

April 24, 2026

Board of Commissioners of Public Utilities
Prince Charles Building
120 Torbay Road, P.O. Box 21040
St. John's, NL A1A 5B2

Attention: Mike McNiven
Board Secretary

Re: Application for July 1, 2026 Utility Rate Adjustments

Please find enclosed Newfoundland and Labrador Hydro's ("Hydro") application for Utility Rate Adjustments, including updates to the Rate Stabilization Plan ("RSP") Current Plan Adjustment, the Utility Conservation and Demand Management ("CDM") Cost Recovery Adjustment, and the Project Cost Recovery Rider, all to become effective July 1, 2026.

This application also includes a proposal with respect to the utilization of the balance in the Rural Rate Alteration ("RRA") component of Hydro's Supply Cost Variance Deferral Account ("SCVDA") to comply with the request of the Government of Newfoundland and Labrador ("Government") in its April 22, 2026 correspondence. In that correspondence, provided within Attachment 1 to Schedule 1, Government requested that Hydro work with Newfoundland Power Inc. ("Newfoundland Power") and the Board of Commissioners of Public Utilities ("Board") regarding appropriate application of the RRA credit balance to address the the affordability challenges facing customers in the province. Hydro's proposal, detailed in Schedule 1 to the application, is to provide a bill credit to Newfoundland Power of \$45.0 million, which represents the RRA balance as at February 28, 2026. Newfoundland Power will apply this amount to its Rate Stabilization Account to reduce the projected July 1, 2026 rate increase.

In Order in Council OC2024-062, Government directed Hydro to structure any application for utility rate increases such that retail rate increases to domestic rate class customers attributable to Hydro shall be targeted at 2.25% per year up to and including 2030.¹ Hydro has collaborated with Newfoundland Power to limit the rate increase associated with Hydro's costs to 2.25% for Island Interconnected domestic customers for July 1, 2026, in compliance with this Order in Council.²

Hydro's proposals include:

- A revised RSP Current Plan Adjustment of 0.109 cents per kWh;
- A revised CDM Cost Recovery Adjustment of 0.021 cents per kWh;
- A revised Project Cost Recovery Rider of 2.136 cents per kWh;
- Approval of the Utility Rate Sheet, attached as Schedule 3 of this application; and

¹ OC2024-062, <<https://www.exec-oic.gov.nl.ca/public/oic/details?order-id=21851>>.

² Schedule 2 to this application is correspondence from Newfoundland Power showing the calculation of average end-customer billing impacts attributed to Hydro, including the 2.25% increase for Island Interconnected Domestic customers.

- A transfer of approximately \$45.0 million from the SCVDA – Utility Customer Balance to Newfoundland Power through a bill credit on the May 2026 bill; this is to enable Newfoundland Power to apply the credit to their Rate Stabilization Account balance to offset Newfoundland Power's portion of the July 1 rate increase.

Should you have any questions, please contact the undersigned.

Yours truly,

NEWFOUNDLAND AND LABRADOR HYDRO



Shirley A. Walsh
Senior Legal Counsel, Regulatory
SAW/mc

Encl.

ecc:

Board of Commissioners of Public Utilities

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2026 Utility Rate Adjustments

Effective July 1, 2026

April 24, 2026

An application to the Board of Commissioners of Public Utilities



IN THE MATTER OF the *Electrical Power Control Act, 1994*, SNL 1994, Chapter E-5.1 (“*EPCA*”) and the *Public Utilities Act*, SNL 1990, Chapter P-47 (“*Act*”), and regulations thereunder; and

IN THE MATTER OF an application by Newfoundland and Labrador Hydro (“*Hydro*”) pursuant to Subsection 70(1) and Section 71 of the *Act*, for the approval of: (i) an updated Rate Stabilization Plan (“*RSP*”) Current Plan Adjustment for Newfoundland Power Inc. (“*Newfoundland Power*”), (ii) an updated Conservation and Demand Management (“*CDM*”) Cost Recovery Adjustment for Newfoundland Power, and (iii) an updated Project Cost Recovery Rider for Newfoundland Power (“*Utility Rate Adjustments*”), all to be made effective July 1, 2026, and a transfer from the Supply Cost Variance Deferral Account (“*SCVDA*”) – Utility Customer Balance to Newfoundland Power through a bill credit on the May 2026 bill.

To: The Board of Commissioners of Public Utilities (“Board”)

THE APPLICATION OF HYDRO STATES THAT:

A. Background

1. Hydro is a corporation continued and existing under the *Hydro Corporation Act, 2024*, is a public utility within the meaning of the *Act*, and is subject to the provisions of the *EPCA*.
2. Under the *Act*, the Board has the general supervision of public utilities and requires that a public utility submit, for the approval of the Board, the rates, tolls, and charges for the service provided by the public utility and the rules and regulations that relate to that service.
3. Section 70(1) of the *Act* provides that a public utility shall not charge, demand, collect, or receive compensation for a service performed by it until the Board has approved a schedule of rates, tolls, and charges for the services provided by the public utility.

4. In Board Order No. P.U. 33(2021), the Board approved, among other things, Hydro's proposal to establish the Supply Cost Variance Deferral Account ("SCVDA") to defer payments under the Muskrat Falls Project ("Project") agreements and to begin charging Island Interconnected System supply cost variances to the SCVDA as of the effective date of the account.
5. The RSP Rules for Balance Disposition, approved in Board Order No. P.U. 4(2022), requires Hydro to apply annually to the Board for approval of revised RSP Current Plan Adjustments to become effective for Newfoundland Power as of July 1 of each year. Additionally, the CDM Cost Deferral Account requires Hydro to update the CDM Cost Recovery Adjustment applicable to Newfoundland Power with the updated adjustment rate commencing on July 1 of each year.
6. Hydro's application to the Board to transfer the 2025 balance in the Isolated Systems Supply Cost Deferral Account, of approximately \$6.1 million, to Newfoundland Power's RSP Current Plan balance effective March 31, 2026, was approved in Board Order No. P.U. 9(2026).
7. The Government of Newfoundland and Labrador ("Government") announced the finalization of the rate mitigation plan¹ and issued an Order in Council OC2024-062, directing Hydro to *"structure any application for utility rate increases such that retail rate increases to Domestic rate class customers attributable to Newfoundland and Labrador Hydro shall be targeted at 2.25 per cent per year."*² This directive is for all applications up to and including the year 2030, for those customers subject to Island Interconnected rates, and applies to the application within. The rate mitigation plan, as directed in OC2024-062, requires that any additional funding required to reduce the balance in the SCVDA and achieve the 2.25% targeted rate increase come from Hydro's own sources.
8. In September 2024, Hydro filed an application with the Board to revise the wholesale rate charged to Newfoundland Power to reflect the market value of exports as the marginal cost of energy. The revised wholesale rate included a seasonal second block rate with a corresponding change in the first block to a quarterly blocking structure to ensure Hydro's recovery remains equal to its 2019 Test Year Revenue Requirement. The application proposed to revise the wholesale rate to mitigate customer rate volatility and to ensure that the second block energy rate more reflects Hydro's marginal cost of energy. Hydro's application was approved in Board

¹ Government of Newfoundland and Labrador, Industry, Energy and Technology, "Provincial Government Announces Finalization of Rate Mitigation Plan," May 16, 2024, <<https://www.gov.nl.ca/releases/2024/iet/0516n01/>>.

² OC2024-062, <<https://www.exec-oic.gov.nl.ca/public/oic/details?order-id=21851>>.

Order No. P.U. 1 (2025), with the the revised wholesale rate effective as of January 1, 2025. Hydro is not proposing any change to the approved marginal cost rate for the July 1, 2026 Utility Rate Adjustment.

9. The Rural Rate Alteration (“RRA”) reflects additional revenue collected from Hydro’s rural customers when rates increase between Hydro’s General Rate Applications. As of February 28, 2026, the RRA component of the SCVDA reflects a credit balance of approximately \$45.0 million.
10. In correspondence dated April 22, 2026 from Government to Jennifer Williams, Chief Executive Officer of Hydro, provided within Attachment 1 to Schedule 1 to this application, Government requested that Hydro work collaboratively with Newfoundland Power and the Board to request approval for the application of the RRA credit balance to reduce the projected July 1, 2026 rate increase from approximately 7% to the targeted 2.25% Domestic rate increase. In its letter, Government indicated that this was both reasonable and necessary given the ongoing affordability challenges facing households and businesses across the province.

B. Application

11. As shown in Appendix A to Schedule 1 to the application, updates to the RSP Current Plan Adjustment, CDM Cost Recovery Adjustment, and Project Cost Recovery Rider have been made to achieve the targeted average Domestic customer rate increase attributable to Hydro of 2.25%, (3.0% wholesale increase) effective July 1, 2026.³

RSP Current Plan Adjustment

12. Section C(1.0) of the RSP Rules for Balance Disposition outlines the method for determining the Utility RSP Current Plan Adjustment, which computes a new recovery adjustment based upon the March 31 RSP balance.
13. Appendix B to Schedule 1 of the application provides the RSP Report for the period ending March 31, 2026. The report shows a balance of \$10.5 million in the RSP Current Plan owing from the Utility customer as of March 31, 2026. This includes the transfer of approximately \$6.1

³ The resulting end customer rate is 2.3%, as detailed in Section 4.0 of Schedule 1 to this application.

million from the balance in the Isolated Systems Supply Cost Deferral Account to the Utility RSP Current Plan Balance, approved in Board Order No. P.U. 9(2026).

