

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

AN ORDER OF THE BOARD

NO. P.U. 16(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**, RSNL
4 1990, Chapter P-47 (the “**Act**”), as amended,
5 and regulations thereunder; and
6

7 **IN THE MATTER OF** an application by
8 Newfoundland Power Inc. for approval of:
9 (i) revised rate stabilization and municipal tax
10 adjustments for the period July 1, 2026 to
11 June 30, 2027; and (ii) a revised Schedule of
12 Rates, Tolls and Charges, pursuant to sections
13 70 and 71 of the **Act**.
14
15

16 **WHEREAS** Newfoundland Power Inc. (“Newfoundland Power”) is a corporation duly organized
17 and existing under the laws of the Province of Newfoundland and Labrador, is a public utility
18 within the meaning of the **Act**, and is also subject to the provisions of the **EPCA**; and
19

20 **WHEREAS** Newfoundland Power’s Rate Stabilization Clause provides for the calculation of the
21 balance in Newfoundland Power’s Rate Stabilization Account (“**RSA**”) and the inclusion of a Rate
22 Stabilization Adjustment in the rates charged by Newfoundland Power; and
23

24 **WHEREAS** the Rate Stabilization Adjustment is to be recalculated on July 1st of each year to
25 reflect:

- 26 i) the accumulated balance in the **RSA** as of March 31st of the current year;
- 27 ii) any changes in the rate to be charged to Newfoundland Power by Newfoundland and
28 Labrador Hydro (“**Hydro**”) for the coming year as a result of the operation of Hydro’s
29 Rate Stabilization Plan;
- 30 iii) the portion of Hydro’s Conservation and Demand Management costs to be recovered
31 from Newfoundland Power’s customers; and
- 32 iv) the Muskrat Falls Project Cost Recovery Rider; and
33

34 **WHEREAS** Newfoundland Power’s Municipal Tax Adjustment Factor is also adjusted each year on
35 July 1st to reflect Newfoundland Power’s municipal tax costs for the year; and

1 **WHEREAS** on April 22, 2026, the Government of Newfoundland and Labrador (“Government”)
2 requested that Hydro work with Newfoundland Power and the Board to request approval for the
3 transfer of the Rural Rate Alteration (“RRA”) credit balance to Newfoundland Power to reduce the
4 projected July 1, 2026 rate increase from approximately 7% to the targeted 2.25% domestic rate
5 increase; and
6

7 **WHEREAS** on May 14, 2026, Newfoundland Power filed an application with the Board requesting
8 approval of:

- 9 (i) the Rate Stabilization Adjustment of 2.283 ¢/kWh and the MTA factor of 1.02365 to be
10 applied to all bills based on electrical consumption on and after July 1, 2026;
11 (ii) an unrecovered balance of \$34,750,000 be maintained in the RSA until it is fully
12 recovered by June 30, 2028 as contemplated by Order No. P.U. 23(2025) and in
13 accordance with the normal operation of the Rate Stabilization Clause; and
14 (iii) the schedule of rates, tolls and charges to be effective on all electrical consumption on
15 and after July 1, 2026 (the “Application”)
16

17 **WHEREAS** the RSA balance at March 31, 2026 of \$80,990,982 would normally be fully recovered
18 on an annual basis through the Rate Stabilization Adjustment; and
19

20 **WHEREAS** in Order No. P.U. 15(2026) the Board approved the rate that Hydro will charge
21 Newfoundland Power effective July 1, 2026, and a transfer of approximately \$45 million from the
22 Supply Cost Variance Deferral Account – Utility Customer balance to Newfoundland Power
23 through a bill credit on the May 2026 bill; and
24

25 **WHEREAS** the Application noted that with the adjustment for the RRA account bill credit and an
26 update of the MTA factor, a RSA balance of \$34,750,000 is required to be maintained for future
27 recovery to achieve the targeted 2.25% increase for residential customers; and
28

29 **WHEREAS** the Application was copied to Hydro and the Consumer Advocate, Adrienne Ding
30 (“Consumer Advocate”); and
31

32 **WHEREAS** on May 27, 2026, Hydro advised the Board that it had no comments on the Application;
33 and
34

