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August 14, 2024

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 June 30, 2024**

Enclosed is Newfoundland and Labrador Hydro's ("Hydro") Quarterly Regulatory Report for the Quarter Ended June 30, 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.

Please note that Hydro's Board of Directors are scheduled to meet August 15, 2024, at which time they will review and approve the financial statements provided in Appendix E of Tab 1. Hydro will provide the enclosed Quarterly Regulatory Report to Newfoundland Power Inc. and other parties subsequent to the approval of the financial statements.

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

Yours truly,

**NEWFOUNDLAND AND LABRADOR HYDRO**

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

Encl.

ecc:

**Board of Commissioners of Public Utilities**
Jacqui H. Glynn
Katie R. Philpott
Board General

# Quarterly Regulatory Report

## Quarter Ended June 30, 2024

August 14, 2024

A report to the Board of Commissioners of Public Utilities

# Index

**Tab 1**

# Quarterly Summary

## Quarter Ended June 30, 2024

# Contents

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## List of Attachments

# Abbreviations

| Term | Definition |
|---|---|
| AIF | All-injury Frequency Rate |
| bbl | Barrel |
| Board | Board of Commissioners of Public Utilities |
| 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 |
| Nalcor | Nalcor Energy |
| Newfoundland Power<br>NP | Newfoundland Power Inc. |
| Q1 | First Quarter |
| Q2 | Second Quarter |

| Term | Definition |
|---|---|
| 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 |
| YTD | Year-to-Date |

# Definitions

**Current Quarter:** The period beginning April 1, 2024 and ending June 30, 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.

**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 June 30 of the applicable year.

# 1.0 Highlights

**Table 1: Highlights YTD**

| | Q2 | | | |
|---|---|---|---|---|
| | **2024 Actual** | **2024 Target** | **2023 Actual** | **2024 Annual Target** |
| **Safety and Environment** | | | | |
| TRIF Rate[1,2] | 0.74 | N/A | 0.25 | 1.25 |
| LTIF Rate | 0.25 | N/A | 0.00 | <0.15 |
| Achievement of EMS Targets (%) | 59 | N/A | 13 | 95 |
| **Reliability** | | | | |
| SAIDI | 1.01 | 1.25 | 1.08 | 2.64 |
| SAIFI | 0.49 | 0.43 | 0.81 | 1.10 |
| **Production** | | | | |
| Holyrood No. 6 Fuel Oil Average Cost ($/bbl) | 120 | 105 | 126 | 103 |
| Holyrood Efficiency (kWh/bbl) | 551 | 583 | 535 | 583 |
| **Electricity Delivery (GWh)** | | | | |
| Energy Sales | 4,590 | 4,329 | 4,501 | 7,633 |
| **Financial ($ Millions)[3]** | | | | |
| Revenue | 378.0 | 376.1 | 383.9 | 647.9 |
| Operating Expenses | 77.4 | 70.4 | 72.2 | 141.1 |
| Net Income | 29.5 | 36.0 | 35.7 | 29.6 |
| **RSP ($ Millions)[4]** | | | | |
| RSP Balance[5] | 42.8 | 40.4 | 60.9 | 29.7 |
| **Supply Cost Variance Deferral Account ($ Millions)[6]** | | | | |
| Cumulative Net Balance | 455.7 | 223.3 | 146.5 | 308.5 |
| **FTE Employees[7]** | | | | |
| Regulated | 803.70 | N/A | 774.8 | 833.54 |

[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. In its Quarterly Regulatory Report for the Quarter Ended June 30, 2023, Hydro reported a Q2 2023 actual AIF of 0.25.

[3] Financial figures exclude non-regulated activities.

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

[5] The RSP target reported in Q1 2024 was the annual Forecast versus annual Budget in error.

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

[7] Figures shown are net FTEs.

# 2.0 Safety and Health

## 2.1 Safety at Hydro

Hydro experienced a tragic incident on August 10, 2023, resulting in a workplace fatality. In 2024, Hydro continues to undergo an internal investigation and is using its learnings to inform safety and health priorities within the company.

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. Completing investigations into workplace incidents to prevent future incidents is a 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 Corporate Emergency Response Team was mobilized on June 19, 2024, to support the town and generating assets of Churchill Falls. Hydro's Corporate Emergency Response Team is a blended team of regulated and non-regulated members. The team successfully supported the Provincial Emergency Operations Center and the Churchill Falls local emergency response team in their efforts to protect people and assets during the three-week emergency. Hydro's team was instrumental in facilitating the evacuation of approximately 600 residents and workers to Happy Valley-Goose Bay and the return of residents to their homes after the emergency. This was a significant effort for Hydro, with a positive outcome.

