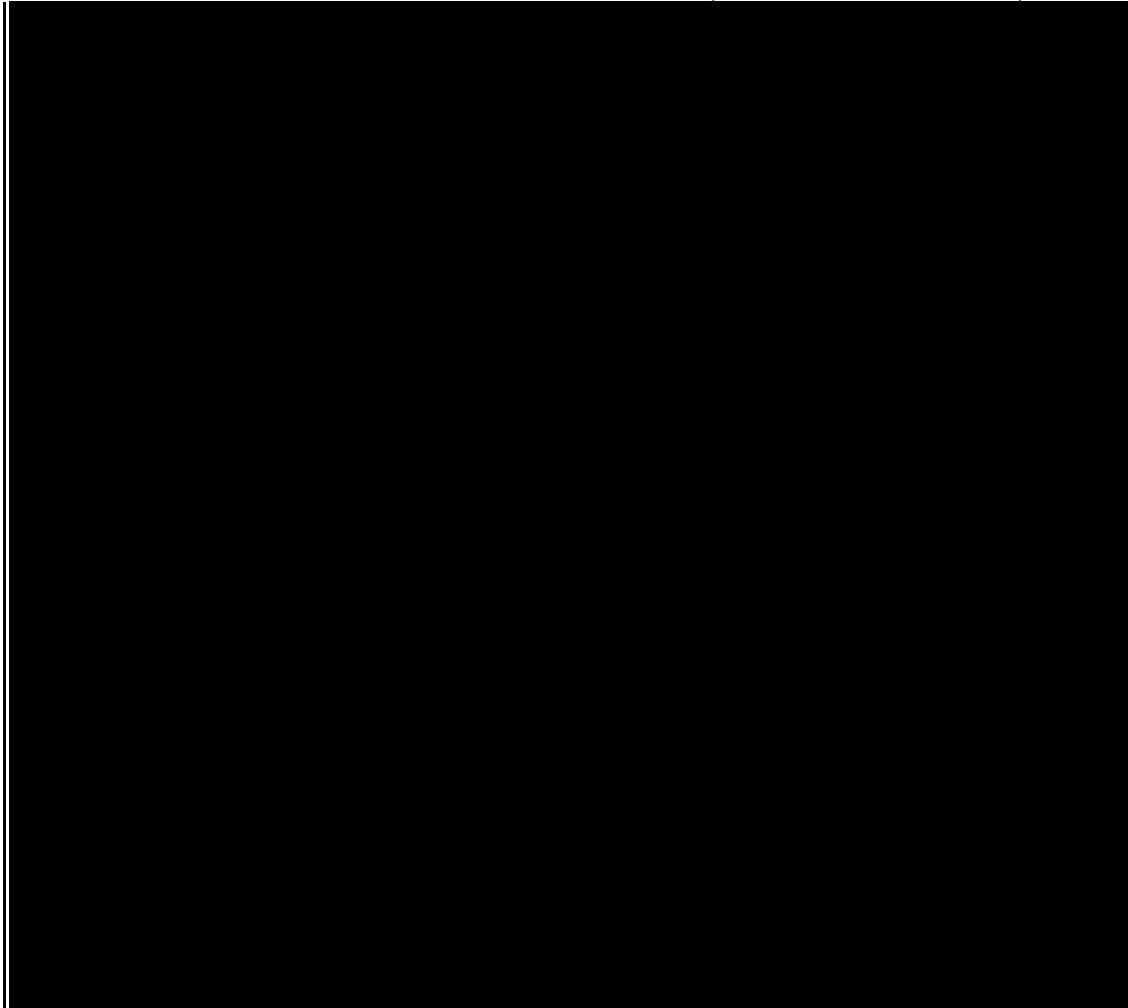
3
4 There has not been any extended operation of Lingan 2 or other thermal resource as the Labrador
5 Island Link (LIL) has not yet been fully commissioned. In its Q2 2022 Report, NS Power will
6 provide an update on its forecast capacity requirements.