35 **WHEREAS** on May 28, 2026, the Consumer Advocate stated that the proposed rate increase is
36 consistent with the rate mitigation initiatives and the direct Government communication; and
37

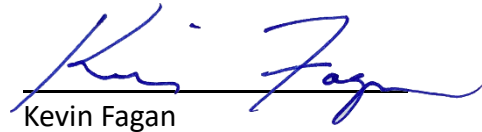
38 **WHEREAS** on May 29, 2026 Newfoundland Power requested that the Board approve the
39 Application as filed; and
40


41 **WHEREAS** the Board is satisfied the proposed Rate Stabilization Adjustment, the Municipal Tax
42 Adjustment Factor, and the Schedule of Rates, Tolls and Charges are in accordance with
43 established rates, rules and regulations and Board orders and should be approved.


1 **IT IS THEREFORE ORDERED THAT:**


- 2
- 3 1. The unrecovered balance of \$34,750,000 shall be maintained in the Rate Stabilization Account
- 4 to be recovered pursuant to further order of the Board.
- 5
- 6 2. The Rate Stabilization Adjustment of 2.283 cents per kWh for the period July 1, 2026 to June
- 7 30, 2027 is approved.
- 8
- 9 3. The Municipal Tax Adjustment Factor of 1.02365 for the period July 1, 2026 to June 30, 2027
- 10 is approved.
- 11
- 12 4. The Schedule of Rates, Tolls and Charges as set out in Schedule A to this Order, to be effective
- 13 on all electrical consumption on and after July 1, 2026 is approved.
- 14
- 15 5. Newfoundland Power shall pay all expenses of the Board arising from the Application.

DATED at St. John's, Newfoundland and Labrador, this 5th day of June 2026.


Kevin Fagan
Chair and Chief Executive Officer


John O'Brien, FCPA, FCA, CISA
Commissioner


Jo-Anne Galarneau, LL.B, CMA, ICD.D
Commissioner


Colleen Jones
Assistant Board Secretary

**NEWFOUNDLAND POWER INC.
RATE #1.1
DOMESTIC SERVICE**

Availability:

For Service to a Domestic Unit or to buildings or facilities which are on the same Serviced Premises as a Domestic Unit and used by the same Customer exclusively for domestic or household purposes, whether such buildings or facilities are included on the same meter as the Domestic Unit or metered separately.

Rate: (Includes Municipal Tax and Rate Stabilization Adjustments)

Basic Customer Charge:

Not Exceeding 200 Amp Service \$17.36 per month
Exceeding 200 Amp Service \$22.36 per month

Energy Charge:

All kilowatt-hours @15.587¢ per kWh

Minimum Monthly Charge:

Not Exceeding 200 Amp Service \$17.36 per month
Exceeding 200 Amp Service \$22.36 per month

Discount:

A discount of 1.5% of the amount of the current month's bill will be allowed if the bill is paid within 10 days after it is issued.

General:

Details regarding conditions of service are provided in the Rules and Regulations. **This rate does not include the Harmonized Sales Tax (HST) which applies to electricity bills.**

**NEWFOUNDLAND POWER INC.
RATE #1.1S
DOMESTIC SEASONAL - OPTIONAL**

Availability:

Available upon request for Service to Customers served under Rate #1.1 Domestic Service who have a minimum of 12 months of uninterrupted billing history at their current Serviced Premises.

Rate:

The Energy Charges provided for in Rate #1.1 Domestic Service Rate shall apply, subject to the following adjustments:

Winter Season Premium Adjustment (Billing months of December through April):

All kilowatt-hours @ 0.953¢ per kWh

Non-Winter Season Credit Adjustment (Billing Months of May through November):

All kilowatt-hours @ (1.297)¢ per kWh

Special Conditions:

1. An application for Service under this rate option shall constitute a binding contract between the Customer and the Company with an initial term of 12 months commencing the day after the first meter reading date following the request by the Customer, and renewing automatically on the anniversary date thereof for successive 12-month terms.
2. To terminate participation on this rate option on the renewal date, the Customer must notify the Company either in advance of the renewal date or no later than 60 days after the anniversary/renewal date. When acceptable notice of termination is provided to the Company, the Customer's billing may require adjustment to reverse any seasonal adjustments applied to charges for consumption after the automatic renewal date.

