

**Maritimes Area
Interim Review of Resource Adequacy
September, 2002**

**Maritime Electric Company Limited
Nova Scotia Power Incorporated
New Brunswick Power Corporation**

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Introduction

This is the first interim review of the Maritimes Area Triennial Review of Resource Adequacy submitted and approved in 2001. The Maritimes Area is a winter peaking area that includes Maritime Electric Company Limited (MECL), New Brunswick Power Corporation (NB Power) and Nova Scotia Power Incorporated (NS Power) supplying power and energy to the provinces of Prince Edward Island (PEI), New Brunswick (NB) and Nova Scotia (NS), respectively.

This review identifies the changes in assumptions that have arisen since the submission of the Triennial Review and assesses the impact of these changes on the results.

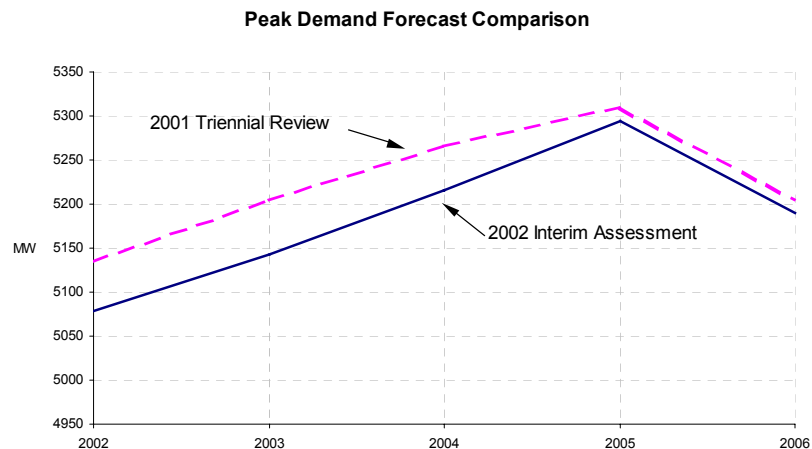
Change in Resources

There are two changes in the resource assumptions. A new CT slated to be in-service in Nova Scotia for January 1, 2002 has been delayed and is now scheduled to be on-line April 1, 2003. A new wind farm with an installed capacity of approximately 30 MW, and having an expected firm capacity of 10 MW, is scheduled for September, 2004 operation in Nova Scotia.

While there may be changes in the maintenance outage schedule, these have negligible impact on the reliability of the Maritimes Area since they are scheduled to occur during the summer months when the Area has higher reserve margins.

Change in Load

The load forecast for the Maritimes Area has changed as a result of changes in the load forecasts of the individual utilities. The net effect, as illustrated in the accompanying figure, is an overall decrease in the peak load forecast throughout the study period.



Assessment

The reserve criterion for the Maritimes Area requires a capacity margin equal to the larger of the capacity of the largest unit and 20% of the firm load. The following table documents the required and actual reserve for the assumptions of the 2001 review as well as for this interim review.

| Year | 2002 Interim Review | | | | | | 2001 Triennial Review | | | | | |
|------|---------------------|--------------|--------------|--------------|---------|----------|-----------------------|--------------|--------------|--------------|---------|----------|
| | Peak Load MW | Int. Load MW | Firm Load MW | Jan. Cap. MW | Reserve | | Peak Load MW | Int. Load MW | Firm Load MW | Jan. Cap. MW | Reserve | |
| | | | | | Cap. MW | Margin % | | | | | Cap. MW | Margin % |
| 2002 | 5079 | 471 | 4608 | 6121 | 1513 | 32.8% | 5134 | 533 | 4601 | 6171 | 1570 | 34.1% |
| 2003 | 5143 | 514 | 4629 | 6209 | 1580 | 34.1% | 5205 | 536 | 4669 | 6259 | 1590 | 34.1% |
| 2004 | 5216 | 519 | 4697 | 6282 | 1585 | 33.8% | 5266 | 540 | 4726 | 6282 | 1556 | 32.9% |
| 2005 | 5294 | 523 | 4771 | 6208 | 1437 | 30.1% | 5310 | 544 | 4766 | 6198 | 1432 | 30.0% |
| 2006 | 5190 | 524 | 4666 | 6181 | 1515 | 32.5% | 5205 | 547 | 4658 | 6171 | 1513 | 32.5% |

Conclusion

This interim review has shown that the changes in load and resources are insignificant and would have negligible impact on the results of the Maritimes Area Triennial Review of Resource Adequacy (December, 2001).

Further, the assessment has shown that the Maritimes Area meets its reserve requirement. The Maritimes Area Triennial Review of Resource Adequacy (2001) demonstrated that adherence to this criterion was in compliance with the NPCC Resource Adequacy Design Criteria.

The Maritimes Area continues to comply with the NPCC Resource Adequacy Design Criteria.