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[8]**

| | YTD 2024 | YTD 2023 | 2023 Annual |
|---|---|---|---|
| Fatalities | 0 | 0 | 1 |
| Lost-Time Injuries | 1 | 0 | 5 |
| Medical Treatment Injuries | 2 | 1 | 3 |
| First Aid with Restrictions | 0 | 0 | 2 |
| TRIF Rate[9] | 0.74 | 0.25 | 1.39 |
| LTIF Rate | 0.25 | 0.00 | 0.63 |
| Severity Rate (Days Lost) | 0.74(3) | 0.00(0) | 39.40(312) |
| High-Potential Incidents | 2 | 1 | 4 |

Hydro experienced one medical treatment injury during this quarter. As a result of this recordable injury, Hydro's YTD TRIF rate is 0.74 and LTIF rate is 0.25. Hydro's lost-time severity rate was 0.74, based on three days of lost time from the one lost-time injury in Q1.

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

[8] Injury statistics reflect regulated Hydro employees only.
[9] 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.

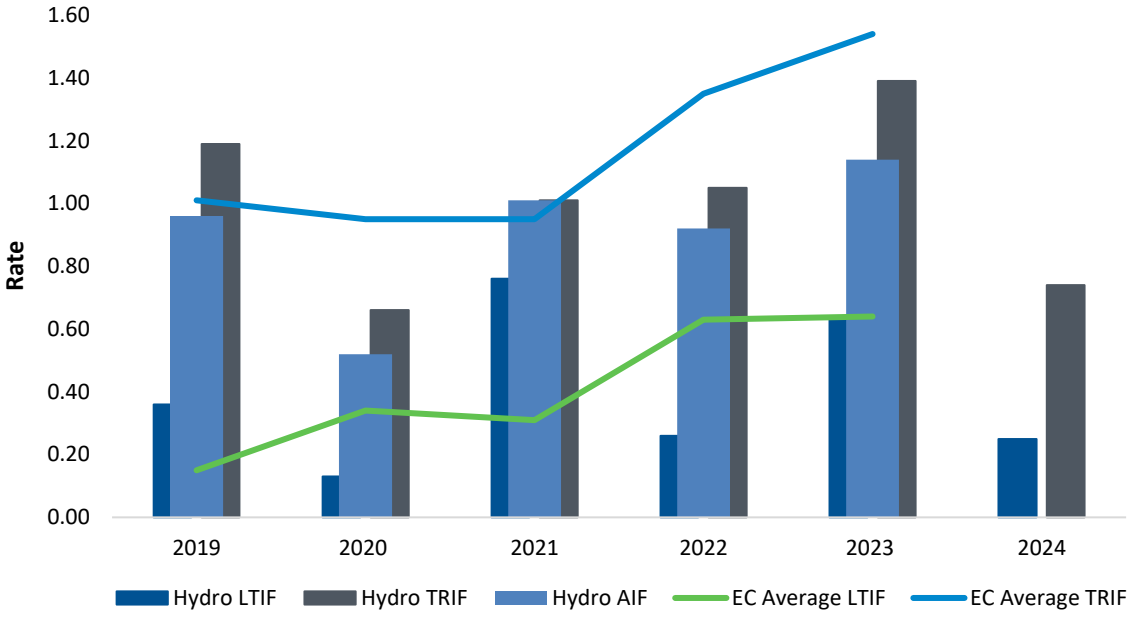


**Chart 1: Hydro's TRIF and LTIF Compared to EC Averages[10,11]**

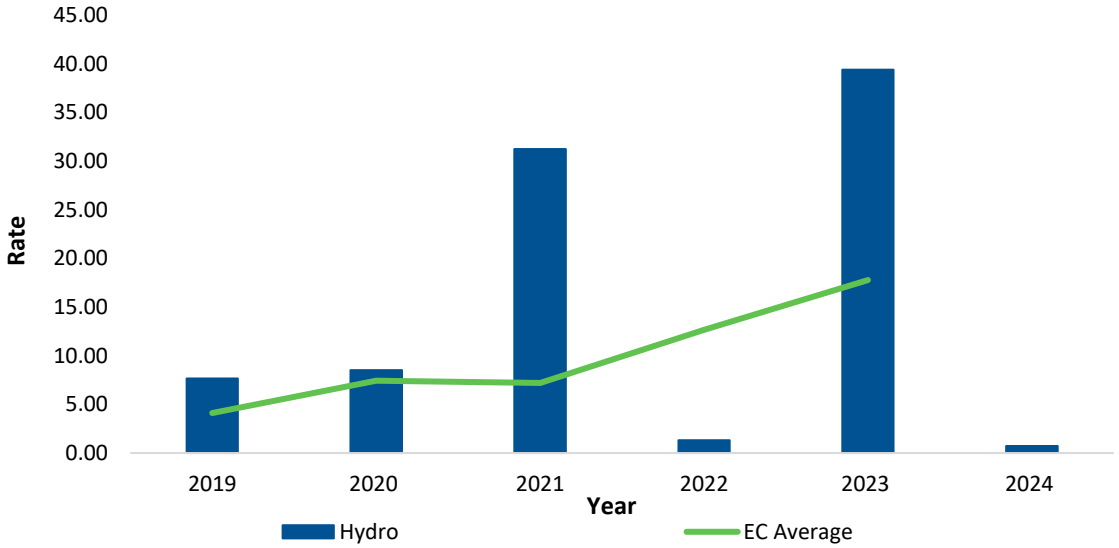


**Chart 2: Hydro's Lost-Time Severity Rate Compared to EC Average[12]**

[10] 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.

