
Nova Scotia Utility and Review Board

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

2024 Maritime Link Benefits Report

Q3

NS Power

November 27, 2024

REDACTED

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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.

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 6. Report on any forced outages experienced on the assets extending from
2 MFGS to Woodbine.

3 7. Report on wheel-through energy between Newfoundland and New
4 Brunswick, along with the associated OATT revenues.²
5

6 In accordance with the NSUARB’s direction, this report covers the benefits received for the
7 period from July 1, 2024 to September 30, 2024 and contains the items directed by the NSUARB
8 applicable to NS Power.
9

10 In summary, NS Power confirms that from July 1, 2024 to September 30, 2024 inclusive, 267,038
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 Q3 2024
13 associated with the Maritime Link. The specific details with respect to the quantifiable benefits
14 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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1 **2.0 Q3, 2024 MARITIME LINK BENEFITS**

2
3 For the period from July 1, 2024 to September 30, 2024 inclusive, NS Power received a total of
4 267,038 MWh of energy from Nalcor.

5
6 **2.1 Additional Commentary**

7
8 NS Power transacted from Nalcor 181,840 MWh of energy in July 2024, 641 MWh of energy in
9 August 2024, and 84,557 MWh of energy in September 2024.

10
11 Additional benefit was realized through the import of emergency energy over the Maritime Link.
12 On August 16, 2024, emergency energy was imported over the Maritime Link, supplying a total
13 of 641 MWh to the Nova Scotia system. The import over the Maritime Link provided additional
14 energy to support reliable supply to customers and load/generation balance during this period.

15
16 Sales of wheel-through transmission from Bottom Brook, Newfoundland to New Brunswick-
17 Nova Scotia Interface were \$ [REDACTED] in July 2024, \$ [REDACTED] in August 2024 and \$ [REDACTED] in
18 September 2024.

19
20 The amount of energy delivered over the Maritime Link in the Report period, broken out by Base
21 Block energy, Supplemental energy, Make Up energy, and Additional energy, is provided in
22 Partially Confidential Appendix B.

23
24 As mentioned in Q2 2024 report, the gross undelivered Base Block energy net of makeup energy
25 which had occurred since the signing of the Acceleration Agreement in August 2021, reached
26 zero on June 22, 2024 with NS Power and NLH agreeing that there was no remaining Base Block
27 volume outstanding from this period. There was also a remaining amount of Supplemental energy
28 related to this period outstanding, which amounted to 6,194 MWh, that was fully repaid as of
29 November 21, 2024.

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1 The balance of 2024 under-delivered energy (including the impact of Make Up energy) at the
2 beginning of the Report period was 7,576 MWh, of which only 1,382 MWh related to new under-
3 delivered energy. This has increased to 133,276 MWh by the end of the period and is primarily
4 related to the outage that occurred in August 2024, and further outages as a result of testing that
5 occurred in September 2024. A detailed accounting of all outstanding energy, including the
6 replacement value of under delivered energy, is provided in Partially Confidential Appendix C.

7
8 As reported in NS Power's 2024 10-Year System Outlook Report,³ effective August 15, 2022,
9 Lingan Unit 2 was laid up and not made available for economic dispatch. The unit was placed
10 into cold reserve and available to be recalled on 2 weeks' notice. NS Power has identified a need
11 for additional firm capacity due to an increase in forecast firm peak energy. Lingan 2 will
12 therefore continue to be held in cold reserve for several years to maintain planning reserve margin.
13 In Q3 2024 Lingan 2 operating expenses were estimated at \$270,000.

