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February 14, 2025

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

Attention: Jo-Anne Galarneau
Executive Director and Board Secretary

Re: Quarterly Regulatory Report for the Quarter Ended December 31, 2024

Enclosed is Newfoundland and Labrador Hydro's ("Hydro") Quarterly Regulatory Report for the Quarter Ended December 31, 2024.

The Quarterly Regulatory Report is divided into three reports, as follows:

1) Quarterly Summary;
2) Contribution in Aid of Construction; and
3) Customer Damage Claims.

Hydro will provide the financial data in Tab 1 once audited financial information becomes available.

If you have any questions on the enclosed, please contact the undersigned.

Yours truly,

NEWFOUNDLAND AND LABRADOR HYDRO

SWalsh

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

Encl.

ecc:

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

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Bernice Bailey, Browne Fitzgerald Morgan & Avis

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

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

Quarterly Regulatory Report

Quarter Ended December 31, 2024

February 14, 2025

A report to the Board of Commissioners of Public Utilities

Index

Tab 1

Quarterly Summary

Quarter Ended December 31, 2024

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Abbreviations

Term	Definition
AIF	All-injury Frequency Rate
bbl	Barrel
Board	Board of Commissioners of Public Utilities
BTU	British Thermal Unit
CBA	Capital Budget Application
CIAC	Contribution in Aid of Construction
EC	Electricity Canada (Formerly known as the Canadian Electricity Association)
EMS	Environmental Management System
FEED	Front-End Engineering Design
FTE	Full-time equivalent
Government	Government of Newfoundland and Labrador
Holyrood TGS	Holyrood Thermal Generating Station
Hydro	Newfoundland and Labrador Hydro
Hinds Lake	Hinds Lake Hydroelectric Generating Station
IOC	Iron Ore Company of Canada
LTIF	Lost-Time Injury Frequency
MCM	Million Cubic Metres
Nalcor	Nalcor Energy
Newfoundland Power NP	Newfoundland Power Inc.

Term	Definition
PCB	Polychlorinated Biphenyl
Q1	First Quarter
Q2	Second Quarter
Q3	Third Quarter
Q4	Fourth Quarter
RSP	Rate Stabilization Plan
SAIDI	System Average Interruption Duration Index
SAIFI	System Average Interruption Frequency Index
SCADA	Supervisory Control and Data Acquisition
TRIF	Total Recordable Injury Frequency
T-SAIDI	Transmission System Average Interruption Duration Index
T-SAIFI	Transmission System Average Interruption Frequency Index
T-SARI	Transmission System Average Restoration Index
UFLS	Under Frequency Load Shedding
Upper Salmon	Upper Salmon Hydroelectric Generating Station
WCF	Weighted Capability Factor
YTD	Year-to-Date

Definitions

Break-in Work: Break-in work is work that was not identified at the beginning of the calendar year as part of the annual work plan.

Current Quarter: The period beginning October 1, 2024 and ending December 31, 2024.

EMS Target: An EMS target is an initiative undertaken to improve environmental performance.

End Consumer: End Consumer is a reliability measure of all end consumers of electricity in the province supplied by Hydro, excluding Industrial customers. The measure is a combination of Hydro's service continuity data and Newfoundland Power's service continuity data for loss of supply outages resulting from events on Hydro's system.

End-Consumer SAIDI: End-Consumer SAIDI measures reliability to all end customers of electricity in the province who are supplied by Hydro. It is a measure of the duration of service interruptions experienced as a result of Hydro system events but does not reflect service interruptions that are a result of issues on Newfoundland Power's distribution system.

End-Consumer SAIFI: End-Consumer SAIFI measures reliability to all end customers of electricity in the province who are supplied by Hydro. It is a measure of the frequency of service interruptions experienced as a result of Hydro system events but does not reflect service interruptions that are a result of issues on Newfoundland Power's distribution system.

FTE: One FTE is the equivalent of actual paid regular hours—2,080 hours per year in the operating environment and 1,950 hours per year in Hydro's head office environment.

Lost Time Injury: An injury/illness resulting in Lost Days beyond the date of injury as a direct result of an Occupational Injury/Illness incident.

LTIF: LTIF is based on the total number of lost-time injuries or illnesses, which occurred in the calendar year.

Net FTE: Net FTEs are regulated, Hydro-based employees plus time charged to regulated Hydro less time charged from regulated Hydro to the non-regulated lines of business.

Major Event: EC defines Major Events as "events that exceed reasonable design and/or operational limits of the electrical power system."

Service Continuity SAIDI and SAIFI: Service Continuity SAIDI and SAIFI measure the duration and frequency of service interruptions to Hydro's Isolated and Interconnected systems.

SAIDI: SAIDI is the average interruption duration per customer. It is calculated by dividing the number of customer-outage hours by the total number of customers in an area.

SAIFI: SAIFI is a reliability key performance indicator for distribution service, measuring the average cumulative number of sustained interruptions per customer per year. SAIFI is calculated by dividing the number of customers that have experienced an outage by the total number of customers in an area.

TRIF: TRIF is a calculation of the rate at which injuries occur.

T-SAIDI: T-SAIDI is a reliability key performance indicator for bulk transmission assets, measuring the average duration of outages in minutes per delivery point.

T-SAIFI: T-SAIFI is a reliability key performance indicator for bulk transmission assets, measuring the average frequency of outages per delivery point.

T-SARI: T-SARI is a reliability key performance indicator for bulk transmission assets, measuring the average duration per transmission interruption. T-SARI is calculated by dividing T-SAIDI by T-SAIFI.

UFLS: Under frequency load shedding is the reliability performance indicator that measures the number of events in which shedding of customer load is required to counteract the loss of generation capacity. During a UFLS event, customers are automatically removed from the electrical system. The quantity of customers removed is linearly proportional to the amount of generation lost.

YTD: The period ending December 31 of the applicable year.

1.0 Highlights

Table 1: Highlights YTD

	2024 Actual	2024 Target	2023 Actual
Safety and Environment			
TRIF Rate[1,2]	0.74	N/A	1.39
LTIF Rate[3]	0.25	N/A	0.63
Achievement of EMS Targets (%)	95	95	97
Reliability			
SAIDI	2.33	2.64	2.33
SAIFI	1.65	1.10	1.32
Production			
Holyrood No. 6 Fuel Oil Average Cost ($/bbl)	118	103	124
Holyrood Efficiency (kWh/bbl)	558	583	540
Electricity Delivery (GWh)			
Energy Sales	7,855	7,633	7,899[4]
Financial ($ Millions)[5]			
Revenue	N/A	647.9	654.7
Operating Expenses	N/A	141.1	142.8
Net Income	N/A	29.6	32.0
RSP ($ Millions)[6]			
RSP Balance	31.0	29.7	47.4
Supply Cost Variance Deferral Account ($ Millions)[7]			
Cumulative Net Balance	531.7	308.5	271.3
FTE Employees[8]			
Regulated	821.20	833.54	804.30

2.0 Safety and Health

2.1 Safety at Hydro

Safety remains Hydro's priority. Hydro's framework for safety performance includes a balanced focus on culture, people, and process as it continues to ensure its safety management system reflects standards similar to that contained in ISO 45001. Reviewing workplace incidents to prevent future occurrences is a

[1] TRIF = $\frac{\text{number of recordable injuries x 200,000}}{\text{number of hours worked}}$

[2] Hydro began using TRIF on January 1, 2024, and 2023 statistics have been calculated retroactively.

[3] LTIF = $\frac{\text{number of lost-time injuries x 200,000}}{\text{exposure hours}}$

[4] 2023 Actual restated to reflect minor adjustments to rural sales.

[5] Financial figures exclude non-regulated activities.

[6] The RSP report for the current quarter is provided as Attachment 1.

[7] Computed based on methodology presented in "Supply Cost Accounting Compliance Application," Newfoundland and Labrador Hydro, January 21, 2022.

[8] Figures shown are net FTEs.

critical part of overall safety management systems. Leading indicators—such as safety meetings, Occupational Health and Safety Committee meetings, leadership safety interactions, and the safety and health monitoring plan, among other performance indicators—continue to be tracked and discussed to ensure safety and health are a continuous part of Hydro's work focus.

Hydro's focus on ensuring the safety of its employees, contractors, and the public continued during the current quarter. The advancement of Hydro's safety and health priorities include:

- Continue risk-based review of existing practices, processes and programs to ensure a focus on hazard recognition, safe job planning, and injury prevention;
- Continue focus on safety training for supervisors, operational managers, and lead hands to reinforce core responsibilities and duties;
- Continue to advance our mental health initiatives and ensure support programs are in place for employees; and
- Support employees in Early and Safe Return to Work with disability case management support and attendance support.

2.2 Safety Performance

An overview of Hydro's safety performance is provided in Table 2.

Table 2: Safety Performance Detail[9]

	YTD 2024	YTD 2023	2023 Annual
Fatalities	0	1	1
Lost-Time Injuries	2	5	5
Medical Treatment Injuries	3	3	3
First Aid with Restrictions	1	2	2
TRIF Rate[10]	0.74	1.39	1.39
LTIF Rate	0.25	0.63	0.63
Severity Rate (Days Lost)	1.60(13)	39.40(312)	39.40(312)
High-Potential Incidents	3	4	4

[9] Injury statistics reflect regulated Hydro employees only.

[10] Hydro began using TRIF on January 1, 2024, and 2023 statistics have been calculated retroactively. In its Quarterly Regulatory Report for the Quarter Ended December 31, 2023, Hydro reported a 2023 actual AIF of 1.14.

1 Hydro experienced one medical treatment injury this quarter. As a result of the total number of recordable injuries for the year, Hydro's YTD TRIF rate is 0.74 and LTIF rate is 0.25. Hydro's lost-time severity rate was 1.60, based on thirteen days of lost time from the two lost-time injuries.

4 A comparison of Hydro's TRIF and LTIF rates over the past five years to the EC average along with the 2024 rates is provided in Chart 1. Hydro's annual lost-time severity rate for the past five years compared to the EC average and the 2024 rates is provided in Chart 2.

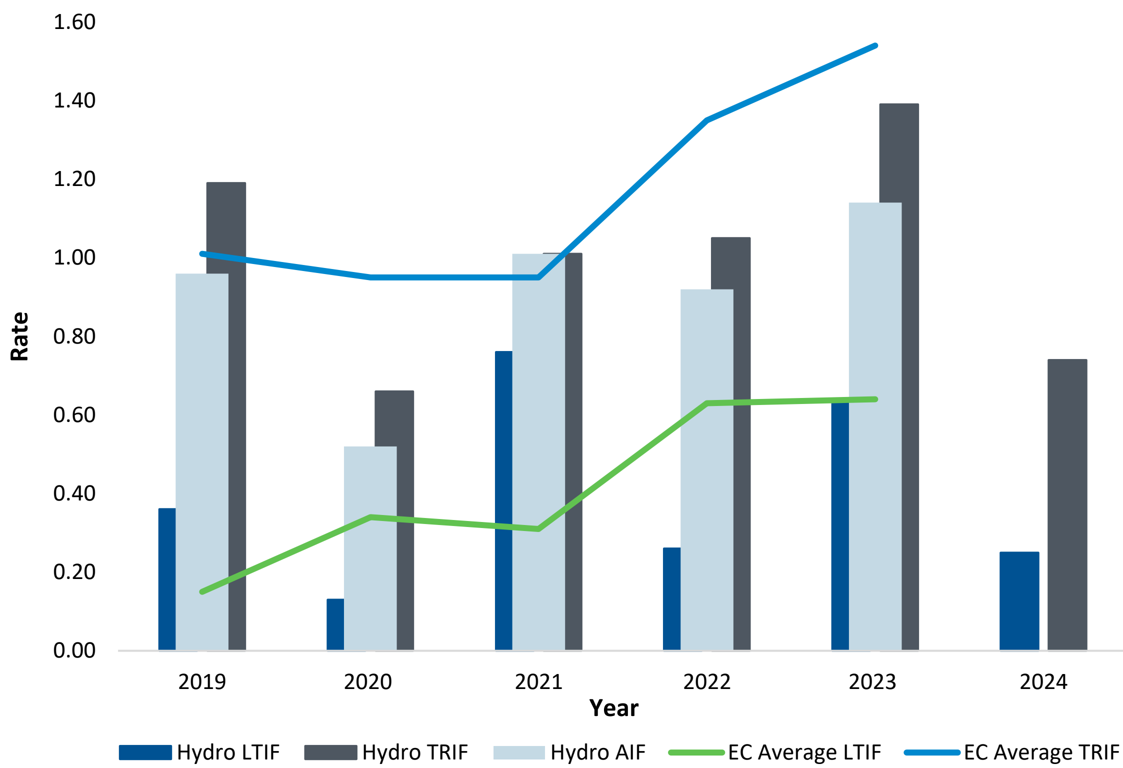

Chart 1: Hydro's TRIF and LTIF Compared to EC Averages[11,12]

[11] Safety and Health performance metrics are compared to EC utility members in Group 2 (300–1,500 employees) until 2022. In 2022 and 2023, Hydro fell in Group 1 (1,500+ employees). The EC comparator group here is the same baseline that Hydro would use for the total Hydro experience, not just regulated operations.
[12] Hydro began using TRIF on January 1, 2024, and statistics have been calculated retroactively to 2019. AIF has also been provided from 2019–2023.

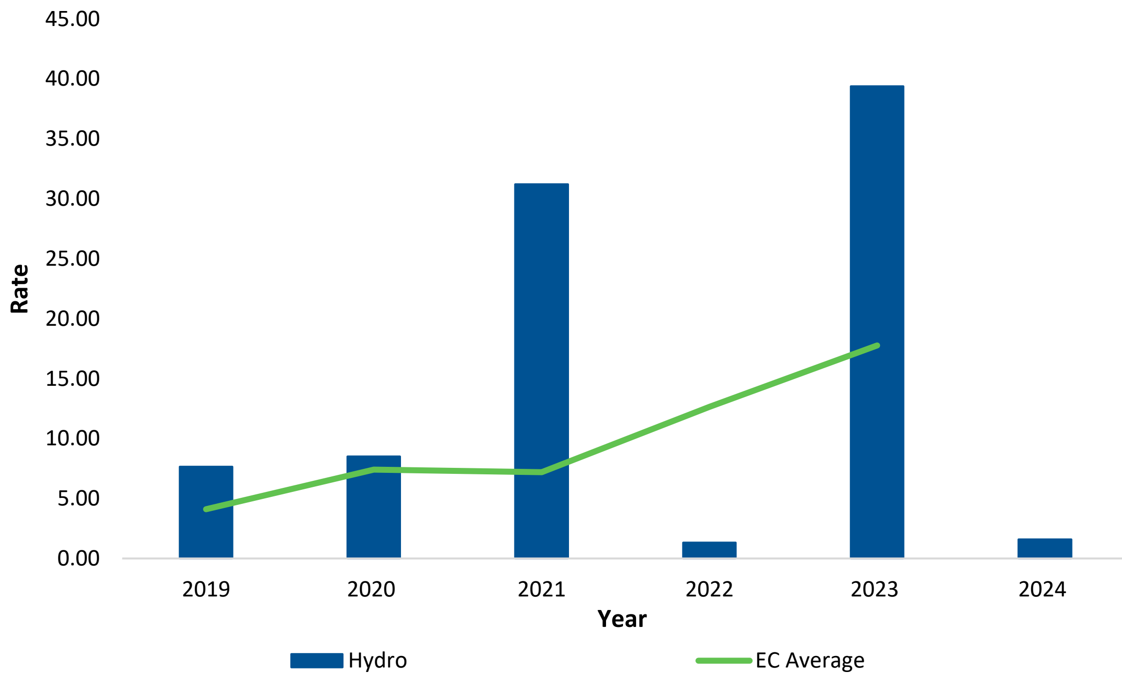

Chart 2: Hydro's Lost-Time Severity Rate Compared to EC Average[13]

2.3 Line Contacts

There were three reportable line contact incidents by a third party during the current quarter. There were no injuries as a result of these incidents. Hydro continues to work toward reducing line contact incidents by increasing public and contractor awareness of the hazards associated with contacting power lines through education.

3.0 Reliability

3.1 Outage Information

There were three power outages reported to the Board during the current quarter. Information on each of these outages is provided in Appendix A.

A summary of major events from 2019 to 2024, including the impact the major events would have had on performance indicators, is provided in Appendix B. As electrical systems are neither constructed nor

[13] Safety and Health performance metrics are compared to EC utility members in Group 2 (300–1,500 employees) until 2022. In 2022 and 2023, Hydro fell in Group 1 (1,500+ employees). The EC comparator group here is the same baseline that Hydro would use for the total Hydro experience, not just regulated operations.

expected to fully withstand extreme weather conditions, such as hurricanes and ice storms, the impacts of major events have been removed from the data used in the calculation of each of the electrical system reliability performance indicators in this report.

3.2 Generation Outage Summary

A summary of the status of Hydro's generating units for the current quarter is provided in Appendix C. It classifies which units were available or unavailable and any associated deratings. Further information is provided in Hydro's daily Supply and Demand Status reports filed with the Board.[14]

3.3 Reliability Indicators

A summary of customer reliability indicators is provided in Table 3. Additional information on these reliability indicators is included in Appendix D.

Table 3: Reliability Indicators

	Current Quarter	
	2024	**2023**
End-Consumer SAIDI	0.48	0.69
End-Consumer SAIFI	0.40	0.24
T-SAIDI	101	187
T-SAIFI	0.76	1.02
Service Continuity SAIDI	2.99	4.57
Service Continuity SAIFI	1.36	1.35
UFLS Events	1	0

4.0 Customer Service

4.1 Customer Transactional Surveys

Survey results for the current quarter indicate that approximately 91% of customers were satisfied with the service they received when they reached out to Hydro's Customer Service department for assistance. As well, 85% of customers felt their concern was resolved with the first call. A summary of these results is provided in Table 4.

[14] Hydro's daily Supply and Demand Status reports can be accessed at http://www.pub.nl.ca/applications/IslandInterconnectedSystem/DemandStatusReports.php.

Table 4: Customer Service Transactional Survey Data

Measure	Q4 2024	Q4 2023
Overall Satisfaction	91%	85%
First Call Resolution	85%	84%
Number of Surveys Completed	1282[15,16]	568

4.2 Customer Statistics

A summary of the number of Hydro customers in each customer class, including net metering, is provided in Table 5.

Hydro did not receive any new net metering applications during the current quarter. Hydro's total number of net metering customers remains at three, with a total net metering capacity of 71.6 kW.

Table 5: Customer Statistics

	2024 Actual	2023 Actual	2024 Budget
Rural Customers[17]	39,374	39,221	39,184
Industrial Customers	6	5	6
Labrador Industrial Transmission Customers[18]	2	2	2
Utility Customers	1	1	1
Average Monthly Reading Days	29.8	30.0	N/A
Net Metering Customers	3	3	N/A

5.0 Supply Costs and Energy Sales

5.1 Fuel Prices[19]

Market prices for No. 6 fuel oil reached a high of $117/bbl in mid-December and a low of $108/bbl in mid-October. The ending inventory cost for the current quarter was $114/bbl; this compares to the fuel

[15] Since the same period last year, Hydro has increased the frequency of surveys to contact customers closer to their date of service. Hydro has also implemented proactive communications to customers who have interacted with Customer Service Representatives letting them know of the survey before they receive it. These improvements have led to capturing more customer responses in our service surveys, as is evidenced here.
[16] During this quarter, Hydro received an increase in volume of customer service calls in relation to billing issues resulting from the Canada Post strike. This increased the pool of customers who were eligible to receive the survey, and thus helped contribute to a greater number of respondents compared to previous quarters.
[17] Includes net metering customers.
[18] IOC and Tacora Resources Inc.
[19] Prices for No. 6 fuel oil are provided in Canadian ("CDN") dollars.

1 price of $106/bbl that was reflected in Newfoundland Power's wholesale rates during the current
2 quarter.[20]

3 There was two shipments of No. 6 fuel oil during the fourth quarter, as detailed in Table 6. Inventory at
4 the end of the quarter was 393,590 bbls.

Table 6: No. 6 Fuel Oil Shipments

Delivery Date	Quantity (bbl)	Price/bbl Delivered ($)
10-Nov-2024	208,857	112
3-Dec-2024	201,486	114

5 A comparison of No. 6 fuel oil prices in 2024 as compared to 2022 and 2023 as well as the fuel oil price
6 reflected in the wholesale rate to Newfoundland Power are provided in Chart 3.

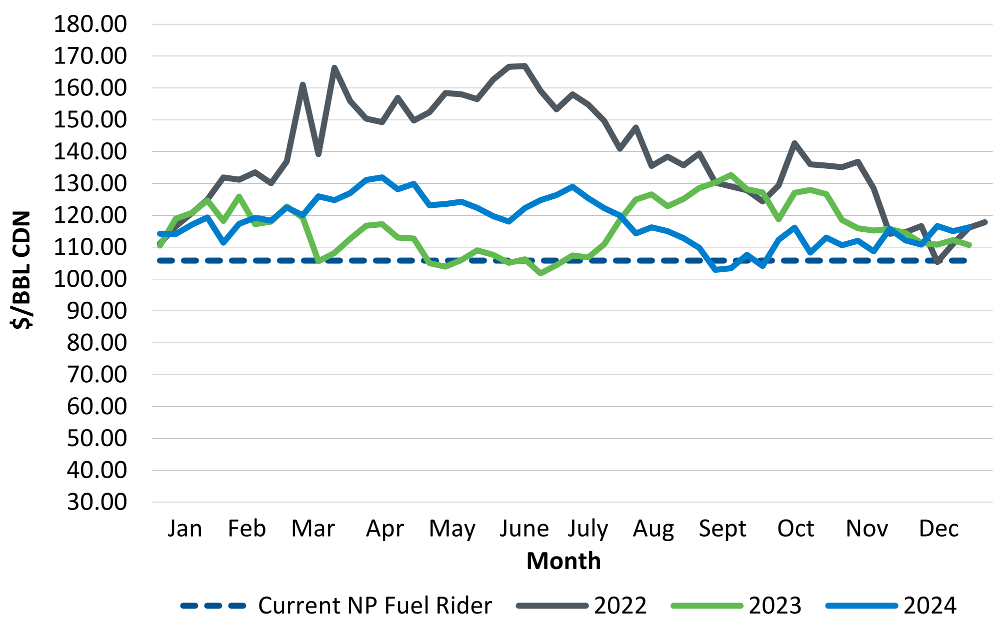

Chart 3: No. 6 Fuel Oil Average Weekly New York Spot Price

[20] The price of $105.90/bbl is reflected in Newfoundland Power's base rates effective October 1, 2019, as per Board Order No. P.U. 30(2019).

1 The monthly forecast price of No. 6 fuel oil for the next twelve months is provided in Table 7.[21]

Table 7: No. 6 Fuel Oil Forecast Prices ($CDN/bbl)

Month	Price
Jan-25	106.60
Feb-25	103.00
Mar-25	99.60
Apr-25	96.80
May-25	100.30
Jun-25	101.80
Jul-25	99.90
Aug-25	98.50
Sep-25	94.70
Oct-25	92.00
Nov-25	91.60
Dec-25	91.10

2 A comparison of the Ultra Low Sulphur Diesel No. 1 (used in diesel generation) fuel oil prices in 2024 as
3 compared to 2022, and 2023 is provided in Chart 4.

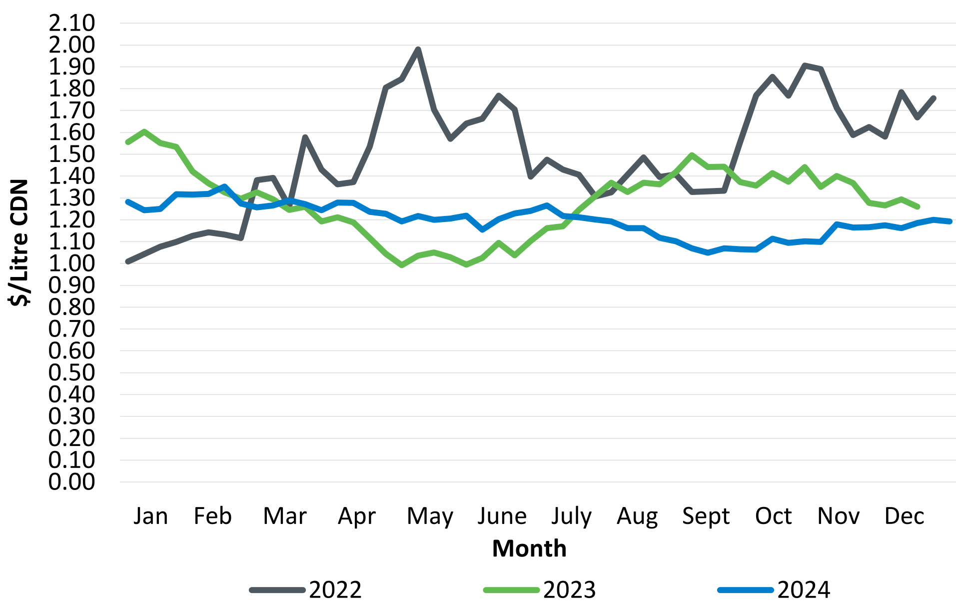

Chart 4: Ultra Low Sulphur No. 1 Diesel Weekly Montreal Rack Price

[21] The price forecast is based on Platts Analytics fuel price outlook, January 2025 World Oil Market Forecast and includes the premium for the No. 6 fuel oil.

