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File No: SM002557-00003

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Delivered by E-mail

Doreen Friis
Regulatory Affairs Officer/Clerk
Nova Scotia Utility and Review Board
3rd Floor 1601 Lower Water Street
PO Box 1692 Unit "M"
Halifax NS B3J 3S3

Dear Ms. Friis:

**Re: NSPI Draft Variable Generation Integration Costs Assumptions
Integrated Resource Plan (IRP) 2014 – M05522/P-884.14**

Further to our May 7, 2014 comments on the draft Integration Costs Assumptions, we make these additional submissions.

In the Maritime Link hearing, NSPI / NSPML confirmed that energy from the link would support the integration of variable energy sources.¹ Do the simulations used to develop the Variable Generation Integration Costs assume that the Link facilitates the integration of variable renewables? If not, please explain.

Has NSPI determined that a specific amount of variable renewables can be added because of the Link? How much? If the simulations run to develop the draft Integration Costs Assumptions did not assume that the Link facilitates integration of variable renewals, please run a simulation that has this assumption and provide a report that discusses the impact of this change on variable generation integration costs.

Regarding the Point Aconi and Point Tupper outputs on pages 9 and 10, has NSPI considered the impact of non-wind variables that affect output, such as changes to load, the operation of the Port Hawkesbury Biomass, and the increased use of natural gas at Tufts Cove? Please explain.

¹ NSPML Application (M-2), page 25 (M05419)

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Finally, we note that the Port Hawkesbury Biomass generator continues, by legislated requirement, to be designated as "must run." Given that this IRP process intends to explore all generation requirements and options, we believe that it would be appropriate to consider the impact on dispatch, generation costs and the overall cost of achieving renewables targets of changing the Biomass designation so that it is not a "must run" unit. Please run a simulation that assumes that the Biomass is not "must run" and provide a report that discusses the impact of this change on variable generation integration costs.

Regards,



Maggie A. Stewart

MAS/

Cc Interested Parties