

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

Q4

NS Power

March 10, 2025

REDACTED

**2024 Maritime Link Benefits Report Q4
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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 October 1, 2024 to December 31, 2024 and contains the items directed by the
8 NSUARB applicable to NS Power.
9

10 In summary, NS Power confirms that from October 1, 2024 to December 31, 2024 inclusive,
11 598,424 MWh of energy was supplied to NS Power over the Maritime Link. NS Power has
12 determined that the Company achieved a total of \$ [REDACTED] in quantified benefits for
13 customers in Q4 2024 and \$287,581,281 in quantified benefits for the full year, associated with
14 the Maritime Link. The specific details with respect to the quantifiable benefits achieved are
15 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 Q4, 2024 MARITIME LINK BENEFITS**

2
3 For the period from October 1, 2024 to December 31, 2024 inclusive, NS Power received a total
4 of 598,424 MWh of energy from Nalcor.

5
6 **2.1 Additional Commentary**

7
8 NS Power transacted from Nalcor 103,304 MWh of energy in October 2024, 202,780 MWh of
9 energy in November 2024, and 292,340 MWh of energy in December 2024.

10
11 Additional benefit was realized through the import of emergency energy over the Maritime Link.
12 In October 2024, emergency energy was imported over the Maritime Link, supplying a total of
13 2,294 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 October 2024, \$ [REDACTED] in November 2024 and \$ [REDACTED] in
18 December 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 7,417 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 133,675 MWh which primarily related to planned outages
3 taken in Q2 2024. This has decreased to -196 MWh due to the Make Up energy received in
4 December 2024. A detailed accounting of all outstanding energy, including the replacement value
5 of under delivered energy, is provided in Partially Confidential Appendix C. Appendix C has
6 been updated to account for the redelivery of all outstanding Base and Supplemental Block energy
7 since the start of the Acceleration Agreement. In the Appendix, Make Up Energy received in the
8 quarter is now netted from Undelivered Energy to provide a better reflection of any outstanding
9 energy and is more indicative of the regular operation of the Maritime Link.

10
11 As reported in NS Power's 2024 10-Year System Outlook Report,³ effective August 15, 2022,
12 Lingan Unit 2 was laid up and not made available for economic dispatch. The unit was placed
13 into cold reserve and available to be recalled on 2 weeks' notice. NS Power has identified a need
14 for additional firm capacity due to an increase in forecast firm peak energy. Lingan 2 will
15 therefore continue to be held in cold reserve for several years to maintain planning reserve margin.
16 In Q4 2024 Lingan 2 operating expenses were estimated at \$772,000 and capital invested was
17 estimated at \$794,000.

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

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Appendix A

2024 Benefits to End of Q4

Figure 1 – 2024 Q4 & Total 2024 Benefits

	Q4	2024 Total
[REDACTED]		
		\$287,581,281

6

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 NS Power routinely seeks reconciliation with its counterparties on volumes. Small volume adjustments have been reflected in the lines for NS Base Block and NS Supplemental Block.

⁶ Gross Benefit prior to Maritime Link Assessment costs which are recovered from customers through the FAM.

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1 **Figure 2 – 2024 Q4 & Total 2024 Benefits**

	Q4	2024 Total
		\$287,581,281

⁷ Includes bilateral energy.

⁸ 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.

⁹ Refer to Footnote 5.

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Appendix B

2024 Q4 Energy Delivered

Figure 3 – 2024 Q4 Base Block Energy

Base Block Energy	Oct	Nov	Dec	Total
2013 Application Commitment	83,514	80,820	83,514	247,847
Delivered MWH (up to Hourly Commitment)	69,196	78,361	82,782	230,338
Make Up MWH (above Hourly Commitment)	3,889	56,355	83,770	144,015
Total Delivered MWH	73,085	134,716	166,552	374,353
Make Up Delivered \$				

Figure 4 – 2024 Q4 Supplemental Block Energy

Supplemental Energy	Oct	Nov	Dec	Total
2013 Application Commitment	0	47,566	48,947	96,513
Delivered MWh (up to Hourly Commitment)	0	47,089	48,265	95,354
Make Up MWh (above Hourly Commitment)	0	7,693	831	8,524
Total Delivered MWh	0	54,782	49,096	103,878
Make Up Delivered \$				

Figure 5 – 2024 Q4 Additional Energy¹⁰

Additional Energy	Oct	Nov	Dec	Total
MWh of Additional Energy	30,219	13,282	76,692	120,193

¹⁰ Includes bi-lateral, surplus, and emergency energy.

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Appendix C

2024 Undelivered Energy and Replacement Cost¹¹

Figure 6 - 2024 Q4 Undelivered Energy and Replacement Costs (Including Cost of Make Up Energy)

	Q4	
	MWh	CAD
Total undelivered Base Block at the beginning of the quarter	126,259	
Undelivered Base Block during the quarter	17,509	
Make up Base Block received during the quarter	144,015	
Total Undelivered Base Block at the end of the quarter	(247)	
Total undelivered Supplemental Block at the beginning of the quarter	7,417	
Undelivered Supplemental Block during the quarter	1,159	
Make up Supplemental Block received during the quarter	8,524	
Total Undelivered Supplemental Block at the end of the quarter	52	
Total undelivered Base Block + undelivered Supplemental Block at the end of the quarter	(196)	

¹¹ [REDACTED]