5.2 Transfers to Supply Cost Deferral Accounts

5.2.1 Supply Cost Variance Deferral Account Overview

The balances accumulated in the Supply Cost Variance Deferral Account as at December 31, 2024, are reported in Attachment 2.

The 2024 YTD activity in the account increased the balance by $260.4 million primarily due to payments made under the Muskrat Falls Power Purchase Agreement and Transmission Funding Agreement ($710.6 million). This increase in costs was partially offset by fuel savings at the Holyrood TGS ($55.3 million), Greenhouse Gas Performance Credits of $20.1 million, net revenue from exports of $77.4 million, and payments received from Newfoundland Power and Industrial customers related to the Project Cost Recovery Rider of $52.4 million and $3.9 million, respectively.

Also, as per Order in Council OC2024-062, Hydro has been directed by the Government to retire the 2023 Supply Cost Variance Deferral Account balance of $271.3 million over the 2024–2026 period using its own sources of funding. In June 2024, the Government provided further direction for Nalcor to transfer $90.0 million of rate mitigation funding to Hydro, for the purpose of offsetting a portion of the 2023 Supply Cost Variance Deferral Account balance. In August 2024, a transfer of $150.3 million in rate mitigation funding was made to Hydro related to the Government of Canada convertible debenture, further lowering the 2024 balance in the Supply Cost Variance Deferral Account.

The total balance in the account as of December 31, 2024, is $531.7 million.[22]

5.2.2 Isolated Systems Cost Variance Deferral Account

Hydro accumulated $6.7 million[23] in the Isolated Systems Cost Variance Deferral Account as of December 31, 2024. The current year's actual unit cost of diesel fuel was approximately 12¢/kWh more than the 2019 Test Year unit cost of fuel, which is the primary driver of the YTD transfer of fuel costs to the account this year.

[22] The December 31, 2024 Supply Cost Variance Deferral Account balance of $531.7 million is unaudited.
[23] The December 31, 2024 Isolated System Cost Variance Deferral balance of $6.7 million is unaudited.

The current year transfers to the Isolated Systems Cost Variance Deferral Account are provided in Table 8. Pursuant to Board Order No. P.U. 30(2019), Hydro has calculated the transfers relative to the 2019 Test Year.

Table 8: Isolated Systems Cost Variance Deferral Account Transfers ($ Millions)[24]

2024 Actual	2023 Actual	Variance
6.7	12.1	(5.4)

In accordance with the currently approved account definitions, Hydro will file an application for recovery of the Isolated Systems Cost Variance Deferral Account balance on or before March 31, 2025. This application will include the final transfer amounts as well as detailed information as to the drivers of the transfers.

5.3 Statement of Energy Sold

A summary of Hydro's energy sales YTD compared to that of other reporting periods is provided in Table 9.

[24] Net of deadbands.

Table 9: Statement of Energy Sold (GWh)[25]

	2024 Actual	2023 Actual[26]	2024 Budget
Island Interconnected			
Newfoundland Power	5,702	5,858	5,825
Island Industrials	449	334	665
Export and Other	569	529	-
Rural			
Domestic	244	250	254
General Service	154	159	150
Street Lighting	2	3	3
Subtotal Rural	**400**	**412**	**407**
Subtotal Island Interconnected	**7,120**	**7,133**	**6,897**
Island Isolated			
Domestic	4	4	4
General Service	1	1	2
Street Lighting	-	-	-
Subtotal Island Isolated	**5**	**5**	**6**
Labrador Interconnected			
Domestic	293	302	315
General Service	361	402	347
Non-Firm Energy	33	-	-
Street Lighting	1	1	2
Subtotal Labrador Interconnected	**688**	**705**	**664**
Labrador Isolated			
Domestic	24	24	24
General Service	17	17	18
Street Lighting	-	-	-
Subtotal Labrador Isolated	**41**	**41**	**42**
L'Anse-au-Loup			
Domestic	15	15	16
General Service	9	9	8
Street Lighting	-	-	-
Subtotal L'Anse-au-Loup	**24**	**24**	**24**
Total Energy Sold (Before Rural Accrual)	**7,878**	**7,908**	**7,633**
Rural Accrual	(23)	(8)	N/A
Total Energy Sold	**7,855**	**7,899**	**7,633**
Non-Regulated Customers[27]			
Labrador Industrials	1,864	1,798	1,991

[25] Numbers may not add due to rounding.
[26] 2023 Actuals restated to reflect minor adjustments to rural sales.
[27] Does not include non-regulated sales for export.

6.0 Asset Management and Investment

6.1 2024 Capital Budget

Hydro's 2024 Capital Budget was approved by the Board in Order No. P.U. 35(2023).[28] In addition to approval for an investment of $96 million in capital projects, Hydro carried forward approximately $22 million from its 2023 capital program, of which approximately $14 million is project carryover and $8 million is multi-year cash flow reallocation. As a result, Hydro's opening capital budget for 2024 was $118 million. Additionally, supplemental capital of $12 million has been approved by the Board for 2024 and a total of $3 million has been approved by Hydro for 2024 projects under $750,000. Hydro's revised Board-approved 2024 Capital Budget as of December 31, 2024, was $134 million. Table 10 shows the breakdown of Hydro's capital budget approvals of $134 million by Board Order.

[28] Originally approved on December 21, 2023, and amended on August 28, 2024.

Table 10: Capital Budget by Board Order as of December 31, 2024 ($000)

2024 Capital Budget	**96,452**
Multi Year Cost Flow Reallocation 2023 to 2024[29]	8,350
Project Carryover 2023 to 2024[29]	13,529
Projects Approved by Board:	
Order No. P.U. 6(2023) & P.U. 26(2024)[30]	5,749
Order No. P.U. 12(2023)[31]	2,812
Order No. P.U. 21(2023)[32]	1,766
Order No. P.U. 28(2023)[33]	1,299
Order No. P.U. 22(2024)[34]	750
Order No. P.U. 25(2024)[35]	50
Total Projects Approved by Board Order	**12,426**
2024 New Projects Under $750,000 approved by Hydro	3,443
Total Approved Capital Budget[36,37,38]	**134,200**

In advance of the 2024 Capital Budget Application, the Government amended the *Electrical Power and Control Act, 1994*[39] to increase the threshold for capital expenditures requiring pre-approval from the Board to $750,000. Table 11 outlines the capital projects under $750,000 approved by Hydro within the current quarter.

[29] The carryover budget of $21.9 million, of which approximately $13.5 million is project carryover and $8.4 million is multi-year cash flow reallocation, excludes CIACs. Hydro also carried forward CIACs of ($0.6) million, which would result in an estimated net carryover of $21.3 million to be recovered through customer rates.

[30] The replacement and weld refurbishment of Penstock 1 at the Bay d'Espoir Hydroelectric Generating Station was approved for $50.6 million, of which $13.2 million was budgeted for 2024. Subsequently, the Board approved a revised total budget of $65.9 million, and also resulted in a reallocation from 2024 to 2025.

[31] The replacement of last stage blades on Units 1 and 2 at the Holyrood TGS, including the purchase of a second set of last stage blades and an *in-situ* inspection of the Unit 2 last stage blades, was approved for $6.4 million, of which $2.8 million is budgeted for 2024.

[32] The construction and installation of seven ultra-fast Direct Current Fast Chargers along the Trans-Canada Highway was approved for $2.1 million, of which $1.8 million is budgeted for 2024. Per the Board Order, the costs for these chargers were not to be included in Hydro's rate base or recovered from customers.

[33] The purchase of a spare generator step-up transformer to serve as a capital spare at the Holyrood TGS was approved for $7.5 million, of which $1.3 million is budgeted for 2024.

[34] The completion of fire restoration on the fourth floor of Hydro Place was approved for $1.1 million, of which $0.8 million is budgeted for 2024.

[35] The replacement of Rigolet Unit 2065 and fuel storage upgrades were approved for $3.4 million, of which $0.1 million is budgeted for 2024.

[36] In Board Order No. P.U. 7(2024), the contribution by Braya Renewable Fuels (Newfoundland) GP Inc. was approved for costs associated with the replacement of protective relays on transformers which is estimated to be $41,000 in 2024 and $0.4 million in 2025.

[37] In Board Order No. P.U. 8(2024), the contribution by Vale Newfoundland and Labrador Ltd. was approved for costs associated with the installation of fire protection which is estimated to be $53,800 in 2024 and $0.6 million in 2025.

[38] In Board Order No. P.U. 13(2024), the contribution by IOC was approved for costs associated with the replacement of circuit breakers and line protective relays which is estimated to be $1.2 million in 2024.

[39] *Electrical Power and Control Act, 1994*, SNL, 1994, c E-5.1.

Table 11: Capital Expenditures Under $750,000
Approved by Hydro for the Quarter Ended December 31, 2024
($000)

Investment Class	Title	Total Budget	Project/Program	Description
System Growth	Additions for Load – Distribution Systems (2024–2026) – Main Brook	353.0	Project	The project scope is to replace overhead conductors on two sections of distribution feeder on the Main Brook distribution system. The sections are 1.4 km and 0.1 km in length.
System Growth	Additions for Load – Distribution Systems (2024–2027) – Cartwright	507.8	Project	The project scope is to install a new voltage regulator bank at the beginning of the Cartwright distribution system, consisting of three regulators and associated support structures. A spare voltage regulator will also be purchased as part of this project in case of failure.
Service Enhancement	Widen Rights-of-Way of Transmission Lines TL239 and TL259 (2024)	668.9	Project	The project scope is for tree clearing to widen the transmission line easements, or rights-of-way (“ROW”), of TL226, TL239 and TL259 within Gros Morne National Park. Generally, the transmission line ROWs within Gros Morne are 50–60% as wide as ROWs outside the park, with these sections of line exhibiting high frequencies of tree contacts and outages as a result.
General Plant	Install Public EV Ultra-Fast Charger (2024–2025) – Conne River	462.6	Project	The project scope is to install a public electric vehicle (“EV”) charging station in the community of Conne River. The EV charging station will be equipped with one ultra-fast Direct Current Fast Charger (“DCFC”) capable of charging two EVs simultaneously, and one low power DCFC. The chargers will become part of the public EV charging network owned and operated by Hydro. The assets will be excluded from rate base.[40]

[40] Approximately $0.2 million of the project cost will be funded through a CIAC.

Investment Class	Title	Total Budget	Project/Program	Description
General Plant	Replace Plant Lighting (2024–2025) – Holyrood	689.3	Project	The project scope is to upgrade the plant lighting at the Holyrood TGS, which consists of 1,258 light fixtures on 12 floors of the powerhouse. The project includes the removal of all PCB-containing ballasts and their replacement with PCB-free ballasts and energy-efficient light-emitting diode tubes, to comply with Environment and Climate Change Canada requirements for the removal of PCBs. Associated cabling and light fixtures will be replaced as necessary and additional light fixtures will be installed in areas where lighting levels are insufficient.

In addition, there were CIACs carried forward from the 2023 capital program and supplemental CIACs approved by the Board totalling $4 million. The 2024 Capital Budget as of December 31, 2024, net of CIACs, was $130 million.

6.2 Capital Expenditures

Capital expenditures for the year ended December 31, 2024 will be provided in Hydro's annual Capital Expenditures and Carryover report, due to be filed with the Board on April 1, 2025.

6.3 2024 Capital Projects Progress

Hydro's approved planned capital projects and programs continue to advance through stages of planning, design, procurement, and construction. Typically, most of Hydro's capital construction activity occurs in the second, third, and fourth quarters of each year. Additionally, throughout the year, certain unplanned capital work, known as "break-in work," may arise and need to be addressed, which could affect the amount of planned work that can be completed. Hydro's actual expenditures relative to the approved budget are provided in Chart 5.[41]

[41] The reduction in approved budget shown in December 2024 is associated with the Section Replacement and Weld Refurbishment for Bay d'Espoir Hydroelectric Generating Facility Penstock 1 Project. The overall approved budget for the project was revised per Board Order No. P.U. 26(2024), which contained a reallocation from 2024 to 2025.

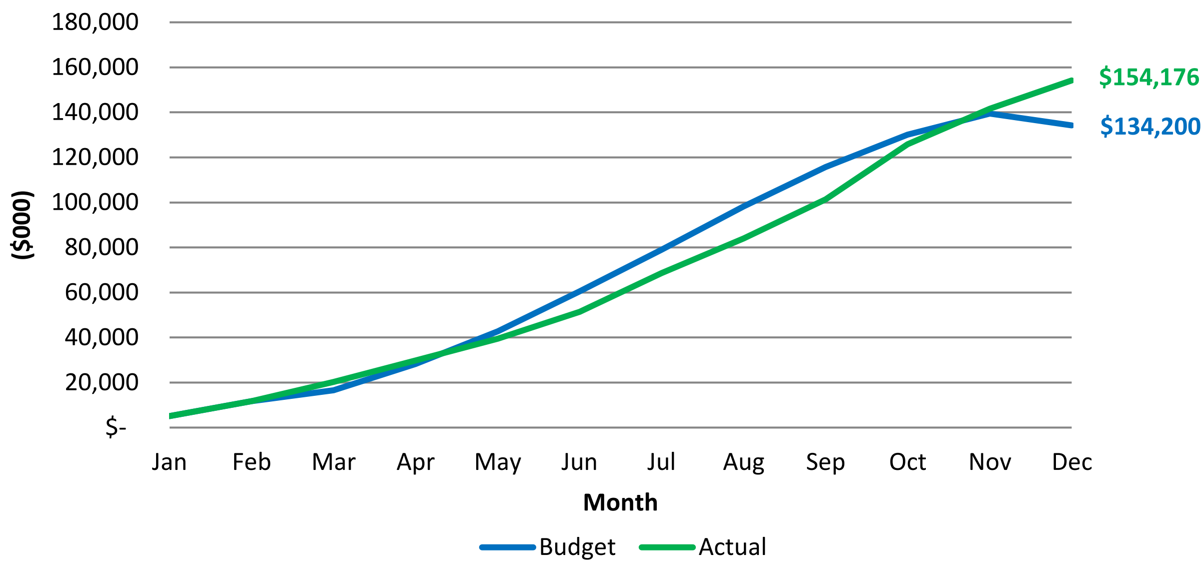

Chart 5: 2024 Capital Program Actual vs Budget

Hydro's expenditures were 14.9% higher than budget. The over-expenditure is primarily associated with scopes of work that were required within various programs to address in-service failures and condition assessments, resulting in expenditures exceeding the associated program budget allowances. Hydro is completing an analysis of capital expenditures for all 2024 projects and programs to categorize the expenditure variances from the approved budget and determine key drivers of the overages. A summary of that analysis will be provided in Hydro's Capital Expenditures and Carryover Report to be filed by April 1, 2025.

As required by the provisional Capital Budget Application Guidelines,[42] explanations will be provided for projects and programs with variances exceeding 10% and $100,000 at year end, as part of Hydro's Capital Expenditures and Carryover Report.

A summary of the planned and break-in construction activities completed during the fourth quarter is provided in Table 12.

[42] "Capital Budget Application Guidelines (Provisional)," Board of Commissioners of Public Utilities, January 2022.

Table 12: Highlights of Planned and Break-In Work Completed

Asset Category	Planned Work Q4 2024	Break-In Work Q4 2024
Administration	Various emergency doors were replaced at Holyrood.	A new facility entrance lift gate was installed at Bay d'Espoir. A parking lot gate was installed at Hydro Place. Fall protection anchors were installed on penthouse roof at Hydro Place. Various office modifications were completed in Hydro Place.
Diesel Generation	Unit 2055 was replaced at St. Brendans. Units were overhauled at Black Tickle and Port Hope Simpson. A transformer was installed at Charlottetown. Switchgear was upgraded at Ramea.	Unit 2094 was overhauled at Paradise River. A camshaft was replaced on Unit 2091 at L'Anse-au-Loup. Fuel transfer pumps were replaced at Nain.
Distribution	A distribution feeder was upgraded at Farewell Head.	
Gas Turbines	The combustor inspection and refurbishment was completed for the Holyrood Gas Turbine.	The control building exterior was refurbished for the Hardwoods Gas Turbine.
Hydraulic Plant	The powerhouse station service panel was replaced at Upper Salmon. A penstock condition assessment was completed at Upper Salmon. A timber crib was replaced at Burnt Dam. The stop log monorail hoist was overhauled at North Salmon Spillway.	A generator cooler was replaced for Unit 7 at Bay d'Espoir. A spare turbine carbon seal was purchased for Hinds Lake. A spare governor pump was purchased for Unit 1 at Cat Arm. The emergency diesel cooling system was replaced at Hinds Lake. The water heater for Surge Tank 3 and cooling pumps for Surge Tanks 1 and 3 were replaced at Bay d'Espoir. Gate 2 was refurbished at the Ebbegunbaeg Control Structure.

Asset Category	Planned Work Q4 2024	Break-In Work Q4 2024
Information Systems	Centralized logging software was replaced. Planned system equipment outage software was implemented. Secure user interface for the Energy Management System was implemented.	Laboratory data software was replaced at Holyrood. Password manager software was deployed.
Metering	Meters were procured and installed at various locations.	
Properties	Two EV charging stations were installed at Hydro Place. The heating, ventilation, and air-conditioning system was replaced at Bishop's Falls.	Four EV charging stations were installed at Hydro properties: two at Upper Salmon and two at Bishop's Falls. The office air conditioning unit was replaced at Deer Lake.
Telecontrol	Powerline carrier systems were replaced for communications between Springdale and Indian River (over Transmission Line TL223) and between Indian River and Howley (over Transmission Line TL224). Remote Terminal Units were replaced at Bottom Brook Terminal Station and Bay d'Espoir Hydroelectric Generating Station. The supervisory control and data acquisition systems were upgraded at various locations. The synchronous optical network multiplexors were replaced at various locations. The 48V battery banks and chargers were replaced at Holyrood. Closed-circuit television security cameras were replaced at Happy Valley-Goose Bay and Stephenville. Communications routers and access points were deployed at various locations. Various mobile devices were replaced. Various minor telecommunications enhancements were completed.	A telecommunications radio link was replaced at Cat Arm. Fibre optics was installed for MDR8000 microwave radios at Bay d'Espoir.

Asset Category	Planned Work Q4 2024	Break-In Work Q4 2024
Terminal Stations	Bushings were replaced for transformers at Bay d'Espoir, Wabush, Come By Chance, Buchans, Holyrood, and Upper Salmon. Oil was replaced for Transformers T7 and T8 at Wabush, and oil was processed for Transformer T1 at Upper Salmon. An on-line dissolved gas analysis monitoring device was installed for Transformer T3 at Bottom Brook. Circuit breakers were replaced at Wabush. Disconnect switches were replaced at Indian River and Stony Brook. Protective relays were replaced for Transmission Line TL214 at Bottom Brook, Transformer T1 at Fogo Island Substation, and the Iron Ore Company Feeder at Wabush. Instrument transformers were replaced at Springdale, Indian River and Bay d'Espoir. Battery banks were replaced at Wiltondale and South East Hill. A fire protection system was installed at Deer Lake. Station lighting was replaced at Hardwoods and Bottom Brook.	Oil was replaced for Transformer SST1-2 at Holyrood. Bushings were replaced for a transformer at St. Anthony Airport. Protective relays were replaced for Transmission Line TL203 at Sunnyside. Instrument transformers were replaced at Stony Brook and Daniels Harbour. Surge capacitors were replaced for Wabush Synchronous Condenser 2.
Thermal Plant	The Unit 1 turbine was overhauled. The boiler condition assessment and upgrades for Units 1 and 2 were completed. The Unit 1 south vacuum pump was overhauled. A spare set of upper and lower cam shafts for Units 1 and 2 main steam control valves was procured.	The Unit 1 rotor bearing journals were refurbished. The Unit 1 boiler feedwater pump gland seal water strainers were replaced. The Unit 1 high-side auxiliary steam supply valve and steam trap were replaced.

Asset Category	Planned Work Q4 2024	Break-In Work Q4 2024
	The fuel oil storage Tank 4 was inspected and refurbished. The plant underground fire water distribution system was replaced.	The Unit 2 east heavy fuel oil pump was replaced. The Unit 2 air preheater check and block valves were replaced. The Unit 2 south condenser inlet valve was overhauled. The Unit 2 vacuum pump seal water tanks were replaced. The Unit 2 condenser waterbox drain piping and valves were replaced. The Unit 3 gland seal water valve actuator for the west boiler feedwater pump was overhauled. The gas detection system was replaced in the continuous emissions monitoring room. Portions of the heat tracing for the tank farm steam piping were replaced. A portion of the powerhouse plant lighting was replaced.
Transmission	Wood pole line refurbishment was completed for Transmission Lines TL 201 and TL 260.	A mid-span pole was installed on Transmission Line TL 203.
Transmission and Rural Operations Tools and Equipment	One 85-foot and one 46-foot material handler aerial device on track units were procured. A 55-foot aerial device on extended cab and chassis was procured.	
Transportation	Various light and heavy mobile equipment items were purchased.	Three electric sport utility vehicles were purchased.

6.4 Integrated Annual Work Plan

Hydro has an Integrated Annual Work Plan consisting of capital and maintenance work for its generation, transmission, distribution, and other associated assets. Hydro's 2024 Integrated Annual Work Plan completion target is 90%. As of the end of the year, Hydro had completed 95.1% of the planned activities for 2024. Results for Annual Work Plan activities are provided in Table 13.

Table 13: Annual Work Plan Activity

	2024 Actual	
Planned	**Completed**	**%**
6,669	6,344	95.1

7.0 Financial

7.1 Statement of Income

Financial data for the year ended December 31, 2024 will follow when audited financial information becomes available.

7.2 Greenhouse Gas Credits

In 2016, the federal government announced plans to implement carbon pricing to help Canada meet its greenhouse gas emission targets and, in October 2018, the provincial government released its approach to carbon pricing. The plan came into effect on January 1, 2019 and provides for Hydro to receive performance credits as the Holyrood TGS uses less fuel and decreases greenhouse gas emissions. Under the *Management of Greenhouse Gas Act*,[43] Hydro may sell these performance credits to other regulated facilities in the province, of which there are 14, excluding the Holyrood TGS. 2024 was the fifth year that Hydro was able to sell its performance credits. The qualifications and other specifics of how the performance credits are earned, how they can be sold, etc. are contained within the Management of Greenhouse Gas Reporting Regulations.[44]

In 2024, Hydro carried forward 382,058 performance credits and earned 490,917 credits as a result of the Holyrood TGS using less fuel and decreasing greenhouse gas emissions in comparison to a baseline forecast for reporting year 2023. Hydro sold 330,494 performance credits in 2023 for a total revenue of

[43] *Management of Greenhouse Gas Act*, SNL 2016, c M-1.001.
[44] NLR 14/17.

$19.78 million. Hydro used 882 credits for compliance obligations with respect to the Holyrood Gas Turbine. Hydro is carrying forward 541,599 performance credits to apply to future compliance requirements or to be sold in future years. Credits expire seven years after creation. Table 14 provides a summary of Hydro's greenhouse gas credit activity since 2020.

Table 14: Summary of Greenhouse Gas Credit Activity

Year	Opening Balance	Credits Earned	Credits Used	Credits Sold	Closing Balance
2020	-	169,734	303	55,000	114,431
2021	114,431	292,676	923	125,106	281,078
2022	281,078	462,545	1,708	248,015	493,900
2023	493,900	382,058	364	493,536	382,058
2024	382,058	490,917	882	330,494	541,599

The revenues from the sale of the greenhouse gas performance credits are credited to the Supply Cost Variance Deferral Account.[45]

8.0 People and Community

8.1 Diversity and Inclusion

8.1.1 International Day of Persons with Disabilities

On December 3, 2024, Hydro observed International Day of Persons with Disabilities to promote the rights and well-being, and raise awareness of, persons with disabilities in all aspects of political, social, economic, and cultural life.

