

Nova Scotia Utility and Review Board

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

2022 Maritime Link Benefits Report Q1

NS Power

REDACTED

June 15, 2022

**2022 Maritime Link Benefits Report Q1
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12

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1 **1.0 INTRODUCTION**

2
3 In its Decision dated February 9, 2022 with respect to NSP Maritime Link’s (NSPML) application
4 for final approval of the Maritime Link project costs and the 2022 cost assessment, the Nova
5 Scotia Utility and Review Board (NSUARB or Board) provided the following direction with
6 respect to Nova Scotia Power Incorporated’s (NS Power, Company) filing of Maritime Link
7 Benefits Reports (Report) as follows:

8
9 Therefore, the Board finds that NSPML and NS Power need to continue filing
10 quarterly reports until otherwise directed by the Board. Any transition away from
11 the stand-alone reports to some form of FAM reporting will be addressed at the
12 appropriate time.¹
13

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

- 16
- 17 1. Maintain current quarterly Maritime Link reports, supplemented with the
18 enhancements identified in the Bates White Undertaking U-23 response
19 regarding the interim period. Those reports are also to include summaries
20 focused on the quantities and values of makeup energy and capacity, with
21 details being better addressed during a FAM audit process. In addition, the
22 reports are to include financial data comparing capital and operating
23 expenditures against budgeted amounts, reports on the status of MFGS and
24 LIL commissioning, outstanding contractual, warranty and insurance
25 claims, final close out punch list matters, outstanding expropriations, and
26 outstanding operating agreements yet to be finalized.
 - 27 2. Maintain current quarterly Maritime Link Benefits reports which also
28 identify costs associated with replacement cost of undelivered energy and
29 costs associated with extended operation of Lingan 2 and another thermal
30 resource that was intended to be displaced by Muskrat Falls deliveries.
 - 31 3. File the annual Independent Engineer O&M Report.
 - 32 4. File the annual marine survey report.
 - 33 5. File the Long Term Asset Management Plan (LTAMP) once completed.
 - 34 6. Report on any forced outages experienced on the assets extending from
35 MFGS to Woodbine.

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.

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1 7. Report on wheel-through energy between Newfoundland and New
2 Brunswick, along with the associated OATT revenues.²
3

4 The items applicable to NS Power are included in this Report.
5

6 In accordance with the NSUARB's direction, this Report covers the benefits received for the
7 period from January 1, 2022 to March 31, 2022 and contains the items directed by the NSUARB
8 applicable to NS Power.
9

10 In summary, NS Power confirms that from January 1, 2022 to March 31, 2022 inclusive, 257,909
11 MWh of energy was supplied to NS Power over the Maritime Link. As of March 31, 2022, NS
12 Power has determined that the Company achieved a total of \$ [REDACTED] in quantified benefits
13 for customers in 2022 associated with the Maritime Link. The specific details with respect to the
14 quantifiable benefits achieved are provided in Confidential Appendix A.
15

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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1 **2.0 Q1, 2022 MARITIME LINK BENEFITS**

2
3 For the period from January 1, 2022 to March 31, 2022 inclusive, NS Power received from Nalcor
4 a total of 257,909 MWh of energy.

5
6 **2.1 Additional Commentary**

7
8 NS Power received from Nalcor 100,721 MWh of energy in January 2022, 110,878 MWh of
9 energy in February 2022, and 42,472 MWh of energy in March 2022.

10
11 Value was also created through the sale of wheel-through transmission between the New
12 Brunswick border to Bottom Brook, Newfoundland: 30 MWh of transmission in January, 2022,
13 totaling \$205. No wheel-through transmission occurred in February or March, 2022.

14
15 Additional benefit was realized through the import of emergency energy over the Maritime Link.
16 In January, 2022, emergency energy was imported over the Maritime Link, supplying a total of
17 [REDACTED] MWh to the Nova Scotia system. In March 2022, emergency energy was imported over the
18 Maritime Link, supplying a total of [REDACTED] MWh to the Nova Scotia system. The import over the
19 Maritime Link provided additional energy to support reliable supply to customers and
20 load/generation balance during this period.

21
22 The amount of energy delivered over the Maritime Link in the Report period, broken out by Base
23 Block energy, Supplemental energy, Makeup energy and Additional energy, is provided in
24 Partially Confidential Appendix B.

25
26 Under delivered energy at the beginning of the Report period was 360,858 MWh and was 527,652
27 MWh at the end of the Report period, which energy will be delivered at a later date. A detailed

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- 1 accounting of all under delivered energy, including the replacement value³, is provided in
- 2 Partially Confidential Appendix C.
- 3
- 4 There has not been any extended operation of Lingan 2 or other thermal resource in the quarter.

³ The replacement value of the undelivered energy at the beginning of Q1 was adjusted from what was reported in the Q4 2021 report to correct an error in the calculation of the replacement value of the undelivered energy at the end of Q4. Please refer to Appendix C.

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**Appendix A
2022 Benefits to End of Q1**


Figure 1. 2022 Q1 & Total 2022 Benefits



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Figure 2. 2022 Q1 & Total 2022 Benefits

	Q1	2022 Total
		

1

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Appendix B

2022 Q1 Energy Delivered

Figure 3. 2022 Q1 Base Block Energy

Base Block Energy	Jan	Feb	Mar	Total
2013 Application Commitment	83,725	75,622	83,725	243,072
Delivered MWh (up to Hourly Commitment)	58,094	63,231	20,400	141,724
Make Up MWh (above Hourly Commitment)	8,488	11,497	2,927	22,912
Total Delivered MWh	66,581	74,728	23,327	164,636
Make Up Delivered \$				

Figure 4. 2022 Q1 Supplemental Block Energy

Supplemental Block Energy	Jan	Feb	Mar	Total
2013 Application Commitment	49,054	44,307	49,054	142,416
Delivered MWh (up to Hourly Commitment)	28,687	30,117	8,841	67,645
Make Up MWh (above Hourly Commitment)	469	713	-	1,182
				-
Total Delivered MWh	29,156	30,830	8,841	68,827
Make Up Delivered \$				

Figure 5. 2022 Q1 Additional Energy

Additional Energy	Jan	Feb	Mar	Total
MWh of Additional Energy				

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Appendix C

2022 Undelivered Energy and Replacement Cost⁴

Figure 6. 2022 Q1 Undelivered Energy and Replacement Costs (Excluding Cost of Make Up Energy)⁵

	Beginning of Period January 1, 2022 ⁶	End of Period March 31, 2022
Total Base Block Undelivered (MWh)	294,181	395,528
Total Supplemental Block Undelivered (MWh)	66,677	132,124
Total Undelivered (MWh)	360,858	527,652
Replacement Cost of Undelivered Base Block Energy (\$)		
Replacement Cost of Undelivered Supplemental Energy Remaining (\$)		
Replacement Cost of Undelivered Energy (\$)		

2

⁴ [REDACTED]

⁵ Starting in Q1 2022 make-up energy is not deducted from the undelivered energy.

⁶ The replacement value of the undelivered energy at the beginning of Q1 was adjusted from what was reported in the Q4 2021 report to correct an error in the calculation of the replacement value of the undelivered energy at the end of Q4.