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October 19, 2026

The 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
Senior Regulatory Advisor & Board Secretary

Re: Monthly Energy Supply Report for the Island Interconnected System for September 2026

Enclosed please find Newfoundland and Labrador Hydro's Monthly Energy Supply Report for the Island Interconnected System as directed by the Board of Commissioners of Public Utilities.

Should you have any questions, please contact the undersigned.

Yours truly,

NEWFOUNDLAND AND LABRADOR HYDRO

Shirley A. Walsh
Senior Legal Counsel, Regulatory
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Encl.

ecc:

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Monthly Energy Supply Report for the Island Interconnected System for September 2026

October 19, 2026

A report to the Board of Commissioners of Public Utilities

newfoundland labrador hydro

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1.0 Introduction

On February 8, 2016, the Board of Commissioners of Public Utilities ("Board") requested that Newfoundland and Labrador Hydro ("Hydro") file a biweekly report containing, but not limited to, the following:

1) System Hydrology Report;

2) The thermal plant operated in support of hydrology;

3) Production by plant/unit; and

4) Details of any current or anticipated long-term derating.

In July 2016, the Board indicated that a monthly report would thereafter be sufficient. This report provides data for September 2026.

Ownership of the Water Management function resides within Hydro in the Resource and Production Planning department and is at all times guided by Hydro's operating instructions and environmental standards. This group works in consultation with Energy Marketing to optimize the use of Hydro's hydrologic resources through imports/exports and to ensure that the security of supply for domestic load for Hydro's customers remains paramount in all decisions, ensuring the delivery of least-cost, reliable service in an environmentally responsible manner.

2.0 System Hydrology

Reservoir inflows in September 2026 were 13% above the month's historical average.[1] Table 1 summarizes the aggregate storage position of Hydro's reservoirs at the end of the reporting period.

Table 1: System Hydrology Storage Levels

Date	2026 (GWh)	2025 (GWh)	20-Year Average (GWh)	Minimum Storage Limit (GWh)	Maximum Operating Level (GWh)	Maximum Operating Level (%)
30-Sep-2026	1,782	1,194	1,803	1,235	2,452	73

[1] Calculated in terms of energy [gigawatt hour ("GWh")].

The aggregate reservoir storage level on September 30, 2026 was 1,782 GWh, which is 27% below the seasonal maximum operating level and 44% above the minimum storage limit.[2] Total system energy for the month decreased by 98 GWh overall, resulting in a total system energy storage 21 GWh below the 20-year average. Inflows to the reservoirs of the Bay d'Espoir Generating Station ("Bay d'Espoir") were 115% of average in September 2026. Inflows to the Hinds Lake Reservoir were 213% of average, and inflows to the Cat Arm Reservoir were 74% of average during the month.

Total precipitation for the month of September across Hydro's reservoir system was 98 mm at Burnt Dam, 114 mm at Long Pond, and 90 mm at Hinds Lake.

Table 2 summarizes the unit outages experienced during September 2026.

Table 2: September 2026 Unit Outage Summary

Unit Name	Date Offline	Return to Service	Outage type	Notes
Hinds Lake	May 24, 2026	n/a	Planned	n/a
Bay d'Espoir Unit 3	June 15, 2026	n/a	Planned	n/a
Bay d'Espoir Unit 4	June 15, 2026	n/a	Planned	n/a
Cat Arm Unit 1	August 9, 2026	September 5, 2026	Planned	n/a
Cat Arm Unit 2	August 20, 2026	September 11, 2026	Planned	n/a
Bay d'Espoir Unit 1	September 1, 2026	September 3, 2026	Planned	n/a
Bay d'Espoir Unit 2	September 1, 2026	September 3, 2026	Planned	n/a
Paradise River Unit	September 1, 2026	September 1, 2026	Planned	n/a