Hydro partnered with InclusionNL to deliver a presentation on the power and impact of language. The presenter highlighted the appropriate use of "Person-First" language versus "Identity-First" language, the importance of using inclusionary language to engage everyone, and provided practical and tactical tips for attendees to consider using in their day-to-day-lives.

Resources about International Day for Persons with Disabilities and Hydro's Accessibility Plan were shared with all employees.

[45] As per Board Order No. P.U. 33(2021).

8.1.2 Partnerships with Women in Resource Development Canada

Hydro partnered with Women in Resource Development Canada (WRDC) to award six $1,500 scholarships to support women studying in trades and technology fields throughout the province, as part of efforts to help advance women in areas where they are underrepresented.

8.1.3 Purple Ribbon Campaign

Hydro recognizes the Purple Ribbon Campaign annually. The campaign creates awareness and renews our commitment to ending gender-based violence. Employees were encouraged to learn more about the campaign using resources provided to recognize and help prevent gender-based violence.

8.1.4 Gender Equity Targets

Hydro has corporate gender equity targets as part of its strategy on diversity and inclusion. In 2024, Hydro continued proactive efforts to attract and retain women in leadership, operations, and engineering positions, while supporting their advancement. Table 15 shows Hydro's progress towards its gender equity targets.

Table 15: Gender Equity Statistics

	2024 Year End			2023 Year End			Target
	Total	Female	% Female	Total	Female	% Female	% Female
Executive	9	4	44%	9	4	44%	30%
Management	113	42	37%	113	41	36%	35%
Engineers and Engineers in Training	147	36	24%	139	33	24%	30%
Technicians and Technologists	292	25	9%	285	25	9%[46]	10%
Field Supervisors	93	5	5%	85	4	5%	6%
Skilled Trades and Apprentices	298	16	5%	289	14	5%	10%
Manual Workers	85	17	20%	83	17	20%	20%

[46] In the Quarterly Summary for the Quarter Ended December 31, 2023, Hydro reported the percentage of females comprising Technician and Technologist roles in the company was 8%, however the calculation was incorrectly rounded down and instead should have been reported as 9%.

8.2 Community Initiatives

8.2.1 Hydro Employees Spread Cheer in Support of Community Food Sharing Association

In December, employees were encouraged to spread cheer to their colleagues by participating in the 4th annual Cheer Challenge. By submitting a safety commendation or acknowledgement through our internal recognition system, employees recognized those who provided key support, went above and beyond their job duties, or showed commitment to Hydro's values. For each submission, the *Energy from the Heart* program donated to the Community Food Sharing Association ("CFSA").

In 2024, a $10,000 donation was made to CFSA, helping to support people in cities, towns and communities throughout the province.

8.2.2 Celebrating Final Steps with Ronald McDonald House Charities

In October, Hydro was honoured to join the team at Ronald McDonald House as they announced a record-breaking total of $350,200 raised during the Red Shoe Crew Walk. As presenting partner of the Red Shoe Crew Walk, Hydro employees volunteered to organize walk events throughout the province, and fundraised in support of Ronald McDonald House and their programs for families from around the province.

Hydro has been a long-time partner of Ronald McDonald House Charities Newfoundland and Labrador, supporting the House through volunteering, in-kind and financial contributions since it opened in 2012.

8.2.3 Building Team Culture in Soldiers Pond through Support for Local Charities

In December, the Soldiers Pond Team Building Committee capped off their 2024 donations by providing more than $2,000 in gifts for six families through the Single Parents Association of Newfoundland and Labrador. This annual donation is just one of many donations the Committee makes each year to organizations in their community. Each month the group hosts a fundraising lunch at Soldiers Pond, sells raffle tickets, and collects food itemswith all donations going to charitable organizations. In addition to SPANL, the Committee also supported groups such as Ukranian Family Support, Kids Eat Smart Newfoundland and Labrador, the CFSA, Steps for Life, the annual Janeway Telethon, Neveah's Angel Foundation, Saint Vincent de Paul, Love Lincoln Foundation, and the Rock Wildlife Rescue.

8.2.4 Wrapping Up the Year with Home Again Furniture Bank

Hydro and its employees continue to support the work of Home Again Furniture Bank ("Home Again") to help alleviate furniture insecurity on the Eastern Avalon peninsula. In December, several Hydro employees volunteered for their gift-wrapping fundraiser—spending time at the Avalon Mall in St. John's providing gift-wrapping services for donations to Home Again. Through the Energy from the Heart Community Program, Hydro also supported Home Again's year-end campaign again in 2024, with a matching donation of $10,000 to encourage others donate throughout December. Approximately $36,000 raised through the campaign will help ensure more furniture is delivered to those in need.

9.0 Ramea

In Board Order No. P.U. 31(2007), the Board directed Hydro to provide quarterly updates on the Ramea Wind-Hydrogen-Diesel project as part of its quarterly report to the Board.

On March 22, 2023, Hydro filed an application proposing to decommission the hydrogen components of the Wind-Hydrogen-Diesel System, as they are not used or useful and their removal will not adversely affect the reliability of the service Hydro provides. Hydro's application to decommission the hydrogen components was approved in Board Order No. P.U. 10(2023).

On December 16, 2024, in Board Order No. P.U. 30(2024), the Board approved Hydro's application to sell the wind farm assets of the Wind-Hydrogen-Diesel System, to Frontier Power Systems ("Frontier"), as that sale is the solution most beneficial to customers, and allows Frontier to incorporate the wind farm assets into their wind energy project in Ramea.

As the Board has approved the abandonment and sale of the assets, Hydro will discontinue reporting on the Ramea Wind-Hydrogen-Diesel project in future quarterly reports.

9.1 Capital Costs

There will be no future capital expenditures incurred for the Ramea Wind-Hydrogen-Diesel Generation project. The decommissioning of the hydrogen components will be a non-regulated expense with no impact to ratepayers.

9.2 Operating Costs

The wind turbines were not operational during the current quarter; therefore, no costs were incurred.

9.3 Reliability and Safety Issues

The wind turbines were not operational during the current quarter; as such, there are no safety issues to report.

Appendix A

Power Outages Reported to the Board of Commissioners of Public Utilities

Power Outages

Table A-1: Power Outages Reported to the Board for the Current Quarter

Date	Area Affected	Cause	Customers Affected	Duration
18-Oct-2024	Newfoundland Power	UFLS	60,101	9 minutes
06-Dec-2024	Gaultois	Adverse Weather	93	52 hours, 58 minutes
06-Dec-2024	St. Anthony	Protection Misoperation	2,422	7 hours, 4 minutes

Appendix B

Major Events Excluded From Performance Index Tables

Major Events

Table B-1: Major Events Excluded From Performance Index Tables

		End-Consumer		Service Continuity		Transmission	
Year	**Event Description**	**SAIDI**	**SAIFI**	**SAIDI**	**SAIFI**	**T-SAIDI**	**T-SAIFI**
2024	Labrador West outage due to Churchill Falls forest fires	0.24	0.02	1.64	0.16	64.67	0.05
2023	No major events	N/A	N/A	N/A	N/A	N/A	N/A
2022	TL214 outage due to extreme winds	0.26	0.03	0.00	0.00	35.67	0.03
	Great Northern Peninsula outage	0.38	0.03	2.93	0.20	91.92	0.23
	Connaigre Peninsula outage due to freezing rain	0.24	0.01	1.81	0.06	0.00	0.00
2021	No major events	N/A	N/A	N/A	N/A	N/A	N/A
2020	Winter storm affecting Change Islands/Fogo	0.09	0.01	0.71	0.09	0.00	0.00
2019	No major events	N/A	N/A	N/A	N/A	N/A	N/A

Appendix C

Generation Unit Outages

October 2024

Location	Asset	Capacity	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31
Island																																	
Bay d'Espoir	G1	76.5 MW																															
	G2	76.5 MW																															
	G3	76.5 MW																															
	G4	76.5 MW																															
	G5	76.5 MW																															
	G6	76.5 MW																															
	G7	154.4 MW																															
Cat Arm	G1	67 MW																															
	G2	67 MW																															
Granite Canal	Unit	40 MW																															
Hardwoods	GT	50 MW																							25	25							
Hawkes Bay	Unit	5 MW																															
Hinds Lake	Unit	75 MW																															
Holyrood	G1	170 MW																															
	G2	170 MW																															
	G3	150 MW																															
	GT	123.5 MW																															
	Diesels	10 MW																															
Soldiers Pond Labrador-Island Link	Monopole ("M") Bipole ("B")	700 MW		M 450	M 450	M 450	M 450	M 450	B 450	B 450	B 450			B 450	B 450	B 450	B 450	M 450			B 450	B 450	B 450	B 450	B 450	B 450	B 450	B 450	B 450	B 450	B 450	B 450	B 450
Paradise River	Unit	8 MW																															
Stephenville	GT	50 MW																															
St. Anthony	Unit	9.7 MW										7.7	7.7	7.7	7.7	7.7	7.7	7.7	7.7														
Upper Salmon	Unit	84 MW																															
Labrador																																	
Happy Valley	GT	25 MW																															
Muskrat Falls	G1	206 MW																															
	G2	206 MW																															
	G3	206 MW																															
	G4	206 MW																															

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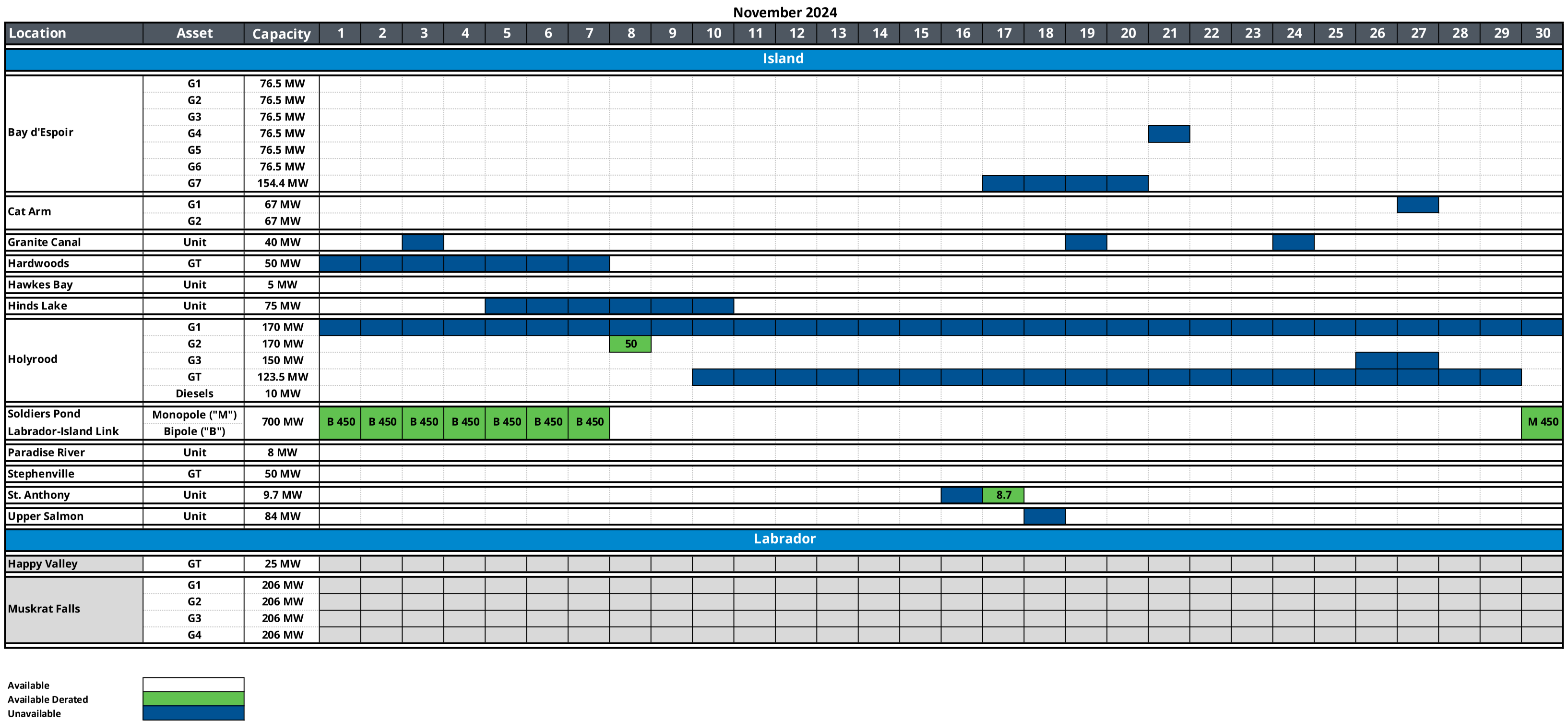
November 2024
Location
Asset
Capacity
1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30
Island
Bay d'Espoir
G1 76.5 MW
G2 76.5 MW
G3 76.5 MW
G4 76.5 MW
G5 76.5 MW
G6 76.5 MW
G7 154.4 MW
Cat Arm
G1 67 MW
G2 67 MW
Granite Canal Unit 40 MW
Hardwoods GT 50 MW
Hawkes Bay Unit 5 MW
Hinds Lake Unit 75 MW
Holyrood
G1 170 MW
G2 170 MW
50
G3 150 MW
GT 123.5 MW
Diesels 10 MW
Soldiers Pond
Labrador-Island Link
Monopole ("M")
Bipole ("B")
700 MW
B 450
B 450
B 450
B 450
B 450
B 450
B 450
M 450
Paradise River Unit 8 MW
Stephenville GT 50 MW
St. Anthony Unit 9.7 MW
8.7
Upper Salmon Unit 84 MW
Labrador
Happy Valley GT 25 MW
Muskrat Falls
G1 206 MW
G2 206 MW
G3 206 MW
G4 206 MW
Available
Available Derated
Unavailable

December 2024

Location	Asset	Capacity	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31
Island																																	
Bay d'Espoir	G1	76.5 MW																															
	G2	76.5 MW																															
	G3	76.5 MW																															
	G4	76.5 MW																															
	G5	76.5 MW																															
	G6	76.5 MW																															
	G7	154.4 MW																															
Cat Arm	G1	67 MW																															
	G2	67 MW																															
Granite Canal	Unit	40 MW																															
Hardwoods	GT	50 MW																															
Hawkes Bay	Unit	5 MW																															
Hinds Lake	Unit	75 MW																															
Holyrood	G1	170 MW																															
	G2	170 MW																															
	G3	150 MW																			50	50											
	GT	123.5 MW																															
	Diesels	10 MW																															
Soldiers Pond Labrador-Island Link	Monopole ("M") Bipole ("B")	700 MW					M 450	B 450											M 360														
Paradise River	Unit	8 MW																															
Stephenville	GT	50 MW				25																											
St. Anthony	Unit	9.7 MW																															
Upper Salmon	Unit	84 MW																															
Labrador																																	
Happy Valley	GT	25 MW																															
Muskrat Falls	G1	206 MW																															
	G2	206 MW																															
	G3	206 MW																															
	G4	206 MW																															

Available
Available Derated
Unavailable

Appendix D

2024 Annual Report on Key Performance Indicators

Contents

List of Attachments

1.0 Introduction

In Order No. P.U. 14(2004), the Board required Hydro to file appropriate historic, current, and forecast comparisons of reliability, operating, financial, and other KPIs. These were ordered to be filed with Hydro's annual financial report, commencing in 2004.

In accordance with Board Order No. P.U. 14(2004), Hydro has 14 KPIs, which fall into four categories: reliability, operating, financial, and customer related.

KPI data is reported on a historic basis. Where appropriate, KPIs are subcategorized based on whether they relate to generation, transmission, distribution, or overall corporate activity. For most of the reliability KPIs, with the exception of UFLS, data from EC is provided in this report to compare Hydro's performance with broader industry performance. The KPIs used to measure performance in operations relate to two specific facilities within Hydro's system: Bay d'Espoir Hydroelectric Generating Station, and Holyrood TGS. Performance is measured based on the efficiency of the two facilities and is compared on a year-over-year basis.

2.0 Overview of Key Performance Indicator Results

Hydro monitors reliability performance with ten separate metrics. These metrics have been divided into subcategories: generation, transmission, distribution, and other.

Table 1 summarizes Hydro's KPI performance in 2024. The rationale for the 2024 targets is included as Attachment 1 of this report.

Table 1: Hydro's KPI Performance for 2024

Category	KPI	Units	2024 Target	2024 Results
Reliability[1]	WCF	%	80.1[2]	76.16
	DAFOR	%	N/A[3]	11.73
	T-SAIDI	Minutes/Point	432.93	422.88
	T-SAIFI	Number/Point	2.92	2.52
	T-SARI	Minutes/Outage	N/A	167.81
	Service Continuity SAIDI	Hours/Customer	17.65	13.26
	Service Continuity SAIFI	Number/Customer	5.38	5.29
	End-Consumer SAIDI	Hours/Customer	2.64	2.33
	End-Consumer SAIFI	Number/Customer	1.10	1.65
	UFLS	Number of events	0	4
Operating	Hydraulic Conversion Factor	GWh/MCM	0.433	0.429
	Thermal Conversion Factor	kWh/bbl	583	558
Financial	Controllable Unit Cost	$/MWh	N/A[4]	N/A[5]
Other	Customer Satisfaction (Residential)	Max=100%	85%[6]	89%

3.0 Performance Indicators

The following defines and describes detailed KPI data within four general categories: reliability, operating, financial, and customer-related.

3.1 Reliability Performance Indicators

3.1.1 Reliability Key Performance Indicator: Generation

Weighted Capability Factor

Table 2 summarizes Hydro's WCF performance in 2024 compared to 2023 performance and the 2024 target. Calculation details for weighted capability, as well as a list of factors that can impact KPI performance, are included as Attachment 2 of this report.

[1] Transmission and distribution reliability performance is measured on combined planned and forced outages.
[2] The WCF target is based on planned annual maintenance outages, an allowance for other short duration maintenance outages, and targeted forced outage durations.
[3] Hydro no longer sets Overall DAFOR targets for combined Thermal and Hydro. Individual targets for each generation class will continue to be established and reported annually.
[4] Hydro does not set a target for Controllable Unit Cost.
[5] Financial data will follow when audited financial information becomes available.
[6] Hydro's most recent residential customer satisfaction survey was completed in 2024. The next residential customer satisfaction survey is scheduled to be completed in 2026.

While WCF performance in 2024 was below the annual target in all asset classes, with the exception of the hydraulic assets, Hydro maintained sufficient generation to meet customer requirements at all times in 2024. Hydro plans capital outages and schedules maintenance outages to ensure supply is available as required. This includes the consideration of the availability of generation supplied from Muskrat Falls and delivered via the LIL, which will be used to meet customer needs into the future.

Table 2: WCF Performance

	2024 Annual	2023 Annual	2024 Annual Target[7]
Overall WCF	76.16	74.12	80.1
Thermal WCF	47.44	45.56	56.9
Hydraulic WCF	89.61	85.04	89.0
Gas Turbine WCF	80.25	87.45	90.3

Chart 1 details previous years' performance. Hydro's overall WCF for the period 2019–2023 is 81.75%, which is slightly below the equivalently weighted, most recently available national five-year average of 82.61% for the period 2019-2023.[8,9]

[7] Includes the time that units are unavailable due to maintenance; therefore, capability is affected by planned maintenance and capital work.

[8] EC reliability data is published annually. EC reliability data for generation is not currently available for 2024.

[9] In the Quarterly Regulatory Report for the Quarter Ended December 31, 2023, EC historical data was only available for 2021. Since that time, EC has provided the data for 2022 and 2023, resulting in a two-year differential in national average data from the last report.

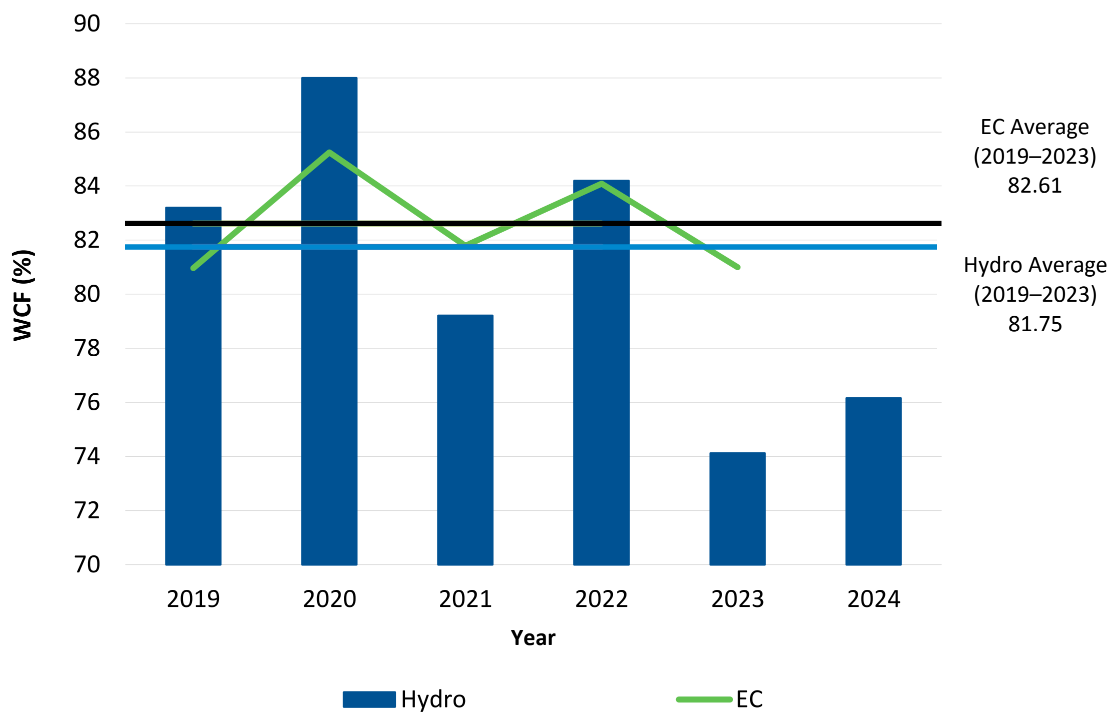

Chart 1: WCF

1 ***Thermal Weighted Capability Factor***

2 Thermal unit WCF was 47.44% in 2024, compared to 45.56% in 2023, and the 2024 target of 56.9%.
3 Holyrood Unit 1 had a capability factor of 26.01%, Unit 2 had a capability factor of 47.02%, and Unit 3
4 had a capability factor of 71.49%.

5 ***Hydraulic Weighted Capability Factor***

6 Hydro's 2023 hydraulic unit WCF performance was 89.61%, compared to 85.04% in 2023, and the 2024
7 target of 89.0%.

8 ***Gas Turbine Weighted Capability Factor***

9 Gas turbine WCF was 80.25% in 2024, compared to 87.45% in 2023, and the 2024 gas turbine WCF
10 target of 90.3%.

Weighted Derated Adjusted Forced Outage Rate

Table 3 summarizes Hydro's DAFOR performance in 2024, compared to 2023 performance, and the 2024 target.