[11] Hydro began using TRIF on January 1, 2024, and statistics have been calculated retroactively to 2019. AIF has also been provided from 2019–2023.

[12] 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.

## 2.3 Line Contacts

There was one reportable line contact incident by a third party during the current quarter. The contact occurred in June in Labrador City when a transport truck came in contact with a communication line, detaching the line and damaging a pole. 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 six 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 YTD, including the impact the major events would have had on performance indicators, is provided in Appendix B. As electrical systems are neither constructed nor 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.[13]

## 3.3 Reliability Indicators

For all reliability performance indicators in this report, a year-over-year decrease indicates an improvement in system performance and a year-over-year increase indicates a decline in system performance. Data on reliability indicators including Service Continuity by Type, Area and Origin, T-SARI, and UFLS, are provided in Appendix D.

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

### 3.3.1 End-Consumer Performance

The End-Consumer Performance Index data provided in Table 3 are measures of the duration and frequency of service interruptions experienced as a result of Hydro's system events. Hydro uses the averages of its End-Consumer Indices performances for the period 2019–2023 to establish its 2024 annual targets.

**Table 3: End-Consumer Performance**

| | Q2 | | YTD | | | 2024 Annual Target |
|---|---|---|---|---|---|---|
| | 2024 | 2023 | Target | 2024 | 2023 | (2019–2023 Average) |
| SAIDI | 0.52 | 0.77 | 1.25 | 1.01 | 1.08 | 2.64 |
| SAIFI | 0.19 | 0.33 | 0.43 | 0.49 | 0.81 | 1.10 |

Hydro's End-Consumer SAIDI and SAIFI YTD data (2020–2024) is provided in Chart 3 and Chart 4, respectively.

