

New Brunswick | Newfoundland and Labrador | Nova Scotia | Prince Edward Island

February 15, 2017

VIA EMAIL: doreen.friis@novascotia.ca

Ms. Doreen Friis Regulatory Affairs Clerk / Officer Nova Scotia Utility and Review Board 1601 Lower Water Street, 3rd Floor Halifax NS B3J 3P6

Dear Ms. Friis:

RE: M07718 - NSP Maritime Link Inc. ("NSPML") - Application for Approval of an Interim Cost Assessment

By letter dated January 13, 2017, NSPML, as applicant in this matter, requested a 30 day extension to prepare and submit supplementary evidence. In our January 13 letter, we indicated that we would provide quantification evidence respecting the use and benefits of the Maritime Link ("ML") during the period of 2018-2020. Our evidence would also offer context to the quantification evidence and respond to various issues identified in the Final Issues List.

By letter dated January 13, 2017, the Board granted an extension such that NSPML's supplementary evidence was required by February 15, 2017.

On behalf of NSPML, please find attached our supplementary evidence. The evidence includes:

- 1. NSPML's Supplementary Evidence;
- 2. Appendix A John J. Reed's Supplemental Evidence:
- 3. Confidential Appendices B and C (which have been uploaded to the Board's confidential website). The information contained in Confidential Appendices B and C was provided by Nova Scotia Power Inc. (NS Power) on a confidential basis. It is of a commercially

sensitive nature for NS Power and should not be posted on the Board's public site. It contains sensitive forecast and pricing information. The public release of the information contained in Confidential Appendices B and C could be harmful to customers because of the risk that potential suppliers could use the information to gain advantage, thereby causing unnecessarily higher prices for customers. With respect to Appendix B, the forecast and pricing information is also relevant to commercial negotiations which have not yet been completed. Pursuant to Rule 12 of the Board Regulatory Rules, confidential treatment is requested with respect to Confidential Appendices B and C. A Confidentiality Undertaking has already been approved by the Board in this proceeding and only those parties who have executed that Confidentiality Undertaking and been approved by NSPML should have access to Confidential Appendices B and C;

4. Redacted version of Appendix C.

We hope that the Board finds the supplementary evidence to be responsive and beneficial in relation to the Application. NSPML looks forward to receiving the Board's updated Timetable and moving forward with the Application.

NSPML respectfully submits that the attached evidence, together with the evidence tendered by NSPML on December 16, 2016, establishes that:

- 1. NSPML has complied with the Board's Decision and Order of 2013 (NSP Maritime Link Incorporated (Re), 2013 NSUARB 154 (M05419));
- 2. NSPML has carefully and effectively managed the construction of the Maritime Link. The project will be completed on time and on budget;
- 3. after learning of Nalcor's scheduling delays, NSPML properly concluded that construction of the Maritime Link should not be delayed –a delay by NSPML would cost Nova Scotia customers hundreds of millions of dollars;
- 4. once the Maritime Link is operational on January 1, 2018 NS Power forecasts energy flow over the Maritime Link in excess of 2 TWh with an associated estimated gross (market/marginal) value of that energy being in excess of \$120 million between January 1, 2018 and December 31, 2019;
- 5. during the period of January 1, 2018 to December 31, 2019, Nova Scotia customers will receive substantial benefits resulting from the use of the Maritime Link;
- 6. a two year delay in the start of the NS Block will trigger two additional years of NS Block power for Nova Scotia customers resulting in significant additional benefits;

February 15, 2017

7. NSPML's Application seeks to recover exactly the same amount NS Power is already recovering from customers through its Rate Stability Plan which is designed to provide certainty and stability for Nova Scotia electricity customers.

Yours very truly,

Colin J. Clarke

CJC/slb

cc Rick Janega, NSPML

Bruce Outhouse, Q.C., Board Counsel

Mary Ellen Greenough, Senior Counsel Legal & Regulatory Affairs, Emera Newfoundland

and Labrador

Interested Parties