
Nova Scotia Utility and Review Board

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

2023 Maritime Link Benefits Report Q1

NS Power

REDACTED

June 9, 2023

2023 Maritime Link Benefits Report Q1

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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 any other 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.

36

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 January 1, 2023 to March 31, 2023 and contains the items directed by the NSUARB
6 applicable to NS Power.

7
8 In summary, NS Power confirms that from January 1, 2023 to March 31, 2023 inclusive, 331,929
9 MWh of energy was supplied to NS Power over the Maritime Link. NS Power has determined
10 that the Company achieved a total of \$ [REDACTED] in quantified benefits for customers in Q1,
11 2023 associated with the Maritime Link. The specific details with respect to the quantifiable
12 benefits achieved are provided in Confidential Appendix A.

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 Q1, 2023 MARITIME LINK BENEFITS

For the period from January 1, 2023 to March 31, 2023 inclusive, NS Power received from Nalcor a total of 331,929 MWh of energy.

Commissioning activities over the Q1 and early April period resulted in the achievement of full Labrador Island Link (LIL) commissioning on April 16, 2023. This has resulted in a material increase in flow over the LIL for the remainder of April as well as through May 2023. Final flow values will be provided in the Q2 Maritime Link Benefits Report, but preliminary data indicates flows over the Maritime Link for the April and May period totaling near 350,000 MWh.

2.1 Additional Commentary

NS Power transacted from Nalcor 100,301 MWh of energy in January 2023, 127,464 MWh of energy in February 2023, and 104,164 MWh of energy in March 2023.

Additional benefit was realized through the import of emergency energy over the Maritime Link. In January, 2023, emergency energy was imported over the Maritime Link, supplying a total of 237 MWh to the Nova Scotia system. In February 2023, emergency energy was imported over the Maritime Link, supplying a total of 382 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.

Sale of wheel-through transmission from the New Brunswick border to Bottom Brook, Newfoundland generated \$ [REDACTED] in January, 2023, \$ [REDACTED] in February, 2023, and \$ [REDACTED] in March, 2023.

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.

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1 The total amount of under delivered energy (excluding any Make Up energy) at the beginning of
2 the Report period was 800,536 MWh. This was offset by Make Up energy resulting in the total
3 amount of outstanding energy at the beginning of the period of 595,327 MWh. The total amount
4 of under delivered energy (excluding any Make Up energy) at the end of the Report period was
5 915,577 MWh. This was offset by Make Up energy resulting in the total amount of outstanding
6 energy by the end of the reporting period of 649,505 MWh. A detailed accounting of all
7 outstanding energy, including the replacement value of under delivered energy and the value of
8 Make Up energy received, is provided in Partially Confidential Appendix C.

9

10 As reported in NS Power's 2022 10-Year System Outlook Report,³ Lingan Unit 2 will be laid up
11 and not made available for economic dispatch. The unit will be placed into cold reserve and
12 available to be recalled on 2 weeks' notice. During Q1 2023 Lingan Unit 2 was recalled from
13 cold reserve to support firm load requirements. Due to near-term capacity shortfalls, including
14 the Life Extension and Modernization project at the Wreck Cove Generating Station, Lingan Unit
15 2 will be available, if needed, to provide firm capacity and maintain an adequate Planning Reserve
16 Margin for the 2023/2024 season.