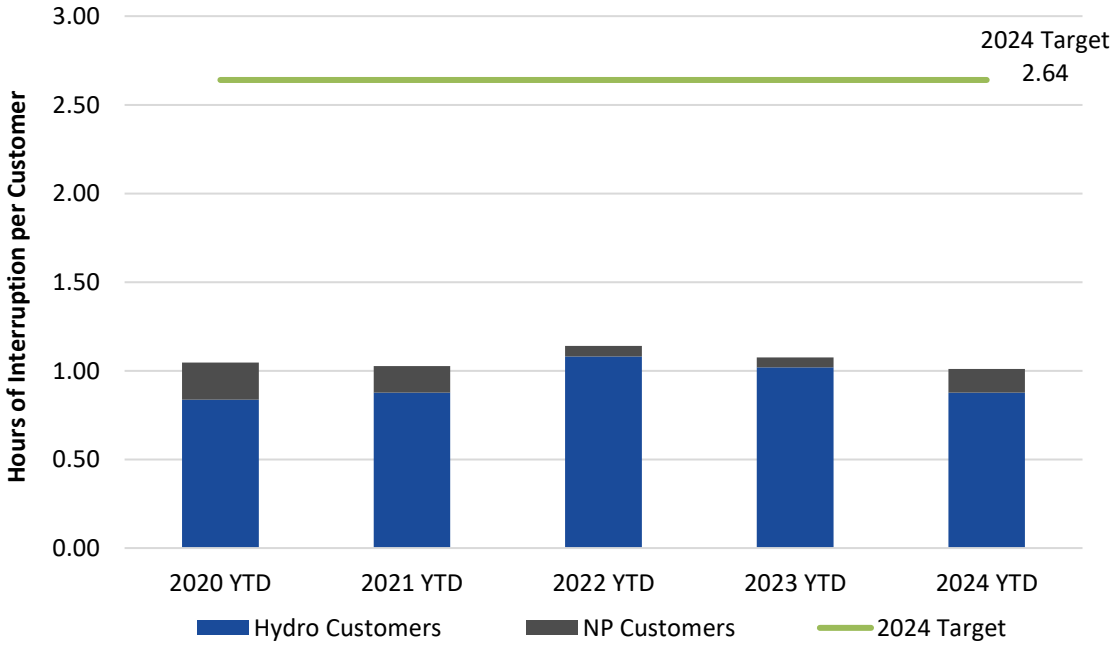


**Chart 3: End-Consumer SAIDI**

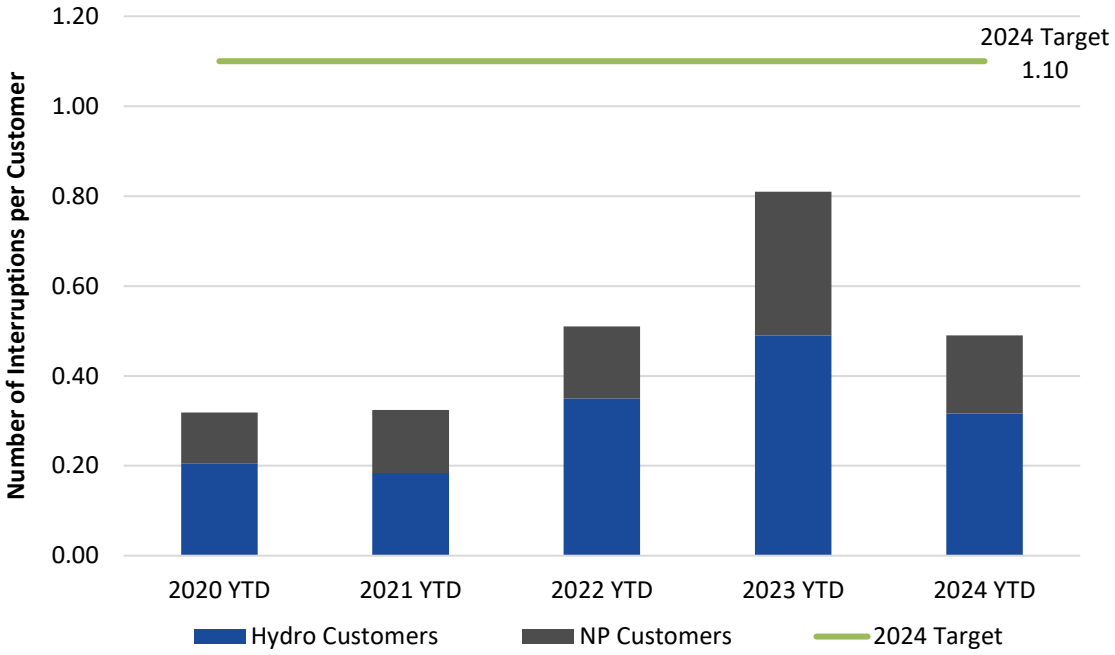


**Chart 4: End-Consumer SAIFI**

### 3.3.2 Bulk Power System Delivery Point Interruption Performance

T-SAIDI and T-SAIFI data are provided in Table 4. Hydro uses the averages of each Index for the period 2019–2023 to establish its annual target[14] for 2024. The T-SAIDI and T-SAIFI performance for Hydro, including planned and unplanned outages (2020–2024 YTD), and EC are provided in Chart 5 and Chart 6, respectively.

**Table 4: Transmission Delivery Point Performance**

| | Q2 | | YTD | | | 2024 Annual Target |
|---|---|---|---|---|---|---|
| | 2024 | 2023 | Target | 2024 | 2023 | (2019–2023 Average) |
| T-SAIDI | 151.86 | 86.33 | 209.22 | 201.38 | 119.95 | 432.93 |
| T-SAIFI | 0.67 | 0.69 | 1.18 | 0.98 | 1.50 | 2.92 |

[14] Hydro has completed a delivery point review and has developed the 2024 transmission targets using updated historic values.