14. Hydro's application seeks approval of a revised Utility RSP Current Plan Adjustment of 0.109 cents per kWh, effective July 1, 2026. In this application, Hydro proposes to limit collection of the RSP balance to the \$6.1 million transfer of Isolated Systems Supply Cost Deferral Account plus financing costs to facilitate the phase out of the RSP.
15. Appendix C to Schedule 1 provides the calculation of the proposed Utility RSP Current Plan Adjustment that limits collection to the Isolated Deferral Cost balance only. This will replace the existing Utility RSP Current Plan Adjustment of 0.413 cents per kWh.

CDM Cost Recovery Adjustment

16. The CDM Cost Recovery Adjustment is updated annually to provide for the recovery of the costs charged annually to the CDM Cost Deferral Account.
17. In Board Order No. P.U. 37(2022), the Board approved the Revised CDM Cost Recovery Adjustment Definition to reflect an increase in the amortization period from seven to ten years effective as of January 1, 2023, for both historical balances and annual charges.
18. Hydro's application seeks approval of a revised Utility CDM Cost Recovery Adjustment of 0.021 cents per kWh, effective July 1, 2026. Appendix D to Schedule 1 of the application provides the calculation of the proposed Utility CDM Cost Recovery Adjustment. This will replace the existing Utility CDM Cost Recovery Adjustment of 0.019 cents per kWh.

SCVDA – Project Cost Recovery Rider

19. In Board Order No. P.U. 19(2022), the Board approved Hydro's proposal to commence recovery of Project costs and implement a Project Cost Recovery Rider effective July 1, 2022.
20. The payments made by Newfoundland Power as a result of the implementation of the Project Cost Recovery Rider are credited to the Project Cost Recovery – Utility component of the SCVDA, consistent with Board Order No. P.U. 19(2022).

21. Order in Council OC2024-062 directed Hydro to structure any application for utility rate increases such that retail rate increases to Domestic class customers attributable to Hydro shall be targeted at 2.25%.
22. Hydro's application seeks approval to increase the Project Cost Recovery Rider from 1.516 cents per kWh to 2.136 cents per kWh, effective July 1, 2026, to increase the recovery of Project costs and Domestic rates attributable to Hydro's costs by the targeted 2.25%. Hydro, in consultation with Newfoundland Power, calculated the rider using detailed calculations performed by Newfoundland Power to meet the targeted Domestic rate increase, as per Schedule 2.

Rural Rate Alteration

23. In compliance with the request of Government for Hydro to work with Newfoundland Power and the Board regarding appropriate application of the RRA credits to address the the affordability challenges facing customers in the province, Hydro is proposing to transfer \$45 million from the SCVDA – Utility Customer Balance to Newfoundland Power through a bill credit on its May 2026 bill. Newfoundland Power would then apply the full credit to their Rate Stabilization Account balance to reduce the July 1, 2026 rate increase.

Summary

24. Schedule 3 of the application provides the proposed Utility rate sheets with an effective date of July 1, 2026. The proposed rate sheets reflect: (i) the revised RSP Current Plan Adjustment of 0.109 cents per kWh; (ii) the revised CDM Cost Recovery Adjustment of 0.021 cents per kWh; and (iii) the revised Project Cost Recovery Rider of 2.136 cents per kWh.
25. The annual update to the RSP Current Plan Adjustment, CDM Cost Recovery Adjustment, and Project Cost Recovery Rider noted above would result in an approximate 3.0% wholesale rate increase effective July 1, 2026 (an estimated 2.3% increase for end customers of Newfoundland Power). The calculation of the estimated rate impacts associated with the updates to the Utility RSP Current Plan Adjustment, CDM Cost Recovery Adjustment, and Project Cost Recovery Rider are provided in Appendix A to Schedule 1 of the application.

C. Newfoundland and Labrador Hydro's Requests

26. Hydro requests the Board approve:

- (i) The calculation of the RSP Current Plan Adjustment based on the transfer of \$6.1 million from the 2025 Isolated Systems Supply Costs Deferral to the Utility Customer balance on March 31, 2026;
- (ii) A revised RSP Current Plan Adjustment of 0.109 cents per kWh for the Utility Rate to become effective July 1, 2026;
- (iii) A revised CDM Cost Recovery Adjustment of 0.021 cents per kWh for the Utility Rate to become effective July 1, 2026;
- (iv) A revised Project Cost Recovery Rider of 2.136 cents per kWh for the Utility Rate to become effective July 1, 2026;
- (v) The Utility Rate Sheet, attached as Schedule 3 of this application;
- (vi) The transfer of approximately \$981,447 credit balance from the RSP – Utility Customer balance to the SCVDA – Utility Customer balance; and
- (vii) A transfer of \$45 million from the SCVDA – Utility Customer Balance to Newfoundland Power through a bill credit on the May 2026 bill. The purpose of this bill credit is for the application by Newfoundland Power of the credit to their Rate Stabilization Account balance to offset Newfoundland Power’s portion of the July 1, 2026 rate increase.

D. Reason for Approval

- 27. Approval by the Board of the proposed RSP Current Plan Adjustment for the Utility Rate, the proposed CDM Cost Recovery Adjustment for the Utility Rate, and the proposed Project Cost Recovery Rider for the Utility Rate all effective July 1, 2026, will allow compliance with the Government’s rate mitigation plan and direction provided to Hydro in OC2024-062 to target a Domestic retail rate increase of 2.25% annually. Additionally, in the case of the proposed RSP Current Plan Adjustment and CDM Cost Recovery Adjustment, Hydro’s proposals are consistent with the deferral account recovery mechanisms approved by the Board.
- 28. Approval by the Board of a \$45 million transfer from the SCVDA – Utility Customer to Newfoundland Power through a bill credit will enable Hydro and Newfoundland Power to address the request from Government to deliver near-term rate relief to customers. The balance transfer will not impact Hydro’s targeted rate increase for Domestic customers of 2.25%

required by the rate mitigation plan, nor will it impact Hydro's proposals for current or future rates of Island Industrial Customers made consistent with the rate mitigation plan.

E. Communications

29. Communications with respect to this Application should be forwarded to Shirley A. Walsh, Senior Legal Counsel, Regulatory for Hydro.

DATED at St. John's in the province of Newfoundland and Labrador on this 24th day of April 2026.

NEWFOUNDLAND AND LABRADOR HYDRO



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Schedule 1

Evidence Supporting Proposed Utility Rate Adjustments



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Attachement 1: Request to Review Disposition of Rural Rate Alteration Balance in the Supply Cost Variance Deferral Account – Hydro’s Reply

1 **1.0 Background**

2 The Rate Stabilization Plan (“RSP”) Rules for Balance Disposition require Newfoundland and Labrador
3 Hydro (“Hydro”) to file an application with the Board of Commissioners of Public Utilities (“Board”) to
4 update the Utility RSP Current Plan Adjustment effective July 1 of each year.

5 In Board Order No. P.U. 19(2022), the Board approved Hydro’s proposal to commence recovery of the
6 Muskrat Falls Project (“Project”) costs through the implementation of a Project Cost Recovery Rider
7 effective July 1, 2022, with payments to be credited to the Project Cost Recovery – Utility component of
8 the Supply Cost Variance Deferral Account (“SCVDA”).¹

9 In accordance with the approved CDM Cost Deferral Account Definition, Hydro is also required to
10 update Newfoundland Power Inc.’s (“Newfoundland Power”) CDM Cost Recovery Adjustment on July 1
11 of each year.

12 On May 16, 2024, the Government of Newfoundland and Labrador announced the finalization of the
13 rate mitigation plan with Hydro. The plan, applying only to Island Interconnected System customers
14 paying for the Project, came into effect on July 1, 2024² and ensured domestic residential rate increases
15 attributable to Hydro’s costs are targeted at 2.25% annually up to and including 2030. The rate
16 mitigation plan, as directed in OC2024-062,³ requires that any additional funding required to reduce the
17 balance in the SCVDA and achieve the 2.25% targeted rate increase come from Hydro’s own sources.

18 As shown in Appendix A, Hydro updated the RSP Current Plan Adjustment, CDM Cost Recovery
19 Adjustment, and Project Cost Recovery Rider to achieve the targeted average Domestic customer rate
20 increase of 2.25% (3.0% wholesale increase) based on Hydro’s costs, effective July 1, 2026.⁴ Hydro
21 consulted with Newfoundland Power in calculating the necessary adjustments to ensure the proposals
22 met the requirements set out in OC2024-062.

¹ Order in Council OC2022-120, issued May 16, 2022, amended the wording of OC2013-343 such that the recovery of payments that Hydro is making under the Muskrat Falls Purchase Power Agreement (“Muskrat Falls PPA”), is now permitted, without disallowance, as required by Order in Council OC2013-343. Hydro began recovering Muskrat Falls PPA costs through the Project Recovery Rider effective July 1, 2022.

² Board Order No. P.U.15(2024) approved rates proposed for July 1, 2024 to be effective as of August 1, 2024.

³ OC2024-062, <<https://www.exec-oic.gov.nl.ca/public/oic/details?order-id=21851>>.

⁴ The resulting end customer rate is 2.3%, as detailed in Section 4.0.