Figure 1 plots the 2025 and 2026 storage levels, minimum storage limits, maximum operating level storage, and 20-year average aggregate storage for comparison. In addition to the 2025–2026 minimum storage limits presented in Figure 1, Hydro has established the minimum storage limits to April 30, 2027. The 2026–2027 minimum storage limits were developed considering maximized delivery of power from the Muskrat Falls Generating Station, supplemented by available Recapture Energy from the Churchill

[2] Minimum storage limits are developed annually to provide guidance in the reliable operation of Hydro's major reservoirs—Victoria, Meelpaeg, Long Pond, Cat Arm, and Hinds Lake. The minimum storage limit is designed to indicate the minimum level of aggregate storage required such that if there was a repeat of Hydro's critical dry sequence, or other less severe sequence, Hydro's load can still be met through the use of the available hydraulic storage supplemented with maximized deliveries of power from the Muskrat Falls Generating Station ("Muskrat Falls") over the Labrador-Island Link ("LIL"). Hydro's long-term critical dry sequence is defined as January 1959 to March 1962. Other dry periods are also considered during this analysis to ensure that no other shorter-term historic dry sequence could result in insufficient storage.

Falls Generating Station over the LIL, utilizing the transmission limits associated with the full under-frequency load shedding limit of 57.7 Hz.[3]