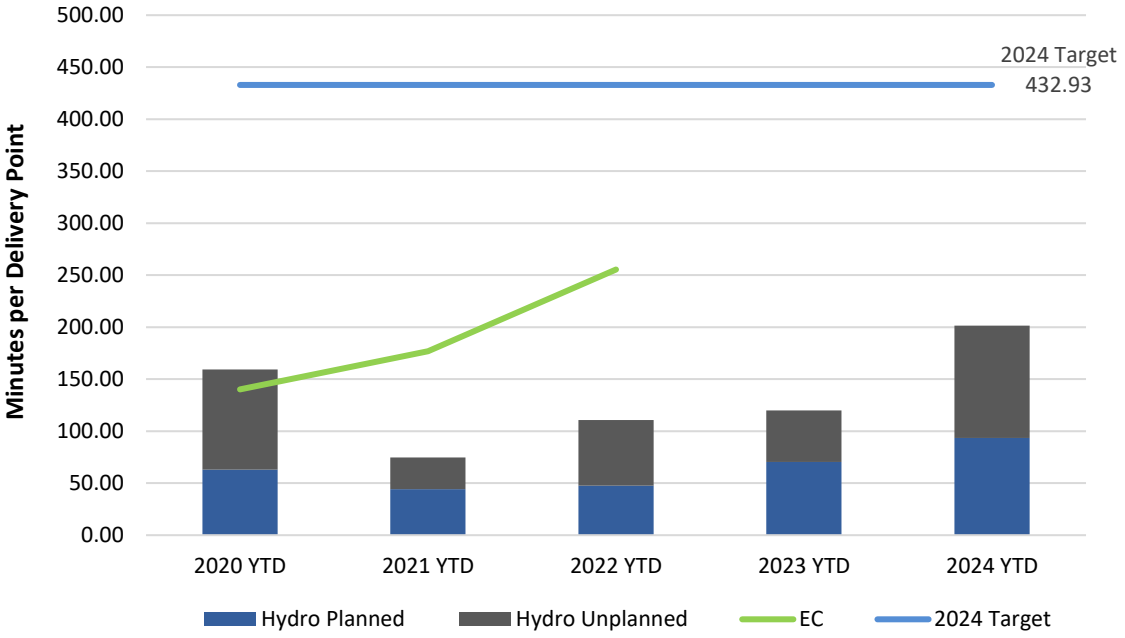


**Chart 5: T-SAIDI[15]**

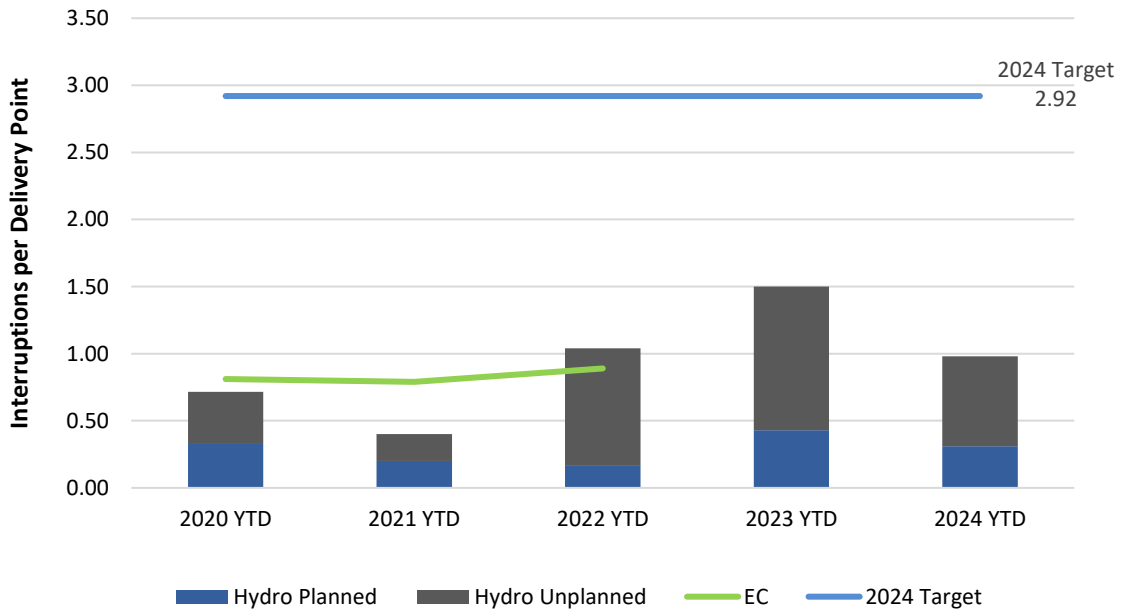


**Chart 6: T-SAIFI[16]**

[15] EC reliability data is published annually. EC reliability data for transmission is not currently available for 2023.
[16] EC reliability data is published annually. EC reliability data for transmission is not currently available for 2023.

### 3.3.3 Service Continuity Performance

Service Continuity SAIDI and SAIFI performance data are provided in Table 5. Hydro uses the average of each index for the period 2019–2023 to establish its annual targets for 2024 for these indices. Service Continuity SAIDI and SAIFI performance data for Hydro (2020–2024 YTD) and EC are provided in Chart 7 and Chart 8, respectively.

**Table 5: Service Continuity SAIDI and SAIFI**

| | Q2 | | YTD | | | 2024 Annual Target |
|---|---|---|---|---|---|---|
| | 2024 | 2023 | Target | 2024 | 2023 | (2019–2023 Average) |
| SAIDI | 3.83 | 5.86 | 8.36 | 6.77 | 7.84 | 17.65 |
| SAIFI | 1.38 | 2.44 | 2.12 | 2.44 | 3.76 | 5.38 |

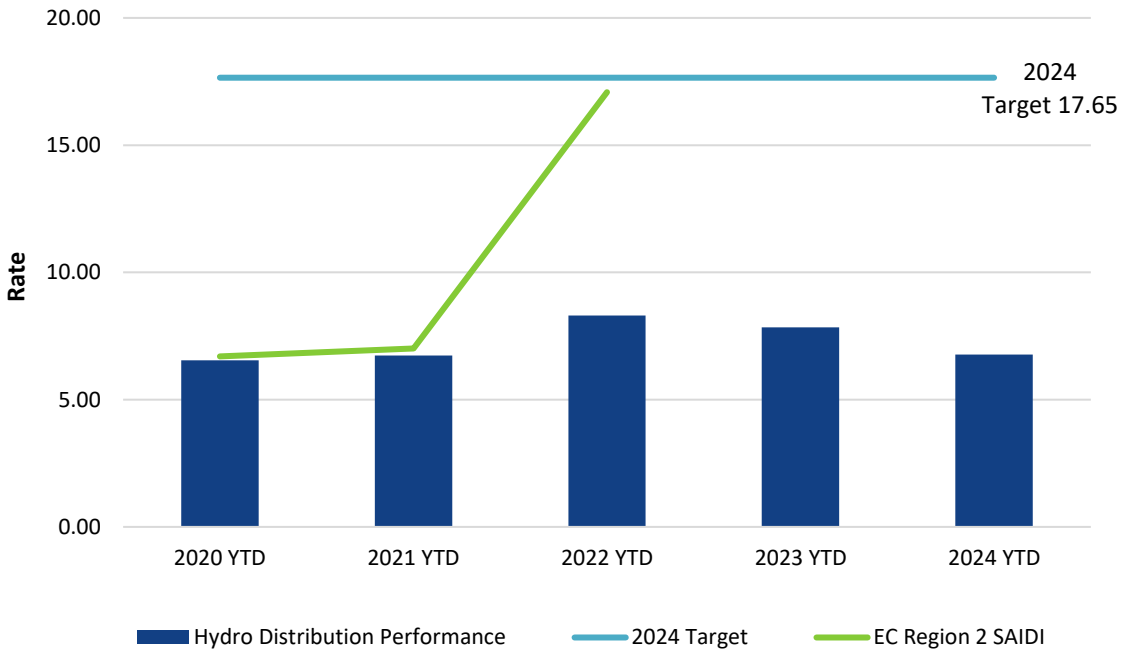


**Chart 7: Service Continuity SAIDI[17]**

[17] EC reliability data is published annually. EC reliability data is not currently available for 2023.