1 In correspondence dated April 14, 2026, the Board requested Hydro to consider whether it would be
2 reasonable to utilize the Rural Rate Alteration (“RRA”) component of the SCVDA to reduce the projected
3 customer rate impact associated with Newfoundland Power’s rate application for July 1, 2026 rates.⁵
4 Newfoundland Power’s rate increase for July 1, 2026 was projected to be 7%, inclusive of Hydro’s 2.25%.
5 Hydro’s response on April 22, 2026, provided as Attachment 1 to this Schedule, advised that Hydro had
6 been engaged in discussions with Newfoundland Power and Government of Newfoundland and
7 Labrador (“Government”) with respect to the utilization of the RRA balance as a means to reduce the
8 rate impact for customers on July 1, 2026. Hydro’s letter included a copy of correspondence, also dated
9 April 22, 2026, from Government to Jennifer Williams, Chief Executive Officer of Hydro. In that
10 correspondence, Government requested that Hydro work collaboratively with Newfoundland Power and
11 the Board to request approval for the application of the RRA credit balance to reduce the projected July
12 1, 2026 rate increase from approximately 7% to the targeted 2.25% domestic rate increase. In its letter,
13 Government indicated that this was both reasonable and necessary given the ongoing affordability
14 challenges facing households and businesses across the province. The letter also requested Hydro to
15 work with the Board so that the Board can determine a clear and transparent approach on the
16 disposition of the RRA balance on a go-forward basis. The letter from Government to Ms. Williams is
17 provided within Attachment 1.

18 This report provides evidence supporting Hydro’s proposals to: (i) update the Utility RSP Current Plan
19 Adjustment; (ii) update the Utility CDM Cost Recovery Adjustment; (iii) update the Project Cost
20 Recovery Rider, and (iv) transfer \$45 million currently held in the RRA to Newfoundland Power to offset
21 their portion of the July 1 rate increase.

22 **2.0 RSP Adjustments – Current Plan**

23 The March 31, 2026 RSP Report, included as Appendix B, is prepared in accordance with the approved
24 RSP Rules for Balance Disposition and does not contain any supply cost variance transfers subsequent to
25 October 31, 2021.

⁵ “Request to Review Disposition of Rural Rate Alteration Balance in the Supply Cost Variance Deferral Account – Hydro’s Reply,” Newfoundland and Labrador Hydro, April 22, 2026.

Schedule 1: Evidence Supporting Proposed Utility Rate Adjustments

1 The RSP Current Plan reflects the amortization of the Hydraulic Variation Account Balance as of
2 October 31, 2021, excluding financing charges, over a four-year period plus financing charges. This
3 balance was fully assigned to customers as of December 31, 2024.

4 The RSP Rules for Balance Disposition require that the Utility RSP Current Plan balance as at March 31 be
5 used in the computation of an updated RSP Current Plan Adjustment for Newfoundland Power to be
6 made effective July 1 of each year.

7 The Board approved the transfer of approximately \$6.1 million, associated with Hydro's 2025 balance in
8 the Isolated Systems Supply Cost Deferral Account, to the Utility RSP Current Plan Account effective
9 March 31, 2026 in Board Order No. P.U. 9(2026).

10 In Hydro's Application for Approval of the Disposition of the Rate Stabilization Plan for Island Industrial
11 Customers Effective January 1, 2026 - Revision 1, Hydro proposed to conclude the RSP activity for Island
12 Industrial Customers by transferring the RSP Industrial Balance as of December 31, 2025 to the SCVDA
13 Industrial Customer Balance. In Board Order P.U. 3(2026), the Board approved the transfer and the
14 discontinuance of the RSP Current Plan Adjustment for Island Industrial Customers as of January 1, 2026.

15 To conclude the normal RSP activity for Newfoundland Power and to phase out the current RSP account,
16 Hydro is proposing that RSP Current Plan Adjustment implemented on July 1, 2026 be limited to the
17 collection of the balance of Isolated Systems Supply Cost Deferral Account transferred as of March 31,
18 2026. Hydro's proposed calculation is included in Appendix C. The calculation for the RSP Current Plan
19 Adjustment under Hydro's normal calculation methodology can also be found in Appendix C. Hydro
20 proposes to transfer the difference in the balance of the account at the end of June and the balance
21 proposed to be collected through the rider, estimated to be a credit of approximately \$1 million,⁶ to the
22 SCVDA Utility Balance effective June 30, 2026. Given the proposed phase out of the RSP account, Hydro
23 will propose a revised method for recovery of the Isolated Systems SCVDA within its application for the
24 disposition of the 2026 balance in the account, due to be filed by March 31, 2027.

25 Appendix C provides the proposed calculation of the Utility RSP Current Plan Adjustment for
26 Newfoundland Power to become effective July 1, 2026, calculated in accordance with Section C(1.0) of

⁶ Difference between the normal Utility RSP Current Plan Adjustment of \$5.2 million, and the proposed calculation of \$6.2 million, as of June 2026, shown in Appendix C.

1 the RSP Rules for Balance Disposition. Hydro's proposed Utility RSP Current Plan Adjustment is 0.109
2 cents per kWh which will provide recovery of \$6.3 million⁷ for the period of July 1, 2026 to
3 June 30, 2027. This reflects a decrease of 0.304 cents per kWh when compared to the current RSP
4 Current Plan Adjustment of 0.413 cents per kWh. The impact of the decrease in the Utility RSP Current
5 Plan Adjustment is estimated to decrease annual billings to Newfoundland Power by approximately
6 \$17.7 million, relative to existing rates, as shown in Appendix A.

7 **3.0 CDM Cost Recovery Adjustment**

8 In Board Order No. P.U. 49(2016), the Board approved the exclusion of Hydro's CDM program costs as
9 an expense in the determination of revenue requirement through the deferral of these costs in the CDM
10 Cost Deferral Account and their recovery through the CDM Cost Recovery Adjustment.

11 In Board Order No. P.U. 37(2022), the Board approved an increase in the amortization period from
12 seven to ten years, effective January 1, 2023 for both historical balances and annual charges. Hydro is
13 required to update the CDM Cost Recovery Adjustment annually to provide recovery, over a ten-year
14 period, of costs transferred to the CDM Cost Deferral Account each year.⁸

15 As shown in Appendix D, the CDM Cost Recovery Adjustment is proposed to increase from 0.019 cents
16 per kWh to 0.021 cents per kWh to become effective July 1, 2026. This reflects an approximate
17 \$0.1 million annual increase in billings to Newfoundland Power associated with the recovery of CDM
18 costs, relative to existing rates, as shown in Appendix A.

19 **4.0 Project Cost Recovery Rider**

20 In Board Order No. P.U. 19(2022), the Board approved Hydro's proposal to implement a Project Cost
21 Recovery Rider effective July 1, 2022, to commence recovery of Project costs. Order in Council
22 OC2024-062, directed Hydro to structure any application for utility rate increases such that retail rate
23 increases to domestic class customers attributable to Hydro shall be targeted at 2.25%. As such, Hydro is
24 proposing to increase the Project Cost Recovery Rider from 1.516 cents per kWh to 2.136 cents per kWh
25 to increase the recovery of Project costs and domestic rates attributable to Hydro's costs by the

⁷ \$6.1 million transferred from the Isolated Systems Supply Cost Deferral Account on March 31, 2026, plus accumulated interest.

⁸ The CDM Cost Recovery Adjustment is calculated to recover the sum of individual amounts representing 1/10th of the transfer to the CDM Deferral Account for the previous year and the amortizations carried forward from prior years.

1 targeted 2.25%. Hydro, in consultation with Newfoundland Power, calculated the rider to meet the
 2 targeted domestic rate increase.

3 The Project Cost Recovery Rider of 2.136 cents per kWh is estimated to recover from Newfoundland
 4 Power approximately \$124.5 million,⁹ relative to existing rates, over the 12-month period of July 1, 2026
 5 to June 30, 2027.

6 Table 1 summarizes the forecast customer bill impacts of the proposed July 1, 2026 rate change, with
 7 calculations provided in Appendix A.

Table 1: Estimated Rate Impacts of Proposed July 1, 2026 Rate Change¹⁰

Particulars	Existing (¢/kWh)	Proposed (¢/kWh)	Wholesale (%)	End Customer ¹¹ (%)
RSP Current Plan Adjustment	0.413	0.109	(2.8)	(2.2)
CDM Cost Recovery Adjustment	0.019	0.021	0.0	0.0
Project Cost Recovery Rider	1.516	2.136	5.8	4.5
Total	1.948	2.266	3.0	2.3

8 Table 1 indicates that the overall impact of implementing the proposed RSP Current Plan Adjustment,
 9 CDM Cost Recovery Adjustment, and the Project Cost Recovery Rider is an estimated average end-
 10 customer bill increase of 2.3% (3.0% wholesale increase) which results in an average increase for
 11 Domestic customers of 2.25% effective July 1, 2026. These impacts are shown in Schedule 2, as
 12 calculated by Newfoundland Power in consultation with Hydro. The projected rate change for end
 13 customers is also impacted by Newfoundland Power’s updates to its rates for the balances in its Rate
 14 Stabilization Account and updates to its Municipal Tax Factors.

⁹ The payments made by Newfoundland Power as a result of the Project Cost Recovery Rider will be credited to the Project Cost Recovery – Utility component of the SCVDA.

¹⁰ Percentages and totals may not add due to rounding.

¹¹ Estimated end customer impact is based on a detailed analysis by Newfoundland Power (inclusive of the Municipal Tax Adjustment effect). End customers are inclusive of Domestic customers, General Service customers, and Street and Area Lighting.