Table 3: DAFOR Performance

	2024 Annual	2023 Annual	2024 Annual Target
Overall DAFOR	11.73	12.92	N/A[10]
Thermal DAFOR	37.29	32.08	20.00
Hydraulic DAFOR	2.07	6.64	2.30

Chart 2 details previous years' performance. Hydro's overall weighted DAFOR for the period 2019–2023 is 6.33%, which is better than the equivalently weighted, most recently available national five-year average of 10.21% for the period 2019–2023.[11]

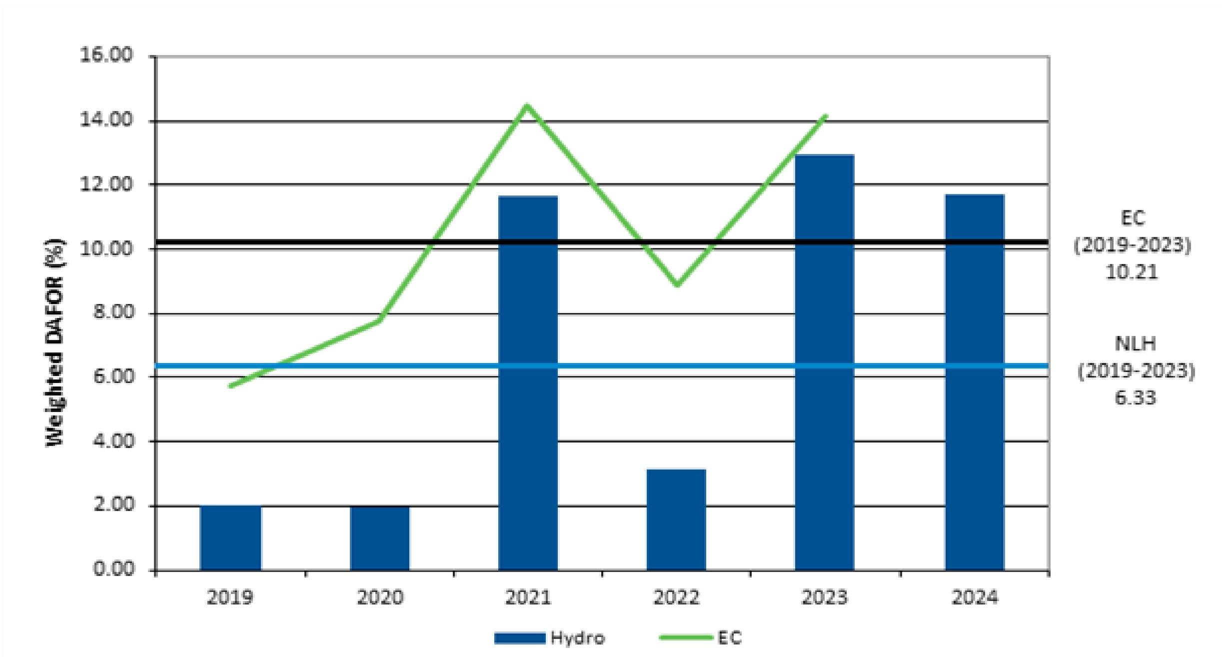

Chart 2: Weighted DAFOR

[10] Hydro no longer sets Overall DAFOR targets for combined Thermal and Hydro. Individual targets for each generation class will continue to be established and reported annually.

[11] EC reliability data for generation is not currently available for 2024.

Generation Equipment Performance

Table 4 provides the various performance indices for Hydro's generation facilities. Indices for 2024, 2023, and for the most recently available EC national five-year average are included for comparison.

Table 4: Generation Performance Indicators[12]

Index		Hydraulic	Thermal	Gas Turbine
Fail Rate	Hydro 2024	2.04	6.32	83.52
(Forced outages per 8,760	Hydro 2023	1.05	11.06	64.06
operating hours)	EC 2019 to 2023	1.90	7.18	0.53
Incapability Factor	Hydro 2024	10.39	52.56	19.75
(Percent of Time)	Hydro 2023	14.96	54.41	12.55
	EC 2019 to 2023	13.21	27.33	16.41
DAFOR[13]	Hydro 2024	2.07	37.29	N/A
(Percent of Time)	Hydro 2023	6.64	32.08	N/A
	EC 2019 to 2023	5.27	19.49	N/A
DAUFOP[14]	Hydro 2024	N/A	N/A	21.91
(Percent of Time)	Hydro 2023	N/A	N/A	17.44
	EC 2019 to 2023	N/A	N/A	12.34

Hydraulic Unit Performance

Hydraulic unit performance for fail rate declined in 2024 when compared to 2023, this decline in fail rate performance is the result of more generating unit trips occurring in 2024 than in 2023. The outage count in 2024 was 27, whereas in 2023 a total of 16 outages were experienced.[15] This performance is slightly below the most recently available EC national five-year average. Incapability factor and DAFOR performance improved when compared to 2023. The improvement in both DAFOR and incapability factor performance is largely attributed to the lack of significant outage durations experienced in 2024. Hydro's performance in these two measures in 2024 is better than the most recently available national five-year averages.

[12] As of 2022, EC no longer publishes data on UFOP. Hydro has also replaced the use of the UFOP metric with DAUFOP to measure Gas Turbine performance.
[13] Hydro does not use DAFOR to measure gas turbine performance. Gas turbine performance is measured by DAUFOP.
[14] Hydro does not use DAUFOP to measure hydraulic or thermal performance. Hydraulic and thermal performance is measured by DAFOR.
[15] Further information on outages which occurred that contributed materially to outage rates can be found in Hydro's Quarterly Reports on Asset Performance in Support of Resource Adequacy.

Thermal Unit Performance

Thermal unit fail rate performance improved in 2024 when compared to 2023, this improvement is the result of a decrease in the number of forced outages experienced in 2024 when compared to 2023. The number of forced outages in 2024 was nine, a significant decrease from 14 in 2023. This performance is better than the most recently available EC national five-year average. Incapability factor performance improved slightly in 2024 when compare to 2023, while DAFOR performance has declined in 2024 when compared to 2023. Both incapability factor and DAFOR performance are below the most recently available EC national five-year average. The incapability factor and DAFOR performance were negatively impacted by the forced extension of planned outages experienced on two of the three units in the current reporting period.

Unit 1 performance was primarily impacted as a result of a forced extension to the planned unit outage to overhaul the Unit 1 turbine and replace the L-0 and L-1 blades at the General Electric (“GE”) shop in the United States. The unit was removed from service for the planned work in April of 2024, with a planned return to storage date of October 2024. The blades were replaced; however, it was found that additional work was required to restore the bearing journals, which resulted in an extension to the outage. All work has since been completed and the rotor was shipped back to Holyrood in late 2024. Reassembly activities are complete and commissioning is underway.

The performance of Unit 2 was significantly impacted by the continuation of a forced extension to the planned outage that began in 2023. The unit was reassembled in early 2024 and was officially released for service on May 17, 2024.

The performance of Unit 3 did not result in material impacts to the overall thermal plant performance in 2024.

Gas Turbine Unit Performance

The performance of Hydro’s gas turbines declined in 2024 in all areas when compared to 2023. The decline in fail rate performance is the result of a decrease in total operating hours in 2024 when compared to 2023. In 2024, the gas turbine assets experienced a combined approximately 315 operating hours, compared to 550 operating hours in 2023. The decline in incapability factor and DAUFOP can be attributed to a significant increase in forced outage duration in 2024. This increase is the result of a forced outage to the Stephenville Gas Turbine which began in 2023. The Stephenville Gas Turbine was removed from service on July 14, 2023 following the failure of the alternator cooling fan. Inspections were completed and the rotor was removed and shipped to a facility in the United States for testing, inspection, and repair. Following additional delays, the unit was in a forced outage state for over 6,400 hours in 2024, before returning to normal operation in September 2024.

Performance in fail rate, incapability factor and DAUFOP for 2024 is below the most recently available EC national five-year average.

3.1.2 End Consumer Service Continuity Performance

The End Consumer Service Continuity Performance Index was developed to measure reliability of service to all end consumers of electricity in the province who are supplied by Hydro other than Hydro's Industrial customers. The measure is a combination of Hydro's service continuity data and Newfoundland Power's service continuity data for outages related to loss of supply due to events on Hydro's transmission system. Therefore, the SAIDI and SAIFI data provided in Table 5 are measures of the duration and frequency of service interruptions experienced as a result of Hydro system events. Table 5 shows End Consumer Performance data for the fourth quarter of 2024 and 2023, annual 2024, annual 2023, and the 2024 annual target.

Table 5: End Consumer Performance

	Q4 2024	Q4 2023	2024 Annual	2023 Annual	2024 Annual Target (2019–2023 Average)
SAIDI	0.48	0.69	2.33	2.33	2.64
SAIFI	0.40	0.24	1.65	1.32	1.10

1 Hydro used the average of its End Consumer Service Continuity Indices performances for the period 2019–2023 for its 2024 annual targets.

3 Chart 3 and Chart 4 compare the fourth quarter performance for the past five years. Chart 5 and Chart 6 compare the annual performance for the past five years.

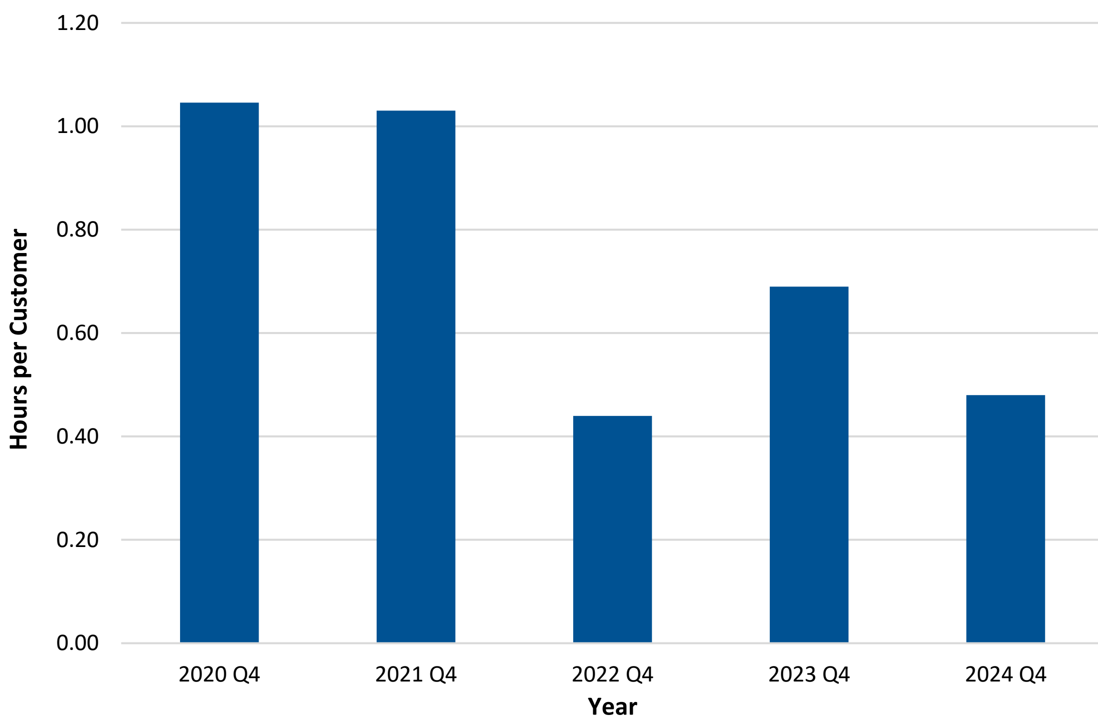

Chart 3: End-Consumer SAIDI Q4 2020–2024

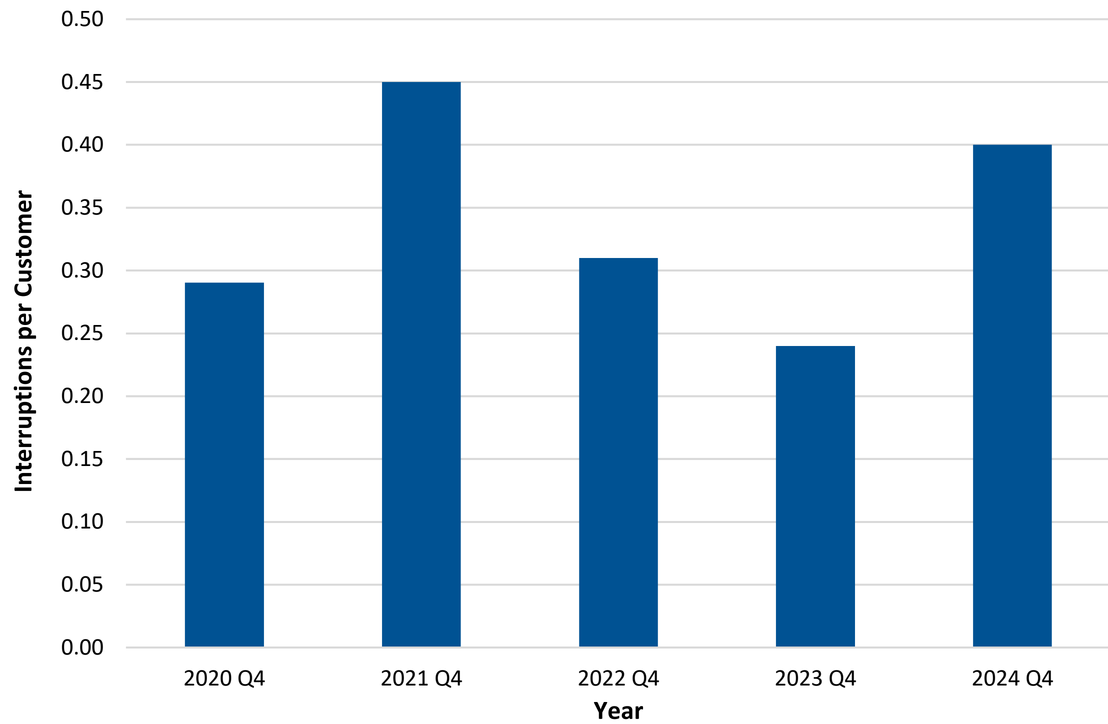

Chart 4: End-Consumer SAIFI Q4 2020–2024

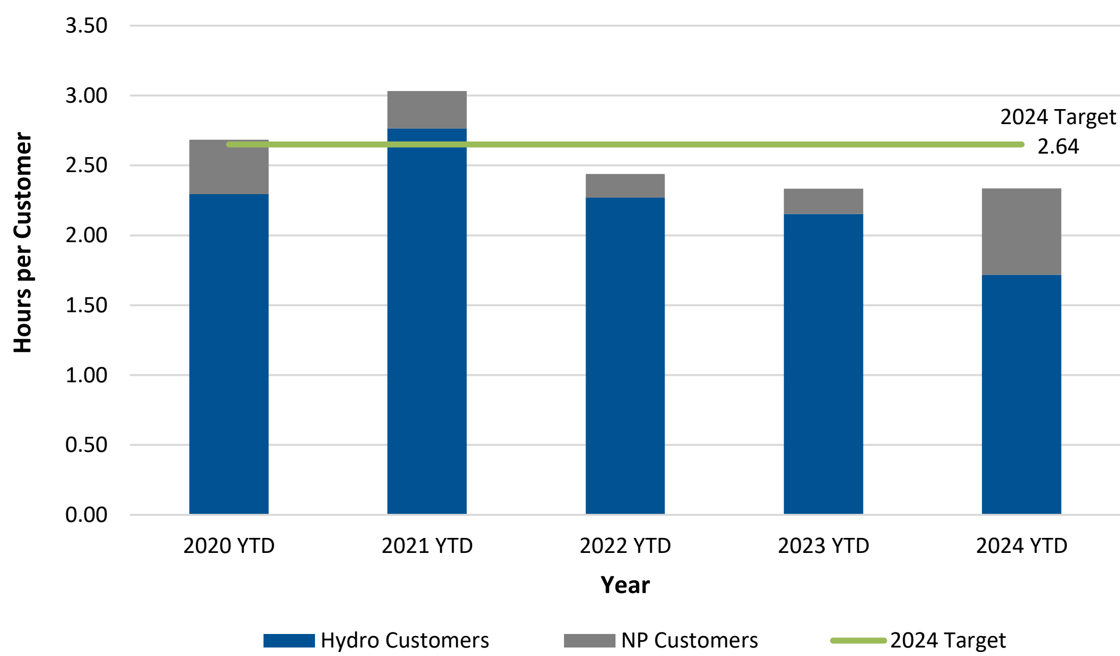

Chart 5: End-Consumer SAIDI Annual 2020–2024

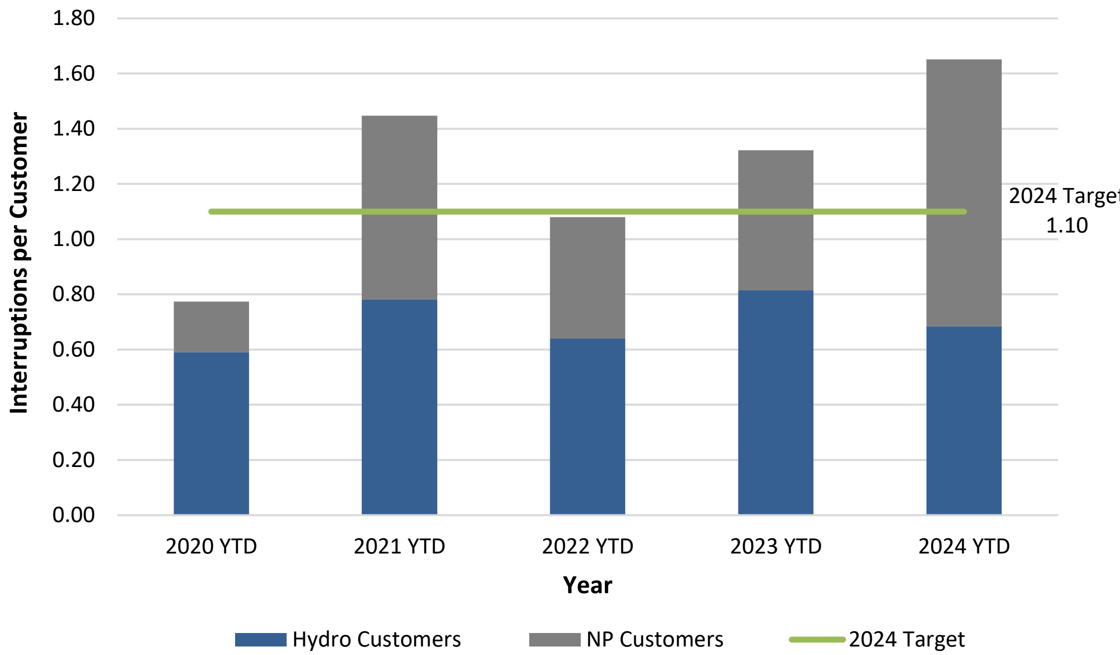

Chart 6: End-Consumer SAIFI Annual 2020–2024

3.1.3 Reliability Key Performance Indicator: Transmission

Transmission—System Average Interruption Duration Index

Table 6 shows the T-SAIDI data for the fourth quarter of 2024 and 2023, annual 2024, annual 2023, and the 2024 annual target.

Table 6: T-SAIDI (Outage Minutes per Delivery Point)

	Q4 2024	Q4 2023	2024 Annual	2023 Annual	2024 Annual Target
T-SAIDI	101	187	423	373	433

Hydro uses the average of its T-SAIDI performance for the period 2019–2023 to calculate its 2024 annual T-SAIDI target. Chart 7 shows the annual T-SAIDI performances for the period 2020–2024 and EC 2020–2023 annual T-SAIDI performances. EC only publishes annual indicators.

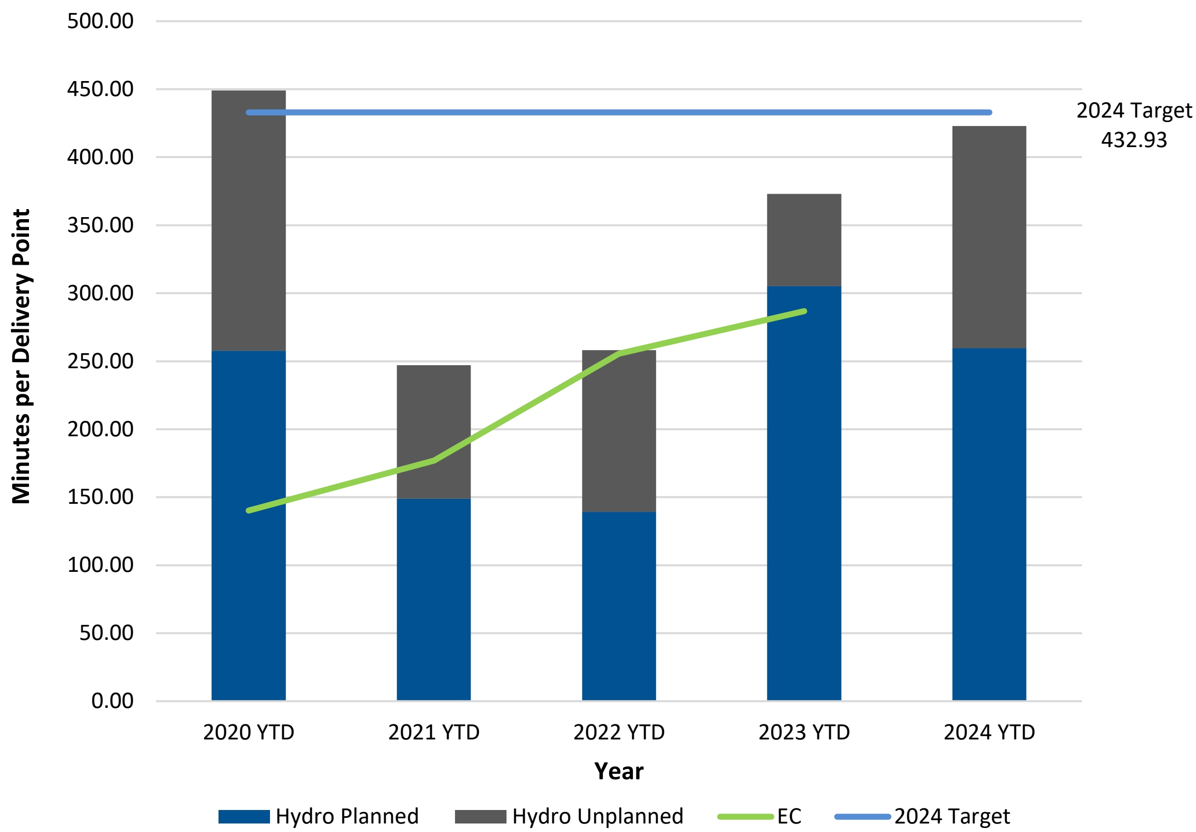

Chart 7: T-SAIDI

1 ## Transmission—System Average Interruption Frequency Index

2 Table 7 shows the T-SAIFI for planned and unplanned outages for the fourth quarter of 2024 and 2023,
3 annual 2024, annual 2023, and the 2024 annual target.

Table 7: T-SAIFI (Outages per Delivery Point)

	Q4 2024	Q4 2023	2024 Annual	2023 Annual	2024 Annual Target
T-SAIFI	0.76	1.02	2.52	3.00	2.92

4 Hydro uses the average of its T-SAIFI performance for the period 2019–2023 to calculate its 2024 annual
5 T-SAIFI target. Chart 8 shows the annual T-SAIFI performances for the period 2020–2024 and EC 2020–
6 2023 annual T-SAIFI performances.

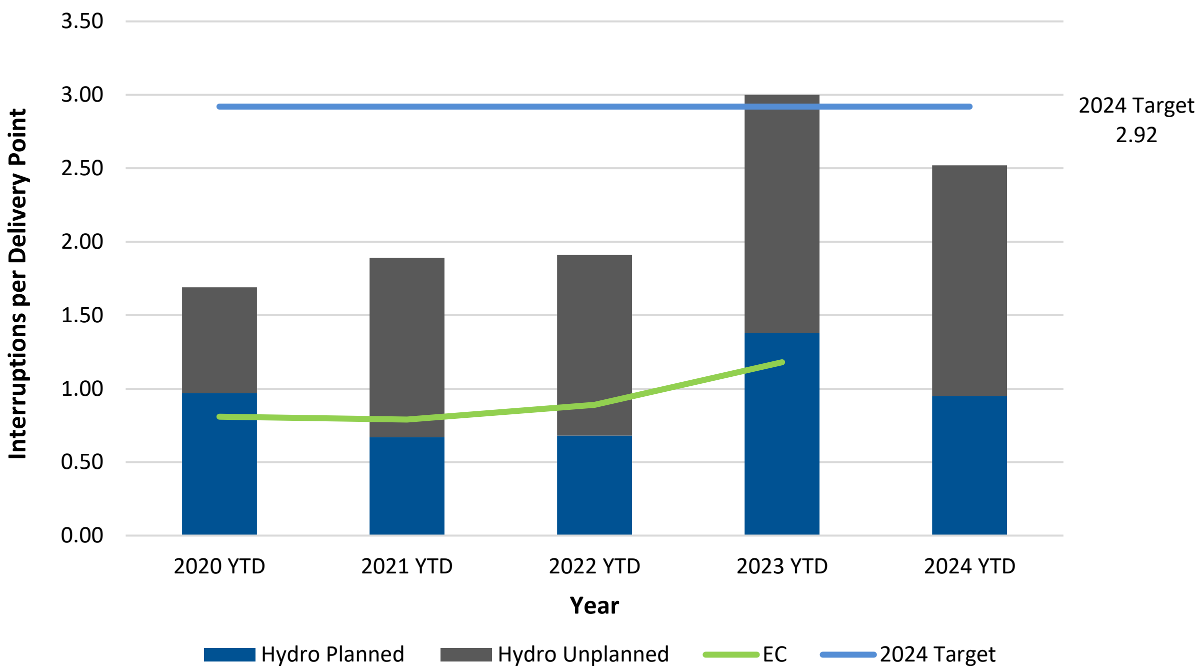

Chart 8: T-SAIFI

1 ## Transmission—System Average Restoration Index

2 Hydro's 2024 annual T-SARI was 168 minutes per interruption compared to 124 minutes per
3 interruption for annual 2023. Hydro does not establish a restoration index target. T-SARI Chart 9 shows
4 the annual T-SARI performance for the period 2020–2024 and the EC 2020–2023 annual T-SARI
5 performances.