17

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

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Appendix A

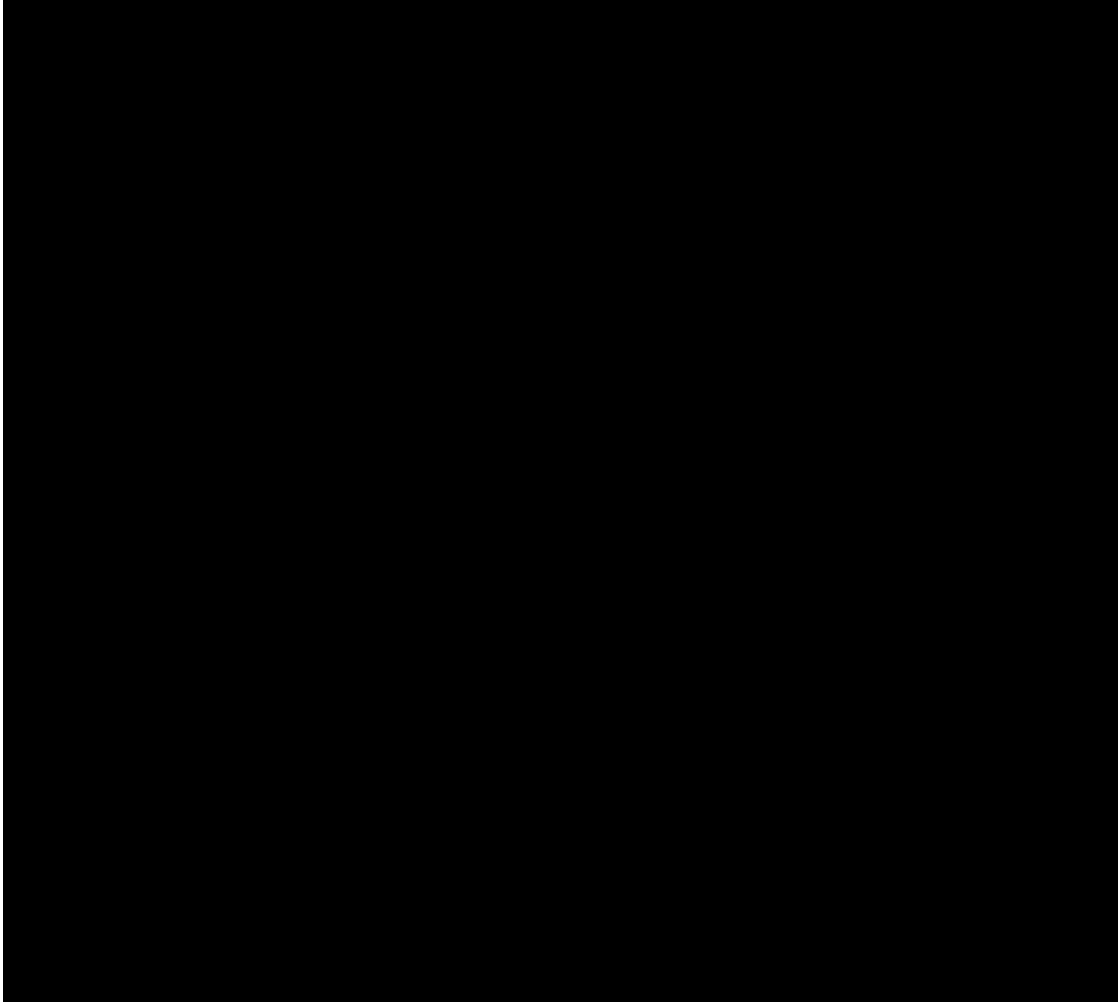
2

2023 Benefits to End of Q1

3 **Figure 1 – 2023 Q1 & Total 2023 Benefits**

Q1

2023 Total



4

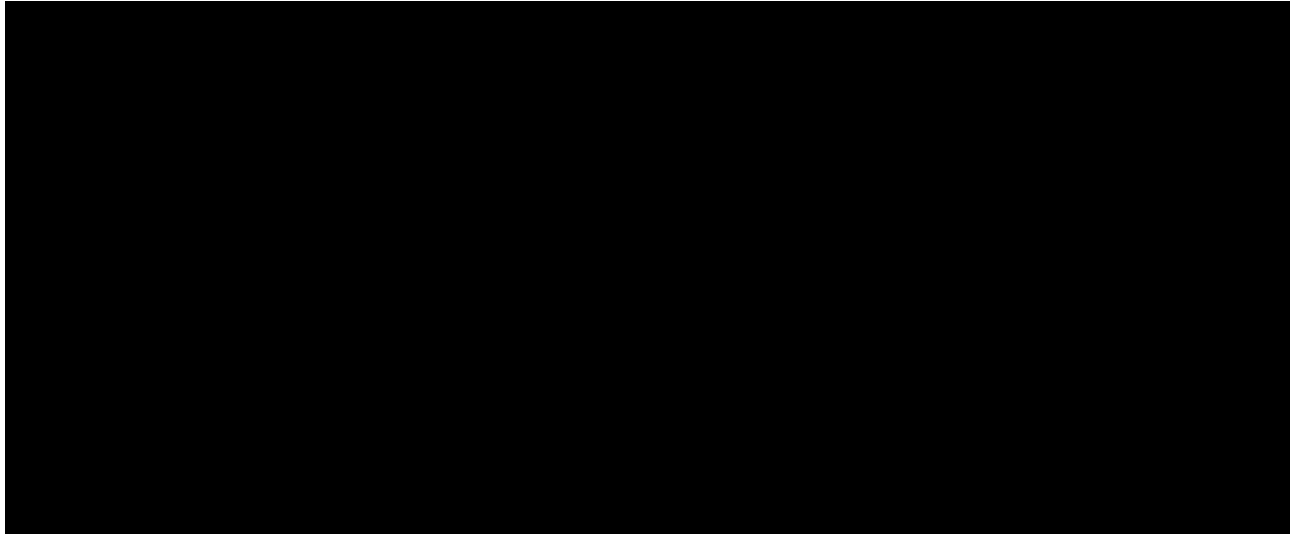
⁴Gross Benefit prior to Maritime Link Assessment costs which are recovered from customers through the FAM.

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1 **Figure 2 – 2023 Q1 & Total 2023 Benefits**

Q1

2023 Total



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Appendix B

2023 Q1 Energy Delivered

Figure 3 – 2023 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)	43,905	72,271	51,793	167,969
Make Up MWH (above Hourly Commitment)	15,906	10,717	20,095	46,719
Total Delivered MWH	59,811	82,988	71,888	214,688
Make Up Delivered \$				

Figure 4 – 2023 Q1 Supplemental Block Energy

Supplemental Energy	Jan	Feb	Mar	Total
2013 Application Commitment	49,054	44,307	49,054	142,416
Delivered MWH (up to Hourly Commitment)	34,266	41,602	26,610	102,478
Make Up MWH (above Hourly Commitment)	5,987	2,492	5,666	14,144
Total Delivered MWH	40,253	44,094	32,275	116,622
Make Up Delivered \$				

Figure 5 – 2023 Q1 Additional Energy including Bilateral

Additional Energy	Jan	Feb	Mar	Total
MWh of Additional Energy	237	382	0	619

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Appendix C

2023 Undelivered Energy and Replacement Cost⁵

Figure 6 – 2023 Q1 Undelivered Energy and Replacement Costs (Excluding Cost of Make Up Energy)⁶ and Value of Make Up Energy Received

	Beginning of Period 1-Jan-23	End of Period 31-Mar-23
Total Base Block Undelivered (MWH)	637,588	712,691
Total Supplemental Block Undelivered (MWH)	162,948	202,886
Total Undelivered (MWH)	800,536	915,577
Replacement Cost of Undelivered Base Block Energy (\$)		
Replacement Cost of Undelivered Supplemental Energy Remaining (\$)		
Replacement Cost of Undelivered Energy (\$)		
Total Value of Make Up Energy Received (\$)		

⁵ [REDACTED]

⁶ Starting in Q1 2022 Make Up energy is not deducted from the undelivered energy.