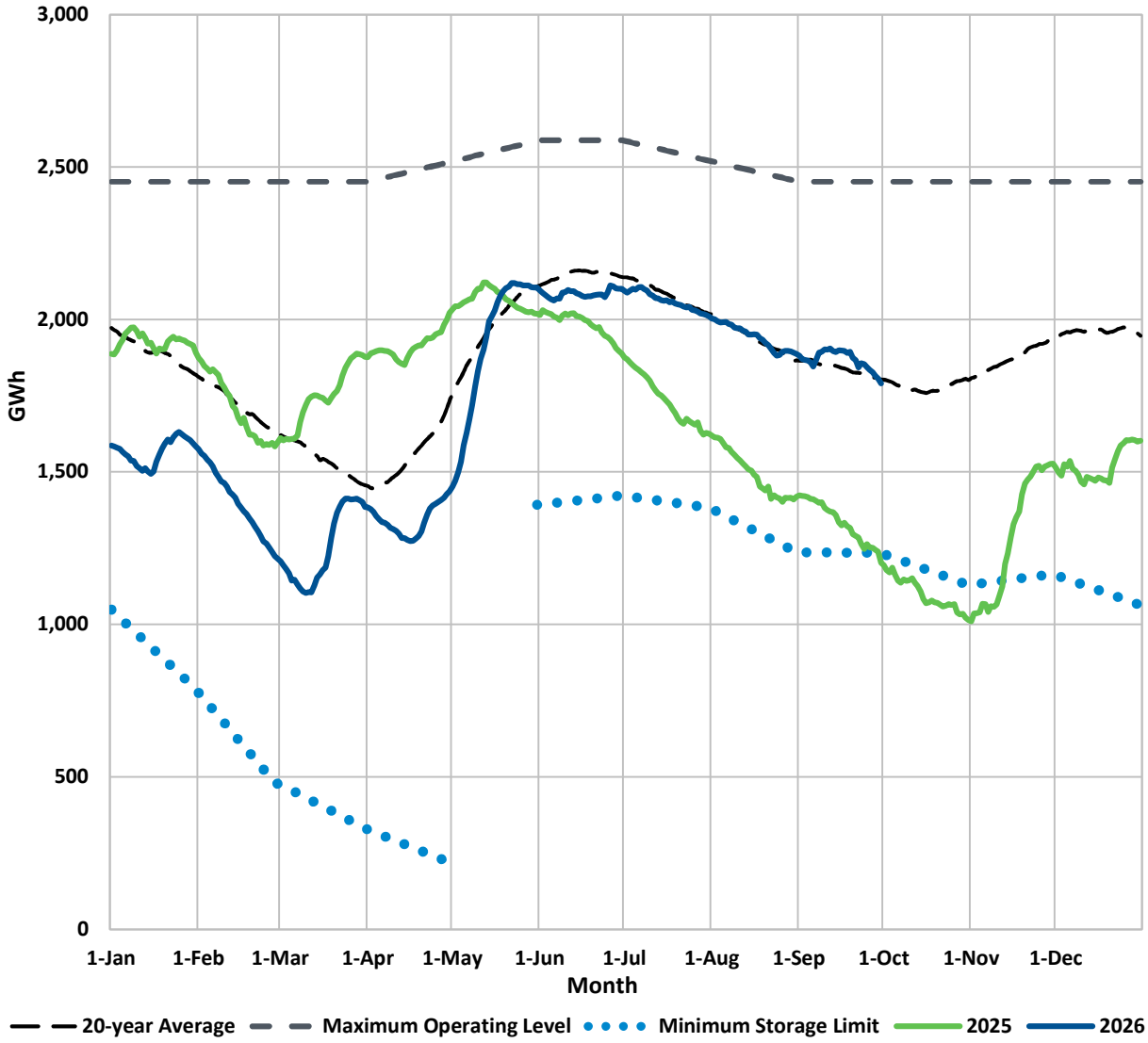


Figure 1: Total System Energy Storage[4]

[3] The minimum storage methodology was updated to ensure Hydro's reservoirs could continue to provide reliable service to customers at the lowest possible cost, in an environmentally responsible manner. The 2026–2027 analysis assumed that only one unit at the Holyrood Thermal Generating Station ("Holyrood TGS") would be online and operating at minimum load during the winter 2026–2027 period. This assumption was made to de-risk Island system energy storage based on global market uncertainty associated with fuel prices and supply. Hydro plans to have all three units at the Holyrood TGS available at full capability, if needed. However, Hydro expects Island reservoirs to be supported with Muskrat Falls energy instead of thermal energy from the Holyrood TGS, if required.

[4] Data points in Figure 1 represent storage at the beginning of each day. Table 1 reports the end-of-day storage values, which results in a small difference between the storage data presented in Table 1 and Figure 1.

2.1 Ponding

In Board Order No. P.U. 49(2018), the Board approved Hydro's application for approval of a Pilot Agreement for the Optimization of Hydraulic Resources ("Pilot Agreement").[5] The intent of the Pilot Agreement is to optimize Hydro's hydraulic resources through the strategic use of its storage capabilities, taking advantage of the variability of energy pricing in external markets over time.

Appendix A provides information regarding imported and exported energy transactions under the Pilot Agreement during the month. No ponding exports or imports occurred over the Maritime Link during September 2026.

2.2 Spill Activity

Appendix A provides information regarding spill avoidance export transactions undertaken.[6] Spill avoidance exports were not required at any locations on the Integrated Island System in September 2026. Spill releases continued at Hinds Lake for the entire month of September 2026 to keep the reservoir within safe operating limits while the planned outage at the Hinds Lake Generating Station is ongoing. With the plant offline on planned outage, there were no opportunities for spill avoidance exports to occur.

A summary of the year-to-date ("YTD") total volumes spilled or bypassed in both MCM[7] and GWh for the Island Interconnected System in September 2026 can be found in Table 3. Avoided spill energy is shown in Table A-2.

Table 3: Spill Activity

	Granite Canal Bypass		Burnt Dam Spillway		North Salmon Bypass		Cat Arm Spillway		Hinds Lake Spillway	
	MCM	**GWh**	**MCM**	**GWh**	**MCM**	**GWh**	**MCM**	**GWh**	**MCM**	**GWh**
30-Sep-2026	-	-	-	-	-	-	-	-	65.5	35.3
YTD Total	**42.4**	**4.0**	**9.9**	**6.5**	**17.5**	**2.3**	**94.2**	**84.6**	**240.8**	**129.8**

[5] The Third Amended and Restated Pilot Agreement for the Optimization of Hydraulic Resources was approved as per Board Order No. P.U. 35(2022) and was extended as per Board Order No. P.U. 30(2023), Board Order No. P.U. 29(2024), and again in Board Order No. P.U. 37(2025).

