



Nova Scotia Utility and Review Board

Mailing address

PO Box 1692, Unit "M"
Halifax, Nova Scotia
B3J 3S3
board@novascotia.ca
<http://nsuarb.novascotia.ca>

Office

3rd Floor, 1601 Lower Water Street
Halifax, Nova Scotia B3J 3P6
1 855 442-4448 (toll-free)
902 424-4448 t
902 424-3919 f

January 11, 2024

mark.peachey@nspower.ca

Mark Peachey
Manager, Capital Filings
Nova Scotia Power Inc.
1223 Lower Water Street
Halifax, NS B3J 3S8

Dear Mr. Peachey:

M11221 – Nova Scotia Power Inc. – 2023 10-Year System Outlook Report (P-194)

On June 30, 2023, Nova Scotia Power Inc. (NS Power) filed its 2023 10-Year System Outlook (SO) Report on behalf of the Nova Scotia Power System Operator (NSPSO). That filing is required under the Nova Scotia Wholesale and Renewable to Retail Electricity Market Rules. On September 22, 2023, Board staff submitted Information Requests (IRs) to NS Power and replies were received on October 16, 2023.

This matter was reviewed by Stephen T. McGrath, K.C., Chair, Roland A. Deveau, K.C., Vice Chair, and Steven M. Murphy, MBA, P.Eng., Member.

The annual 10-Year SO report represents NSPSO's assessment of NS Power's generation resource capacity and adequacy, as well as transmission system adequacy and expansion plans. These SO reports are largely based on the previously filed Load Forecast report, Demand Side Management forecast, Northeast Power Coordinating Council (NPCC) compliance requirements, and environmental compliance requirements related to air emissions and renewable resources.

Market Rule 3.4.2 states:

The NSPSO system plan will address: (a) transmission investment planning; (b) DSM programs operated by EfficiencyOne or others; (c) NS Power generation planning for existing Facilities, including retirements as well as investments in upgrades, refurbishment or life extension; (d) new Generating Facilities committed in accordance with previous approved NSPSO system plans; (e) new Generating Facilities planned by Market Participants or Connection Applicants other than NS Power; and (f) requirements for additional DSM programs and / or generating capability (for energy or ancillary services).

The Board notes that these reports are filed for information purposes only, based on the best information available at the time they were prepared.

NS Power's 2023 Load Forecast Report, filed with the Board on April 29, 2023, forms the basis for fuel and power purchase supply planning, investment planning, and the overall operating activities of the utility. That report projects a 2.3% annual increase in the system peak demand over the forecast period (2013-2033), with the firm peak demand increasing by 2.2% annually over the forecast period. With energy efficiency improvements, DSM initiatives, increased behind-the-meter solar installations, and sales through the Renewable-to-Retail market, the average annual increase in Net System Requirement (NSR) is forecast to be 0.7% over that same period.

It is worthy to note that on February 3 and 4, 2023, Nova Scotia experienced a severe cold weather event, which resulted in an all-time high hourly peak load of 2455 MW. NS Power was able to meet that demand.

The prior year 2022 10-Year SO Report was based on Scenario 3.1C of the 2020 Integrated Resource Plan (IRP), "as it best reflected the load and policy landscape at the time". More recently, NS Power completed a 2022 Evergreen IRP Update, which refined the long-term electricity strategy to reflect the current planning environment. As a result of that analysis, Evergreen IRP scenario CE1-E1-R2 was selected as the basis for the 2023 10-Year SO Report. That scenario represents current policy and trends for electrification, a net-zero emission electricity system by 2035, and no Atlantic Loop. However, a second 345 kV intertie between Onslow, NS and Salisbury, NB (referenced as the Reliability Tie) is included, with an earliest potential in-service date of 2027. A summary of the anticipated system additions and retirements is provided in Figure 6 of the SO Report. Since many of the resource additions are currently in the development stage, NS Power stated that planned in-service dates and retirement dates may require adjustment.

The Board has reviewed the information provided in the report and in NS Power's responses to IRs, and accepts the 2023 10-Year System Outlook Report as filed. The Board anticipates that the 2024 10-Year SO Report will be informed by any further Evergreen IRP updates, as well as the recently filed 2024 ACE Plan and the recently filed report titled "The Path to 2030", both of which are exhibits in Matter M11458.

Market Rule 3.4.5.1 requires the Nova Scotia Power System Operator to publish the System Outlook Report at the same time as it is submitted to the Board. Please ensure that this latest version, the 2023 10-Year System Outlook Report, is posted to the OASIS site.

Yours very truly,



Crystal Henwood
Regulatory Affairs Officer/Clerk

c. William Mahody, Board Counsel
M10653 Participants