

the proposed transmission system, is considered to represent the best long-term option for expansion of the electric energy supply to the island of Newfoundland. Important additional advantages would accrue from linking the transmission system to the Hydro-Québec system. Discussions were taking place between the Newfoundland and Quebec utilities on arrangements to exchange surplus energy to the mutual advantage of both provinces.

The proposed financial assistance falls within the terms of the policy of offering loans of up to 50% of capital cost for regional electrical interconnections which offer opportunity for economic development and improved security of supply. The new generating station will be located on the Churchill River some 140 miles downstream of the now-completed 5,225-MW Churchill Falls generating station and would use the same water supply. The Gull Island development, based on a renewable resource, provides a viable option to increased dependence on oil-fuelled electric energy generation and in energy terms is equivalent to Newfoundland's current total oil consumption of 50,000 b/d. On completion of the Gull transmission link and a cable interconnection to Prince Edward Island to cost \$36 million, all provinces of Canada will have electrical power systems which are interconnected with a neighbouring province.

In the short run, additions in the 1975-76 period include gas turbine generation installations at Stephenville (50 MW), Burin Peninsula (25 MW) and in St. John's (60 MW). In 1977 two additional 77-MW hydro units at Baie d'Espoir will raise the capacity of that station to 613 MW. Energy demands on the island system were up 8.4% over 1973 and estimated load growth for the next three years is expected to exceed 10% a year.

In 1974 the government of Newfoundland purchased BRINCO's financial interest in the Churchill Falls (Labrador) Corporation Ltd., including the hydro-electric development and water power rights in Labrador. The last four of 11 units were placed in service at Churchill Falls in 1974, bringing the total installed capacity to 5,225 MW and making this the largest single generating station in Canada and one of the largest in the world.

Prince Edward Island. The absence of large streams in the province has led to an almost total dependence on oil-fuelled thermal-power generation except for a few minor hydro plants. The Maritime Electric Company, Limited provides direct service to customers except in Summerside, where a municipal electric utility purchases power from the Company for distribution; the town maintains a 6.9-MW diesel plant on stand-by.

The rapid increase in oil prices has escalated power costs for all classes of consumers. A submarine power cable to connect Prince Edward Island to the mainland via New Brunswick by the end of 1976 will provide access to other power sources, including larger and more efficient fossil-fuelled plants and in due time nuclear generation. The federal government has announced a grant and long-term loan of \$27 million for the project, which has been estimated to cost a total of \$36 million.

Nova Scotia. In 1973 the operations of the Nova Scotia Light and Power Company Limited and the Nova Scotia Power Commission were integrated into a single utility, the Nova Scotia Power Corporation, following provincial government purchase of shares held by private investors.

No new generation was added in 1974 but work proceeded on the addition of a 150-MW oil-fired unit at the Tufts Cove thermal station (Halifax area). Two 30-MW gas turbines have been purchased for Cape Breton.

Increases in the costs of oil fuel have given rise to consideration of several alternative generation additions. The last substantial hydro site in the province, at Wreck Cove in Cape Breton, is being re-examined as a 200-MW peaking installation, and nuclear generation is being studied. Additional base load capacity will be needed by the end of the decade and siting and fuelling for at least 300 MW of additional thermal capacity to meet that need is now under study.

Transmission developments in 1974 included 138 kV reinforcement between Port Hastings and Sydney. Preparations are being made to reinforce the New Brunswick interconnection at 345 kV.

New Brunswick. The New Brunswick Electric Power Commission was incorporated under the Electric Power Act of 1920. Power supply to meet present local demands is partly secured by a purchase agreement with Hydro-Québec covering the period 1971-76 which provides for