1 **5.0 Rural Rate Alteration**

2 The RRA reflects additional revenue collected from Hydro’s rural customers when rates increase
3 between Hydro’s general rate applications. As of February 28, 2026, the RRA component of the SCVDA
4 reflects a credit balance of approximately \$45.0 million.

5 As requested by Government in its April 22, 2026 correspondence included within Attachment 1, to
6 address the affordability challenges referenced by Government, Hydro is proposing to transfer \$45
7 million of the RRA balance from the SCVDA – Utility Customer Balance to Newfoundland Power through
8 a one-time bill credit on its bill to Newfoundland Power for the month of May 2026. Newfoundland
9 Power would apply this one-time bill credit to their Rate Stabilization Account balance to reduce the July
10 1, 2026 rate increase. The transfer of this balance would eliminate Newfoundland Power’s portion of the
11 projected rate increase as of July 1, 2026, resulting in a remaining rate increase equal to the targeted
12 2.25%. The balance transfer will not impact Hydro’s targeted rate increase for domestic customers of
13 2.25% required by the rate mitigation plan, nor will it impact Hydro’s proposals for current or future
14 rates of Island Industrial Customers made consistent with the rate mitigation plan.

15 The letter also requested Hydro work with the Board so that the Board can determine a clear and
16 transparent approach on the disposition of the RRA balance on a go-forward basis. Hydro will submit a
17 proposal to the Board no later than February 2027.

18 **6.0 Conclusion**

19 Hydro has computed its proposed RSP Current Plan Adjustment, CDM Cost Recovery Adjustment, and
20 Project Cost Recovery Rider in accordance with the existing rules and direction provided in the rate
21 mitigation plan resulting in an average domestic customer rate increase of 2.25%. Revised Utility rate
22 sheets reflecting Hydro’s proposals are included as Schedule 3 to Hydro’s application.

23 Pending approval by the Board, Hydro will provide a bill credit to Newfoundland Power to facilitate the
24 transfer of the RRA balance and, as requested by Government, to reduce the overall customer rate
25 increase on July 1, 2026 from 7% to 2.25%.

Appendix A

Estimated Customer Billing Impacts – RSP, CDM, and
Project Cost Recovery Rider



Utility Estimated Customer Billing Impacts - July 1, 2026
RSP, CDM, and Project Cost Recovery Rider¹

	Billing Units ²	Unit	Current Rates	Billings at Existing Rates (\$)	Proposed Rates July 1, 2026	Revised Billings (\$)	Change (\$)	Change Utility (%)	Estimated Change End Customer ^{3,4} (%)
Demand (kW)	15,931,248	\$/kW/mo	5.00	79,656,240	5.000	79,656,240			
1st Block - Energy (MWhs)	3,780,000	¢/kWh	8.515	321,867,000	8.515	321,867,000			
2nd Block - Winter Energy (MWhs)	641,405	¢/kWh	9.698	62,203,468	9.698	62,203,468			
2nd Block - Non-Winter Energy (MWhs)	1,407,982	¢/kWh	3.354	47,223,713	3.354	47,223,713			
Total Base Rate				510,950,421		510,950,421	-		
RSP Current Plan Adjustment	5,829,387	¢/kWh	0.413	24,075,368	0.109	6,354,032	(17,721,337)	(2.8)	(2.2)
CDM Cost Recovery Adjustment	5,829,387	¢/kWh	0.019	1,107,584	0.021	1,224,171	116,588	0.0	0.0
Project Cost Recovery Rider	5,829,387	¢/kWh	1.516	88,373,507	2.136	124,515,707	36,142,200	5.8	4.5
Total				624,506,881		643,044,331	18,537,451	3.0	2.3

¹ Numbers may not add due to rounding.

² Billing units are based on 2025 actuals.

³ Estimated change in end customer rates based on detailed analysis by Newfoundland Power. Please refer to Schedule 2 of this application.

⁴ Percentages may not add due to rounding.

Appendix B

Rate Stabilization Plan Report for the Period Ended
March 31, 2026



Newfoundland and Labrador Hydro
Rate Stabilization Plan Report
March 31, 2026

Summary of Key Facts

The Rate Stabilization Plan ("RSP") of Newfoundland and Labrador Hydro ("Hydro") was established for Hydro's Utility customer, Newfoundland Power Inc. ("Newfoundland Power") and Island Industrial customers to smooth rate impacts for variations between actual results and Test Year Cost of Service estimates for:

- Hydraulic production;
- No. 6 Fuel cost at Hydro's Holyrood Thermal Generating Station;
- Customer Load (Utility and Island Industrial); and
- Rural rates.

In Board Order No. P.U. 33(2021), the Board of Commissioners of Public Utilities ("Board") approved the Supply Cost Variance Deferral Account ("SCVDA") to deal with future supply cost variances on the Island Interconnected System beginning in the month in which Hydro was required to begin payments under the Muskrat Falls Purchase Power Agreement (i.e., November 2021). The approval of the SCVDA discontinued transfers to the RSP, effective as of the implementation of the SCVDA, resulting from variations in future costs associated with the Test Year Cost of Service estimates for the items listed above. However, the Board directed that the RSP balances be maintained for the transparent and timely recovery of historical balances. The rules provide for the disposition of historical balances in accordance with the RSP Rules previously approved by the Board in Board Order No. P.U. 4(2022).

The Hydraulic Variation Account Balance as of October 31, 2021 was fully assigned to customers as of December 31, 2024 as per the Rate Stabilization Plan Rules for Balance Disposition approved by the Board in Board Order No. P.U. 4(2022).

Per Board Order No. P.U. 10(2025), finance charges are calculated on the balances using the approved weighted average cost of capital, which is currently 5.45% per annum effective January 1, 2025.

Rate Stabilization Plan
Summary of Utility Customer
March 31, 2026

	A	B	C	D	E	F	G	H
	Load	Allocation	Allocation	Subtotal	Financing	Adjustment ¹	Transfers ²	Cumulative
	Variation	Fuel Variance	Rural Rate	Monthly	Charges			Net
	(\$)	(\$)	Alteration	Variances	(\$)	(\$)	(\$)	Balance
			(\$)	(\$)				(\$)
	(A + B + C)							
Opening Balance								(to page 4)
Adjustment								12,617,595
Adjusted Opening Balance								12,617,595
January	-	-	-	-	55,921	(2,968,148)	-	9,705,368
February	-	-	-	-	43,014	(2,579,117)	-	7,169,265
March	-	-	-	-	31,774	(2,784,379)	6,091,362	10,508,022
April								
May								
June								
July								
August								
September								
October								
November								
December								
Year-to-Date	-	-	-	-	130,709	(8,331,644)	6,091,362	(2,109,573)
Total	-	-	-	-	130,709	(8,331,644)	6,091,362	10,508,022

¹ Effective July 1, 2025, the RSP Adjustment rate is 0.413 cents per kWh as per Board Order No. P.U. 22(2025).

² Recovery of the 2025 Isolated Systems Supply Costs Deferral was approved in Board Order No. P.U. 9(2026).

Rate Stabilization Plan
Summary of Industrial Customers
March 31, 2026

	A	B	C	D	E	F	G
	Load	Allocation	Subtotal	Financing	Adjustment	Transfers ¹	Cumulative
	Variation	Fuel Variance	Monthly	Charges	(\$)	(\$)	Net
	(\$)	(\$)	Variances	(\$)	(\$)	(\$)	Balance
			(\$)				(\$)
			(A + B)				
Opening Balance							(to page 4)
Adjustment						51,816	(51,816)
Adjusted Opening Balance							<u>51,816</u>
January	-	-	-	-	-	-	-
February	-	-	-	-	-	-	-
March	-	-	-	-	-	-	-
April							
May							
June							
July							
August							
September							
October							
November							
December							
Year-to-Date	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-

¹ As per Board Order No. P.U. 3(2026), the Board approved the discontinuance of the RSP current plan adjustment for Island Industrial Customers ("IIC") effective January 1, 2026. The RSP IIC balance as at December 31, 2025 of (\$51,816) was transferred to the Supply Cost Variance Deferral Account- Industrial Customers Balance.

Rate Stabilization Plan
Overall Summary
March 31, 2026

	A	B	C
	Utility Balance (\$)	Industrial Balance ¹ (\$)	Total To Date (\$)
	(from page 2)	(from page 3)	(A + B)
Opening Balance	12,617,595	(51,816)	12,565,779
Adjustments	-	51,816	51,816
Adjusted Opening Balance	12,617,595	-	12,617,595
January	9,705,368	-	9,705,368
February	7,169,265	-	7,169,265
March	10,508,022	-	10,508,022
April			
May			
June			
July			
August			
September			
October			
November			
December			

¹ As per Board Order No. P.U. 3(2026), the Board approved the discontinuance of the RSP current plan adjustment for Island Industrial Customers ("IIC") effective January 1, 2026. The RSP IIC balance as at December 31, 2025 of (\$51,816) was transferred to the Supply Cost Variance Deferral Account- Industrial Customers Balance.