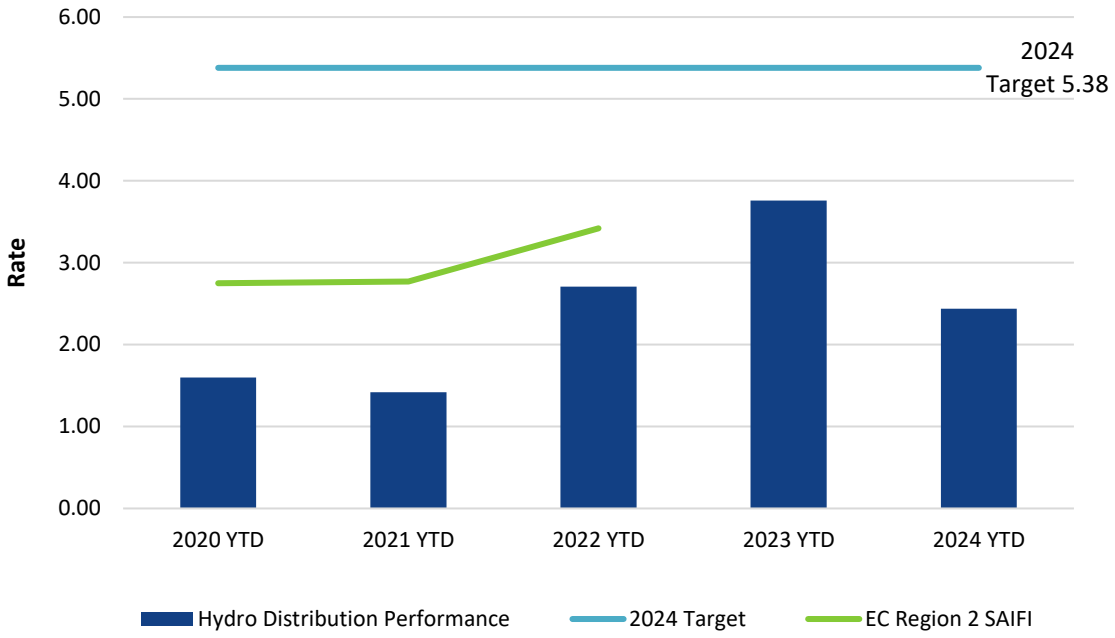


**Chart 8: Service Continuity SAIFI[18]**

# 4.0 Customer Service

## 4.1 Customer Transactional Surveys

Survey results for the current quarter indicate that approximately 92% of customers were satisfied with the service they received when they reached out to Hydro's Customer Service department for assistance. As well, 90% of customers felt their concern was resolved with the first call. A summary of these results is provided in Table 6.

**Table 6: Customer Service Transactional Survey Data**

| Measure | Q2 2024 | Q2 2023 |
|---|---|---|
| Overall Satisfaction | 92% | 88% |
| First Call Resolution | 90% | 87% |
| Number of Surveys Completed | 1033[19] | 287 |

[18] EC reliability data is published annually. EC reliability data is not currently available for 2023.
[19] Since the last Quarterly Report, 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.

## 4.2 Customer Statistics

A summary of the number of Hydro customers in each customer class, including net metering, is provided in Table 7.

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 7: Customer Statistics**

| | Q2 | | Annual | |
|---|---|---|---|---|
| | **2024 Actual** | **2023 Actual** | **2024 Budget** | **2023 Actual** |
| Rural Customers[20] | 39,241 | 39,155 | 39,184 | 39,221 |
| Industrial Customers | 6 | 5 | 6 | 5 |
| Labrador Industrial Transmission Customers[21] | 2 | 2 | 2 | 2 |
| Utility Customers | 1 | 1 | 1 | 1 |
| Average Monthly Reading Days | 30.3 | 30.5 | N/A | 30.0 |
| Net Metering Customers | 3 | 3 | N/A | 3 |

# 5.0 Supply Costs and Energy Sales

## 5.1 Fuel Prices[22]

Market prices for No. 6 fuel oil reached a high of $132/bbl in mid-April and a low of $118/bbl in early June. The ending inventory cost for the current quarter was $122/bbl; this compares to the fuel price of $106/bbl that was reflected in Newfoundland Power's wholesale rates during the current quarter.[23]

There was one shipment of No. 6 fuel oil during the second quarter.[24] Inventory at the end of the quarter was 279,595 bbls.

