



**Énergie NB Power**

## Press Release

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### **NB Power Awards Contract for \$30M Investment in Québec Interconnect Upgrade**



**Fredericton, N.B.** – NB Power has awarded a contract to ABB Inc. to begin investing 30 million dollars in an upgrade to the Eel River High-Voltage Direct Current (HVDC) Converter Station, located near Dalhousie, NB (pictured above). The bidirectional station transfers up to 350 megawatts (MW) of power and is one of the two facilities that allows for power exchange between New Brunswick and Québec, providing access to Maritime and New England markets.

"This is another investment in ensuring we keep New Brunswick power rates the lowest in Atlantic Canada for the foreseeable future", said Gaëtan Thomas, NB Power President & Chief Executive Officer.

"Maximizing our geographic advantage as we both buy and sell power is absolutely key to staying profitable and starting to pay down 1 billion dollars in debt over the next decade".

The 30 million dollar investment will see the replacement of original equipment that is now at the end of its useful life. The main driver for construction of the Station in the early 1970s was the development of the Churchill Falls Hydro Project, which provided a large block of inexpensive surplus energy to eastern Canada. The 350 MW transfer capability between Québec and New Brunswick through Eel River enabled NB Power to participate in the movement of energy from Québec and Labrador to New Brunswick and other neighbouring markets. In addition to the import/export functions, the Eel River HVDC Converter Station is capable of providing various ancillary services that are important for stabilizing the New Brunswick grid with the current amount of wind generation.

"New Brunswick benefits in many ways from this facility. When energy in Québec or Labrador is relatively inexpensive, we can buy that energy through the Station. When we have excess energy, we sell it at a profit and transfer it through the Station. When Nova Scotia or Maine buys energy from Québec, they pay

us a fee for transmitting the power through the Station and over our transmission lines”, said Thomas. “Upgrading the Station will allow our customers to continue realizing all these benefits while helping us keep our rates stable over time.”

The Eel River HVDC Converter Station was recognized as a technology milestone by the Institute of Electrical and Electronics Engineers in 2011, for being the world’s first commercial HVDC station to be equipped with solid state high-voltage, high-current-silicon thyristors (solid-state semiconductors) based on fiber optics, an emerging technology at the time, replacing the previously used mercury-arc valve-based systems.

ABB Inc. pioneered HVDC technology almost 60 years ago and remains the world leader in this highly-efficient technology with over 70 HVDC projects around the world, providing a transmission capacity of more than 60,000 MW. Many of the early HVDC links are now reaching an age where availability, reliability and efficiency can be improved through system upgrades. ABB was chosen for a variety of factors but most notably for having taken responsibility for the engineering studies, installation, testing and commissioning of some 17 similar upgrade projects around the world since 1990.

The Station will be worked on during an outage extending from spring to fall 2014 and is expected to be fully operational in late fall 2014. During this time, NB Power will also be replacing other end-of-life plant equipment that will interface with the new ABB-supplied equipment.

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