

# 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 Q2

NS Power

**REDACTED**

August 11, 2022

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**2022 Maritime Link Benefits Report Q2  
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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.<sup>1</sup>

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.

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<sup>1</sup> 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.<sup>2</sup>  
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 April 1, 2022 to June 30, 2022 and contains the items directed by the NSUARB  
8     applicable to NS Power.  
9

10    In summary, NS Power confirms that from April 1, 2022 to June 30, 2022 inclusive, 282,741  
11    MWh of energy was supplied to NS Power over the Maritime Link. NS Power has determined  
12    that the Company achieved a total of \$ [REDACTED] in quantified benefits for customers in Q2,  
13    2022 associated with the Maritime Link. The specific details with respect to the quantifiable  
14    benefits achieved are provided in Confidential Appendix A.  
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<sup>2</sup> 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 Q2, 2022 MARITIME LINK BENEFITS**

2  
3 For the period from April 1, 2022 to June 30, 2022 inclusive, NS Power received from Nalcor a  
4 total of 282,741 MWh of energy.

5  
6 **2.1 Additional Commentary**

7  
8 NS Power received from Nalcor 107,193 MWh of energy in April 2022, 110,670 MWh of energy  
9 in May 2022, and 64,878 MWh of energy in June 2022.

10  
11 No wheel-through transmission sales between the New Brunswick border to Bottom Brook,  
12 Newfoundland occurred in Q2, 2022.

13  
14 The amount of energy delivered over the Maritime Link in the Report period, broken out by Base  
15 Block energy, Supplemental energy, Makeup energy and Additional energy, is provided in  
16 Partially Confidential Appendix B.

17  
18 The total amount of under delivered energy (excluding any makeup energy) at the beginning of  
19 the Report period was 527,652 MWh and was 600,924 MWh at the end of the Report period.  
20 Offsetting this total under delivered energy with make-up energy that has been delivered since  
21 the commencement of NS Block up to the end of June 30, 2022, there remains a total of 484,276  
22 MWh of under delivered energy which will be delivered at a later date. A detailed accounting of  
23 all under delivered energy, including the replacement value, is provided in Partially Confidential  
24 Appendix C.

25  
26 As reported in NS Power's 2022 10-Year System Outlook Report,<sup>3</sup> Lingan Unit 2 will be laid up  
27 and not made available for economic dispatch. The unit will be placed into cold reserve and  
28 available to be recalled on 2 weeks' notice. Due to near-term capacity shortfalls, including the  
29 forced outage at Brooklyn Power and the scheduled outages associated with the Life Extension

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<sup>3</sup> M10653 - 2022 10-Year System Outlook Report, Section 3.2.4.

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1 and Modernization project at the Wreck Cove Generating Station, Lingan Unit 2 will be available,  
2 if needed, to provide firm capacity and maintain an adequate Planning Reserve Margin for the  
3 2022/2023 season.  
4

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**Appendix A  
2022 Benefits to End of Q2**

**Figure 1. 2022 Q2 & Total 2022 Benefits**




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**Figure 2. 2022 Q2 & Total 2022 Benefits**

	<b>Q2</b>	<b>2022 Total</b>
		

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**Appendix B  
2022 Q2 Energy Delivered**

**Figure 3. 2022 Q2 Base Block Energy**

3

<b>Base Block Energy</b>	<b>Apr</b>	<b>May</b>	<b>Jun</b>	<b>Total</b>
2013 Application Commitment	81,024	83,725	81,024	245,773
Delivered MWh (up to Hourly Commitment)	66,898	71,452	34,151	172,501
Make Up MWh (above Hourly Commitment)	3,896	1,322	4,577	9,795
Total Delivered MWh	70,794	72,775	38,728	182,297
Make Up Delivered \$				

4  
5

**Figure 4. 2022 Q2 Supplemental Block Energy**

<b>Supplemental Block Energy</b>	<b>Apr</b>	<b>May</b>	<b>Jun</b>	<b>Total</b>
2013 Application Commitment	0	0	0	0
Delivered MWh (up to Hourly Commitment)	0	0	0	0
Make Up MWh (above Hourly Commitment)	33,900	36,637	11,794	82,331
Total Delivered MWh	33,900	36,637	11,794	82,331
Make Up Delivered \$				

6  
7

**Figure 5. 2022 Q2 Additional Energy including Bilateral**

<b>Additional Energy</b>	<b>Apr</b>	<b>May</b>	<b>Jun</b>	<b>Total</b>
MWh of Additional Energy				

8

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**Appendix C**

**2022 Undelivered Energy and Replacement Cost<sup>4</sup>**

**Figure 6. 2022 Q2 Undelivered Energy and Replacement Costs (Excluding Cost of Make Up Energy)<sup>5</sup>**

	<b>Beginning of Period April 1, 2022</b>	<b>End of Period June 30, 2022</b>
Total Base Block Undelivered (MWh)	395,528	468,800
Total Supplemental Block Undelivered (MWh)	132,124	132,124
<b>Total Undelivered (MWh)</b>	<b>527,652</b>	<b>600,924</b>
Replacement Cost of Undelivered Base Block Energy (\$)		
Replacement Cost of Undelivered Supplemental Energy Remaining (\$)		
<b>Replacement Cost of Undelivered Energy (\$)</b>		

2

<sup>4</sup> [REDACTED]

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