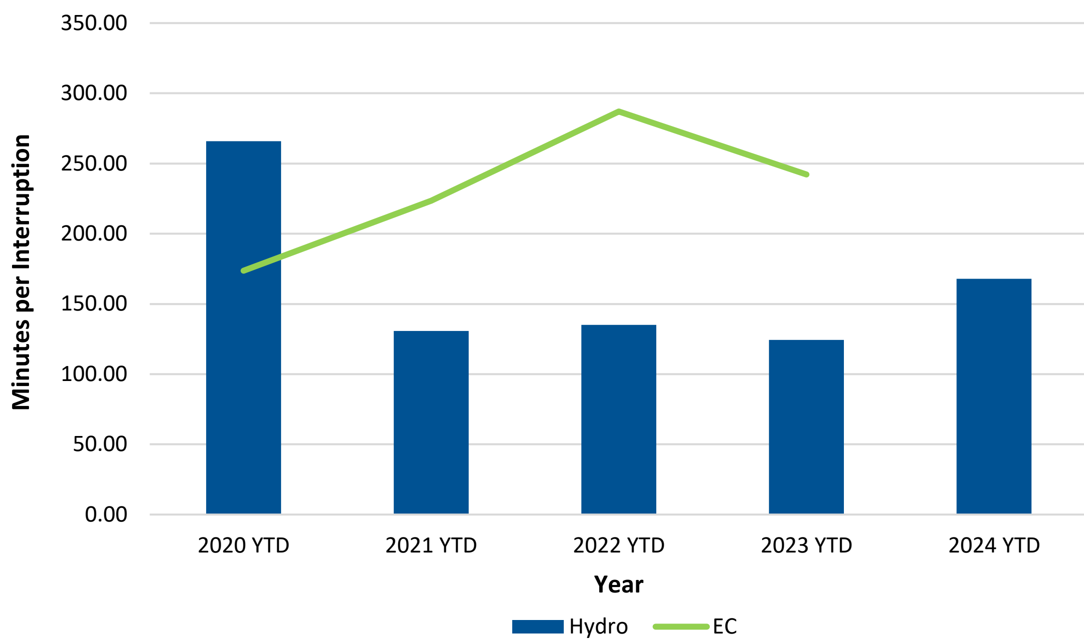

Chart 9: T-SARI

1 ### 3.1.4 Reliability Key Performance Indicator: Service Continuity Performance

2 #### Service Continuity System Average Interruption Duration Index

3 Table 8 shows the SAIDI performances for the fourth quarter of 2024 and 2023, annual 2024, annual
4 2023, and the 2024 annual target.

Table 8: Service-Continuity SAIDI (Hours per Customer)[16]

	Q4 2024	Q4 2023	2024 Annual	2023 Annual	2024 Annual Target
SAIDI	2.99	4.57	13.26	16.57	17.65

5 Hydro uses the average of its Service-Continuity SAIDI performances for the period 2019–2023 as its
6 2024 annual target for this index.

[16] Unplanned and planned breakdown is not available at this time due to ongoing database upgrades. Database upgrades are expected to occur in 2025 and unplanned and planned breakdown can be reported in the third quarter of 2025.

Chart 10 Service-Continuity SAIDI shows EC 2020–2023 annual SAIDI performances and Hydro's 2020–2024 annual SAIDI performances.

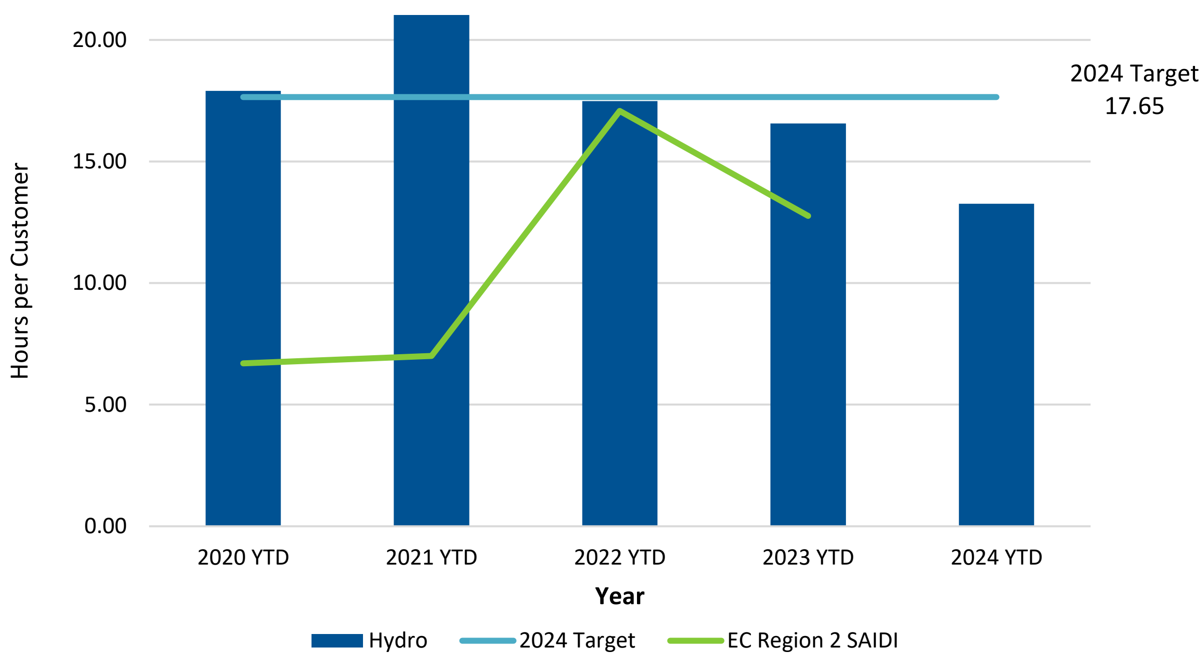

Chart 10: Service-Continuity SAIDI

1 **Service Continuity System Average Interruption Frequency Index**

2 Table 9 shows the SAIFI for the fourth quarter of 2024 and 2023, annual 2024, annual 2023, and the

3 2024 annual target.

Table 9: Service-Continuity SAIFI (Interruptions per Customer)[17]

	Q4 2024	Q4 2023	Annual 2024	Annual 2023	2024 Annual Target
SAIFI	1.36	1.35	5.29	6.28	5.38

[17] Unplanned and planned breakdown is not available at this time due to ongoing database upgrades. Database upgrades are expected to occur in 2025 and unplanned and planned breakdown can be reported in the third quarter of 2025.

1 Hydro uses the average of its Service Continuity SAIFI Index Performances for the period 2019–2023 as
2 its 2024 annual target for this index.

3 Chart 11 shows EC 2020–2023 annual SAIFI performances and Hydro's 2020–2024 annual SAIFI
4 performances.

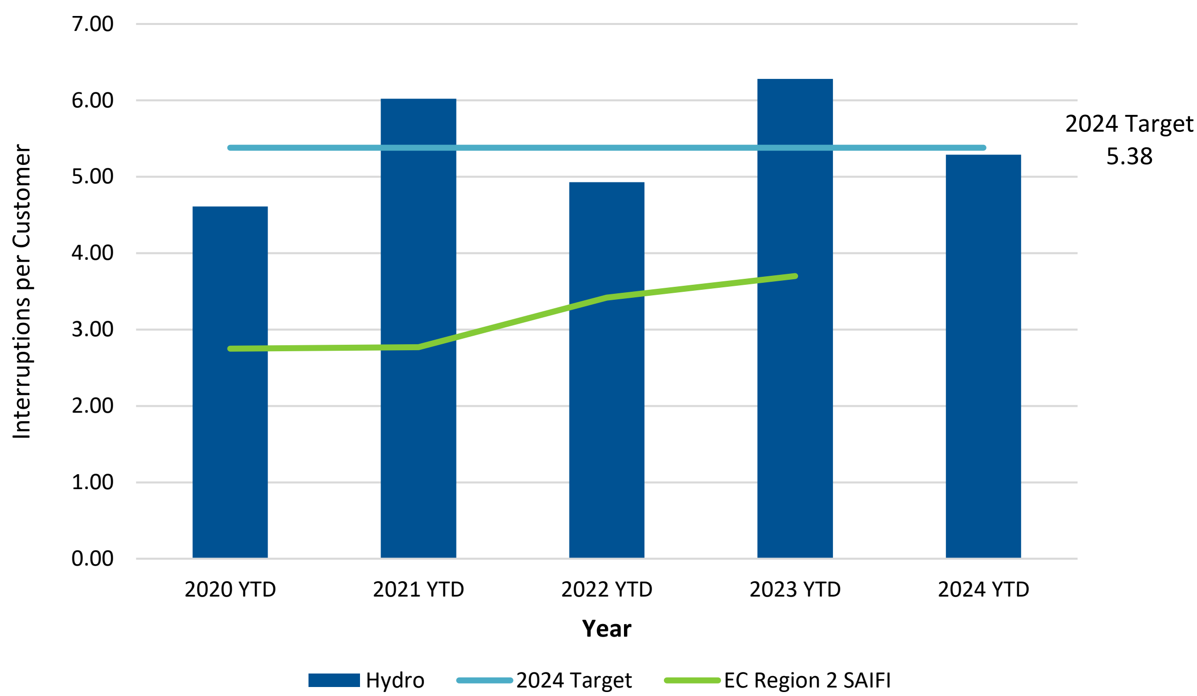

Chart 11: Service-Continuity SAIFI

1 # Additional Information

2 ## *Service Continuity Performance by Area*

3 Service Continuity SAIDI and SAIFI performance data, broken down by geographical area, are provided in
4 Table 10 and Table 11, respectively.

Table 10: Service-Continuity SAIDI (Hours per Period)[18]

	Q4		Annual		2024 Annual
Area	**2024**	**2023**	**2024**	**2023**	**Target**
Labrador Region	0.84	0.94	7.50	19.14	N/A
Island Region	4.41	6.95	17.17	14.50	N/A
All Areas	2.99	4.57	13.26	16.57	17.65

Table 11: Service-Continuity SAIFI (Number per Period)[19]

	Q4		Annual		2024 Annual
Area	**2024**	**2023**	**2024**	**2023**	**Target**
Labrador Region	0.61	0.84	4.25	8.27	N/A
Island Region	1.85	1.67	5.99	4.80	N/A
All Areas	1.36	1.35	5.29	6.28	5.38

5 ## *Service Continuity Performance by Origin*

6 Service Continuity SAIDI and SAIFI values, broken down by origin, are provided in Table 12 and Table 13,
7 respectively.

Table 12: Service-Continuity SAIDI (Hours per Period)[20]

	Q4		Annual		2024 Annual
Origin	**2024**	**2023**	**2024**	**2023**	**Target**
Loss of Supply: Transmission	1.39	2.46	5.55	6.08	N/A
Distribution	1.60	2.11	7.71	10.49	N/A
Totals	2.99	4.57	13.26	16.57	17.65

[18] Table updated to reflect current internal reporting.
[19] Table updated to reflect current internal reporting.
[20] Hydro is updating some reliability tracking processes and is currently unable to provide segmented loss of supply statistics for the Newfoundland Power, Isolated, and L'Anse-au-Loup Systems. Database upgrades are expected to occur in 2025 and external loss of supply outages can be reported in the third quarter of 2025.

Table 13: Service-Continuity SAIFI (Number per Period)[21]

	Q4		Annual		2024 Annual
Origin	**2024**	**2023**	**2024**	**2023**	**Target**
Loss of Supply: Transmission	0.66	0.68	2.16	3.62	N/A
Distribution	0.70	0.67	3.13	2.66	N/A
Totals	1.36	1.35	5.29	6.28	5.38

Service Continuity Performance by Type for the Fourth Quarter of 2024 Only

Table 14 shows the Service-Continuity SAIDI and SAIFI values for the fourth quarter of 2024 broken down by geographical area and interruption type. The area performance indicators are calculated using the area customer count. The all areas performance indicators are for all Hydro customers; therefore, the area performances cannot be summed to provide the all areas performances.

Table 14: Interruptions by Type[22,23]

	Q4 2024 Unplanned		Q4 2024 Planned		Q4 2024 Total	
Area	**SAIDI**	**SAIFI**	**SAIDI**	**SAIFI**	**SAIDI**	**SAIFI**
Island	4.18	1.73	0.23	0.12	4.41	1.85
Labrador	0.74	0.57	0.10	0.04	0.84	0.61
All Areas	2.81	1.28	0.18	0.08	2.99	1.36

[21] Hydro is updating some reliability tracking processes and is currently unable to provide segmented loss of supply statistics for the Newfoundland Power, Isolated, and L'Anse-au-Loup Systems. Database upgrades are expected to occur in 2025 and external loss of supply outages can be reported in the third quarter of 2025.
[22] Planned numbers only include distribution planned outages.
[23] Hydro is updating some reliability tracking processes and is currently unable to provide segmented loss of supply statistics for the Newfoundland Power, Isolated, and L'Anse-au-Loup Systems. Database upgrades are expected to occur in 2025 and external loss of supply outages can be reported in the third quarter of 2025.

Service Continuity Customer Interruptions by Cause

Table 15 shows the Service Continuity interruptions for the fourth quarter of 2024 and annual 2024 grouped by cause.

Table 15: Interruptions by Cause

	Q4 2024		2024 Annual	
Cause	**Number of Customer Interruptions**	**Service Continuity SAIDI**	**Number of Customer Interruptions**	**Service Continuity SAIDI**
Adverse Environment	0	0.00	1,716	0.10
Adverse Weather	1,409	0.38	8,136	1.48
Defective Equipment	6,273	0.54	15,144	1.22
Environment: Corrosion	45	0.00	1,228	0.09
Environment: Salt Spray	0	0.00	23	0.00
Foreign Interference	0	0.00	10	0.00
Foreign Interference: Object	50	0.00	1,899	0.19
Foreign Interference: Vehicle	358	0.04	2,340	0.22
Human Error	3,455	0.08	7,421	0.21
Loss of Supply	26,112	1.39	85,085	5.55
Lightning	2,624	0.00	4,956	0.20
Scheduled Outage: Planned	3,346	0.18	33,920	1.70
Tree Contacts	3,347	0.07	10,176	0.63
Undetermined/Other	6,473	0.31	35,859	1.67
Total	**53,492**	**2.99**	**207,913**	**13.26**

3.1.5 Reliability Key Performance Indicators: Other

Under Frequency Load Shedding

UFLS is the reliability KPI that measures the number of events in which shedding of customer load is required to counteract loss of generation capacity. During an UFLS event, customers are removed from the electrical system. The quantity of customers removed is linearly proportional to the amount of generation lost.

Table 16 shows the UFLS events for the fourth quarter of 2024 and 2023, Annual for 2024 and 2023, 2024 annual target, and 2019–2023 average by customer breakdown. Table 17 shows the UFLS undersupplied energy for the fourth quarter of 2024 and 2023, Annual for 2024 and 2023, and 2019–2023 average by customer breakdown. As individual UFLS events can affect customer types differently, total events may not be the sum of the customer types.

1 Chart 12 compares the number of UFLS events for the past six years.

Table 16: Customer Breakdown of UFLS Events

Customers	Q4 2024	Q4 2023	Annual 2024	Annual 2023	Annual Target 2024	Average 2019-2023
Newfoundland Power	1	0	4	2	N/A	1.2
Industrials	1	0	3	3	N/A	1.4
Hydro Rural	0	0	0	0	N/A	0.0
Total Events	**1**	**0**	**4**	**2**	**0**	**1.2**

Table 17: Customer Breakdown of UFLS Undersupplied Energy (MW-min)

Customers	Q4 2024	Q4 2023	Annual 2024	Annual 2023	Average 2019-2023
Newfoundland Power	747	0	1,842	553	2,405
Industrials	135	0	154	96	221
Hydro Rural	0	0	0	0	0
Total Undersupplied Energy	**882**	**0**	**1,996**	**649**	**2,626**

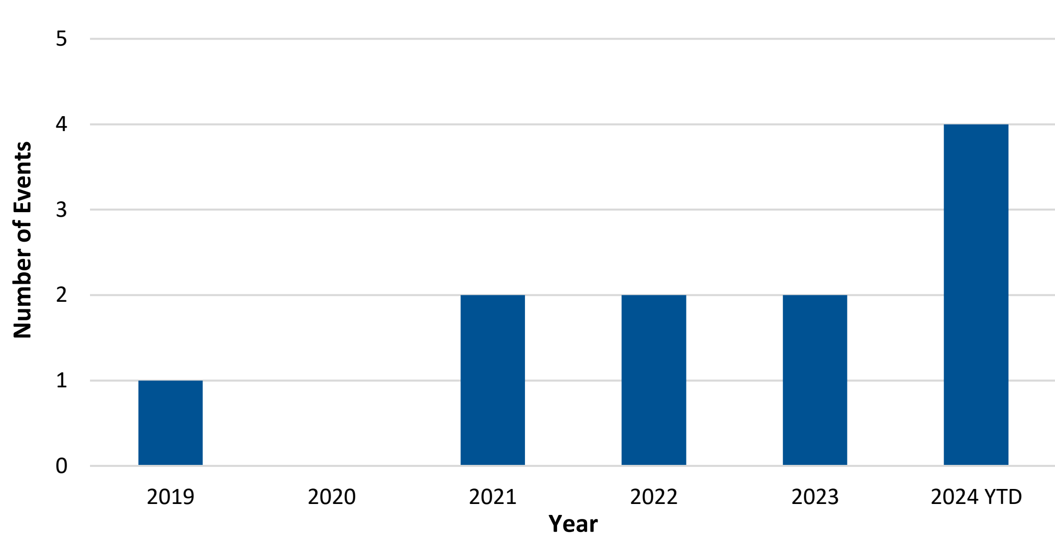

Chart 12: UFLS Events

3.2 Operating Performance Indicators

This section presents information on two indicators of operating performance, both of which are associated with generation.

3.2.1 Operating Key Performance Indicator: Generation

Hydraulic Conversion Factor

As shown in Chart 13, in 2024, the hydraulic conversion factor for Bay d'Espoir was 0.4286 GWh/MCM higher than the 2023 performance of 0.4237 GWh/MCM.

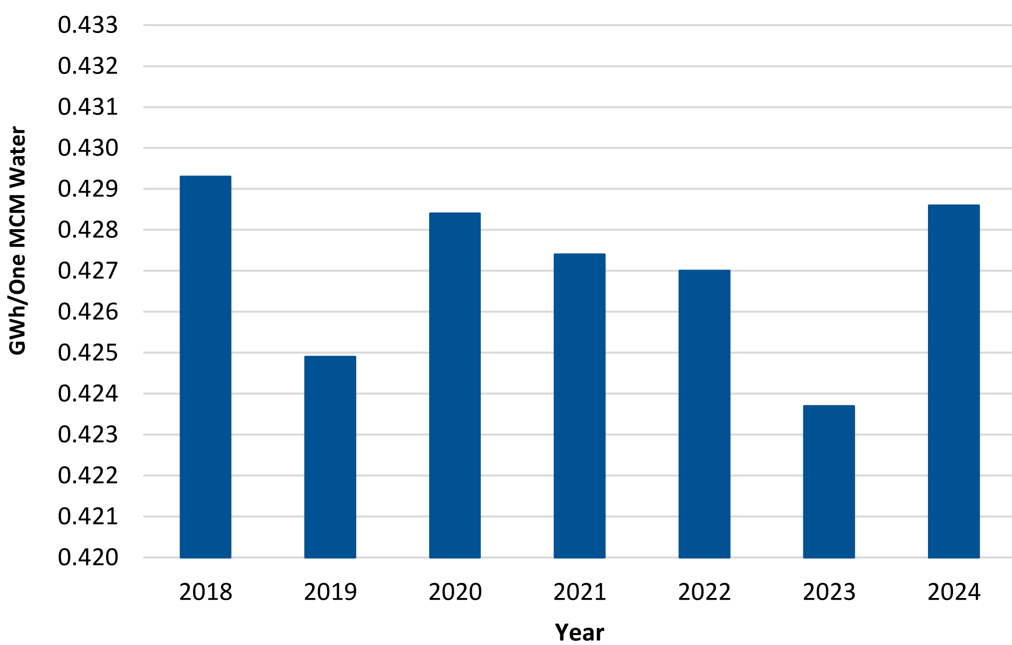

Chart 13: Hydraulic Conversion Factor (Bay d'Espoir)

In 2024, inflows to the Bay d'Espoir System as a whole were approximately 28% above average. A significant weather event took place across central and western Newfoundland from December 19 to 22, 2023 that brought very high amounts of rain to the region. Approximately 240 mm of rain was recorded at Burnt Dam in the Bay d'Espoir System during this period. Because of this event, the Bay d'Espoir System monthly inflows for December 2023 were the third highest on the historical record for the month. To manage the high inflows, spill occurred at Burnt Dam Spillway, the Granite Canal Bypass, and the Granite Lake Overflow Spillway. Due to this significant rain event, releases from Granite Canal Bypass and Upper Salmon Bypass continued into January 2024, before concluding. For the remainder of January and February 2024, inflows remained below average and no additional spill occurred. However, in March 2024, weather conditions were mild with periods of rain and snow melt, including significant rainfall events at the beginning and at the end of the month, resulting in the above average inflows during the period. Spill releases were required at times at Burnt Dam Spillway to keep reservoirs below their respective maximum operating levels. Generation prioritization continued along the Bay d'Espoir System with all plants maximized to the extent possible to mitigate further spill.

The significant rainfall event that occurred at the end of March 2024 resulted in continued spill release at Burnt Dam Spillway in early April 2024. Otherwise, below average inflows persisted throughout the remainder of the second and third quarters and spill and/or bypass did not occur.

System inflows remained below average during the fourth quarter until November and December 2024, where inflows were close to the historic norm. Spill and/or bypass did not occur.

Above average inflows into the Bay d'Espoir System during the beginning of 2024 due to the historic rainfall event in December 2023, in addition to multiple significant rainfall events which were exacerbated by snowmelt, led to the exceedance of reservoir storage in the Bay d'Espoir System in January 2024, March 2024 and April 2024. While generation remained maximized to the extent possible, the spill events resulted in lost energy across in the Bay d'Espoir System, resulting in a slight decrease in the Bay d'Espoir KPI from the target level of 0.433 GWh/MCM.

Thermal Conversion Factor

The thermal conversion factor for the Holyrood TGS is proportional to the output level of its units, with higher averages and sustained loadings resulting in higher conversion factors. The output level at Holyrood TGS will vary depending on hydraulic production on the Island, quantity of power purchases (including LIL energy), customer energy requirements, system security requirements, and customer demand. The thermal conversion factor is also impacted by the heating content in the No. 6 fuel oil consumed at the plant, measured in BTU/bbl.

As shown in Chart 14, in 2024, Hydro's net thermal conversion factor was 558 kWh/bbl. The conversion factor is lower than the 2019 Test Year approved conversion factor of 583 kWh/bbl. The efficiency at the Holyrood TGS showed a similar performance with a net heat rate performance of 10,756 BTU/kWh in 2024 compared to 10,731 BTU/kWh in 2023.

