

The Maritime Link and Nova Scotia's Energy Future

The Maritime Link subsea power cable project will connect Nova Scotia to Newfoundland and Labrador crossing the Cabot Strait. It will transmit hydroelectricity from the Muskrat Falls generating facility and interconnect with the link in Labrador and Newfoundland Island as part of the greater Lower Churchill Project.

The Maritime Link represents a vital opportunity for Nova Scotia. The province's strong dependence on fossil fuels and coal in particular has made our cost of power generation vulnerable to rapidly rising world commodity prices and increasingly stringent environmental regulation. In recent years, we have taken a number of significant steps to lessen our dependence on fossil fuels and transform our electricity system to provide a more sustainable future for the province.

Since 2009 we have made great strides in diversifying the energy mix.

Nova Scotia's Energy Mix – What we produce:

2009:

77 per cent coal, pet coke, oil and other
13 per cent natural gas
10 percent renewables produced

Forecast 2013:

48 per cent coal and pet coke
25 per cent natural gas
23 per cent renewables (10 per cent hydro and tidal; 9-10 per cent wind and 3 per cent biomass)
6 per cent imports, oil and other

Note: (wind/hydro will vary from yr to yr) *Source: Emera's Audited Report*

Major policy and legislative milestones achieved by Nova Scotia over the last three years on the path to a transformed economy, environment and electricity system include the following:

- The 2009 Climate Change Action Plan and Energy Strategy outlining the roadmap to help Nova Scotia reach its GHG targets;
- The first jurisdiction in North America to place hard caps on greenhouse gas emissions with the Greenhouse Gas Emissions Regulations establishing absolute GHG emission caps on the electricity sector;
- Amendments to the Air Quality Regulations to set new, tighter limits on Nova Scotia Power Inc., sulphur dioxide and nitrogen oxide emissions for 2015 and 2020;

- Leadership in establishing the Atlantic Energy Gateway, the regional collaboration initiative funded by the federal government, to create significant benefits from enhanced cooperation in developing Atlantic Canada's clean energy resources;
- The Renewable Electricity Plan (2010), a comprehensive strategy to transform the electricity sector from one largely based on coal to one using cleaner energy sources;
- Amended Renewable Electricity Regulations (2010) to require 25 per cent electricity sales (supply) from renewable energy resources by 2015;
- Created Efficiency Nova Scotia Corporation, as a result of broad stakeholder consensus, to encourage energy conservation and efficiency within the province;
- Amended the Electricity Act (2011) mandating 40 per cent renewable electricity by 2020, and confirming hydro-electricity from the Lower Churchill Project as an eligible resource for meeting Nova Scotia's renewable electricity targets to ensure that potential power from Muskrat Falls is utilized by 2020 ; and,
- Entered into an agreement with the Government of Canada (September 2012) that will help save Nova Scotia families an additional \$1.3 billion on their power bills, while achieving the federal government's new GHG targets for 2030;

To achieve the provincial 2020 and federal 2030 targets, Nova Scotia must move to more renewable sources of energy. The lowest-cost option to meet these targets is accessing hydroelectricity from the Lower Churchill Project through the Maritime Link.

This is a regional project involving Nova Scotia and Newfoundland and Labrador. Nova Scotia Power's parent company Emera, and Newfoundland and Labrador's Crown energy corporation Nalcor Energy are partnering to develop the first phase of the Lower Churchill Project at Muskrat Falls.

The agreement, which will see Emera paying 20 per cent of the project costs for 20 per cent of the energy, will provide Nova Scotia access to renewable power at fixed cost for 35 years. This could result in as much as 10 per cent of the province's total electricity requirements.

The federal loan guarantee will enable the financing of the project by providing lower borrowing costs to Emera and Nalcor, which will ensure lower-cost electricity to Nova Scotia families. Over \$100 million in borrowing-cost savings to Nova Scotia ratepayers is projected over the lifespan of the project.

The Maritime link project is expected to see hydroelectricity from the Lower Churchill flow into the province as scheduled in 2017.

For more information on the Lower Churchill Project and the Maritime Link, click [here](#).