**NEWFOUNDLAND POWER INC.
RATE #2.1
GENERAL SERVICE 0-100 kW (110 kVA)**

Availability:

For Service (excluding Domestic Service) where the maximum demand occurring in the 12 months ending with the current month is less than 100 kilowatts (110 kilovolt-amperes).

Rate: (Includes Municipal Tax and Rate Stabilization Adjustments)

Basic Customer Charge:

Unmetered.....	\$14.07 per month
Single Phase	\$22.07 per month
Three phase	\$34.07 per month

Demand Charge:

\$10.52 per kW of billing demand in the months of December, January, February and March and \$8.02 per kW in all other months. The billing demand shall be the maximum demand registered on the meter in the current month in excess of 10 kW.

Energy Charge:

First 3,500 kilowatt-hours	@ 15.433¢ per kWh
All excess kilowatt-hours	@ 12.185¢ per kWh

Maximum Monthly Charge:

The Maximum Monthly Charge shall be 25.055 cents per kWh plus the Basic Customer Charge, but not less than the Minimum Monthly Charge. The Maximum Monthly Charge shall not apply to Customers who avail of the Net Metering Service Option.

Minimum Monthly Charge:

Unmetered	\$14.07 per month
Single Phase	\$22.07 per month
Three Phase	\$34.07 per month

Discount:

A discount of 1.5% of the amount of the current month's bill will be allowed if the bill is paid within 10 days after it is issued.

General:

Details regarding metering [in particular Regulation 7(n)], transformation [in particular Regulation 9(k)], and other conditions of service are provided in the Rules and Regulations. **This rate does not include the Harmonized Sales Tax (HST) which applies to electricity bills.**

NEWFOUNDLAND POWER INC.

RATE #2.3
GENERAL SERVICE 110 kVA (100 kW) - 1000 kVA

Availability:

For Service where the maximum demand occurring in the 12 months ending with the current month is 110 kilovolt-amperes (100 kilowatts) or greater but less than 1000 kilovolt-amperes.

Rate: (Includes Municipal Tax and Rate Stabilization Adjustments)

Basic Customer Charge: \$53.66 per month

Demand Charge:

\$8.80 per kVA of billing demand in the months of December, January, February and March and \$6.30 per kVA in all other months. The billing demand shall be the maximum demand registered on the meter in the current month.

Energy Charge:

First 150 kilowatt-hours per kVA of billing demand,
up to a maximum of 50,000 kilowatt-hours @ 13.484¢ per kWh
All excess kilowatt-hours @ 11.335¢ per kWh

Maximum Monthly Charge:

The Maximum Monthly Charge shall be 25.055 cents per kWh plus the Basic Customer Charge. The Maximum Monthly Charge shall not apply to Customers who avail of the Net Metering Service Option.

Discount:

A discount of 1.5% of the amount of the current month's bill will be allowed if the bill is paid within 10 days after it is issued.

General:

Details regarding metering [in particular, Regulation 7(n)], transformation [in particular Regulation 9(k)], and other conditions of service are provided in the Rules and Regulations. **This rate does not include the Harmonized Sales Tax (HST) which applies to electricity bills.**

**NEWFOUNDLAND POWER INC.
RATE #2.4
GENERAL SERVICE 1000 kVA AND OVER**

Availability:

For Service where the maximum demand occurring in the 12 months ending with the current month is 1000 kilovolt-amperes or greater.

Rate: (Includes Municipal Tax and Rate Stabilization Adjustments)

Basic Customer Charge: \$93.51 per month

Demand Charge:

\$8.41 per kVA of billing demand in the months of December, January, February and March and \$5.91 per kVA in all other months. The billing demand shall be the maximum demand registered on the meter in the current month.