Appendix C

Proposed Utility RSP Current Plan Adjustment



**Calculation of RSP¹ Current Plan Adjustment
Utility Customer
Proposed Calculation**

Line No		<u>Amount</u>	<u>Comments</u>
Current Plan			
1	March Balance - Isolated Systems Supply Cost Deferral Balance only	\$ 6,091,362	Line 7
2	Forecast Financing Costs to June 30, 2027	\$ 271,253	Line 23
3	Forecast Recovery to June 30, 2026	\$ -	Lines 8 to 10
4	Total	<u>\$ 6,362,615</u>	
5	12 Months-to-Date (April 2025 – March 2026) Newfoundland Power Inc. Sales (kWh)	<u>5,862,552,405</u>	
6	RSP Current Plan Adjustment (¢ per kWh)	<u>0.109</u>	

**Forecast Financing Charges
2025–2026**

Revised 2019 Test Year Return on Rate Base 5.450%
Nominal Financing Rate 5.318%

Month	<u>Sales (kWh)</u>	<u>Financing Costs (\$)</u>	<u>Adjustment (\$)</u>	<u>Total-to-Date Balance (\$)</u>
7	March 2026			6,091,362
8	April 2026	539,215,098	26,997	6,118,359
9	May 2026	460,510,889	27,117	6,145,476
10	June 2026	314,772,424	27,237	6,172,713
11	July 2026	314,904,375	27,358	5,856,824
12	August 2026	314,991,836	25,958	5,539,441
13	September 2026	314,816,559	24,551	5,220,842
14	October 2026	407,635,611	23,139	4,799,658
15	November 2026	501,135,123	21,272	4,274,693
16	December 2026	677,223,384	18,946	3,555,465
17	January 2027	718,679,851	15,758	2,787,862
18	February 2027	624,483,417	12,356	2,119,530
19	March 2027	674,183,838	9,394	1,394,064
20	April 2027	539,215,098	6,179	812,498
21	May 2027	460,510,889	3,601	314,142
22	June 2027	314,772,424	1,392	(27,568)
23	Total	<u>7,177,050,816</u>	<u>271,253</u>	<u>(6,390,182)</u>

¹ Rate Stabilization Plan ("RSP").

**Calculation of RSP¹ Current Plan Adjustment
Utility Customer
Normal Calculation**

Line No		Amount	Comments
Current Plan			
1	March Balance	\$ 10,508,022	Line 7
2	Forecast Financing Costs to June 30, 2027	\$ 272,730	Line 23
3	Forecast Recovery to June 30, 2026	\$ (5,428,878)	Lines 8 to 10
4	Total	\$ 5,351,874	
5	12 Months-to-Date (April 2025 – March 2026) Newfoundland Power Inc. Sales (kWh)	5,862,552,405	
6	RSP Current Plan Adjustment (¢ per kWh)	0.091	

**Forecast Financing Charges
2025–2026**

Revised 2019 Test Year Return on Rate Base 5.450%
Nominal Financing Rate 5.318%

Month	Sales (kWh)	Financing Costs (\$)	Adjustment (\$)	Total-to-Date Balance (\$)
7	March 2026			10,508,022
8	April 2026	539,215,098	46,572	8,327,635
9	May 2026	460,510,889	36,908	6,462,634
10	June 2026	314,772,424	28,643	5,191,266
11	July 2026	314,904,375	23,008	4,927,711
12	August 2026	314,991,836	21,840	4,662,908
13	September 2026	314,816,559	20,666	4,397,091
14	October 2026	407,635,611	19,488	4,045,631
15	November 2026	501,135,123	17,930	3,607,528
16	December 2026	677,223,384	15,989	3,007,243
17	January 2027	718,679,851	13,328	2,366,573
18	February 2027	624,483,417	10,489	1,808,782
19	March 2027	674,183,838	8,017	1,203,291
20	April 2027	539,215,098	5,333	717,938
21	May 2027	460,510,889	3,182	302,055
22	June 2027	314,772,424	1,339	16,951
23	Total	7,177,050,816	272,730	(10,763,801)

¹ Rate Stabilization Plan ("RSP").

Appendix D

Proposed Utility CDM Cost Recovery Adjustment



Conservation and Demand Management Cost Recovery Adjustment
Island Interconnected Recoverable Allocation

Line No.	2025 Energy Sales (kWh)	Percent of Total kWh	Allocation of Recoverable Amount (\$000)
1	5,829,387,028	85.9%	249
2	497,118,133	7.3%	21
3	458,945,977	6.8%	20
4	6,785,451,138	100.0%	290

From Page 3, Line 30

Conservation and Demand Management Cost Recovery Adjustment
Newfoundland Power Inc.

Line No.	Newfoundland Power Inc.'s Allocation of CDM¹ Cost Deferral Account Balance		
	Calculation of Newfoundland Power Inc.'s Allocation of Rural CDM Balance		
1	2025 Rural Island Interconnected's Allocation (\$000)	20	From Page 1, Line 3
2	2025 Rural Isolated System's Recoverable Amount (\$000)	991	From Page 3, Line 31
3	Total 2025 Rural CDM (\$000)	1,010	Line 1 + Line 2
4	2025 Newfoundland Power Inc.'s Allocation Percentage of Rural CDM Balance ²	96.1%	
5	2025 Newfoundland Power Inc.'s Allocation of Rural CDM Balance	971	Line 3 x Line 4
6	Newfoundland Power Inc.'s Direct Allocation of Island Interconnected's CDM Balance (\$000)	249	From Page 1, Line 1
7	Total Newfoundland Power Inc. Allocation of CDM Account Balance (\$000)	1,220	Line 5 + Line 6
	Calculation of Newfoundland Power Inc.'s CDM Cost Recovery Adjustment		
8	Newfoundland Power Inc.'s Current Year Allocation (\$000)	122	Line 7 / 10 years
9	2025 Energy Sales - Newfoundland Power Inc. (kWh)	5,829,387,028	From Page 1, Line 1
10	2026-2035 CDM Cost Recovery Adjustment (¢ per kWh)	0.002	(Line 8 x 1,000) / Line 9
11	2025-2034 CDM Cost Recovery Adjustment (¢ per kWh)	0.002	
12	2024-2033 CDM Cost Recovery Adjustment (¢ per kWh)	0.002	
13	2023-2032 CDM Cost Recovery Adjustment (¢ per kWh)	0.002	
14	2022-2031 CDM Cost Recovery Adjustment (¢ per kWh)	0.002	
15	2021-2030 CDM Cost Recovery Adjustment (¢ per kWh) ³	0.003	
16	2019-2028 CDM Cost Recovery Adjustment (¢ per kWh)	0.002	
17	2018-2027 CDM Cost Recovery Adjustment (¢ per kWh)	0.001	
18	2017-2026 CDM Cost Recovery Adjustment (¢ per kWh)	0.005	
19	Total CDM Cost Recovery Adjustment (¢ per kWh)	0.021	Line 10 + Line 11 + Line 12 + Line 13 + Line 14 + Line 15 + Line 16 + Line 17 + Line 18

¹ Conservation and Demand Management ("CDM").

² Based on Rural Deficit Allocation between Newfoundland Power Inc. and Rural Labrador Interconnected customers in the 2019 Test Year Cost of Service Study.

³ OC2020-081 prevented Newfoundland and Labrador Hydro from changing rates as a result of the operation of the Rate Stabilization Plan and CDM Cost Deferral Account on July 1, 2020. As a result, 2019 activity is included with 2020 activity to be amortized over a seven-year period commencing July 1, 2021. The amortization period has been adjusted effective July 1, 2023 to reflect a ten year amortization period as approved in Board Order No. P.U. 37(2022).

Conservation and Demand Management Account Activity (\$000s)¹

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	Total	
1 Island Interconnected	167	415	474	433	463	1,717	358	497	(646)	(715)	(778)	(778)	(416)	(926)	(336)	(377)	(416)	(5,438)											
2 IIS Amortization	-	-	-	-	-	-	-	-	(167)	(272)	(295)	(537)	(569)	(716)	74	13	(126)	2,056											
3 Subtotal	167	415	474	433	463	1,717	358	497	(167)	(272)	(295)	(537)	(569)	(716)	74	13	(126)	2,056											
4 Hydro Rural Isolated	-	-	-	951	986	711	543	655	994	1,085	1,029	314	1,167	885	955	994	991	12,260											
5 Rural Amortization	-	-	-	-	-	-	-	-	(549)	(691)	(846)	(846)	(1,038)	(1,205)	(591)	(687)	(786)	(6,455)											
6 Subtotal	-	-	-	951	986	711	543	655	445	394	183	(533)	129	(320)	364	307	204	4,814											
7 Total Deferred	167	415	474	1,384	1,449	2,428	901	1,152	1,474	1,528	1,512	555	1,480	1,095	1,365	1,384	1,281	18,763											
8 Total Unamortized	167	415	474	1,384	1,449	2,428	901	1,152	278	122	(112)	(1,070)	(440)	(1,036)	438	320	78	6,870											