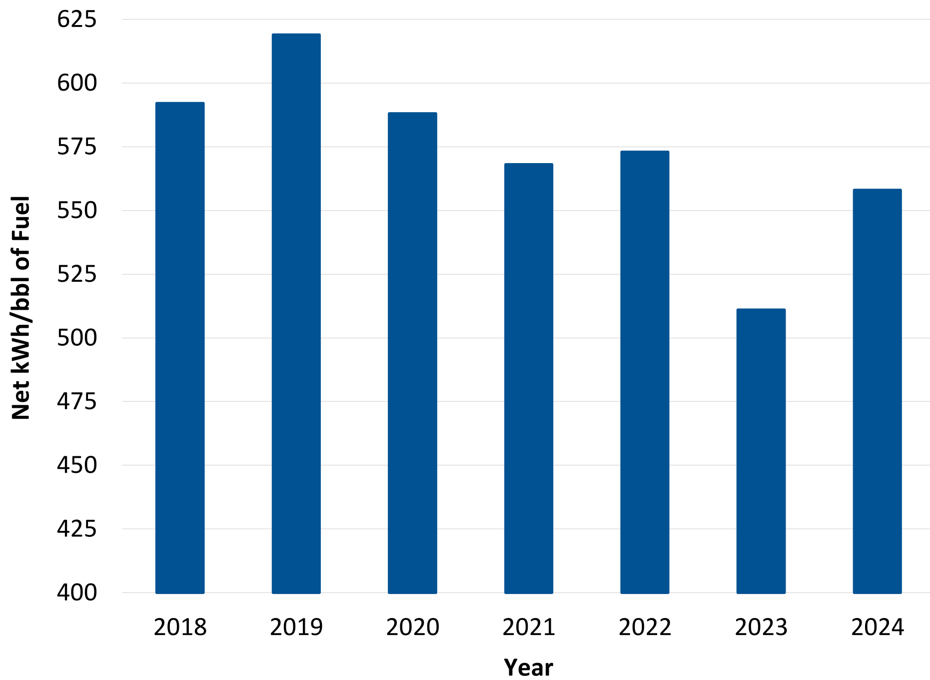

Chart 14: Thermal Conversion Factor (Holyrood TGS)

In 2024, the units were dispatched as required for system reliability support and system peak load considerations, in consideration of unit availability. The average net unit load, while operating, was 58.0 MW, a decrease of 2.0% from 59.2 MW in 2023.

Energy production from the Holyrood TGS for 2024 was 564 GWh, a 7% decrease from 2023 production levels of 610 GWh. The decrease in energy production from the Holyrood TGS can be attributable to an increase in deliveries received via the LIL between 2023 and 2024, as well as the extended forced outage of Holyrood Unit 2 which made the unit unavailable for operation during winter 2023–2024.[24]

[24] Holyrood Unit 2 experienced a forced extension to the planned unit outage to overhaul the Unit 2 turbine and replace the L-0 blades at the GE shop in the United States. Subsequent turbine rotor inspection at the GE shop identified additional and unexpected cracking on the L-1 blades, resulting in the required replacement of that set of blades. The unit was reassembled in early 2024 and was officially released for service on May 17, 2024.

3.3 Financial Performance Indicators

Financial data will follow when audited financial results becomes available.

3.4 Customer-Related Performance Indicators

As shown in Chart 15, the 2024 residential customer satisfaction survey[25] showed that 89% of customers are either very satisfied or somewhat satisfied with Hydro. As this survey is completed on a biennial basis, the 2024 survey results are the most recent results available.

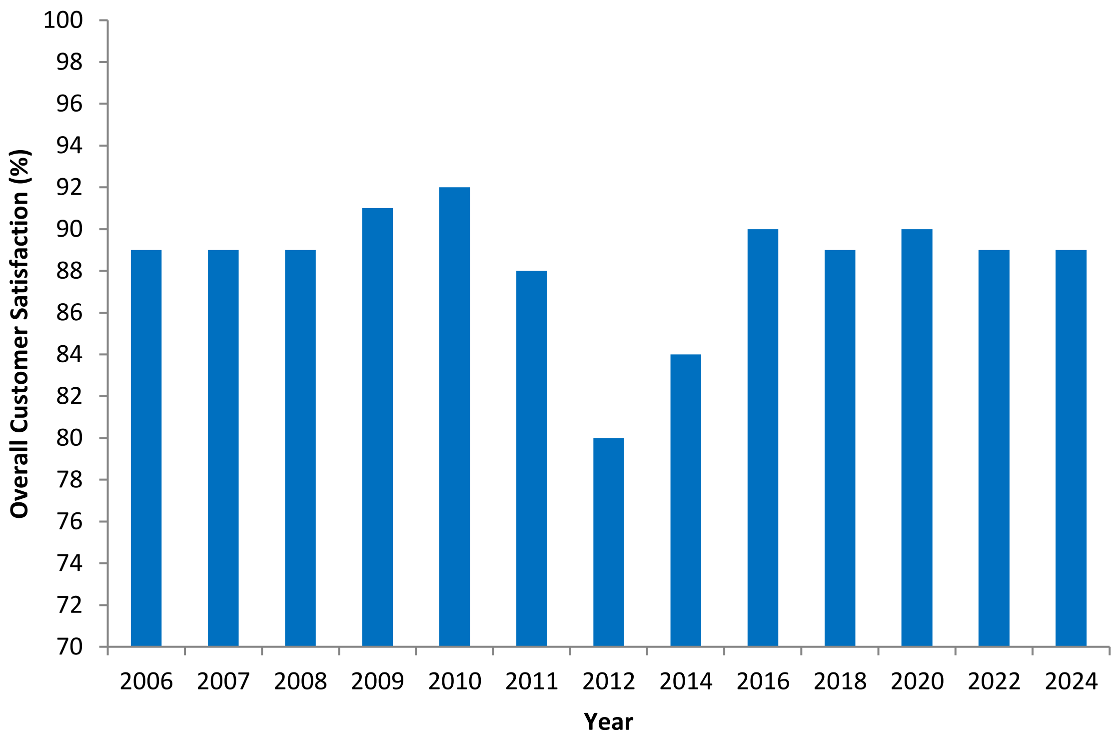

Chart 15: Residential Customer Satisfaction

[25] Residential customer satisfaction is an indicator of Hydro's residential customers overall satisfaction level with service, which is tracked by the Percent Satisfied Customers KPI. [Note: As of 2009, the Customer Satisfaction Index is no longer being calculated as a Customer-Related Performance Indicator]. The Percent Satisfied Customers measure is also a corporate performance KPI that tracks the satisfaction of rural residential customers with Hydro's performance. The Percent Satisfied Customers measure is produced through regular surveys of Hydro's residential customers.

Attachment 1

Rationale for Hydro’s 2024 Key Performance Indicators Targets

Key Performance Indicators	Comment on Key Performance Indicators 2024 Target
Reliability	Hydro has adopted a target setting approach wherein the five-year outage performance is used for distribution and transmission targets.
WCF	The 2024 target is set using the expected annual generation unit outage schedule combined with performance improvements relative to recent history.
Weighted DAFOR	The 2024 target is set using the expected annual generation unit outage schedule combined with performance improvements relative to recent history.
Transmission SAIDI, SAIFI, and SARI	The 2024 targets for outage performance were based on the five-year average performance.
Distribution SAIDI and SAIFI	The 2024 targets for outage performance were based on the five-year average performance.
UFLS	The 2024 target is set at 0 events.
Operating	
Hydraulic Conversion Factor	Held at the previous target value.
Thermal Conversion Factor	2024 target was 583 kWh/bbl based on the 2019 Test Year.

Attachment 2

Computation of Weighted Capability Factor and Factors Impacting Performance

WCF is calculated using the following formula:

$$1 - \frac{\sum_{all\,units}\left(\frac{unit\,total\,equivalent outagetime \times unit\,MCR}{unit\,hours}\right)}{\sum_{all\,units} unit\,MCR}$$

Where:

MCR = Maximum Continuous Rating, the gross maximum electrical output, measured in megawatts, for which a generating unit has been designed and/or has been shown capable of producing continuously. MCR would only change if the generating capability of a unit is permanently altered by virtue of equipment age, regulation, or capital modifications. Such changes to MCR are infrequent and have not actually taken place within Hydro since the 1980's when two units at Holyrood were uprated due to modifications made to these units.

Unit hours = the sum of hours that a unit is in commercial service. This measure includes time that a unit is operating, shut down, on maintenance, or operating under some form of derating. Unit hours will only be altered in the infrequent event that a unit is removed from commercial service for an extended period of time.

Unit total equivalent outage time = the period of time a unit is wholly or partially unavailable to generate at its MCR. For the purposes of calculating outage time, the degree to which a unit is derated is converted to an outage equivalency. Thus, a unit that is able to generate at 75% load for four days would have an equivalent outage time of one full day out of four. Factors that can affect unit total equivalent outage time are classified by EC under nine categories, which are outlined on page 2 of this report. Hydro tracks the time that each unit spends in each of these nine states and calculates the weighted capability accordingly.

Unit total equivalent outage time is the measure that is most likely to impact WCF on a year-to-year basis, since MCR and unit hours are unlikely to change.

Factors that Affect Unit Total Equivalent Outage Time:

1) **Sudden Forced Outage.** An occurrence wherein a unit trips or becomes immediately unavailable.
2) **Immediately Deferrable Forced Outage**. An occurrence wherein a unit must be made unavailable within a very short time (ten minutes).
3) **Deferrable Forced Outage**. An occurrence or condition wherein a unit must be made unavailable within the next week.
4) **Starting Failure**. A condition wherein a unit is unable to start.
5) **Planned Outage**. A condition where a unit is unavailable because it is on its annual inspection and maintenance.
6) **Maintenance Outage**. A condition where a unit is unavailable due to repair work. Maintenance outage time covers outages that can be deferred longer than a week, but cannot wait until the next annual planned maintenance period.
7) **Forced Derating**. A condition that limits the usable capacity of a unit to something less than MCR. The derating is forced in nature, typically because of the breakdown of a subsystem on the unit.
8) **Scheduled Derating**. A condition that limits the usable capacity of a unit to something less than MCR, but is done by virtue of the decision of the unit operator. Scheduled deratings are less common than forced deratings, but can arise, for example, when a unit at Holyrood is de-rated to remove a pump from service.
9) **Common Mode Outages**. Common mode outages are rare, and arise when an event causes multiple units to become unavailable. An example might be the operation of multiple circuit breakers in a switchyard at Holyrood due to a lightning strike, rendering up to three units unavailable.

Note: There are hundreds of EC equipment codes for generator subsystems that track the cause for the time spent in each of the above categories.

Appendix E

Financial Schedules

(To be provided when audited financial information becomes available)

Attachment 1

Rate Stabilization Plan Report (Unaudited)

Quarter Ended December 31, 2024

Newfoundland and Labrador Hydro
Rate Stabilization Plan Report
December 31, 2024

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).

Finance charges are calculated on the balances using the test year weighted average cost of capital, which is currently 5.43% per annum.

Rate Stabilization Plan
Net Hydraulic Production Variation
December 31, 2024

	A	B1	B2	B3	B	C	D	E	F	G	H
	Cost of Service Net Hydraulic Production (kWh)	Actual Net Hydraulic Production (kWh)	Net Ponded Energy (kWh)	Spill Exports (kWh)	Net Hydraulic Production for Variance Calculation (kWh)	Monthly Net Hydraulic Production Variance (kWh)	Cost of Service No. 6 Fuel Cost ($CDN/bbl)	Net Hydraulic Production Variation ($)	Financing Charges ($)	Transfers	Cumulative Variation and Financing Charges ($)
					(B1 + B2 - B3)	(A - B)		(C / O[1] X D)			(E + F) (to page 5)
Opening Balance											14,888,361
Adjustment											-
Adjusted Opening Balance											**14,888,361**
January	-	-	-	-	-	-	105.90	-	65,749	-	14,954,110
February	-	-	-	-	-	-	105.90	-	66,039	-	15,020,149
March	-	-	-	-	-	-	105.90	-	66,331	-	15,086,480
April	-	-	-	-	-	-	105.90	-	66,624	-	15,153,104
May	-	-	-	-	-	-	105.90	-	66,918	-	15,220,022
June	-	-	-	-	-	-	105.90	-	67,214	-	15,287,236
July	-	-	-	-	-	-	105.90	-	67,511	-	15,354,747
August	-	-	-	-	-	-	105.90	-	67,809	-	15,422,556
September	-	-	-	-	-	-	105.90	-	68,108	-	15,490,664
October	-	-	-	-	-	-	105.90	-	68,409	-	15,559,073
November	-	-	-	-	-	-	105.90	-	68,711	-	15,627,784
December	-	-	-	-	-	-	105.90	-	69,015	-	15,696,799
YTD	-	-	-	-	-	-		-	**808,438**	-	**15,696,799**
Hydraulic Allocation								(14,888,361)	(808,438)		(15,696,799)
Hydraulic Variation at Year End[2]								**(14,888,361)**	-	-	-

[1] O is the Holyrood Operating Efficiency of 583 kWh/barrel, reference Board Order No. P.U. 16(2019) at p. 19.

[2] At year end 25% of the hydraulic variation balance as of October 31, 2021, excluding financing charges and 100% of the annual financing charges are allocated to customers as follows:

	Approved kWh	% of kWh to total	Allocation	Reallocate Rural	Net (to pages 3 & 4)
Utility	5,399,356,095	86.2%	(13,526,991)	(1,064,109)	(14,591,100)
Industrial	424,107,383	6.8%	(1,062,515)	-	(1,062,515)
Rural	441,980,531	7.0%	(1,107,293)	1,107,293	-
Total	**6,265,444,009**	**100.0%**	**(15,696,799)**	**43,184**	**(15,653,615)**
Labrador Interconnected (write-off to income)				(43,184)	(43,184)
				-	**(15,696,799)**

Rate Stabilization Plan
Summary of Utility Customer
December 31, 2024

	A	B	C	D	E	F	G	H
	Load Variation ($)	**Allocation Fuel Variance ($)**	**Allocation Rural Rate Alteration ($)**	**Subtotal Monthly Variances ($)**	**Financing Charges ($)**	**Adjustment[1,2] ($)**	**Transfers[3] ($)**	**Cumulative Net Balance ($)**
				(A + B + C)				**(to page 5)**
Opening Balance								30,571,452
Adjustment								-
Adjusted Opening Balance								**30,571,452**
January	-	-	-	-	135,008	(3,679,298)	-	27,027,162
February	-	-	-	-	119,356	(3,227,760)	-	23,918,758
March	-	-	-	-	105,629	(3,024,361)	11,589,118	32,589,144
April	-	-	-	-	143,918	(2,560,945)	-	30,172,117
May	-	-	-	-	133,244	(2,194,133)	-	28,111,228
June	-	-	-	-	124,143	(1,553,038)	-	26,682,333
July	-	-	-	-	117,833	(1,496,476)	-	25,303,690
August	-	-	-	-	111,745	(1,411,832)	-	24,003,603
September	-	-	-	-	106,003	(1,420,694)	-	22,688,912
October	-	-	-	-	100,197	(1,879,002)	-	20,910,107
November	-	-	-	-	92,342	(2,202,194)	-	18,800,255
December	-	-	-	-	83,025	(2,886,267)	-	15,997,013
YTD	-	-	-	-	**1,372,443**	**(27,536,000)**	**11,589,118**	**(14,574,439)**
Hydraulic Allocation **(from page 2)**								14,591,100
Total	**-**	**-**	**-**	**-**	**1,372,443**	**(27,536,000)**	**11,589,118**	**30,588,113**

[1] Effective July 1, 2023, the RSP Adjustment rate is 0.496 cents per kWh as per Board Order No. P.U. 15(2023).
[2] Effective August 1, 2024, the RSP Adjustment rate is 0.461 cents per kWh as per Board Order No. P.U. 15(2024).
[3] Recovery of the 2023 Isolated Systems Supply Costs Deferral was approved in Board Order No. P.U. 10(2024).

Rate Stabilization Plan
Summary of Industrial Customers
December 31, 2024

	A	B	C	D	E	F	G
	Load Variation ($)	**Allocation Fuel Variance ($)**	**Subtotal Monthly Variances ($)**	**Financing Charges ($)**	**Adjustment[1] ($)**	**Transfers ($)**	**Cumulative Net Balance ($)**
			(A + B)				**(to page 5)**
Opening Balance							1,913,223
Adjustment							-
Adjusted Opening Balance							**1,913,223**
January	-	-	-	8,449	(200,828)	-	1,720,844
February	-	-	-	7,599	(219,044)	-	1,509,399
March	-	-	-	6,666	(213,281)	-	1,302,784
April	-	-	-	5,753	(99,050)	-	1,209,487
May	-	-	-	5,341	(164,839)	-	1,049,989
June	-	-	-	4,637	(262,502)	-	792,124
July	-	-	-	3,498	(271,619)	-	524,003
August	-	-	-	2,314	(227,085)	-	299,232
September	-	-	-	1,321	(236,169)	-	64,384
October	-	-	-	284	(210,100)	-	(145,432)
November	-	-	-	(642)	(245,019)	-	(391,093)
December	-	-	-	(1,727)	(270,362)	-	(663,182)
YTD	-	-	-	**43,493**	**(2,619,898)**	-	**(2,576,405)**
Hydraulic Allocation **(from page 2)**							1,062,515
Total	**-**	**-**	**-**	**43,493**	**(2,619,898)**	**-**	**399,333**

[1] Effective January 1, 2024, the RSP Adjustment rate is 0.589 cents per kWh as per Board Order No. P.U. 4(2024).

Rate Stabilization Plan
Overall Summary
December 31, 2024

	A	B	C	D
	Hydraulic Balance ($)	**Utility Balance ($)**	**Industrial Balance ($)**	**Total To Date ($)**
				(A + B + C)
	(from page 2)	**(from page 3)**	**(from page 4)**	
Opening Balance	14,888,361	30,571,452	1,913,223	47,373,036
Adjustments	-	-	-	-
Adjusted Opening Balance	**14,888,361**	**30,571,452**	**1,913,223**	**47,373,036**
January	14,954,110	27,027,162	1,720,844	43,702,116
February	15,020,149	23,918,758	1,509,399	40,448,306
March	15,086,480	32,589,144	1,302,784	48,978,408
April	15,153,104	30,172,117	1,209,487	46,534,708
May	15,220,022	28,111,228	1,049,989	44,381,239
June	15,287,236	26,682,333	792,124	42,761,693
July	15,354,747	25,303,690	524,003	41,182,440
August	15,422,556	24,003,603	299,232	39,725,391
September	15,490,664	22,688,912	64,384	38,243,960
October	15,559,073	20,910,107	(145,432)	36,323,748
November	15,627,784	18,800,255	(391,093)	34,036,946
December	-	30,588,113	399,333	30,987,446

Attachment 2

Supply Cost Variance Deferral Account Report (Unaudited)

Quarter Ended December 31, 2024

Newfoundland and Labrador Hydro
Supply Cost Variance Deferral Account
December 31, 2024

Summary of Key Facts
In Board Order No. P.U. 33(2021), the Board of Commissioners of Public Utilities ("Board") approved Newfoundland and Labrador Hydro's proposal to establish an account to defer payments under the Muskrat Falls Project agreements, rate mitigation funding, project cost recovery from customers and supply cost variances.

In Board Order No. P.U. 4(2022), the Board approved the Supply Cost Deferral Account definition with an effective date of November 1, 2021.

The Cost Variance Threshold of +/- $500,000 on the Other Island Interconnected System Supply Cost Variance component commenced January 1, 2022. This avoided duplication of the Cost Variance Threshold already applied to the Revised Energy Supply Cost Variance Deferral Account as of October 31, 2021.

Financing charges accrued at the 2023 short-term cost of borrowing of 5.72% for the period of January to November 2024. In December, financing costs was trued-up to reflect the actual short-term cost of borrowing for 2024 of 5.03%.

Supply Cost Variance Deferral Account
Summary
December 31, 2024

	Supply Cost Variance Deferral Account Balance ($) (from page 3)	Utility Balance[1] ($) (from page 4)	Industrial Balance ($) (from page 5)	Total to Date ($)
Opening Balance	283,716,067	(12,444,308)	-	**271,271,759**
Adjustment	-	-	-	**-**
Adjusted Opening Balance	**283,716,067**	**(12,444,308)**	**-**	271,271,759
January	311,948,910	(13,618,434)	-	**298,330,476**
February	341,935,391	(14,564,095)	-	**327,371,296**
March	397,733,563	(15,389,946)	-	**382,343,617**
April	458,627,143	(16,131,900)	-	**442,495,243**
May	513,056,291	(16,970,209)	-	**496,086,082**
June	472,306,238	(17,461,495)	-	**454,844,743**
July	532,537,811	(17,795,430)	-	**514,742,381**
August	438,249,575	(18,462,372)	-	**419,787,203**
September	470,962,139	(19,071,745)	-	**451,890,394**
October	529,733,851	(19,991,806)	-	**509,742,045**
November	578,590,117	(21,101,769)	-	**557,488,348**
December	554,338,269	(22,623,806)	-	**531,714,463**

[1] Financing charges accrued at the 2023 short-term cost of borrowing of 5.72% for the period of January to November 2024. In December, financing costs was trued-up to reflect the actual short-term cost of borrowing for 2024 of 5.03%.

Supply Cost Variance Deferral Account
Section A: Summary
December 31, 2024

	Muskrat Falls Project Cost Variance ($)	Rate Mitigation Fund[2,3] ($)	Project Cost Recovery Rider: Utility[4] ($)	Project Cost Recovery Rider: Industrial[5] ($)	Holyrood TGS[6] Fuel Cost Variance[7] ($)	Other IIS[8] Supply Cost Variance[7] ($)	Net Revenue From Exports Variance ($)	Transmission Tariff Revenue Variance ($)	Load Variation: Utility ($)	Load Variation: Industrial ($)	Greenhouse Gas Credit Revenue Variance ($)	Subtotal Monthly Variances ($)	Financing Charges[1]: Utility ($)	Financing Charges[1]: Industrial ($)	Financing Charges[1]: Other[9] ($)	Transfers ($)	Cumulative Net Balance ($)
	(from page 6)	(from page 15)			(from page 7)	(from page 8)	(from page 9)	(from page 10)	(from page 11)	(from page 12)	(from page 14)						(to page 2)
Opening Balance	855,037,017	(335,104,321)	(65,690,947)	-	(114,193,068)	(48,568,155)	(48,570,916)	(26,781,096)	53,096,149	36,415,696	(35,494,446)	270,145,913	(2,474,924)	-	16,045,078	-	283,716,067
Adjustment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Adjusted Opening Balance	**855,037,017**	**(335,104,321)**	**(65,690,947)**	**-**	**(114,193,068)**	**(48,568,155)**	**(48,570,916)**	**(26,781,096)**	**53,096,149**	**36,415,696**	**(35,494,446)**	**270,145,913**	**(2,474,924)**	**-**	**16,045,078**	**-**	**283,716,067**
January	60,516,084	-	(5,919,516)	(302,776)	(22,011,159)	264,112	(446,394)	(1,498,023)	(4,794,456)	1,279,854	(17,559)	27,070,167	(269,203)	-	1,431,879	-	311,948,910
February	60,093,165	-	(5,193,050)	(330,240)	(20,917,636)	(3,525,372)	(407,397)	(1,498,023)	(410,190)	925,931	(29,082)	28,708,106	(293,462)	(1,241)	1,573,078	-	341,935,391
March[10]	61,108,742	-	(4,865,806)	(321,551)	863,536	(7,862,356)	(558,056)	(1,498,023)	6,584,788	1,199,512	(253,875)	54,396,911	(314,743)	(2,594)	1,718,598	-	397,733,563
April	60,246,161	-	(4,120,230)	(149,332)	2,406,427	(1,237,916)	(430,715)	(1,498,023)	2,067,265	1,978,579	1,441	59,263,657	(334,683)	(3,912)	1,968,518	-	458,627,143
May	59,780,821	-	(3,530,077)	(248,519)	2,252,471	(1,651,819)	(350,006)	(1,498,023)	(3,753,884)	1,550,406	(1,688)	52,549,682	(351,568)	(4,524)	2,235,558	-	513,056,291
June	49,022,047	(90,000,000)	(2,498,638)	(395,759)	(2,883,308)	(980,286)	(181,385)	(1,498,023)	5,828,685	723,206	10,889	(42,852,572)	(366,034)	(5,542)	2,474,095	-	472,306,238
July	61,557,803	-	(2,407,637)	(409,504)	120,315	(746,360)	(130,686)	(1,498,023)	1,124,617	721,084	(35,560)	58,296,049	(376,274)	(7,164)	2,318,962	-	532,537,811
August	57,372,009	(150,329,113)	(3,442,297)	(342,362)	(211,467)	2,100,276	(140,467)	(1,498,023)	(1,045,243)	1,064,746	1,351	(96,470,590)	(386,140)	(8,842)	2,577,336	-	438,249,575
September[11]	61,247,178	-	(3,463,905)	(356,058)	(5,434,284)	(1,620,647)	(248,639)	(1,498,911)	1,148,641	925,601	(19,782,371)	30,916,605	(400,247)	(10,245)	2,206,451	-	470,962,139
October	61,647,822	-	(4,581,342)	(316,756)	2,298,435	(2,843,636)	(184,666)	(1,498,368)	1,109,395	1,210,142	670	56,841,696	(414,442)	(11,704)	2,356,162	-	529,733,851
November	57,569,671	-	(5,369,341)	(369,401)	(4,603,155)	(2,918,567)	(204,971)	(1,498,023)	3,233,477	845,785	(73)	46,685,402	(433,217)	(13,002)	2,617,083	-	578,590,117
December[12]	60,468,609	-	(7,037,232)	(407,609)	(7,146,990)	(4,577,430)	(74,120,731)	(1,498,902)	6,904,832	792,527	-	(26,622,926)	(455,220)	(14,516)	2,840,814	-	554,338,269
YTD	**710,630,112**	**(240,329,113)**	**(52,429,071)**	**(3,949,867)**	**(55,266,815)**	**(25,600,001)**	**(77,404,113)**	**(17,978,388)**	**17,997,927**	**13,217,373**	**(20,105,857)**	**248,782,187**	**(4,395,233)**	**(83,286)**	**26,318,534**	**-**	**270,622,202**
Total	**1,565,667,129**	**(575,433,434)**	**(118,120,018)**	**(3,949,867)**	**(169,459,883)**	**(74,168,156)**	**(125,975,029)**	**(44,759,484)**	**71,094,076**	**49,633,069**	**(55,600,303)**	**518,928,100**	**(6,870,157)**	**(83,286)**	**42,363,612**	**-**	**554,338,269**

[1] Financing charges accrued at the 2023 short-term cost of borrowing of 5.72% for the period of January to November 2024. In December, financing costs was trued-up to reflect the actual short-term cost of borrowing for 2024 of 5.03%.