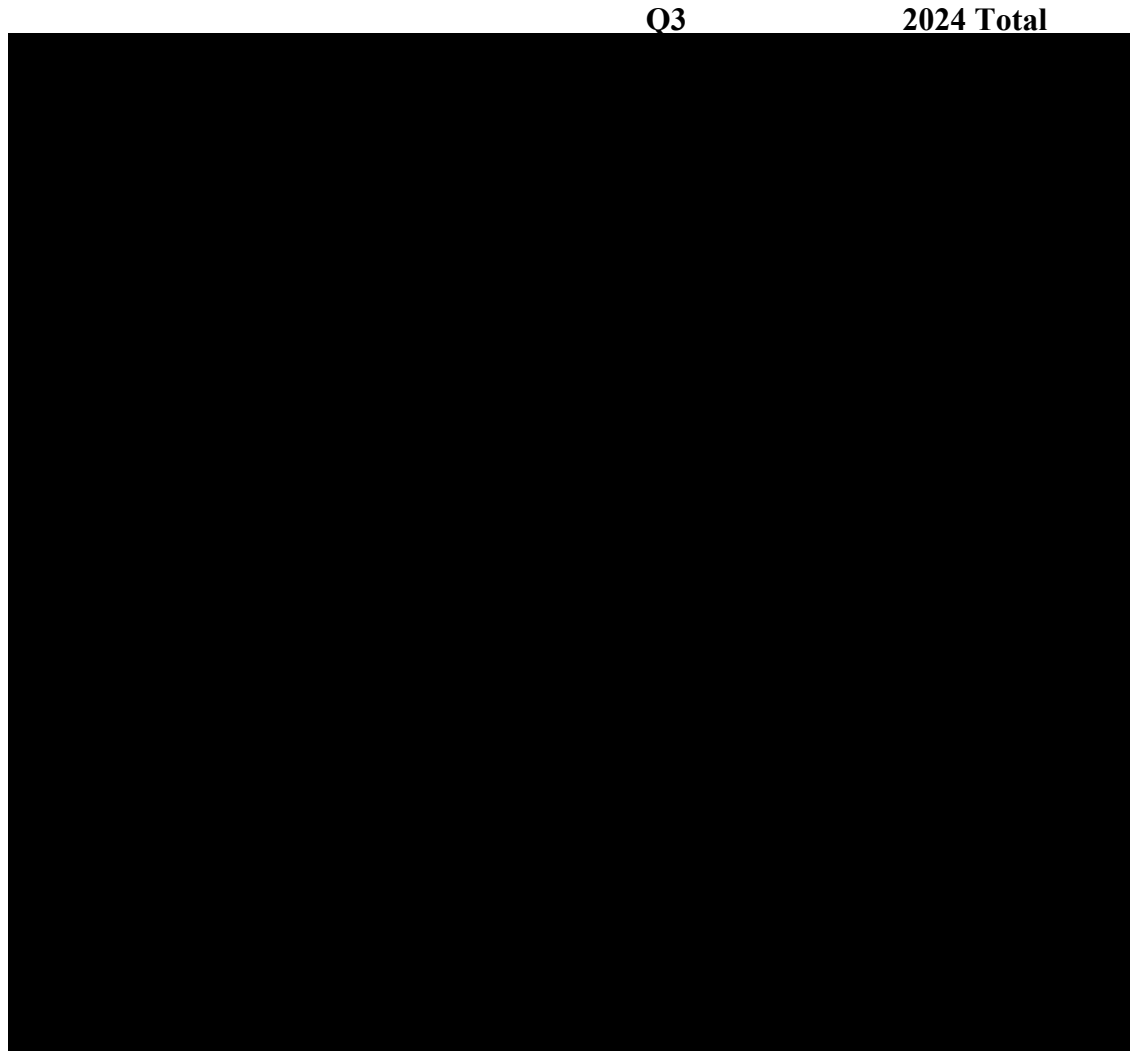
³ M11764 - 2024 10-Year System Outlook Report, Section 3.2.3.

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**Appendix A
2024 Benefits to End of Q3**

