
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 Q4

NS Power

REDACTED

February 24, 2023

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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, Board) provided the following direction with respect
6 to Nova Scotia Power Incorporated’s (NS Power, Company) filing of Maritime Link Benefits
7 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 In accordance with the NSUARB’s direction, this Report covers the benefits received for the
5 period from October 1, 2022 to December 31, 2022 and contains the items directed by the
6 NSUARB applicable to NS Power.

7
8 In summary, NS Power confirms that from October 1, 2022 to December 31, 2022 inclusive,
9 363,180 MWh of energy was supplied to NS Power over the Maritime Link. NS Power has
10 determined that the Company achieved a total of \$ [REDACTED] in quantified benefits for customers
11 in Q4, 2022 associated with the Maritime Link. The specific details with respect to the
12 quantifiable benefits achieved are provided in Confidential Appendix A.

13
14 Total quantifiable benefits in 2022, up to December 31, 2022, were \$259,227,486 compared to
15 2021 full year benefits of \$21,431,609. The specific details with respect to the quantifiable
16 benefits achieved are provided in Confidential Appendix A.
17

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 Q4, 2022 MARITIME LINK BENEFITS

For the period from October 1, 2022 to December 31, 2022 inclusive, NS Power received from Nalcor a total of 363,180 MWh of energy.

2.1 Additional Commentary

NS Power transacted from Nalcor 132,890 MWh of energy in October 2022, 140,133 MWh of energy in November 2022, and 87,865 MWh of energy in December 2022.

Additional benefit was realized through the import of emergency energy over the Maritime Link. In October, 2022, emergency energy was imported over the Maritime Link, supplying a total of [REDACTED] MWh to the Nova Scotia system. In November 2022, emergency energy was imported over the Maritime Link, supplying a total of [REDACTED] MWh to the Nova Scotia system. In December 2022, emergency energy was imported over the Maritime Link, supplying a total of [REDACTED] MWh to the Nova Scotia system. The import over the Maritime Link provided additional energy to support reliable supply to customers and load/generation balance during this period.

No wheel-through transmission sales occurred in Q4, 2022.

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

The total amount of under delivered energy (excluding any Make Up energy) at the beginning of the Report period was 702,896 MWh and was 800,536 MWh at the end of the Report period. A detailed accounting of all under delivered energy, including the replacement value, is provided in Partially Confidential Appendix C.

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1 As reported in NS Power's 2022 10-Year System Outlook Report,³ Lingan Unit 2 will be laid up
2 and not made available for economic dispatch. The unit will be placed into cold reserve and
3 available to be recalled on 2 weeks' notice. Due to near-term capacity shortfalls, including the
4 forced outage at Brooklyn Power and the scheduled outages associated with the Life Extension
5 and Modernization project at the Wreck Cove Generating Station, Lingan Unit 2 will be available,
6 if needed, to provide firm capacity and maintain an adequate Planning Reserve Margin for the
7 2022/2023 season.

8

³ M10653 - 2022 10-Year System Outlook Report, Section 3.2.4.

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Figure 2. 2022 Q4 & Total 2022 Benefits

	Q4	2022 Total
		\$259,227,486

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⁶ A small adjustment has been made to NS Supplement Block information that was reported in the Q3 2022 report as follows: YTD \$ [REDACTED] has been corrected to \$ [REDACTED].

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Appendix B

2022 Q4 Energy Delivered

Figure 3. 2022 Q4 Base Block Energy

Base Block Energy	Oct	Nov	Dec	Total
2013 Application Commitment	83,725	81,024	83,725	248,474
Delivered MWH (up to Hourly Commitment)	77,285	64,898	39,655	181,838
Make Up MWH (above Hourly Commitment)	19,889	27,352	14,558	61,799
Total Delivered MWH	97,174	92,250	54,213	243,637
Make Up Delivered \$				

Figure 4. 2022 Q4 Supplemental Block Energy

Supplemental Energy	Oct	Nov	Dec	Total
2013 Application Commitment	0	47,472	49,054	96,526
Delivered MWH (up to Hourly Commitment)	0	38,373	27,149	65,522
Make Up MWH (above Hourly Commitment)	0	6,050	5,919	11,969
Total Delivered MWH	0	44,423	33,068	77,491
Make Up Delivered \$				

Figure 5. 2022 Q4 Additional Energy including Bilateral

Additional Energy	Oct	Nov	Dec	Total
MWh of Additional Energy				

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Appendix C

2022 Undelivered Energy and Replacement Cost⁷

Figure 6. 2022 Q4 Undelivered Energy and Replacement Costs (Excluding Cost of Make Up Energy)⁸

	Beginning of Period	End of Period
	1-Oct-22⁹	31-Dec-22
Total Base Block Undelivered (MWH)	570,952	637,588
Total Supplemental Block Undelivered (MWH)	131,944	162,948
Total Undelivered (MWH)	702,896	800,536
Replacement Cost of Undelivered Base Block Energy (\$)		
Replacement Cost of Undelivered Supplemental Energy Remaining (\$)		
Replacement Cost of Undelivered Energy (\$)		

2

⁷ [REDACTED]

⁸ Starting in Q1 2022 Make Up energy is not deducted from the undelivered energy.

⁹ During Q4 some small adjustments were made to previous quarters, resulting in a total increase of 50MW Base Block Undelivered, and 180MW decrease in Supplemental Block Undelivered. There was also an adjustment to cost offsets, resulting in a total Replacement Cost increase of \$ [REDACTED] to Base Block, and \$ [REDACTED] to Supplemental. Those changes are reflected in the 'Beginning of Period' opening balances.