[2] As per Order in Council OC2024-062 dated May 7, 2024, Hydro has been directed by the Government of Newfoundland and Labrador ("Government") to retire the 2023 Supply Cost Variance Deferral Account balance of $271.3 million over the 2024 to 2026 period using its own sources of funding. In June 2024, the Government provided further direction for Nalcor Energy ('Nalcor") to transfer $90.0 million of rate mitigation funding to Hydro, for the purpose of offsetting a portion of the 2023 Supply Cost Variance Deferral Account balance.

[3] In 2022, as part of the Government's rate mitigation plan, Hydro, the Government and the Government of Canada signed term sheets enabling access, upon commissioning of the Labrador-Island Link ("LIL"), to a $1.0 billion investment by the Government of Canada in the LIL in the form of a convertible debenture. In August 2024, funding was received by LIL (2021) Limited Partnership, and transferred to Hydro for the purpose of rate mitigation, reducing the balance in the Supply Cost Variance Deferral Account.

[4] As per Order No. P.U. 15(2024), the Board approved a Project Cost Recovery Rider effective August 1, 2024 of 1.124 cents per kWh.

[5] As per Order No. P.U. 4(2024), the Board approved a Project Cost Recovery Rider of 0.888 cents per kWh that became effective as of January 1, 2024.

[6] Holyrood Thermal Generating Station ("Holyrood TGS").

[7] In 2021, Nalcor commenced delivery of the Nova Scotia Block that, combined with limited LIL capacity, meant Hydro could not be delivered as much energy from the Muskrat Falls Hydroelectric Generating Facility as it would otherwise. Nalcor committed to indemnify Hydro for any damages suffered as a result of this reduction in deliveries including compensating Hydro for incremental costs of fuel and/or imports over the Maritime Link. The 2024 balances reflect adjustments to the calculation to eliminate incremental costs incurred by Hydro as a result of reduced deliveries. The balances in this report reflect the true-up of initial estimates made throughout the period. The indemnity Agreement with Nalcor terminated upon commissioning of the LIL, and all surviving obligations were fulfilled on November 30, 2024. All balances

[8] Island Interconnected System ("IIS").

[9] Any adjustments to any component in the Supply Cost Variance Deferral Account that results in a change to the Subtotal Monthly Variances will result in a corresponding adjustment to financing charges.

[10] In March, the actual settlement value for net export sales for 2023 was finalized. The settlement did not change the revenue that was accrued in December 2023, therefore no true-up was required.

[11] In September 2024, Hydro sold 330,494 Greenhouse Gas Performance Credits within the province for $19.8 million.

[12] In December, the account included an estimate of net export sales that occurred during 2024 but the actual settlement value will not be finalized until the first quarter of 2025.

Supply Cost Variance Deferral Account
Section B: Utility Customer Balance
December 31, 2024

	Allocation Rural Rate Alteration[1] ($)	Financing Charges[2] ($)	Transfers ($)	Cumulative Net Balance ($)
	(from page 13)			**(to page 2)**
Opening Balance	(11,788,153)	(656,155)	-	(12,444,308)
Adjustments	-	-	-	-
Adjusted Opening Balance	**(11,788,153)**	**(656,155)**	**-**	**(12,444,308)**
January	(1,123,129)	(50,997)	-	(13,618,434)
February	(889,852)	(55,809)	-	(14,564,095)
March	(766,167)	(59,684)	-	(15,389,946)
April	(678,886)	(63,068)	-	(16,131,900)
May	(772,200)	(66,109)	-	(16,970,209)
June	(421,742)	(69,544)	-	(17,461,495)
July	(262,377)	(71,558)	-	(17,795,430)
August	(594,016)	(72,926)	-	(18,462,372)
September	(533,714)	(75,659)	-	(19,071,745)
October	(841,904)	(78,157)	-	(19,991,806)
November	(1,028,036)	(81,927)	-	(21,101,769)
December	(1,435,561)	(86,476)	-	(22,623,806)
YTD	**(9,347,584)**	**(831,914)**	**-**	**(10,179,498)**
Total	**(21,135,737)**	**(1,488,069)**	**-**	**(22,623,806)**

[1] The Rural Rate Alteration is allocated between Utility and Labrador Interconnected customers in the same proportion that the Rural Deficit was allocated in the approved 2019 Cost of Service Study, which is 96.1% and 3.9%, respectively. The Labrador Interconnected amount is then removed from the plan and written off to net income (loss).

Monthly balances reflect immaterial adjustments.

The only transactions posted to the Utility's Customer Balance are Newfoundland Power Inc.'s allocation of Rural Rate Alteration and associated interest until further approval is obtained from the Board.

[2] For the period January to November, the interest rate applied to the deferral account balance was 5.72% based on the prior year-end rate. In December, the interest expense was trued-up for the year based on the short-term interest rate for 2024 of 5.03%. A detailed calculation of the short-term interest rate is included in the Quarterly Regulatory Report for the Quarter Ended December 31, 2024.

Supply Cost Variance Deferral Account
Section B: Industrial Customers Balance[1]
December 31, 2024

	Financing Charges ($)	Transfers ($)	Cumulative Net Balance ($) (to page 2)
Opening Balance	-	-	-
January	-	-	-
February	-	-	-
March	-	-	-
April	-	-	-
May	-	-	-
June	-	-	-
July	-	-	-
August	-	-	-
September	-	-	-
October	-	-	-
November	-	-	-
December	-	-	-
YTD	**-**	**-**	**-**
Total	**-**	**-**	**-**

[1] No transactions will be applied to this balance until further approval is obtained from the Board.

Supply Cost Deferral Account
Muskrat Falls Project Cost Variances
December 31, 2024

	Muskrat Falls PPA[1] Charges Actual ($) (A)	Muskrat Falls PPA Charges Test Year ($) ($A_T$)	TFA[2] Charges Actual ($) (B)	TFA Charges Test Year ($) ($B_T$)	Total Variation ($) $(A - A_T) + (B - B_T)$ (to page 3)
January	22,030,358	-	38,485,726	-	**60,516,084**
February	21,820,676	-	38,272,488	-	**60,093,165**
March	23,933,510	-	37,175,232	-	**61,108,742**
April	21,824,314	-	38,421,847	-	**60,246,161**
May	21,345,134	-	38,435,688	-	**59,780,821**
June	22,994,575	-	26,027,472	-	**49,022,047**
July	22,016,916	-	39,540,887	-	**61,557,803**
August	20,344,567	-	37,027,442	-	**57,372,009**
September	21,320,100	-	39,927,078	-	**61,247,178**
October	22,373,058	-	39,274,763	-	**61,647,822**
November	20,525,498	-	37,044,172	-	**57,569,671**
December	21,986,656	-	38,481,952	-	**60,468,609**
Total	**262,515,363**	**-**	**448,114,747**	**-**	**710,630,112**

[1] Power Purchase Agreement ("PPA").
[2] Transmission Funding Agreement ("TFA").

Supply Cost Deferral Account
Holyrood TGS Fuel Cost Variance
December 31, 2024

	Actual Quantity No. 6 Fuel (bbl.)	Actual Quantity No. 6 Fuel for Non-Firm Sales[1] (bbl.)	Net Quantity No. 6 Fuel (bbl.)	Actual Average No. 6 Fuel Cost ($Can./bbl)	Actual ($)	Test Year Quantity No. 6 Fuel (bbl.)	Test Year No. 6 Fuel Cost ($Can./bbl)	Test Year ($)	Total Variation ($)
					C			C_T	$(C - C_T)$ (to page 3)
January	190,758	364	190,395	118.63	22,586,720	421,132	105.90	44,597,879	**(22,011,159)**
February	149,552	2,909	146,642	119.56	17,533,278	363,087	105.90	38,450,913	**(20,917,636)**
March	167,165	1,463	165,702	119.39	19,783,842	178,662	105.90	18,920,306	**863,536**
April	110,502	105	110,397	122.35	13,514,172	104,889	105.90	11,107,745	**2,406,427**
May	73,636	-	73,636	122.35	9,009,738	63,808	105.90	6,757,267	**2,252,471**
June	1,792	-	1,792	122.35	219,244	29,297	105.90	3,102,552	**(2,883,308)**
July	983	-	983	122.35	120,315	-	105.90	-	**120,315**
August	(512)	1,216	(1,728)	122.35	(211,467)	-	105.90	-	**(211,467)**
September	9,591	-	9,591	115.22	1,105,041	61,750	105.90	6,539,325	**(5,434,284)**
October	141,723	4,365	137,357	115.12	15,812,970	127,616	105.90	13,514,534	**2,298,435**
November	166,931	-	166,931	113.19	18,894,679	221,887	105.90	23,497,833	**(4,603,155)**
December	181,524	-	181,524	113.97	20,689,037	262,852	105.90	27,836,027	**(7,146,990)**
Total	**1,193,645**	**10,422**	**1,183,223**	**117.52**	**139,057,569**	**1,834,980**	**105.90**	**194,324,382**	**(55,266,815)**

[1] Includes non-firm sales to Island Industrial Customers, supply of emergency energy to Nova Scotia and the reimbursement of fuel costs by Nalcor under the Indemnity Agreement.

Supply Cost Deferral Account
Other IIS Supply Cost Variance Summary
December 31, 2024

	Thermal Variation[1] ($)	Off-Island Power Purchase Variation[1] ($)	On-Island Power Purchase Variation[1] ($)	CBPP[3] Firm Energy Variation[1] ($)	Current Month Variation ($)	Year-to-Date Variation ($)	Cost Variance Threshold[2] ($)	Other IIS Supply Cost Variance ($)
	(D)	(E)	(F)	(G)	(D + E + F + G)			
January	621,604	(477,034)	619,542	-	764,112	764,112	500,000	264,112
February	(798,496)	(2,610,139)	(1,116,737)	-	(4,525,372)	(3,761,260)	(500,000)	(3,261,260)
March	(710,355)	(5,919,829)	(1,232,172)	-	(7,862,356)	(11,623,616)	(500,000)	(11,123,616)
April	(88,885)	(146,318)	(1,002,713)	-	(1,237,916)	(12,861,532)	(500,000)	(12,361,532)
May	(57,980)	-	(1,593,839)	-	(1,651,819)	(14,513,351)	(500,000)	(14,013,351)
June	(534,579)	-	(445,707)	-	(980,286)	(15,493,637)	(500,000)	(14,993,637)
July	(88,332)	-	(658,028)	-	(746,360)	(16,239,997)	(500,000)	(15,739,997)
August	2,570,907	-	(470,631)	-	2,100,276	(14,139,721)	(500,000)	(13,639,721)
September	(34,225)	53,146	(1,639,568)	-	(1,620,647)	(15,760,368)	(500,000)	(15,260,368)
October	(155,588)	(1,188,405)	(1,499,643)	-	(2,843,636)	(18,604,004)	(500,000)	(18,104,004)
November	(199,022)	(1,643,519)	(1,076,026)	-	(2,918,567)	(21,522,571)	(500,000)	(21,022,571)
December	(945,690)	(2,153,898)	(1,477,842)	-	(4,577,430)	(26,100,001)	(500,000)	(25,600,001)
Total	**(420,641)**	**(14,085,996)**	**(11,593,364)**	**-**	**(26,100,001)**			

[1] The calculation of the variation by source is provided in Appendix A.

[2] Corner Brook Pulp and Paper Ltd. ("CBPP").

[3] In the Supply Cost Accounting Compliance Application filed on January 21, 2022, it was proposed the cost variance threshold would commence on January 1, 2022 and the cost variance of +/- $500,000 would apply to the Revised Energy Supply Cost Variance Deferral Account balance as of October 31, 2021.

Supply Cost Deferral Account
Net Revenue from Exports Variance
December 31, 2024

	Test Year ($) ($H_T$)	Net Revenue from Exports Excluding Non-Firm Sales Revenue	Non-Firm Sales Revenue[1]	Actual[2] ($) (H)	Total Variation ($) ($H_T$ - H) (to page 3)
January	-	446,394	-	446,394	**(446,394)**
February	-	407,397	-	407,397	**(407,397)**
March	-	448,461	109,595	558,056	**(558,056)**
April	-	344,648	86,067	430,715	**(430,715)**
May	-	253,628	96,379	350,006	**(350,006)**
June	-	64,940	116,445	181,385	**(181,385)**
July	-	56,353	74,333	130,686	**(130,686)**
August	-	60,500	79,967	140,467	**(140,467)**
September	-	67,326	181,313	248,639	**(248,639)**
October	-	35,845	148,821	184,666	**(184,666)**
November	-	54,870	150,101	204,971	**(204,971)**
December[3]	-	73,826,875	293,856	74,120,731	**(74,120,731)**
Total	**-**	**76,067,235**	**1,336,878**	**77,404,113**	**(77,404,113)**

[1] Hydro's application to implement a non-firm rate for the Labrador Interconnected System and for Island Industrial Customers to be calculated based on export market prices was approved in Board Order No. P.U. 34(2023). The Board Order also approved a revision to the Supply Cost Variance Deferral Account so that revenues from non-firm sales on the Island Interconnected System, supplied by hydraulic generation and revenues from Rate No. 5.1L – Non-Firm Energy, will be credited to the Net Revenue from Exports Variance component.

[2] Muskrat Falls and Hydro entered into a PPA ("Agreement") for the purchase and sale of residual block energy. Under this Agreement, Labrador Rural and Industrial customer load, previously serviced with Recapture Energy from Churchill Falls, is now serviced with energy from the Muskrat Falls Hydroelectric Generating Facility. Entering into this Agreement has allowed additional Recapture Energy exports to external markets helping to ensure maximum value from the organization's hydrological resources.

In March the actual settlement value for net export sales for 2023 was finalized. The settlement did not change the revenue that was accrued in December 2023, therefore no true-up was required.

[3] Included in December 2024 is an estimate of net export sales that occurred during 2024; the actual settlement value will not be finalized until the first quarter of 2025.

Supply Cost Deferral Account
Tariff Revenue
December 31, 2024

	Test Year ($) ($I_T$)	Actual ($) (I)	Total Variation ($) ($I_T$ - I) (to page 3)
January	-	1,498,023	**(1,498,023)**
February	-	1,498,023	**(1,498,023)**
March	-	1,498,023	**(1,498,023)**
April	-	1,498,023	**(1,498,023)**
May	-	1,498,023	**(1,498,023)**
June	-	1,498,023	**(1,498,023)**
July	-	1,498,023	**(1,498,023)**
August	-	1,498,023	**(1,498,023)**
September	-	1,498,911	**(1,498,911)**
October	-	1,498,368	**(1,498,368)**
November	-	1,498,023	**(1,498,023)**
December	-	1,498,902	**(1,498,902)**
Total	**-**	**17,978,387**	**(17,978,388)**

Supply Cost Deferral Account
Load Variation - Utility
December 31, 2024

	Test Year Cost of Service Firm Sales (kWh)	Actual Firm Sales (kWh)	Sales Variance (kWh)	Firm Energy Rate ($/kWh)	Load Variation ($)
	(J_T)	(J_A)	(J_T - J_A)	(K_R)	(J_T - J_A) x K_R (to page 3)
January	715,400,000	741,793,925	(26,393,925)	0.18165	(4,794,456)
February	648,500,000	650,758,136	(2,258,136)	0.18165	(410,190)
March	646,000,000	609,750,133	36,249,867	0.18165	6,584,788
April	527,700,000	516,319,516	11,380,484	0.18165	2,067,265
May	421,700,000	442,365,477	(20,665,477)	0.18165	(3,753,884)
June	345,200,000	313,112,553	32,087,447	0.18165	5,828,685
July	307,900,000	301,708,877	6,191,123	0.18165	1,124,617
August	300,500,000	306,254,161	(5,754,161)	0.18165	(1,045,243)
September	314,500,000	308,176,623	6,323,377	0.18165	1,148,641
October	413,700,000	407,592,676	6,107,324	0.18165	1,109,395
November	495,500,000	477,699,409	17,800,591	0.18165	3,233,477
December	664,100,000	626,088,263	38,011,737	0.18165	6,904,832
Total	**5,800,700,000**	**5,701,619,749**	**99,080,251**		**17,997,927**

Supply Cost Deferral Account
Load Variation - Industrial
December 31, 2024

	Test Year Cost of Service Firm Sales (kWh)	Actual Firm Sales (kWh)	Sales Variance (kWh)	Firm Energy Rate ($/kWh)	Load Variation ($)
	(J_T)	(J_A)	(J_T - J_A)	(K_R)	(J_T - J_A) x K_R (to page 3)
January	63,000,000	34,096,350	28,903,650	0.04428	1,279,854
February	58,100,000	37,189,193	20,910,807	0.04428	925,931
March	63,300,000	36,210,744	27,089,256	0.04428	1,199,512
April	61,500,000	16,816,635	44,683,365	0.04428	1,978,579
May	63,000,000	27,986,319	35,013,681	0.04428	1,550,406
June	60,900,000	44,567,438	16,332,562	0.04428	723,206
July	62,400,000	46,115,363	16,284,637	0.04428	721,084
August	62,600,000	38,554,250	24,045,750	0.04428	1,064,746
September	61,000,000	40,096,646	20,903,354	0.04428	925,601
October	63,000,000	35,670,694	27,329,306	0.04428	1,210,142
November	60,700,000	41,599,168	19,100,832	0.04428	845,785
December	63,800,000	45,901,909	17,898,091	0.04428	792,527
Total	**743,300,000**	**444,804,709**	**298,495,291**		**13,217,373**

Supply Cost Deferral Account
Rural Rate Alteration
December 31, 2024

	Price ($)	Volume ($)	Total[1] ($)	Utility Allocation[1] ($) (to page 4)	Labrador Interconnected Allocation[1] ($)	Balance ($)
January	(976,546)	(192,163)	(1,168,709)	(1,123,129)	(45,580)	-
February	(881,999)	(43,966)	(925,965)	(889,852)	(36,113)	-
March	(891,205)	93,945	(797,260)	(766,167)	(31,093)	-
April	(765,987)	59,550	(706,437)	(678,886)	(27,551)	-
May	(728,998)	(74,540)	(803,538)	(772,200)	(31,338)	-
June	(654,200)	215,343	(438,857)	(421,742)	(17,115)	-
July	(639,588)	366,563	(273,025)	(262,377)	(10,648)	-
August	(949,542)	331,419	(618,123)	(594,016)	(24,107)	-
September	(904,602)	349,228	(555,374)	(533,714)	(21,660)	-
October	(1,054,967)	178,896	(876,071)	(841,904)	(34,167)	-
November	(1,198,057)	128,300	(1,069,757)	(1,028,036)	(41,721)	-
December	(1,463,335)	(30,485)	(1,493,820)	(1,435,561)	(58,259)	-
Total	**(11,109,026)**	**1,382,090**	**(9,726,936)**	**(9,347,584)**	**(379,352)**	**-**

[1] The Rural Rate Alteration is allocated between Utility and Labrador Interconnected customers in the same proportion that the Rural Deficit was allocated in the approved 2019 Cost of Service Study, which is 96.1% and 3.9%, respectively. The Labrador Interconnected amount is then removed from the plan and written off to net income (loss).

Supply Cost Deferral Account
Greenhouse Gas Credits
December 31, 2024

	Test Year ($) ($T_T$)	Actual ($) (T)	Total Variation ($) ($T_T$ - T) (to page 3)
January	-	17,559	**(17,559)**
February	-	29,082	**(29,082)**
March	-	253,875	**(253,875)**
April	-	(1,441)	**1,441**
May	-	1,688	**(1,688)**
June	-	(10,889)	**10,889**
July	-	35,560	**(35,560)**
August	-	(1,351)	**1,351**
September[1]	-	19,782,371	**(19,782,371)**
October	-	(670)	**670**
November	-	73	**(73)**
December	-	-	**-**
Total	**-**	**20,105,857**	**(20,105,857)**

[1] In September 2024, Hydro sold 330,494 Greenhouse Gas Performance Credits within the province for $19.8 million through a request for bids.

Supply Cost Deferral Account
Rate Mitigation Fund
December 31, 2024

	Test Year ($)	Actual ($)	Total Variation ($) (to page 3)
January	-	-	-
February	-	-	-
March	-	-	-
April	-	-	-
May	-	-	-
June[1]	-	90,000,000	**(90,000,000)**
July	-	-	-
August[2]	-	150,329,113	**(150,329,113)**
September	-	-	-
October	-	-	-
November	-	-	-
December	-	-	-
	-	**240,329,113**	**(240,329,113)**

[1] As per Order in Council OC2024-062 dated May 7, 2024, Hydro has been directed by the Government to retire the 2023 Supply Cost Variance Deferral Account balance of $271.3 million over the 2024 to 2026 period using its own sources of funding. In June 2024, the Government provided further direction for Nalcor to transfer $90.0 million of rate mitigation funding to Hydro, for the purpose of offsetting a portion of the 2023 Supply Cost Variance Deferral Account balance.

[2] In 2022, as part of the Government's rate mitigation plan, Hydro, the Government and the Government of Canada signed term sheets enabling access, upon commissioning of the LIL, to a $1.0 billion investment by the Government of Canada in the LIL in the form of a convertible debenture. In August 2024, funding was received by LIL (2021) Limited Partnership, and transferred to Hydro for the purpose of rate mitigation, reducing the balance in the Supply Cost Variance Deferral Account.

2024 Short-Term Interest Calculation[1]

	($000's)
Promissory Note Interest	13,822
BA Interest	1,910
CORRA Interest	4,517
Operating Line Interest	-
Standby and Upfront Fee	573
Brokerage Fee	299
Debt Guarantee Fee – Recoverable Portion Only	288
Total Short-Term Borrowing Costs	**21,409**
Weighted Average Short-Term Debt Balance[2]	**425,842**
Short-Term Cost of Borrowing 2023	**5.03%**

[1] Financing charges accrued at the 2023 short-term cost of borrowing of 5.72% for the period of January to November 2024. In December, financing costs was trued-up to reflect the actual short-term cost of borrowing for 2024.

[2] The weighted average of the short-term debt balance is calculated using the 365-day average of the credit facility debt and the promissory note debt balances.