Conservation and Demand Management Account Amortization (\$000)¹

Line No	Year	System Balance	As Filed - Seven-Year Amortization											Revised - Ten-Year Amortization														
			2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035							
1		Island Interconnected	646	646	646	646	646	646	646	646	646	162	162	162	162	-	-	-	-	-	-	-	-	-	-	-	-	-
2	2016	Hydro Rural Isolated	549	549	549	549	549	549	549	549	3,297	137	137	137	137	-	-	-	-	-	-	-	-	-	-	-	-	-
3		Total ²	1,196	1,196	1,196	1,196	1,196	1,196	1,196	1,196	7,175	299	299	299	299	-	-	-	-	-	-	-	-	-	-	-	-	-
4		Island Interconnected	-	68	68	68	68	68	342	137	27	27	27	27	27	-	-	-	-	-	-	-	-	-	-	-	-	-
5	2017	Hydro Rural Isolated	-	142	142	142	142	142	710	284	57	57	57	57	57	-	-	-	-	-	-	-	-	-	-	-	-	-
6		Total ²	-	211	211	211	211	211	1,053	421	84	84	84	84	84	-	-	-	-	-	-	-	-	-	-	-	-	-
7		Island Interconnected	-	-	63	63	63	63	253	190	32	32	32	32	32	-	-	-	-	-	-	-	-	-	-	-	-	-
8	2018	Hydro Rural Isolated	-	-	155	155	155	155	620	465	78	78	78	78	78	-	-	-	-	-	-	-	-	-	-	-	-	-
9		Total ²	-	-	218	218	218	218	873	655	109	109	109	109	109	-	-	-	-	-	-	-	-	-	-	-	-	-
10		Island Interconnected	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11	2019	Hydro Rural Isolated	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
12		Total ³	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
13		Island Interconnected	-	-	-	-	103	103	207	517	65	65	65	65	65	65	65	65	65	65	65	65	65	65	65	65	65	65
14	2020	Hydro Rural Isolated	-	-	-	-	192	192	384	959	120	120	120	120	120	120	120	120	120	120	120	120	120	120	120	120	120	120
15		Total ⁴	-	-	-	-	295	295	591	1,477	185	185	185	185	185	185	185	185	185	185	185	185	185	185	185	185	185	
16		Island Interconnected	-	-	-	-	45	45	45	268	30	30	30	30	30	30	30	30	30	30	30	30	30	30	30	30	30	30
17	2021	Hydro Rural Isolated	-	-	-	-	167	167	167	1,000	111	111	111	111	111	111	111	111	111	111	111	111	111	111	111	111	111	
18		Total ²	-	-	-	-	211	211	211	1,268	141	141	141	141	141	141	141	141	141	141	141	141	141	141	141	141	141	
19		Island Interconnected	-	-	-	-	21	21	21	21	21	21	21	21	21	21	21	21	21	21	21	21	21	21	21	21	21	
20	2022	Hydro Rural Isolated	-	-	-	-	88	88	88	88	88	88	88	88	88	88	88	88	88	88	88	88	88	88	88	88	88	
21		Total ²	-	-	-	-	110	110	110	110	110	110	110	110	110	110	110	110	110	110	110	110	110	110	110	110	110	
22		Island Interconnected	-	-	-	-	-	-	-	-	41	41	41	41	41	41	41	41	41	41	41	41	41	41	41	41	41	
23	2023	Hydro Rural Isolated	-	-	-	-	-	-	-	-	96	96	96	96	96	96	96	96	96	96	96	96	96	96	96	96	96	
24		Labrador Interconnected	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
25		Total ⁵	-	-	-	-	-	-	-	-	137	137	137	137	137	137	137	137	137	137	137	137	137	137	137	137		
26		Island Interconnected	-	-	-	-	-	-	-	-	39	39	39	39	39	39	39	39	39	39	39	39	39	39	39	39	39	
27		Hydro Rural Isolated	-	-	-	-	-	-	-	-	99	99	99	99	99	99	99	99	99	99	99	99	99	99	99	99	99	
28	2024	Labrador Interconnected	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
29		Total ⁶	-	-	-	-	-	-	-	-	138	138	138	138	138	138	138	138	138	138	138	138	138	138	138	138	138	
30		Island Interconnected	-	-	-	-	-	-	-	-	-	29	29	29	29	29	29	29	29	29	29	29	29	29	29	29	29	
31		Hydro Rural Isolated	-	-	-	-	-	-	-	-	99	99	99	99	99	99	99	99	99	99	99	99	99	99	99	99	99	
32		Labrador Interconnected	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
33		Total ⁷	-	-	-	-	-	-	-	-	128	128	128	128	128	128	128	128	128	128	128	128	128	128	128	128	128	
34		Island Interconnected	646	715	778	778	882	926	4,725	1,758	336	377	416	445	284	256	224	224	224	224	224	160	130	109	68	29		
35		Hydro Rural Isolated	549	691	846	846	1,038	1,205	5,177	3,258	591	687	786	885	748	691	613	613	613	613	613	494	382	294	198	99		
36		Labrador Interconnected	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
37		Grand Total	1,196	1,406	1,625	1,625	1,920	2,131	9,902	5,017	927	1,064	1,202	1,202	903	819	710	838	653	512	403	266	128	128	128	128		

¹ Totals may not add due to rounding.
² Consistent with the "2022 Conservation and Demand Management Report," Newfoundland and Labrador Hydro, March 31, 2023, p. 13, Table 5.
³ Deferred as per OC2020-081.
⁴ Includes 2019 (\$1.5 million) and 2020 (\$0.6 million) activity.
⁵ Consistent with the "2023 Electrification, Conservation and Demand Management Report," Newfoundland and Labrador Hydro, April 10, 2024, p. 5, Table 2. Board Order No. P.U. 37(2022) approved recovery of Labrador Interconnected program costs effective January 1, 2023, which will be dealt with through Hydro's General Rate Applications.
⁶ Consistent with the "2024 Electrification, Conservation and Demand Management Report," Newfoundland and Labrador Hydro, April 10, 2025, p. 5, Table 2. The difference between the \$1,409 and \$1,385 reflects additional transfers made to the deferral account.
⁷ Consistent with the "2025 Electrification, Conservation and Demand Management Report," Newfoundland and Labrador Hydro, April 10, 2026, p. 5, Table 2.

Attachment 1

Request to Review Disposition of Rural Rate Alteration
Balance in the Supply Cost Variance Deferral Account –
Hydro's Reply





Newfoundland and Labrador Hydro
Hydro Place, 500 Columbus Drive
P.O. Box 12400, St. John's, NL
Canada A1B 4K7
t. 709.737.1400 | f. 709.737.1800
nlhydro.com

April 22, 2026

Board of Commissioners of Public Utilities
Prince Charles Building
120 Torbay Road, P.O. Box 21040
St. John's, NL A1A 5B2

Attention: Mike McNiven
Board Secretary

Re: Request to Review Disposition of Rural Rate Alteration Balance in the Supply Cost Variance Deferral Account – Hydro's Reply

In its correspondence dated April 14, 2026, the Board of Commissioners of Public Utilities ("Board") requested that Newfoundland and Labrador Hydro ("Hydro") consider whether it would be reasonable to utilize the Rural Rate Alteration ("RRA") balance in Hydro's Supply Cost Variance Deferral Account ("SCVDA") to reduce the projected July 1, 2026 customer rate impact.¹

Prior to receiving this correspondence from the Board, Hydro, Newfoundland Power, and the Government of Newfoundland and Labrador ("Government") were finalizing a mechanism to reduce the projected July 1, 2026 rate increase to customers, which considered the RRA balance in the SCVDA.

Government has advised that they are supportive of utilizing the current balance to offset the Newfoundland Power portion of the upcoming rate increase, as noted in their letter dated April 22, 2026, which has been attached to this correspondence. Government has asked that Hydro work with Newfoundland Power and the Board to implement this action. The application of these funds will effectively reduce the July 1 rate increase for customers to the targeted level of 2.25% in total, down from the anticipated 7% rate increase.

As noted in the letter, Government has asked Hydro to work with the Board on the disposition of the RRA balance on a go-forward basis.

To arrive at this decision, there were many factors which needed to be considered. The rates charged to Hydro's non-government customers in rural interconnected and isolated systems do not cover the full cost incurred to serve these customers. Pursuant to Government policy, since 1975, rates charged to these customers are linked to Newfoundland Power customer rates.² As a result, when Newfoundland Power customer rates change on July 1 of each year, Hydro's rural customer rates are also adjusted.

The difference between the cost to serve these rural customers and the revenue recovered through customer rates creates the Rural Deficit. Consistent with Government direction since 1992, the Rural

¹ The July 1, 2026 customer rate impact associated with Newfoundland Power Inc.'s ("Newfoundland Power") July 1, 2026 rate application is projected to be 7%, including 2.25% associated with Hydro's costs in accordance with the rate mitigation plan.

² OC2024-092 (*Electrical Power Control Act, 1994*, SNL 1994, c E-5.1), <https://www.exec-oic.gov.nl.ca/public/oic/details?order-id=22053>

Mike McNiven
Board of Commissioners of Public Utilities

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Deficit is recovered from Newfoundland Power's customers and Hydro's Labrador Interconnected System rural customers.

The RRA reflects additional revenue collected from Hydro's rural customers when rates increase between Hydro's General Rate Applications ("GRA"). These revenues are then allocated accordingly to Newfoundland Power and Hydro's Labrador Interconnected System rural customers using a Board approved methodology.³

The RRA balance was historically included as part of the Rate Stabilization Plan and netted against costs owing from Newfoundland Power, also included in that account. Since November 1, 2021, the effective date of the SCVDA, the balance has been accumulated in the SCVDA with the same intent. The SCVDA was established to address material changes in system costs following the commencement of payments under the Muskrat Falls Power Purchase Agreement and the Transmission Funding Agreement (collectively "Muskrat Falls Supply Costs"). In advance of Hydro's GRA, all Muskrat Falls Supply Costs incurred to serve customers on the Island Interconnected System, are also accumulating in the SCVDA.

As of February 28, 2026, the RRA component of the SCVDA reflects a credit balance of \$45.0 million. In contrast, the overall SCVDA reflects a balance owing from customers of \$457.8 million.