[6] Pursuant to the Pilot Agreement, exporting when system load is low allows for increased generation from Island hydraulic facilities and the utilization of water (energy) that would have otherwise been spilled, while not increasing the risk of spill elsewhere in the system.

[7] Million cubic metres ("MCM").

3.0 Production and Purchases

Appendix B provides a breakdown of power purchases, including the import and export activity over the LIL and Maritime Link as well as production by plant during September 2026.[8,9] There was no energy repaid from Corner Brook Pulp and Paper ("CBPP") to Energy Marketing under the Temporary Energy Exchange Agreement in September 2026. No emergency energy was supplied to Nova Scotia over the Maritime Link during September 2026.[10]

4.0 Thermal Production

No Holyrood TGS units were online for system requirements in September 2026. There was no energy production, and standby generation was not required to support reservoir storage. The operating hours for the Holyrood TGS, Holyrood Combustion Turbine ("CT"), and the Hardwoods and Stephenville Gas Turbines ("GT") are summarized in Table 4.

Table 4: Holyrood TGS and CTs Operating Hours

	Operating Hours	Sync Condense Hours	Available Hours
Holyrood TGS			
Unit 1	0.0	0.0	0.0
Unit 2	0.0	0.0	0.0
Unit 3	0.0	720.0	720.0
CTs			
Hardwoods GT	5.9	714.1	720.0
Stephenville GT	0.0	111.4	644.2
Holyrood CT	5.6	0.0	720.0

5.0 Unit Deratings

Holyrood TGS Unit 1 began its planned annual outage on May 24, 2026, and remained on planned outage for the entire month of September 2026. The outage was scheduled to continue until

[8] On April 1, 2021, Hydro entered into an agreement with CBPP to send energy to supplement low reservoir levels, with energy being repaid by CBPP at a later date. This energy is to be exported and not used to supply the Island Interconnected System.
[9] On July 1, 2026, Hydro entered into a fifth Power Purchase Agreement ("PPA") with CBPP as directed by Government of Newfoundland and Labrador ("Government") in Order in Council OC2026-133. The PPA with CBPP provides Hydro with 280 GWh of non-firm energy from July 1, 2026 to June 30, 2027, inclusive.
[10] Measured at Bottom Brook Terminal Station, inclusive of losses.

mid-October 2026; however, as reported in Hydro's 2026–2027 Winter Readiness Planning Report,[11] the current return to service is anticipated during the week of October 19 after a leak was discovered. An investigation is ongoing to determine the cause of the leak.

Holyrood TGS Unit 2 began its planned annual outage on May 6, 2026, and remained on planned outage for the entire month of September 2026. The outage is scheduled to continue until December 21, 2026, extended from September 26, 2026, due to unexpected findings during execution of the Unit 2 turbine valve and generator overhaul.

Holyrood TGS Unit 3 was on planned annual outage for the entire month of September 2026. The outage began on March 29, 2026. The original return-to-service date of July 18, 2026 was extended to August 29, 2026 because boiler condition assessment inspections of the waterwall floor tubes identified areas requiring pad weld repairs and tube replacements. This work is complete, but the outage was further extended to September 26, 2026 to allow for completion of work on boiler forced draft fans and pump house travelling screens. On May 1, 2026, the generator was placed online in synchronous condenser mode. The synchronous condenser was online for the entire month of September 2026.

The Hardwoods GT was available at full capacity for the full month of September 2026 once End A was returned to service on September 2, 2026. End A remained unavailable after a planned inspection due to a fuel leak on the on-engine fuel pump which was corrected by replacing the pump on September 2, 2026.

The Holyrood CT was available at full capacity for the entire month of September 2026.

Stephenville GT was available at full capacity for the full month of September 2026, except for a forced outage from September 14 to 17, 2026, as the unit was unable to synchronize to the system. The investigation found failed fuses on one of the generator potential transformers ("PT"). The fuses were replaced and the PT was inspected and found to be suitable for continued operation. The unit was released for service on September 17, 2026.