[20] Includes net metering customers.
[21] IOC and Tacora Resources Inc.
[22] Prices for No. 6 fuel oil are provided in Canadian ("CDN") dollars.
[23] 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).
[24] The fuel delivery on April 2, 2024, was reported as being delivered on March 20, 2024, in error within Hydro's Quarterly Regulatory Report for the Quarter Ended March 31, 2024. The Q1 2024 ending inventory of 253,722 bbls was correct.

**Table 8: No. 6 Fuel Oil Shipments**

| Delivery Date | Quantity (bbl) | Price/bbl Delivered ($) |
|---|---|---|
| 2-Apr-2024 | 211,507 | 126 |

A comparison of No. 6 fuel oil prices in 2024 as compared to 2022 and 2023 as well as the fuel oil price reflected in the wholesale rate to Newfoundland Power are provided in Chart 9.

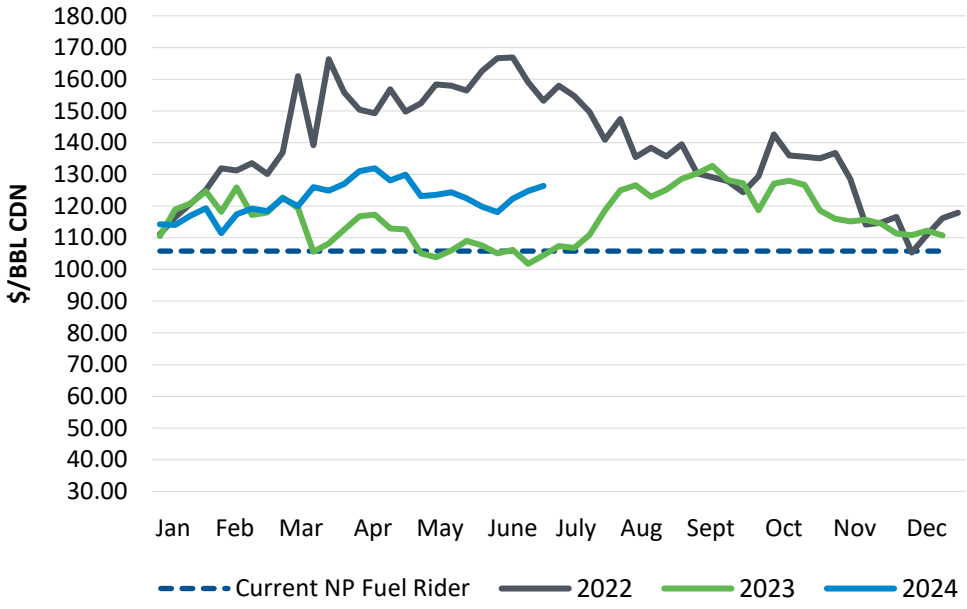


**Chart 9: No. 6 Fuel Oil Average Weekly New York Spot Price**

1 The monthly forecast price of No. 6 fuel oil for the next twelve months is provided in Table 9.[25]

**Table 9: No. 6 Fuel Oil Forecast Prices ($CDN/bbl)**

| Month | Price |
|---|---|
| Jul-24 | 117.10 |
| Aug-24 | 115.60 |
| Sep-24 | 113.90 |
| Oct-24 | 108.90 |
| Nov-24 | 107.50 |
| Dec-24 | 103.90 |
| Jan-25 | 100.20 |
| Feb-25 | 97.40 |
| Mar-25 | 95.70 |
| Apr-25 | 96.00 |
| May-25 | 98.20 |
| Jun-25 | 99.80 |

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 10.

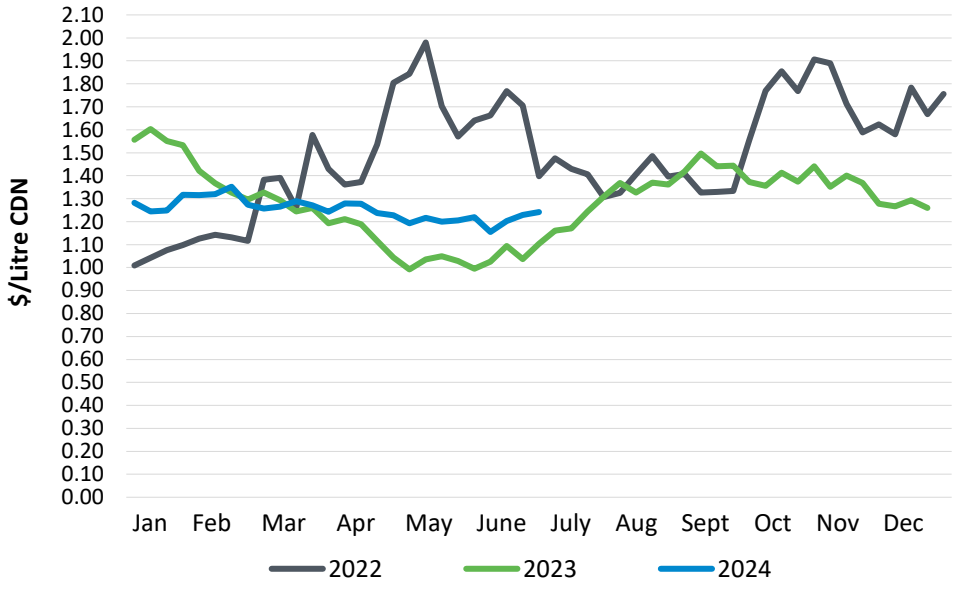


**Chart 10: Ultra Low Sulphur No. 1 Diesel Weekly Montreal Rack Price**

[25] The price forecast is based on Platts Analytics fuel price outlook, June 2024 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 June 30, 2024 are reported in Attachment 2.