Energy Charge:

First 75,000 kilowatt-hours @ 13.088¢ per kWh
All excess kilowatt-hours @ 11.247¢ per kWh

Maximum Monthly Charge:

The Maximum Monthly Charge shall be 25.055 cents per kWh plus the Basic Customer Charge. The Maximum Monthly Charge shall not apply to Customers who avail of the Net Metering Service Option.

Discount:

A discount of 1.5% of the amount of the current month's bill will be allowed if the bill is paid within 10 days after it is issued.

General:

Details regarding metering [in particular, Regulation 7(n)], transformation [in particular, Regulation 9(k)], and other conditions of service are provided in the Rules and Regulations. **This rate does not include the Harmonized Sales Tax (HST) which applies to electricity bills.**

**NEWFOUNDLAND POWER INC.
 RATE #4.1
 STREET AND AREA LIGHTING SERVICE**

Availability:

For Street and Area Lighting Service where the electricity is supplied by the Company and all fixtures, wiring and controls are provided, owned and maintained by the Company.

Monthly Rate: (Includes Municipal Tax and Rate Stabilization Adjustments)

	Sentinel/Standard	Post Top
High Pressure Sodium		
100W (8,600 lumens)	\$20.61	\$21.91
150W (14,400 lumens)	25.99	-
250W (23,200 lumens)	37.44	-
400W (45,000 lumens)	52.89	-
Light Emitting Diode		
LED 100	\$17.74	-
LED 150	21.26	-
LED 250	26.23	-
LED 400	31.40	-
Special poles used exclusively for lighting service*		
Wood	\$6.74	
30' Concrete or Metal, direct buried	9.20	
45' Concrete or Metal, direct buried	15.21	
25' Concrete or Metal, Post Top, direct buried	6.41	
Underground Wiring (per run)*		
All sizes and types of fixtures	\$15.35	

* Where a pole or underground wiring run serves two fixtures paid for by different parties, the above rates for such poles and underground wiring may be shared equally between the two parties.

General:

Details regarding conditions of service are provided in the Rules and Regulations. **This rate does not include the Harmonized Sales Tax (HST) which applies to electricity bills.**

**NEWFOUNDLAND POWER INC.
CURTAILABLE SERVICE OPTION
(for Rates #2.3 and #2.4 only)**

Availability:

For Customers billed on Rate #2.3 or #2.4 that can reduce their demand ("Curtail") by between 300 kW (330 kVA) and 5000 kW (5500 kVA) upon request by the Company during the Winter Peak Period. The Winter Peak Period is between 8 a.m. and 9 p.m. daily during the calendar months of December, January, February and March. The ability of a Customer to Curtail must be demonstrated to the Company's satisfaction prior to the Customer's availing of this rate option.

Customers that reduce their demand in aggregate will be treated as a single Customer under this rate option. The aggregated Customer must provide a single point of contact for a request to Curtail.

Credit for Curtailing:

If the Customer Curtails as requested for the duration of a Winter, the Company shall credit to the Customer's account the Curtailment Credit during May billing immediately following that Winter. The Curtailment Credit shall be determined by one of the following options:

Option 1:

The Customer will contract to reduce demand by a specific amount during Curtailment periods (the "Contracted Demand Reduction"). The Curtailment Credit for Option 1 is determined as follows:

Curtailment Credit = Contracted Demand Reduction x \$29 per kVA

Option 2:

The Customer will contract to reduce demand to a Firm Demand level which the Customer's maximum demand must not exceed during a Curtailment period. The Curtailment Credit for Option 2 is determined as follows:

Maximum Demand Curtailed = (Maximum Winter Demand - Firm Demand)

Peak Period Load Factor =
$$\frac{\text{kWh usage during Peak Period}}{(\text{Maximum Demand during Peak Period} \times 1,573 \text{ hours})}$$

Curtailment Credit = ((Maximum Demand Curtailed x 50%) + (Maximum Demand Curtailed x 50% x Peak Period Load Factor)) x \$29 per kVA

Limitations on Requests to Curtail:

Curtailment periods will:

1. Not exceed 6 hours duration for any one occurrence.
2. Not be requested to start within 2 hours of the expiration of a prior Curtailment period.
3. Not exceed 100 hours duration in total during a winter period.