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**Appendix A
2021 Benefits from November 1 to December 31**

Figure 1. November 1 to December 31, 2021 & Total 2021 Benefits

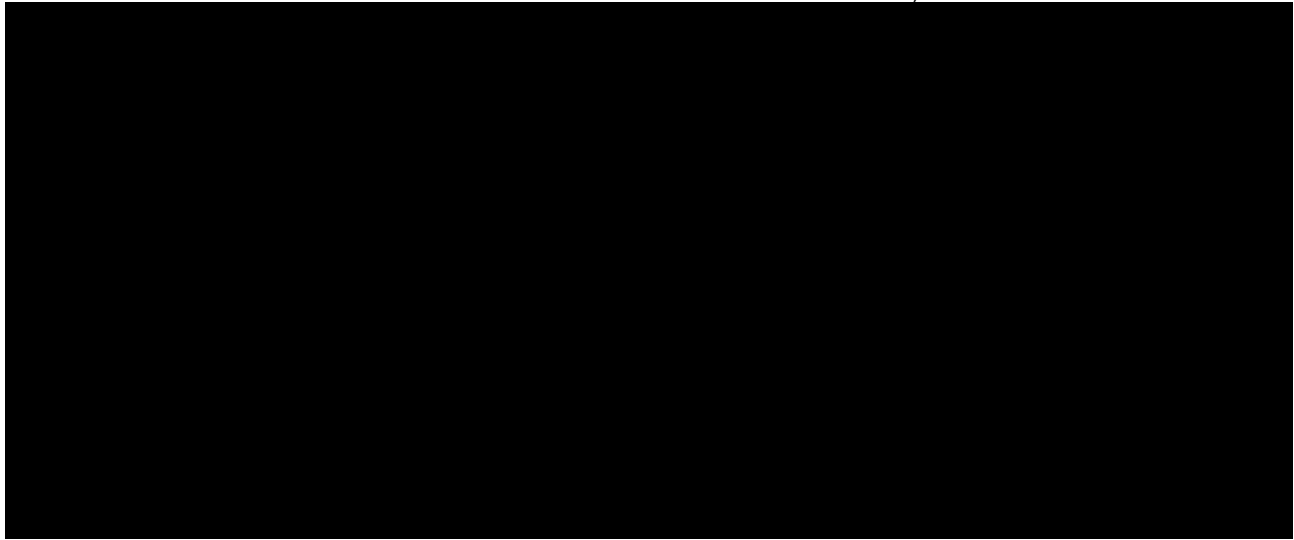
**November 1 – January 1 –
December 31, 2021 December 31, 2021**



3

Figure 2. November 1 to December 31, 2021 & Total 2021 Benefits

**November 1 –
December 31, 2021** **January 1 –
December 31,
2021**



1

2021 Maritime Link Benefits Q4 Report November 1 to December 31, 2021
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Appendix B

2021 Energy Delivered from November 1 to December 31

Figure 3. Base Block Energy – November 1 to December 31, 2021

Base Block Energy	November	December	Total
2013 Application Commitment MW	81,024	83,725	164,749
Delivered MW (up to Hourly Commitment)	23,578	32,668	56,246
Make Up MW (above Hourly Commitment)	34	114	148
Total Delivered MW	23,612	32,782	56,394
Make Up Delivered \$			

Figure 4. Supplemental Block Energy – November 1 to December 31, 2021

Supplemental Block Energy	November	December	Total
2013 Application Commitment MW	47,688	49,278	96,966
Delivered MW (up to Hourly Commitment)	13,711	16,182	29,893
Make Up MW (above Hourly Commitment)	0	213	213
Total Delivered MW	13,711	16,395	30,106
Make Up Delivered \$			

Figure 5. Additional Energy – November 1 to December 31, 2021

Additional Energy	November	December	Total
MWh of Additional Energy			

3

1

Appendix C

2021 Undelivered Energy and Replacement Cost³

Figure 6. Undelivered Energy and Replacement Costs From August 15, 2021

	Beginning of Period November 1, 2021	End of Period December 31, 2021
Total Base Block Undelivered (MW)	184,232	292,587
Total Supplemental Block Undelivered (MW)	0	66,860
Total Undelivered (MW)	184,232	359,446
Replacement Cost of Undelivered Base Block Energy (\$)		
Replacement Cost of Undelivered Supplemental Block Energy (\$)		
Total Replacement Cost of Undelivered Energy (\$)		

2

3