The magnitude of the RRA balance largely reflects the extended period and rate increases between the implementation of rates resulting from Hydro's last GRA in October 2019, and its next GRA. Hydro does not anticipate that RRA balances will accumulate to similar levels in the future, as it is not expected that comparable periods will elapse between rate applications.⁴

On May 16, 2024, Government announced the finalization of the rate mitigation plan. The plan applies to Island Interconnected System customers responsible for the costs of the Muskrat Falls Project, and was first implemented in Hydro's Utility Rate Adjustment effective August 1, 2024. As directed by Order in Council OC2024-062, Hydro is required to structure utility rate applications such that retail rate increases for domestic customers attributable to Hydro's costs, are targeted at 2.25 percent annually up to and including 2030, with remaining costs funded through rate mitigation. To date, approximately \$1.6 billion in rate mitigation funding has been provided to customers.

Government has committed to funding rate mitigation through agreements with the Government of Canada and through funding intended to reduce amounts owing from customers in the SCVDA. Order in Council OC2024-062 also directs that any additional funding required for rate mitigation be sourced, to the extent possible, from Hydro's internal sources.

In considering the transfer of the utility allocation of the RRA balance to Newfoundland Power to reduce customer rate impacts, it is important to consider the significant balances owed by customers to Hydro. A substantial portion of these balances are also captured in the SCVDA and relate to Muskrat Falls Supply Costs,⁵ which Hydro is obligated to recover. While the allocation between customer classes of the supply cost balances owing from customers in the SCVDA has not yet been determined,⁶ it is

³ Hydro's last Board approved Test Year allocates 96.1% of the rural deficit to Newfoundland Power and 3.9% to Hydro's Rural Labrador Interconnected customers. As approved in Board Order No. P.U. 16 (2019).

⁴ Hydro's upcoming GRA had been delayed until the commissioning of the Muskrat Falls Project was achieved and the details of Government's rate mitigation plan were known. Hydro is currently preparing to file its GRA in the coming weeks.

⁵ There are other deferral accounts such as the Reliability and Resource Adequacy Study Deferral, Muskrat Falls Sustaining Capital Deferral, and Business Systems Transformation Program Deferral, for which recovery of costs from customers such as Newfoundland Power has not commenced. Cost recovery will be proposed in Hydro's next GRA for approval by the Board.

⁶ Hydro anticipates proposing the methodology to allocate costs between customers for the balances contained in the SCVDA in Hydro's application to the Board for disposition of the account, subsequent to the finalization of the GRA.

Mike McNiven
Board of Commissioners of Public Utilities

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anticipated that Newfoundland Power would be allocated the primary share of these costs, at which point the RRA credit and any other credits and balances owing from Newfoundland Power would be considered together. Government's rate mitigation plan also required consideration, in particular how credit balances and costs accumulating in the SCVDA were meant to be captured in the calculation of rate mitigation funding required. For these reasons, prior to transferring the utility allocation of the RRA balance to Newfoundland Power, consultation with Government was required.

Hydro will work with Newfoundland Power in advance of its rate application to finalize the details of the transfer. Hydro will also engage the Board to establish an approach going forward for the disposition of the balance in the RRA component of its SCVDA.

Should you have any questions, please contact the undersigned.

Yours truly,



NEWFOUNDLAND AND LABRADOR HYDRO

Shirley A. Walsh
Senior Legal Counsel, Regulatory
SAW/mc

ecc:

Board of Commissioners of Public Utilities
Jacqui H. Glynn
Ryan Oake
Board General

Consumer Advocate
Adrienne H.Y. Ding, O'Dea Earle
Justin W. King, O'Dea Earle

Newfoundland Power Inc.
Dominic J. Foley
Douglas W. Wright
Regulatory Email

Island Industrial Customer Group
Paul L. Coxworthy, Stewart McKelvey
Denis J. Fleming, Cox & Palmer
Glen G. Seaborn, Poole Althouse



THE PREMIER
GOVERNMENT OF
NEWFOUNDLAND AND LABRADOR

April 22, 2026

Jennifer Williams
Chief Executive Officer
Newfoundland and Labrador Hydro
Hydro Place
500 Columbus Drive
St. John's, NL A1B 4K7
Email: jenniferwilliams@nlh.nl.ca

Dear Ms. Williams,

Affordability remains a top priority for the Government of Newfoundland and Labrador. We are committed to protecting households and businesses from rising costs, ensuring access to reliable and affordable essential services, and taking practical steps to mitigate cost-of-living pressures.

Recognizing that electricity rate decisions must advance affordability objectives while balancing considerations related to the ongoing reliability and viability of utilities, I am writing to outline Government's position to reduce the proposed July 1, 2026, electricity rate increase to customers through utilization of Newfoundland and Labrador Hydro's Rural Rate Alteration (RRA) account within the Supply Cost Variance Deferral Account (SCVDA).

The RRA account was established to reflect the revenue impacts associated with differences between rural and island electricity rates, and to ensure that those impacts were addressed in a manner consistent with approved rate setting practices and government policy.

Historically, balances in the RRA account were combined with other supply costs and addressed as part of the annual Rate Stabilization Plan (RSP) adjustment, incorporated collectively into the overall calculation of July 1 rate changes for Newfoundland Power customers. In 2021, the Public Utilities Board approved the inclusion of the RRA within the SCVDA where it is also incorporated collectively with other supply costs.

Since that time, the RRA has accumulated a significant credit balance - now approximately \$45 million. This magnitude of accumulated credit was not anticipated at the time the RRA was transitioned into the SCVDA and I understand it is not anticipated to accumulate similarly in the future with the filing of Newfoundland and Labrador Hydro's upcoming General Rate Application.

Government, Newfoundland and Labrador Hydro, and Newfoundland Power have been engaged in ongoing discussions regarding electricity rate affordability and the utilization of the RRA balance as a means to reduce the upcoming July 1 rate change.

Given the ongoing affordability challenges facing households and businesses across Newfoundland and Labrador we believe it is both reasonable and necessary that the credit balance currently held in the RRA account be applied to offset the Newfoundland Power portion of the projected July 1 rate increase. Doing so would reduce the overall increase faced by customers from a projected 7 per cent to the targeted 2.25 per cent, delivering meaningful near-term relief while longer-term solutions continue to be developed.

Accordingly, I ask that Newfoundland and Labrador Hydro work collaboratively with Newfoundland Power and the Public Utilities Board to request approval for the appropriate application of these credits for July 1, 2026. Government requests NL Hydro work with the Public Utilities Board so the PUB can determine the clear and transparent approach on the disposition of the RRA balance on a go-forward basis.

We are committed to protecting Newfoundland and Labrador families from undue cost increases, supporting rural sustainability, and ensuring that our energy system is managed responsibly, transparently, and in the public interest. I appreciate your cooperation on this matter and look forward to continued collaboration in support of these shared goals.

Please do not hesitate to engage with my office should further clarification be required.

Sincerely,



HONOURABLE TONY WAKEHAM
Premier of Newfoundland and Labrador
MHA, Stephenville-Port au Port

Schedule 2

Calculation of Average End-Customer Billing Impacts by
Newfoundland Power Inc.



Newfoundland Power Inc.

Average Billing Impacts - Customer Rates - July 1, 2026
Newfoundland and Labrador Hydro's ("Hydro") Impact Only
(\$000s)

Category	Revenue Under Existing Rates (A)¹	Revenue Under Proposed Rates (B)²	Change (C)³	Average Impacts (D)⁴
1.1 Domestic	584,443	597,598	13,155	2.25%
1.1S Domestic Seasonal	1,957	2,000	43	2.20%
Total Domestic⁵	586,400	599,598	13,198	2.25%
2.1 General Service 0-100 kW (110 kVA)	125,259	128,181	2,922	2.3%
2.3 General Service 110-1000 kVA	146,707	150,644	3,937	2.7%
2.4 General Service over 1000 kVA	63,272	65,170	1,898	3.0%
Total General Service	335,238	343,995	8,757	2.6%
4.1 Street and Area Lighting	18,340	18,407	67	0.4%
Forfeited Discounts	3,374	3,374	-	0.0%
Total	943,352	965,374	22,022	2.3%

¹ Column A is the 2026 forecast revenue under existing rates using a Rate Stabilization Adjustment ("RSA") of 1.910 cents per kWh and a Municipal Tax Adjustment ("MTA") factor of 1.02458 as approved in Order No. P.U. 23 (2025) with effect on July 1, 2025.

² Column B is the 2026 forecast revenue under proposed rates reflecting a revised RSA factor for Hydro's Utility Rate Adjustments only as outlined on page 2 of 2.

³ Column C is the difference between the 2026 forecast under Proposed and Existing rates (Column B - Column A).

⁴ Column D is the forecast rate change as a result of Hydro's Utility Rate Adjustments (Column C / Column A).

⁵ The customer billing impact analysis has been provided at the request of Hydro to demonstrate that the update of its Utility Rate Adjustments effective July 1, 2026 provides for a Domestic customer rate impact of a targeted 2.25%.

Schedule 3

Proposed Utility Rate Sheets – July 1, 2026



Schedule of Rates, Rules and Regulations
Utility

UTILITY

Availability

This rate is applicable to service to Newfoundland Power (“NP”).

Definitions

"Billing Demand"

The Curtailable Credit shall apply to determine the billing demand as an adjustment to the highest Native Load established during the winter period. The computation of the adjustment to reflect the Curtailable Credit is provided in the definitions below.