The Company shall request the Customer to Curtail at least 1 hour prior to the commencement of the Curtailment period.

**NEWFOUNDLAND POWER INC.
CURTAILABLE SERVICE OPTION
(for Rates #2.3 and #2.4 only)**

Failure to Curtail:

Failure to Curtail under Option 1 occurs when a Customer does not reduce its demand by the Contracted Demand Reduction for the duration of a Curtailment period. Failure to Curtail under Option 2 occurs when a Customer does not reduce its demand to the Firm Demand level or below for the duration of a Curtailment period.

The Curtailment Credit will be reduced for failure to Curtail in a winter period as follows:

1. For the first 5 curtailment requests the Curtailment Credit will be reduced 25% for each failure to Curtail.
2. After the 5th curtailment 50% of the remaining Curtailment Credit, if any, will become vested ("Vested Curtailment Credit").
3. For all remaining curtailment requests the Curtailment Credit will be reduced by 12.5% for each additional failure to Curtail.

If a Customer fails to Curtail four times during a winter period, then:

1. The Customer shall only be entitled to the Vested Curtailable Credit, if any.
2. The Customer will no longer be entitled to service under the Curtailable Service Option.

Notwithstanding the previous paragraph, no Curtailment Credit will be provided if the number of failures to Curtail equals the number of Curtailment requests.

Termination/Modification:

The Company requires six months written notice of the Customer's intention to either discontinue Curtailable Service Option or to modify the Contracted Demand Reduction or Firm Demand level.

General:

Services billed on this Service Option will have approved load monitoring equipment installed. For a customer that Curtails by using its own generation in parallel with the Company's electrical system, all Company interconnection guidelines will apply, and the Company has the option of monitoring the output of the Customer's generation. All costs associated with equipment required to monitor the Customer's generation will be charged to the Customer's account.

**NEWFOUNDLAND POWER INC.
NET METERING SERVICE OPTION
(for Rates #1.1, #1.1S, #2.1,#2.3, and #2.4 only)**

Availability:

For Customers who use generation on their Serviced Premises to offset part or all of the electrical energy requirements of the Serviced Premises. Energy generated in excess of the requirements of the Serviced Premises is permitted to be credited against the Customer's energy purchases from the Company in accordance with this rate option.

Net Metering Service is available for any Serviced Premises that is supplied from the Company's distribution system, is billed under one of the Company's metered service rates, and which has generation electrically connected to it that meets the requirements of these provisions. Net Metering Service is not available for unmetered service accounts.

In order to avail of the Net Metering Service Option, Customers must submit a completed Net Metering Service Application to the Company demonstrating the Customer's eligibility for Net Metering Service.

Availability of the Net Metering Service Option will be closed once the provincial aggregate generating capacity for Net Metering Service of 5.0 MW has been met.

Customers that avail of the Net Metering Service Option must maintain compliance with all requirements of this Option. The Company shall have the right to verify compliance through inspection or testing.

Metering:

Net Metering Service will ordinarily be metered using a Company-supplied single meter capable of registering the flow of electrical energy in two directions. The meter will separately capture both the energy supplied to the Customer by the Company and the energy supplied to the Company by the Customer.

At the Company's option, the output of the Customer's generation may be metered separately. In that case, the Customer shall provide the Company with the access necessary to install and maintain the required metering equipment.

The Customer shall pay all costs to upgrade the metering equipment for Net Metering Service if the existing electrical meter at the Serviced Premises is not capable of safely and reliably measuring both the energy supplied to the Customer by the Company and the energy supplied to the Company by the Customer.

**NEWFOUNDLAND POWER INC.
NET METERING SERVICE OPTION
(for Rates #1.1, #1.1S, #2.1,#2.3, and #2.4 only)**

Billing:

Each account availing of Net Metering Service will be billed on the rate normally applicable to the Customer's class of Service.

The Customer's net monthly bill will be determined by deducting the Customer Generation Credit from the total of all charges for Service. The Customer Generation Credit equals the Generation Energy Credit, in kilowatt-hours ("kWh") multiplied by the rate applicable to the Customer's class of Service during the billing month.