Figure 1 – 2024 Q3 & Total 2024 Benefits

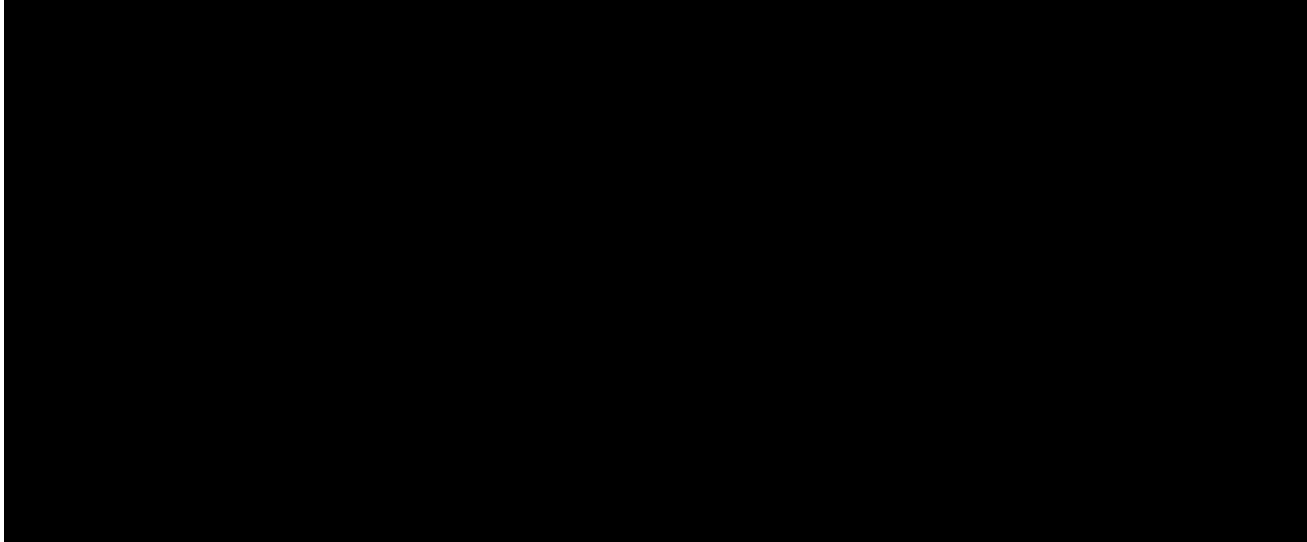


⁴ Includes bi-lateral and surplus energy. Emergency energy is not assigned a benefit value and is not included here. However, emergency MWhs are included in Figure 5 – Additional Energy.
⁵ Gross Benefit prior to Maritime Link Assessment costs which are recovered from customers through the FAM.

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1 **Figure 2 – 2024 Q3 & Total 2024 Benefits**

Q3 2024 Total



⁶ Includes bilateral energy.

⁷ Includes surplus energy. Note, emergency energy is not assigned a benefit value and is not included here. However, emergency energy MWh are included in Figure 5 - Additional Energy.

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Appendix B

2024 Q3 Energy Delivered

Figure 3 – 2024 Q3 Base Block Energy

Base Block Energy	Jul	Aug	Sep	Total
2013 Application Commitment	83,514	83,514	80,820	247,847
Delivered MWh (up to Hourly Commitment)	72,038	0	35,923	107,961
Make Up MWh (above Hourly Commitment)	1,194	0	12,992	14,185
Total Delivered MWh	73,232	0	48,914	122,146
Make Up Delivered \$				

Figure 4 – 2024 Q3 Supplemental Block Energy

Supplemental Energy	Jul	Aug	Sep	Total
2013 Application Commitment	0	0	0	0
Delivered MWh (up to Hourly Commitment)	0	0	0	0
Make Up MWh (above Hourly Commitment)	0	0	0	0
Total Delivered MWh	0	0	0	0
Make Up Delivered \$				

Figure 5 – 2024 Q3 Additional Energy⁸

Additional Energy	Jul	Aug	Sep	Total
MWh of Additional Energy	108,608	641	35,643	144,892

⁸ Includes bi-lateral, surplus, and emergency energy.

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Appendix C

2024 Undelivered Energy and Replacement Cost⁹

Figure 6 – Undelivered Energy and Replacement Costs (Excluding Cost of Make Up Energy) for April 1, 2024 to June 22, 2024^{10,11}

	Beginning of Period	End of Period
	1-Apr-24	22-Jun-24
Total Base Block Undelivered (MWH)	780,443	844,921
Total Supplemental Block Undelivered (MWH)	203,499	203,499
Total Undelivered (MWH)	983,941	1,048,419
Replacement Cost of Undelivered Base Block Energy (\$)		
Replacement Cost of Undelivered Supplemental Energy Remaining (\$)		
Replacement Cost of Undelivered Energy (\$)		

⁹ [REDACTED]

¹⁰ Starting in Q1 2022 Make Up energy is not deducted from the undelivered energy.

¹¹ The data in this table has been updated for the period from the beginning of Q2 2024 to June 22, 2024. On June 22, 2024 all undelivered Base Block energy since the start of the Acceleration Agreement was replaced with Make Up energy.

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Figure 7 - 2024 Q3 Undelivered Energy and Replacement Costs (Including Cost of Make Up Energy)

1

	Beginning of Period 1-Jul-24	End of Period 30-Sep-24
Total Base Block Undelivered (MWH)	613. ¹²	140,499
Total Supplemental Block Undelivered (MWH)	6,194	6,194
Total Undelivered (MWH)	6,807	146,693
Replacement Cost of Undelivered Base Block Energy (\$)		
Replacement Cost of Undelivered Supplemental Energy Remaining (\$)		
Replacement Cost of Undelivered Energy (\$)		
Total Make Up Base Block (MWH)	0	14,185
Total Make Up Supplemental Block (MWH)	0	0
Total Make Up (MWH)	0	14,185
Make Up Value of Base Block Energy (\$)		
Make Up Value of Supplemental Energy Remaining (\$)		
Total Make Up Value (\$)		

¹² The balance of new undelivered base block that occurred between June 22, 2024 and July 1, 2024.