In the months of January through March, billing demand shall be the greater of:

- a) The highest Native Load less the Generation Credit and the Curtailable Credit, beginning in the previous December and ending in the current month; and
- b) The Minimum Billing Demand.

In the months of April through December, billing demand shall be the greater of:

- a) The Weather-Adjusted Native Load less the Generation Credit and the Curtailable Credit, plus the Weather Adjustment True-up; and
- b) The Minimum Billing Demand.

If at the time of establishing its Maximum Native Load, NP has been requested by Hydro to reduce its Native Load by shedding curtailable load, the calculation of Billing Demand for each month shall not deduct the Curtailable Credit.

"Generation Credit" refers to NP's net generation capacity less allowance for system reserve, as follows:

	kW
Hydraulic Generation Credit	83,486
Thermal Generation Credit	34,568
Newfoundland Power Generation Credit	118,054

In order to continue to avail of the Generation Credit, NP must demonstrate the capability to operate its generation to the level of the Generation Credit. This will be verified in a test by operating the generation at a minimum of this level for a period of one hour as measured by the generation demand metering used to determine the Native Load. The test will be carried out at a mutually agreed time between December 1 and March 31 each year. If the level is not sustained, NP will be provided with an opportunity to repeat the test at another mutually agreed time during the same December 1 to March 31 period. If the level is not sustained in the second test, the Generation Credit will be reduced in calculating the associated billing demands for January to December to the highest level that could be sustained.

“Curtailable Credit” is determined based upon NP's forecast curtailable load available for the period in

Schedule of Rates, Rules and Regulations
Utility

accordance with the terms and conditions set forth in NP's Curtailable Service Option. NP will notify Hydro of its available curtailable load with its forecast of annual and monthly electricity requirements.

In order to receive the Curtailable Credit, NP must demonstrate the capability to curtail its customer load requirements to the level of the Curtailable Credit. This will be verified in a test by curtailing load at a minimum of this level for a period of one hour. The test will be carried out at a mutually agreed time in December. If the level is not sustained, the Curtailable Credit will be reduced to the level sustained. If Hydro requests NP to curtail load before a test is completed and NP demonstrates the capability to curtail to the level of the Curtailment Credit, no test will be required.

NP will be required to provide a report to Hydro no later than April 15 to demonstrate the amount of load curtailed for each request of Hydro during the previous winter season. If the load curtailed is less than forecast for either request during the winter season, the annual Curtailable Credit will be adjusted to reflect the average load curtailed for the winter season. If NP is not requested to curtail during the winter season, the Curtailment Credit will be established based upon the lesser of the load reduction achieved in the test or the forecast curtailable load (as provided in the previous two paragraphs).

"Maximum Native Load" means the maximum Native Load of NP in the four-month period beginning in December of the preceding year and ending in March of the current year.

"Minimum Billing Demand" means ninety-nine percent (99%) of:

NP's test year Native Load less the Generation Credit and the Curtailable Credit.

The Curtailable Credit reflected in the Minimum Billing Demand will be set to equal the curtailable load used to determine the Maximum Native Load for NP for the most recently approved Test Year.

"Month" means for billing purposes, the period commencing at 12:01 hours on the last day of the previous month and ending at 12:00 hours on the last day of the month for which the bill applies.

"Native Load" is the sum of:

- a) The amount of electrical power, delivered at any time and measured in kilowatts, supplied by Hydro to NP, averaged over each consecutive period of fifteen minutes duration, commencing on the hour and ending each fifteen-minute period thereafter;
- b) The total generation by NP averaged over the same fifteen-minute periods.

"Weather-Adjusted Native Load" means the Maximum Native Load adjusted to normal weather conditions, calculated as:

Maximum Native Load
plus (Weather Adjustment, rounded to 3 decimal places, x 1,000)

Weather Adjustment is further described and defined in the Weather Adjustment section.

Schedule of Rates, Rules and Regulations
Utility

“Weather Adjustment True-up” means one-ninth of the difference between:

- a) The greater of:
 - The Weather Adjusted Native Load less the Generation Credit and the Curtailable Credit (if applicable), times three; and
 - The Minimum Billing Demand, times three; and
- b) The sum of the actual billed demands in the Months of January, February and March of the current year.

Monthly Rates

Billing Demand Charge

Billing Demand, as set out in the Definitions section, shall be charged at the following rate:

Demand Charge..... \$5.00 per kW of Billing Demand

Energy Charge

January-March

First 590,000,000 kilowatt-hours*@ 8.515¢ per kWh
 All excess kilowatt-hours*@ 9.698¢ per kWh

April-June

First 290,000,000 kilowatt-hours*@ 8.515¢ per kWh
 All excess kilowatt-hours*@ 3.354¢ per kWh

July-September

First 130,000,000 kilowatt-hours*@ 8.515¢ per kWh
 All excess kilowatt-hours*@ 3.354¢ per kWh

October-November

First 250,000,000 kilowatt-hours*@ 8.515¢ per kWh
 All excess kilowatt-hours*@ 3.354¢ per kWh

December

First 250,000,000 kilowatt-hours*@ 8.515¢ per kWh
 All excess kilowatt-hours*@ 9.698¢ per kWh

Firming-Up Charge

Secondary energy supplied by
 Corner Brook Pulp and Paper Limited*@ 2.882¢ per kWh

**Schedule of Rates, Rules and Regulations
Utility**

RSP Adjustment - Current Plan.....@ 0.109¢ per kWh
Project Cost Recovery Rider.....@ 2.136¢ per kWh
CDM Cost Recovery Adjustment.....@ 0.021¢ per kWh

***Subject to RSP Adjustment, CDM Cost Recovery Adjustment, and Project Cost Recovery Rider**

Adjustment for Losses

If the metering point is on the load side of the transformer, either owned by the customer or specifically assigned to the customer, an adjustment for losses as determined in consultation with the customer prior to January 31 of each year shall be applied to metered demand and energy.

Adjustment for Station Services and Step-Up Transformer Losses

If the metering point is not on the generator output terminals of NP's generators, an adjustment for Newfoundland Power's power consumption between the generator output terminals and the metering point as determined in consultation with the customer prior to the implementation of the metering shall be applied to the metered demand.

Weather Adjustment

This section outlines procedures and calculations related to the weather adjustment applied to NP's Maximum Native Load.

- a) Weather adjustment shall be undertaken for use in determining NP's Billing Demand.
- b) Weather adjustment shall be derived from Hydro's NP native peak demand model.
- c) By September 30th of each year, Hydro shall provide NP with an updated weather adjustment coefficient incorporating the latest year of actuals.
- d) The underlying temperature and wind speed data utilized to derive weather adjustment shall be sourced to weather station data for the St. John's, Gander, and Stephenville airports reported by Environment Canada. NP's regional energy sales shall be used to weigh regional weather data. Hydro shall consult with NP to resolve any circumstances arising from the availability of, or revisions to, weather data from Environment Canada and/or wind chill formulation.
- e) The primary definition for the temperature weather variable is the average temperature for the peak demand hour and the preceding seven hours. The primary definition for the wind weather data is the average wind speed for the peak demand hour and the preceding seven hours. Hydro will consult with NP should data anomalies indicate a departure from the primary definition of underlying weather data.
- f) Subject to the availability of weather data from Environment Canada, Hydro shall prepare a preliminary estimate of the Weather-Adjusted Native Load by March 15th of each year, and a final calculation of the Weather-Adjusted Native Load by April 5th of each year.

General

This rate schedule does not include the Harmonized Sales Tax (HST) that applies to electricity bills.

With respect to all matters where the customer and Hydro consult on resolution but are unable to reach a mutual agreement, the billing will be based on Hydro's best estimate.

Affidavit



IN THE MATTER OF the *Electrical Power Control Act, 1994*, SNL 1994, Chapter E-5.1 (“EPCA”) and the *Public Utilities Act, SNL 1990*, Chapter P-47 (“Act”), and regulations thereunder; and

IN THE MATTER OF an application by Newfoundland and Labrador Hydro (“Hydro”) pursuant to Subsection 70(1) and Section 71 of the Act, for the approval of: (i) an updated Rate Stabilization Plan (“RSP”) Current Plan Adjustment for Newfoundland Power Inc. (“Newfoundland Power”), (ii) an updated Conservation and Demand Management (“CDM”) Cost Recovery Adjustment for Newfoundland Power, and (iii) an updated Project Cost Recovery Rider for Newfoundland Power (“Utility Rate Adjustments”), all to be made effective July 1, 2026, and a transfer from the Supply Cost Variance Deferral Account (“SCVDA”) – Utility Customer Balance to Newfoundland Power through a bill credit on the May 2026 bill.

AFFIDAVIT

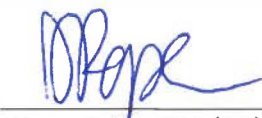
I, Dana Pope, of St. John’s in the province of Newfoundland and Labrador, make oath and say as follows:

- 1) I am Vice President, Regulatory Affairs and Stakeholder Relations, Newfoundland and Labrador Hydro, the applicant named in the attached application.
- 2) I have read and understand the foregoing application.
- 3) To the best of my knowledge, information, and belief, all of the matters, facts, and things set out in this application are true.

SWORN at St. John’s in the province of Newfoundland and Labrador this 24th day of April 2026, before me:



Commissioner for Oaths, Newfoundland and Labrador



Dana Pope, CPA (CA), MBA

MICHELLE COMPTON
A Commissioner for Oaths in and for
the Province of Newfoundland and Labrador.
My commission expires on December 31, 2030.