Appendix A

Other Island Interconnected System

Supply Cost Variance Summary

Other Island Interconnected System Supply Cost Variance
Thermal Generation Cost Variance
December 31, 2024

Holyrood Combustion Turbine	Actual Cost ($) (A)	Fuel for Non-Firm Sales ($)[1,2] (B)	Net Cost ($) (C = A - B)	Test Year Cost ($) (D)	Thermal Variation ($) (C - D)
January	1,974,198	-	1,974,198	1,258,888	**715,310**
February	397,140	310,874	86,266	767,288	**(681,022)**
March	99,093	-	99,093	661,531	**(562,438)**
April	363,064	12,903	350,161	392,558	**(42,397)**
May	122,995	-	122,995	123,373	**(378)**
June	(5,247)	-	(5,247)	431,643	**(436,890)**
July	(152)	-	(152)	33,744	**(33,896)**
August	2,295,643	2,112.42	2,293,531	33,744	**2,259,787**
September	27,327	-	27,327	33,744	**(6,417)**
October	394	-	394	209,033	**(208,640)**
November	2,324	-	2,324	185,808	**(183,484)**
December	93,736	-	93,736	851,255	**(757,519)**
Subtotal	**5,370,514**	**325,890**	**5,044,624**	**4,982,609**	**62,016**

[1] All non-firm sales are credited under Holyrood Combustion Turbines since the non-firm sales were not distinguished between Holyrood, Hardwoods or Stephenville.
[2] Includes Non-firm sales to Island Industrial Customers, supply of emergency energy to Nova Scotia and the reimbursement of fuel costs by Nalcor under the Indemnity Agreement.

Other Island Interconnected System Supply Cost Variance
Thermal Generation Cost Variance
December 31, 2024

Hardwoods Gas Turbine	Actual Cost ($) (A)	Fuel for Non-Firm Sales ($) (B)	Net Cost ($) (C = A - B)	Test Year Cost ($) (D)	Thermal Variation ($) (C - D)
January	102,671	-	102,671	122,478	**(19,807)**
February	55,800	-	55,800	123,884	**(68,084)**
March	156	-	156	117,271	**(117,115)**
April	94,972	-	94,972	83,554	**11,418**
May	26,412	-	26,412	57,170	**(30,758)**
June	36,064	-	36,064	46,909	**(10,845)**
July	44,616	-	44,616	71,469	**(26,853)**
August	315,387	-	315,387	14,587	**300,800**
September	16,948	-	16,948	90,430	**(73,482)**
October	6,047	-	6,047	20,417	**(14,370)**
November	29,357	-	29,357	59,755	**(30,398)**
December	18,506	-	18,506	179,920	**(161,414)**
Subtotal	**746,936**	**-**	**746,936**	**987,844**	**(240,908)**

Other Island Interconnected System Supply Cost Variance
Thermal Generation Cost Variance
December 31, 2024

Stephenville Gas Turbine	Actual Cost ($) (A)	Fuel for Non-Firm Sales ($) (B)	Net Cost ($) (C = A - B)	Test Year Cost ($) (D)	Thermal Variation ($) (C - D)
January	(773)	-	(773)	68,116	**(68,889)**
February	1,576	-	1,576	46,923	**(45,347)**
March	74	-	74	40,867	**(40,793)**
April	3,229	-	3,229	56,006	**(52,777)**
May	(1,576)	-	(1,576)	25,733	**(27,309)**
June	(1,149)	-	(1,149)	86,278	**(87,427)**
July	233	-	233	31,788	**(31,555)**
August	965	-	965	15,138	**(14,173)**
September	60,782	-	60,782	34,816	**25,966**
October	92,656	-	92,656	15,138	**77,518**
November	27,608	-	27,608	25,733	**1,875**
December	54,545	-	54,545	84,827	**(30,282)**
Subtotal	**238,169**	**-**	**238,169**	**531,363**	**(293,193)**

Other Island Interconnected System Supply Cost Variance
Thermal Generation Cost Variance
December 31, 2024

St. Anthony Diesel Generating Station	Actual Cost ($)	Fuel for Non-Firm Sales ($)	Net Cost ($)	Test Year Cost ($)	Thermal Variation ($)
	(A)	(B)	(C = A - B)	(D)	(C - D)
January	(1,180)	-	(1,180)	3,147	**(4,327)**
February	563	-	563	3,089	**(2,526)**
March	15,098	-	15,098	3,299	**11,799**
April	40	-	40	3,547	**(3,507)**
May	5,284	-	5,284	3,662	**1,622**
June	(123)	-	(123)	3,604	**(3,727)**
July	211	-	211	3,642	**(3,431)**
August	13,842	-	13,842	3,642	**10,200**
September	25,157	-	25,157	3,814	**21,343**
October	(2,743)	-	(2,743)	3,986	**(6,729)**
November	13,019	-	13,019	4,272	**8,747**
December	3,588	-	3,588	-	**3,588**
Subtotal	**72,758**	**-**	**72,758**	**39,704**	**33,052**

Other Island Interconnected System Supply Cost Variance
Thermal Generation Cost Variance
December 31, 2024

Hawkes Bay Diesel Generating Station	Actual Cost ($) (A)	Fuel for Non-Firm Sales ($) (B)	Net Cost ($) (C = A - B)	Test Year Cost ($) (D)	Thermal Variation ($) (C - D)
January	892	-	892	1,575	**(683)**
February	30	-	30	1,547	**(1,517)**
March	(156)	-	(156)	1,652	**(1,808)**
April	154	-	154	1,776	**(1,622)**
May	676	-	676	1,833	**(1,157)**
June	6,114	-	6,114	1,804	**4,310**
July	9,226	-	9,226	1,823	**7,403**
August	16,116	-	16,116	1,823	**14,293**
September	274	-	274	1,909	**(1,635)**
October	(1,372)	-	(1,372)	1,995	**(3,367)**
November	6,376	-	6,376	2,138	**4,238**
December	(63)	-	(63)	-	**(63)**
Subtotal	**38,267**	**-**	**38,267**	**19,875**	**18,392**
Total Thermal Generation Cost Variance					**(420,641)**

Supply Cost Variance Deferral Account
Off-Island Power Purchase Variance
December 31, 2024

Maritime Link	Actual Cost ($) (A)	Test Year Cost ($) (B)	Off-Island Power Purchase Variation ($) (A - B)
January	-	325,148	(325,148)
February	-	2,548,040	(2,548,040)
March	-	5,799,459	(5,799,459)
April	-	-	-
May	-	-	-
June	-	-	-
July	-	-	-
August	-	-	-
September	53,146	-	53,146
October	17,185	1,245,520	(1,228,335)
November	25,549	1,522,118	(1,496,568)
December	10,877	2,052,451	(2,041,574)
Subtotal	**106,757**	**13,492,735**	**(13,385,978)**

Supply Cost Variance Deferral Account
Off-Island Power Purchase Variance
December 31, 2024

Labrador-Island Link	Actual Cost ($) (A)	Test Year Cost ($) (B)	Off-Island Power Purchase Variation ($) (A - B)
January	-	151,886	(151,886)
February	-	62,099	(62,099)
March	-	120,370	(120,370)
April	-	146,318	(146,318)
May	-	-	-
June	-	-	-
July	-	-	-
August	-	-	-
September	-	-	-
October	71,628.96	31,699	39,930.00
November	25,558.60	172,510	(146,951.00)
December	-	112,324	(112,324.00)
Subtotal	**97,187.56**	**797,206**	**(700,018)**
Total Off-Island Power Purchase Variance			**(14,085,996)**

Supply Cost Deferral Account
On-Island Purchases Variation
December 31, 2024

Nalcor Exploits	Actual Production (kWh)	Cost of Service Production (kWh)	Monthly Production Variance (kWh)	Cost of Service Cost (¢/kWh)	Power Purchase Variation ($)
	(A)	(B)	(C) = (A - B)	(D)	(E) = (C x D)
January	51,291,600	54,196,680	(2,905,080)	0.0400	(116,203)
February	49,407,684	48,703,200	704,484	0.0400	28,179
March	53,073,168	53,794,920	(721,752)	0.0400	(28,870)
April	53,930,569	55,911,600	(1,981,031)	0.0400	(79,241)
May	54,849,061	58,649,520	(3,800,459)	0.0400	(152,018)
June	54,534,603	48,618,000	5,916,603	0.0400	236,664
July	48,755,080	53,988,360	(5,233,280)	0.0400	(209,331)
August	42,827,666	54,851,400	(12,023,734)	0.0400	(480,949)
September	33,244,596	48,124,800	(14,880,204)	0.0400	(595,208)
October	35,080,294	38,442,480	(3,362,186)	0.0400	(134,487)
November	48,620,905	45,032,400	3,588,505	0.0400	143,540
December	53,152,172	54,684,000	(1,531,828)	0.0400	(61,273)
Subtotal	**578,767,398**	**614,997,360**	**(36,229,962)**		**(1,449,197)**

Supply Cost Deferral Account
On-Island Purchases Variation
December 31, 2024

Star Lake	**Actual Production (kWh)**	**Cost of Service Production (kWh)**	**Monthly Production Variance (kWh)**	**Cost of Service Cost (¢/kWh)**	**Power Purchase Variation ($)**
	(A)	**(B)**	**(C) = (A - B)**	**(D)**	**(E) = (C x D)**
January	12,257,120	12,391,320	(134,200)	0.0400	(5,368)
February	11,351,682	11,245,920	105,762	0.0400	4,230
March	12,943,286	12,395,040	548,246	0.0400	21,930
April	10,567,325	12,308,400	(1,741,075)	0.0400	(69,643)
May	10,656,610	12,636,840	(1,980,230)	0.0400	(79,209)
June	11,999,090	11,970,000	29,090	0.0400	1,164
July	12,524,985	12,990,240	(465,255)	0.0400	(18,610)
August	12,456,391	12,915,840	(459,449)	0.0400	(18,378)
September	12,111,814	6,512,400	5,599,414	0.0400	223,977
October	6,369,861	12,997,680	(6,627,819)	0.0400	(265,113)
November	6,073,225	11,541,600	(5,468,375)	0.0400	(218,735)
December	12,398,150	11,844,480	553,670	0.0400	22,147
Subtotal	**131,709,539**	**141,749,760**	**(10,040,221)**		**(401,608)**

Supply Cost Deferral Account
On-Island Purchases Variation
December 31, 2024

Rattle Brook	Actual Production (kWh) (A)	Cost of Service Production (kWh) (B)	Monthly Production Variance (kWh) (C) = (A - B)	Cost of Service Cost (¢/kWh) (D)	Power Purchase Variation ($) (E) = (C x D)
January	387,397	680,000	(292,603)	0.0851	(24,904)
February	449,841	470,000	(20,159)	0.0851	(1,716)
March	1,275,608	630,000	645,608	0.0851	54,949
April	2,158,539	1,600,000	558,539	0.0851	47,538
May	2,556,508	2,590,000	(33,492)	0.0851	(2,851)
June	1,536,004	1,630,000	(93,996)	0.0851	(8,000)
July	147,331	810,000	(662,669)	0.0851	(56,401)
August	661,879	800,000	(138,121)	0.0851	(11,756)
September	158,068	1,170,000	(1,011,932)	0.0851	(86,128)
October	922,744	1,570,000	(647,256)	0.0851	(55,089)
November	2,018,813	1,770,000	248,813	0.0851	21,177
December	1,320,946	1,120,000	200,946	0.0851	17,103
Subtotal	**13,593,678**	**14,840,000**	**(1,246,322)**		**(106,078)**

Supply Cost Deferral Account
On-Island Purchases Variation
December 31, 2024

CBPP Co-Generation	Actual Production (kWh)	Cost of Service Production (kWh)	Monthly Production Variance (kWh)	Cost of Service Cost (¢/kWh)	Power Purchase Variation ($)
	(A)	(B)	(C) = (A - B)	(D)	(E) = (C x D)
January	10,627,730	6,320,000	4,307,730	0.1884	811,576
February	-	4,980,000	(4,980,000)	0.1884	(938,232)
March	-	5,840,000	(5,840,000)	0.1884	(1,100,256)
April	-	5,550,000	(5,550,000)	0.1884	(1,045,620)
May	-	5,740,000	(5,740,000)	0.1884	(1,081,416)
June	1,635,395	6,070,000	(4,434,605)	0.1884	(835,480)
July	4,307,980	5,580,000	(1,272,020)	0.1884	(239,649)
August	3,749,947	4,230,000	(480,053)	0.1884	(90,442)
September	1,730,257	6,240,000	(4,509,743)	0.1884	(849,636)
October	0	5,440,000	(5,440,000)	0.1884	(1,024,896)
November	0	4,290,000	(4,290,000)	0.1884	(808,236)
December	0	6,250,000	(6,250,000)	0.1884	(1,177,500)
Subtotal	**22,051,309**	**66,530,000**	**(44,478,691)**		**(8,379,787)**

Supply Cost Deferral Account
On-Island Purchases Variation
December 31, 2024

St. Lawrence Wind	Actual Production (kWh) (A)	Cost of Service Production (kWh) (B)	Monthly Production Variance (kWh) (C) = (A - B)	Cost of Service Cost (¢/kWh) (D)	Power Purchase Variation ($) (E) = (C x D)
January	10,425,787	11,200,000	(774,213)	0.0722	(55,898)
February	8,400,371	11,200,000	(2,799,629)	0.0722	(202,133)
March	8,450,511	10,570,000	(2,119,489)	0.0722	(153,027)
April	10,138,971	9,420,000	718,971	0.0722	51,910
May	6,379,906	7,860,000	(1,480,094)	0.0722	(106,863)
June	6,679,789	6,070,000	609,789	0.0722	44,027
July	3,903,538	5,760,000	(1,856,462)	0.0722	(134,037)
August	5,177,165	5,970,000	(792,835)	0.0722	(57,243)
September	4,721,994	7,750,000	(3,028,006)	0.0722	(218,622)
October	6,628,202	8,480,000	(1,851,798)	0.0722	(133,700)
November	7,750,423	9,740,000	(1,989,577)	0.0722	(143,647)
December	8,440,871	10,780,000	(2,339,129)	0.0722	(168,885)
Subtotal	**87,097,528**	**104,800,000**	**(17,702,472)**		**(1,278,118)**

Supply Cost Deferral Account
On-Island Purchases Variation
December 31, 2024

Fermeuse Wind	**Actual Production (kWh)**	**Cost of Service Production (kWh)**	**Monthly Production Variance (kWh)**	**Cost of Service Cost (¢/kWh)**	**Power Purchase Variation ($)**
	(A)	**(B)**	**(C) = (A - B)**	**(D)**	**(E) = (C x D)**
January	9,153,976	9,020,000	133,976	0.0772	10,339
February	8,928,454	9,020,000	(91,546)	0.0772	(7,065)
March	8,161,448	8,510,000	(348,552)	0.0772	(26,898)
April	8,786,614	7,590,000	1,196,614	0.0772	92,343
May	4,107,865	6,330,000	(2,222,135)	0.0772	(171,482)
June	6,392,115	4,890,000	1,502,115	0.0772	115,918
July	4,640,004	4,640,000	4	0.0772	0
August	7,247,955	4,810,000	2,437,955	0.0772	188,137
September	4,763,377	6,240,000	(1,476,623)	0.0772	(113,951)
October	8,302,617	6,830,000	1,472,617		113,642
November	6,931,295	7,840,000	(908,705)		(70,125)
December	7,271,904	8,690,000	(1,418,096)		(109,434)
Subtotal	**84,687,624**	**84,410,000**	**277,624**		**21,424**
Total On-Island Purchases Variation					**(11,593,364)**

Indemnity Agreement
Fuel Costs Reimbursed by Nalcor[1]
December 31, 2024

	Actual Production No. 6 Fuel (kWh)	Actual Cost No. 6 Fuel[2] ($)	Actual Production Gas TurbineFuel (kWh)	Actual Cost Gas TurbineFuel[2] ($)	Actual Costs Reimbursed[2] ($)
January	81,000	16,482	-	-	16,482
February	1,696,000	347,833	561,000	310,874	658,707
March	853,000	174,686	-	-	174,686
April	-	-	-	-	-
May	-	-	-	-	-
June	-	-	-	-	-
July	-	-	-	-	-
August	-	-	-	-	-
September	-	-	-	-	-
October	-	-	-	-	-
November	-	-	-	-	-
December	-	-	-	-	-
	2,630,000	539,000	561,000	310,874	849,874

[1] In August 2021, Nalcor commenced delivery of the Nova Scotia Block that, combined with limited LIL capacity, meant Hydro could not be delivered as much energy from the Muskrat Falls Hydroelectric Generating Facility as it would otherwise.

[2] These costs have been eliminated as referenced on Holyrood TGS Fuel Cost Variance (p. 7 of Attachment 2) and Thermal Generation Cost Variance (Appendix A of Attachment 2).

Tab 2

Contribution in Aid of Construction

Quarter Ended December 31, 2024

newfoundland labrador hydro

Table 1 summarizes the CIAC[1] activity for the current quarter. It also provides an overview of the following:

- The type of service for which a CIAC has been calculated, either domestic or general service;
- The number of CIACs quoted during the quarter, as well as the number of CIAC quotes that remain outstanding as of the end of the quarter. This format facilitates a reconciliation of the total number of CIACs that were active during the quarter; and
- Information as to the disposition of the total CIACs quoted. A CIAC is considered accepted when a customer indicates that it wishes to proceed with the construction of the extension and has agreed to pay any charge that may be applicable. A CIAC is considered to expire after six months have elapsed and the customer has not indicated its intention to proceed with the extension. A quoted CIAC is outstanding if it is neither accepted nor expired.

Table 1: CIAC Report for the Current Quarter

Type of Service	CIACs Quoted	CIACs Outstanding from Last Quarter	Total CIACs Quoted	CIACs Accepted	CIACs Expired	CIACs Outstanding
Domestic						
Within Plan Area	1	2	3	0	1	2
Outside Plan Area	4	5	9	2	2	5
Subtotal	**5**	**7**	**12**	**2**	**3**	**7**
General Service	4	0	4	1	0	3
Total	**9**	**7**	**16**	**3**	**3**	**10**

[1] Includes residential, non-residential, and general service CIAC activities for northern, central, and Labrador regions.

The number of CIACs quoted during the current quarter by region is summarized in Table 2, which also identifies the following:

- The service location for the CIAC;
- The CIAC number related to the quote;
- The amount of the CIAC required to be paid by the customer;
- The estimated construction costs to provide the requested service; and
- Whether the CIAC has been accepted by the customer.

Table 2: CIAC Activity Report for the Current Quarter

Date Quoted	Service Location	CIAC Number	CIAC Amount ($)	Estimated Construction Costs ($)	Accepted
Domestic: Within Residential Planning Boundaries					
12-Dec-2024	LaScie	2030103	336	5,096	
Domestic: Outside Residential Planning Boundaries					
14-Nov-2024	St. Anthony	2011635	5,467	6,867	Yes
14-Nov-2024	L'Anse-au-Loup	1877172	30,975	32,375	
20-Nov-2024	St. Anthony	2011604	3,122	1,400	
19-Dec-2024	South Brook; Green Bay	2027445	31,150	32,550	
General Service					
01-Nov-2024	LaScie	2010088	4,092	16,827	Yes
01-Nov-2024	Conne River	2012542	54,466	55,076	
14-Nov-2024	Rocky Harbour	1974240	5,987	12,427	
20-Nov-2024	Happy Vally-Goose Bay	1992507	408	6,888	

Tab 3

Customer Damage Claims

Quarter Ended December 31, 2024

newfoundland labrador hydro

The Customer Damage Claims report contains a summary of all damage claims activity on a quarterly basis. The information contained in the report is broken down by cause as well as by the operating region where the claims originated.

The report provides an overview of the following:

- The number of claims received during the quarter coupled with claims outstanding from the last quarter;
- The number of claims for which Newfoundland and Labrador Hydro ("Hydro") has accepted responsibility and the amount paid to claimants versus the amount originally claimed;
- The number of claims rejected and the dollar value associated with those claims; and
- Those claims that remain outstanding at the end of the quarter and the dollar value associated with such claims.

Definitions of Causes of Damage Claims:

- **System Operations:** Claims arising from system operations (e.g., normal reclosing or switching).
- **Power Interruptions:** Claims arising from the interruption of power supply (e.g., all scheduled or unscheduled interruptions).
- **Improper Workmanship:** Claims arising from the failure of electrical equipment caused by improper workmanship or methods (e.g., improper crimping of connections, insufficient sealing and taping of connections, improper maintenance, and inadequate clearance or improper operation of equipment).
- **Weather Related:** Claims arising from weather conditions (e.g., wind, rain, ice, lightning or corrosion caused by weather).
- **Equipment Failure:** Claims arising from failure of electrical equipment not caused by improper workmanship (e.g., broken neutrals, broken tie wires, transformer failure, insulator failure or broken service wire).
- **Third Party:** Claims arising from equipment failure caused by acts of third parties (e.g., motor vehicle accidents and vandalism).
- **Miscellaneous:** All claims that are not related to electrical service.
- **Waiting Investigation:** Cause to be determined.

Table 1: Customer Property Damage Claims Report by Region for the Current Quarter

Region	# Received	# Outstanding Since Last Quarter	Total	Claims Accepted #	Claims Accepted Amount Claimed ($)	Claims Accepted Amount Paid ($)	Claims Rejected #	Claims Rejected Amount ($)	Claims Outstanding #	Claims Outstanding Amount ($)
Central	7	4	**11**	0	0	0	4	6,868	7	9,445
Northern	2	6	**8**	0	0	0	2	2,094	6	568,208[1]
Labrador	1	1	**2**	0	0	0	0	0	2	3,269
Total	**10**	**11**	**21**	**0**	**0**	**0**	**6**	**8,962**	**15**	**580,922**

Table 2: Customer Property Damage Claims Report by Region for the Same Quarter, Previous Year[2]

Region	# Received	# Outstanding Since Last Quarter	Total	Claims Accepted #	Claims Accepted Amount Claimed ($)	Claims Accepted Amount Paid ($)	Claims Rejected #	Claims Rejected Amount ($)	Claims Outstanding #	Claims Outstanding Amount ($)
Central	4	5	**9**	0	0	0	0	0	9	9,365
Northern	2	12	**14**	2	1,948	1,198	0	0	12	19,874
Labrador	1	4	**5**	0	0	0	2	1,380	3	8,531
Total	**7**	**21**	**28**	**2**	**1,948**	**1,198**	**2**	**1,380**	**24**	**37,771**

[1] The majority of this balance pertains to one damage claim from a General Service customer for $551,549. The customer has claimed repairs to equipment and for lost business opportunities, employment, and equipment damage. As of the date of this report, Hydro has assessed the claim amount at $10,537.
[2] Numbers may not add due to rounding.

Table 3: Customer Property Damage Claims Report by Cause for the Current Quarter[3]

Cause	# Received	# Outstanding Since Last Quarter	Total	Claims Accepted			Claims Rejected		Claims Outstanding	
				#	Amount Claimed ($)	Amount Paid ($)	#	Amount ($)	#	Amount ($)
System Operations	0	0	**0**	0	0	0	0	0	0	0
Power Interruptions	1	0	**1**	0	0	0	1	1,500	0	0
Improper Workmanship	1	2	**3**	0	0	0	0	0	3	565,593[1]
Weather Related	2	2	**4**	0	0	0	0	0	4	5,845
Equipment Failure	1	2	**3**	0	0	0	3	4,539	1[4]	3,815
Third Party	2	1	**3**	0	0	0	2	2,923	1	2,800
Miscellaneous	0	1	**1**	0	0	0	0	0	1	100
Awaiting Investigation	3	3	**6**	0	0	0	0	0	5[4]	2,769
Total	**10**	**11**	**21**	**0**	**0**	**0**	**6**	**8,962**	**15**	**580,922**

Table 4: Customer Property Damage Claims Report by Cause for the Same Quarter, Previous Year[5]

Cause	# Received	# Outstanding Since Last Quarter	Total	Claims Accepted			Claims Rejected		Claims Outstanding	
				#	Amount Claimed ($)	Amount Paid ($)	#	Amount ($)	#	Amount ($)
System Operations	0	1	**1**	0	0	0	1	1,000	1	3,105
Power Interruptions	1	0	**1**	0	0	0	0	0	1	2,800
Improper Workmanship	2	4	**6**	0	0	0	1	380	5	3,389
Weather Related	1	3	**4**	1	1,000	250	0	0	4	7,317
Equipment Failure	2	7	**9**	1	948	948	0	0	9	18,519
Third Party	0	0	**0**	0	0	0	0	0	0	0
Miscellaneous	0	0	**0**	0	0	0	0	0	0	0
Awaiting Investigation	1	6	**7**	0	0	0	0	0	4	2,640
Total	**7**	**21**	**28**	**2**	**1,948**	**1,198**	**2**	**1,380**	**24**	**37,771**

[3] Numbers may not add due to rounding.
[4] One claim in the Awaiting Investigation category which was classified as outstanding since last quarter in the "Customer Damage Claims for the Quarter Ended September 30, 2024," has been reclassified as a rejected claim the Equipment Failure category.
[5] Numbers may not add due to rounding.