[11] "2026–2027 Winter Readiness Planning Report", Newfoundland and Labrador Hydro, October 13, 2026.

Appendix A

Ponding and Spill Transactions



Table A-1: Ponding Transactions

Date	Ponding Imports (MWh)	Ponding Exports (MWh)	Ponding Imports Purchased by Hydro (MWh)	Transfer of Pond Balance to Spill Avoidance (MWh)	Energy Losses to Export (MWh)	Cumulative Ponded Energy (MWh)
Opening Balance	-	-	-	-	-	-
Total[1]	-	-	-	-	-	-

Table A-2: Avoided Spill Energy

Date	Avoided Spill Exports (MWh)	Energy Losses to Export (MWh)	Transfer of Pond Balance to Spill Avoidance (MWh)	YTD Avoided Spill Energy (MWh)
Opening Balance	-	-	-	**7,999**
Total	-	-	-	**7,999**

[1] Total transactions for September 2026.

Appendix B

Production and Purchases



Table B-1: Generation and Purchases (GWh)[1],[2]

	Sep 2026	YTD Sep 2026
Hydro Generation (Hydro)		
Bay d'Espoir		
Unit 1	29.3	248.9
Unit 2	19.1	169.5
Unit 3	0.0	192.3
Unit 4	0.0	107.5
Unit 5	41.2	321.1
Unit 6	41.3	325.0
Unit 7	72.2	580.3
Subtotal Bay d'Espoir	202.9	1,944.6
Upper Salmon	44.5	381.9
Granite Canal	17.4	162.2
Hinds Lake	0.0	185.4
Cat Arm		
Unit 1	24.9	332.5
Unit 2	19.1	295.9
Subtotal Cat Arm	44.0	628.4
Paradise River	1.4	19.2
Star Lake	7.5	102.3
Rattle Brook	1.1	10.6
Exploits	40.4	432.7
Mini Hydro	0.0	0.0
Total Hydro Generation (Hydro)	**359.2**	**3,867.2**
Thermal Generation (Hydro)		
Holyrood TGS		
Unit 1	0.0	176.1
Unit 2	0.0	151.4
Unit 3	0.0	56.0
Subtotal Holyrood TGS Units	0.0	383.5
Holyrood Combustion Turbine and Diesels	0.2	7.3
Hardwoods Gas Turbine	0.1	1.2
Stephenville Gas Turbine	0.0	1.1
Other Thermal	0.0	0.3
Total Thermal Generation (Hydro)	**0.3**	**393.5**
Purchases		
Requested Newfoundland Power and Vale CBPP	0.0	0.2
Capacity Assistance	0.0	0.0
Power Purchase Agreement[3]	29.9	219.9
Secondary	0.0	6.3
Co-Generation	0.0	20.5
Subtotal CBPP	29.9	246.7
Wind Purchases	11.9	126.0
Maritime Link Imports[4]	0.2	2.6
New World Dairy	0.1	1.4
Labrador Island Link Delivery to IIS[5,6]	18.4	778.0
Total Purchases	**60.6**	**1,154.9**
Total	**420.0**	**5,415.7**

[1] Gross generation.

[2] Actuals reflect rounding values to the nearest tenth of a GWh. Differences between the total versus the addition of individual components are due to rounding.

[3] Includes both energy repaid from CBPP to Energy Marketing under the Temporary Energy Exchange Agreement that was exported over the Maritime Link ("ML") as well as deliveries to Hydro under a fifth power purchase agreement with CBPP as directed by Government that began July 1, 2026.

[4] Includes energy flows as a result of purchases and inadvertent energy.

[5] LIL deliveries to the Island Interconnected System are calculated as LIL imports of 118.7 GWh less ML exports of 100.3 GWh.

[6] Net energy delivered to the Island Interconnected System is less than the total energy delivery to Hydro under the Muskrat Falls Power Purchase Agreement because of transmission losses on the LIL.