

While the corporation continued planning activity throughout the year on development of the proposed lower Churchill River at Gull Island and transmission via HVDC to the island of Newfoundland, it was decided in December to defer construction of the Gull Hydro project for a minimum of one year. However, the concept of Gull Hydro as a future energy source was not abandoned. Depending on updated load growth projections, Newfoundland Hydro may have to commit a 150-MW addition to the existing 300-MW Holyrood oil-fired thermal station, to meet energy demands that will arise before hydro energy from Labrador can become available under the revised scheduling.

In the near-term, generation additions were to include gas turbines at Stephenville (50 MW, 1976), Burin Peninsula (25 MW, 1976), St. John's (50 MW, 1976; 70 MW, 1978), Flowers Cove (15 MW, 1978) and an additional 154 MW hydro unit at Baie d'Espoir was scheduled for 1977 to increase the capacity of that station to 613 MW.

Energy demands from the Newfoundland and Labrador system declined 6% over 1974 due to a major reduction in industrial sales, influenced by strikes and market conditions. However, total load growth for the next several years is expected to exceed 8% per annum. About 94% of the electricity used in the province was produced by hydro, the remainder from oil-fired thermal plants. Power generation from Churchill Falls brought the province's hydro generation close to that of Ontario and exceeded British Columbia (35.3 TWh, 38.4 TWh and 31.1 TWh respectively) but approximately 84% of hydro production represented Churchill Falls power supplied to Quebec.

**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 that 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 was expected to be installed by the end of 1977 to 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.

Electricity used showed the highest growth rate for any province, 9.3% in 1975, exceeded only by the Yukon Territory. This reflects the predominance of residential and commercial loads in Prince Edward Island which as in other regions have shown considerable growth.

**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.

One of two 30-MW gas turbine units was added in 1975 in Cape Breton and the second was being installed in 1976. Progress was made on the addition of a 150-MW unit at Tufts Cove scheduled for service in 1976. Four 30-MW gas turbines were on order for service at Dartmouth.

About 89% of the province's electrical energy production was from thermal generation, and the fuel sources for this generation were 24% coal, 75% heavy oil, and 1% light oil. Increases in the costs of oil have given rise to consideration of several alternative generation additions.

Nova Scotia Power Corporation is considering installing a new thermal station in Cape Breton to use coal from a new mine in that area; the concept is a four-unit 600-MW station with the first unit targeted for service in 1979. The last