The "Generation Energy Credit" is the sum of the kWh energy supplied by the Customer to the Company during the billing month plus Banked Energy Credits. The Generation Energy Credit for a billing month shall not exceed the energy supplied by the Company to the Customer during that month.

"Banked Energy Credits" are the amount of kWh energy supplied by the Customer to the Company that exceeds the kWh energy supplied by the Company to the Customer. Banked Energy Credits in excess of those used to calculate the Generation Energy Credit for a billing month will be carried forward to the following month.

The balance of the Customer's Banked Energy Credits carried forward will be settled annually by means of a credit on the Customer's bill for the Annual Review Billing Month. The Annual Review Billing Month will be determined by the Customer, in consultation with the Company, during the process of implementing Net Metering Service. The Annual Review Billing Month may be revised by the Customer, in consultation with the Company, upon a revision to the Utility Rate charged by Newfoundland and Labrador Hydro to the Company. Settlement of Banked Energy Credits will be computed based upon the then-current 2nd block energy charge in Newfoundland and Labrador Hydro's Utility Rate applicable to service provided to the Company.

Whenever a Customer's participation in the Net Metering Service Option is discontinued, any unused Banked Energy Credits will be settled with a credit on the Customer's next bill.

All customers must pay Harmonized Sales Tax (HST) on the energy supplied by the Company to the Customer during the billing month. If a Customer availing of Net Metering Service is required by law to collect HST on the energy they supply to the Company, the Company will pay HST to the Customer based on the amount of the Customer Generation Credit. It is the Customer's responsibility to notify the Company in writing if they are required to collect HST on the energy they supply to the Company.

**NEWFOUNDLAND POWER INC.
NET METERING SERVICE OPTION
(for Rates #1.1, #1.1S, #2.1,#2.3, and #2.4 only)**

Special Conditions:

Special conditions in this clause do not supersede, modify or nullify the conditions accompanying the metered rate schedules applicable to the Customer's class of Service.

To avail of Net Metering Service, a single Customer must own and maintain responsibility for the Serviced Premises, the generation and the electrical facilities connecting it to the Company's distribution system.

To qualify for Net Metering Service, the Customer's generation must meet the following requirements:

- i) be designed not to exceed the annual energy requirements of the buildings and facilities metered together on the Serviced Premises;
- ii) have a manufacturer's nameplate capacity rating totaling not more than 100 kW, except where a lower rating is stipulated by the Company for technical reasons;
- iii) be electrically connected through Customer-owned electrical facilities to the Serviced Premises to which Net Metering Service is being provided;
- iv) produce electrical energy from a renewable energy source, including wind, solar, photovoltaic, geothermal, tidal, wave, biomass energy or other renewable energy sources that may be approved by the Company on a case-by-case basis; and
- v) meet all applicable safety and performance standards established by the Canadian Electrical Code, the Public Safety Act and the Company's Interconnection Requirements.

All Customer-owned wiring, equipment and devices associated with generation utilized for Net Metering Service shall conform to the Company's interconnection requirements.

The Customer will retain the rights to any renewable energy credits or greenhouse gas-related credits arising from the use of renewable energy sources to generate electricity in accordance with this Option.

A Customer availing of Net Metering Service is responsible for all costs associated with their own facilities. The Customer shall also be required to pay all costs incurred by the Company to modify the utility supply for the provision of Net Metering Service, and for necessary engineering or technical studies required in connection with the provision of Net Metering Service to the Customer.

The approval of an application for Net Metering Service will be subject to the applicant entering into a Net Metering Interconnection Agreement with the Company.

If an applicant approved for Net Metering Service does not proceed with operation of its generation in accordance with its approval within two years from the date of the Company's approval of the application, the approval will be rescinded.

**NEWFOUNDLAND POWER INC.
NET METERING SERVICE OPTION
(for Rates #1.1, #1.1S, #2.1,#2.3, and #2.4 only)**

Approval of Net Metering Service may be revoked if a Customer is found to be in violation of provisions of the Company's Rules and Regulations.

If participation in the Net Metering Service Option is discontinued, the Customer must re-apply to the Company to avail of the Net Metering Service Option.