

**NEWFOUNDLAND AND LABRADOR  
BOARD OF COMMISSIONERS OF PUBLIC UTILITIES**

**AN ORDER OF THE BOARD**

**NO. P.U. 12(2026)**

1 **IN THE MATTER OF the Electrical Power**  
2 **Control Act, 1994, SNL 1994**, Chapter E-5.1  
3 (the “**EPCA**”) and the **Public Utilities Act**,  
4 RSNL 1990, Chapter P-47 (the “**Act**”), as  
5 amended, and regulations thereunder; and  
6

7 **IN THE MATTER OF** an application by  
8 Newfoundland and Labrador Hydro for  
9 approval of capital expenditures for the  
10 life extension of Unit 7 at the Bay d’Espoir  
11 Hydroelectric Generating Facility, pursuant  
12 to section 41 of the **Act**.  
13  
14

15 **WHEREAS** Newfoundland and Labrador Hydro (“Hydro”) is a corporation continued and existing  
16 under the **Hydro Corporation Act**, 2024, is a public utility within the meaning of the **Act**, and is  
17 also subject to the provisions of the **EPCA**; and  
18

19 **WHEREAS** pursuant to section 41 of the **Act** and **Public Utilities Regulations**, NLR 40/23, a public  
20 utility shall not proceed with the construction, purchase or lease of improvements or additions  
21 to its property where the cost of construction or purchase is in excess of \$750,000 without prior  
22 approval of the Board; and  
23

24 **WHEREAS** on June 20, 2025 Hydro filed an application seeking approval of capital expenditures  
25 in the amount of \$85,346,227 for the life extension of Unit 7 at the Bay d’Espoir Hydroelectric  
26 Generating Facility, Hydro’s largest hydroelectric generating unit on the Island Interconnected  
27 System, which was commissioned in 1977 (“Application”); and  
28

29 **WHEREAS** Notice of the Application, including an invitation to participate, was published on  
30 August 8, 2025 and details of the Application and supporting documentation were posted on the  
31 Board’s website; and

1 **WHEREAS** Newfoundland Power Inc. (“Newfoundland Power”), a group of industrial customers  
2 (“Island Industrial Customer Group”), and the Consumer Advocate intervened in the Application;<sup>1</sup>  
3 and  
4

5 **WHEREAS** on August 8, 2025 the Board requested that Hydro provide additional information related  
6 to the Application, including information related to the potential uprate of Unit 7, which Hydro  
7 responded to on September 23, 2025;<sup>2</sup> and  
8

9 **WHEREAS** on October 6, 2025 the Board requested that Hydro provide further information in relation  
10 to the potential uprate of Unit 7, which Hydro responded to on October 16, 2025; and  
11

12 **WHEREAS** on October 30, 2025 the Board and Newfoundland Power issued Requests for  
13 Information (“RFIs”) and Hydro filed responses on November 14, 2025;<sup>3</sup> and  
14

15 **WHEREAS** on March 4, 2026 the Board set a schedule for comments and asked the parties to specifically  
16 address certain issues, including found work, contingency, management reserve and Hydro’s request for  
17 confidential treatment of certain information; and  
18

19 **WHEREAS** on March 13, 2026 Newfoundland Power, the Island Industrial Customer Group and  
20 the Consumer Advocate filed written submissions and Hydro filed its reply submission on March  
21 18, 2026; and  
22

23 **WHEREAS** the Consumer Advocate supported the proposed project but objected to the inclusion  
24 of amounts for a management reserve and also commented on the oversight of the management  
25 reserve; and  
26

27 **WHEREAS** Newfoundland Power supported the proposed project and capital expenditures and  
28 commented on the oversight of project expenditures; and  
29

30 **WHEREAS** the Island Industrial Customer Group did not object to the proposed project or  
31 expenditures and commented on the oversight of project expenditures; and  
32

33 **WHEREAS** the Board is satisfied based on information provided by Hydro that to provide for  
34 timely approval, an Order respecting the Application should be issued at this time, with Reasons  
35 for Decision to follow; and  
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37 **WHEREAS** the Board is satisfied that the life extension of Unit 7 is necessary to provide for the  
38 continued provision of adequate and reliable service to customers on the Island Interconnected  
39 System; and

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<sup>1</sup> Corner Brook Pulp and Paper Limited, Braya Renewable Fuels (Newfoundland) LP and Vale Newfoundland and Labrador Limited are the members of the Island Industrial Customer Group; Ms. Adrienne Ding was appointed as interim Consumer Advocate on January 26, 2026, replacing Mr. Dennis Browne, KC.

<sup>2</sup> Hydro’s response was originally filed on September 22, 2025 and was revised on September 23, 2025.

<sup>3</sup> The Board issued 26 RFIs and Newfoundland Power filed 3 RFIs.

1 **WHEREAS** the Board finds that the proposed capital expenditures in the amount of \$85,346,227  
2 should not be approved as the proposed amount for found work, contingency and management  
3 reserve has not been justified; and  
4

5 **WHEREAS** the Board is satisfied that approval of capital expenditures for the life extension of Bay  
6 d'Espoir Unit 7 in an amount of up to \$66,265,000 is reasonable and necessary to ensure that  
7 Hydro can continue to provide reliable service which is safe and adequate and just and  
8 reasonable; and  
9

10 **WHEREAS** the Board finds that Hydro should file updates on the Unit 7 life extension project at  
11 critical milestones, in accordance with the subsequent directions of the Board; and  
12

13 **WHEREAS** the Board will issue Reasons for Decision in this matter separately setting out the basis  
14 for the Board's findings.  
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17 **IT IS THEREFORE ORDERED:**

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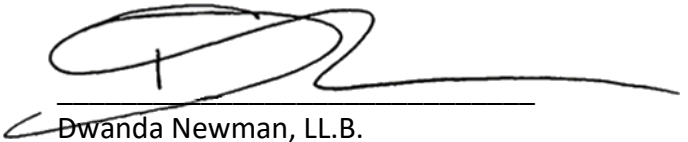
19 1. Capital expenditures in an amount of up to \$66,265,000 for the life extension of Unit 7 at the  
20 Bay d'Espoir Hydroelectric Generating Facility are approved.  
21

22 2. Hydro shall provide updates on the execution of the Unit 7 life extension project in  
23 accordance with the subsequent directions of the Board.  
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24


25 3. Hydro shall pay all expenses of the Board arising from this Application.

**DATED** at St. John's, Newfoundland and Labrador, this 21<sup>st</sup> day of April 2026.




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Dwanda Newman, LL.B.  
Vice-Chair




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John O'Brien, FCPA, FCA, CISA  
Commissioner



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Christopher Pike, LL.B., FCIP  
Commissioner



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Mike McNiven  
Board Secretary