The 2024 YTD activity in the account increased the balance by $184.4 million primarily due to payments made under the Muskrat Falls Power Purchase Agreement and Transmission Funding Agreement ($350.8 million). This increase in costs was partially offset by fuel savings at the Holyrood TGS ($40.6 million), payments received from Newfoundland Power and Industrial customers related to the Project Cost Recovery Rider of $26.1 million and $1.8 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 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. The total balance in the account as of June 30, 2024, is $455.7 million.[26]

### 5.2.2 Isolated Systems Cost Variance Deferral Account

Hydro accumulated $4.6 million[27] in the Isolated Systems Cost Variance Deferral Account as at June 30, 2024. The current year's actual unit cost of diesel fuel was approximately 16¢/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.

The current year transfers to the Isolated Systems Cost Variance Deferral Account are provided in Table 10. Pursuant to Board Order No. P.U. 30(2019), Hydro has calculated the transfers relative to the 2019 Test Year.

[26] The June 30, 2024 Supply Cost Variance Deferral Account balance of $455.7 million is unaudited.
[27] The June 30, 2024 Isolated System Cost Variance Deferral balance of $4.6 million is unaudited.

**Table 10: Isolated Systems Cost Variance Deferral Account Transfers ($ Millions)[28]**

| Q2 | | |
|---|---|---|
| **2024 Actual** | **2023 Actual** | **Variance** |
| 4.6 | 8.0 | (3.4) |

Hydro filed its application for recovery of the Isolated Systems Cost Variance Deferral Account balance as of December 31, 2023 on March 25, 2024, before the March 31, 2024 deadline. This application included the final transfer amounts as well as detailed information as to the drivers of the transfers. In Order No. P.U. 10(2024), the Board approved Hydro's proposed disposition of the $12,059,436 balance in the 2023 Isolated Systems Supply Cost Variance Deferral Account through the transfer, effective March 31, 2024, of $11,589,118 to the Newfoundland Power RSP Current Plan balance with recovery starting July 1, 2024,[29] and a debit of $470,318 allocated to Hydro Rural Labrador Interconnected System customers to be applied to reduce Hydro's net income.

In accordance with the currently approved account definitions, Hydro will file an application for recovery of the Isolated Systems Cost Variance Deferral Account balance as of December 31, 2024, 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 prior YTD and current year budget is provided in Table 11.

[28] Net of deadbands.
[29] Board Order No. P.U. 15(2024) approved the Utility rate to be effective from August 1, 2024, due to the delayed implementation of rates for July 1, 2024.

**Table 11: Statement of Energy Sold YTD (GWh)[30]**

| | 2024 Actual | 2023 Actual | 2024 Budget | 2024 Annual Budget |
|---|---|---|---|---|
| **Island Interconnected** | | | | |
| Newfoundland Power | 3,274 | 3,361 | 3,347 | 5,825 |
| Island Industrials | 197 | 157 | 332 | 665 |
| Export and Other | 480 | 314 | - | - |
| Rural | | | | |
| Domestic | 150 | 152 | 145 | 254 |
| General Service | 84 | 92 | 77 | 150 |
| Street Lighting | 1 | 1 | 1 | 3 |
| **Subtotal Rural** | **235** | **245** | **223** | **407** |
| **Subtotal Island Interconnected** | **4,186** | **4,077** | **3,902** | **6,897** |
| **Island Isolated** | | | | |
| Domestic | 3 | 3 | 2 | 4 |
| General Service | 1 | 1 | 1 | 2 |
| Street Lighting | - | - | - | - |
| **Subtotal Island Isolated** | **4** | **4** | **3** | **6** |
| **Labrador Interconnected** | | | | |
| Domestic | 192 | 200 | 191 | 315 |
| General Service | 223 | 232 | 196 | 347 |
| Non-Firm Energy | 17 | - | - | - |
| Street Lighting | 1 | 1 | 1 | 2 |
| **Subtotal Labrador Interconnected** | **433** | **433** | **388** | **664** |
| **Labrador Isolated** | | | | |
| Domestic | 14 | 14 | 14 | 24 |
| General Service | 9 | 9 | 9 | 18 |
| Street Lighting | - | - | - | - |
| **Subtotal Labrador Isolated** | **23** | **23** | **23** | **42** |
| **L'Anse-au-Loup** | | | | |
| Domestic | 9 | 9 | 9 | 16 |
| General Service | 5 | 5 | 4 | 8 |
| Street Lighting | - | - | - | - |
| **Subtotal L'Anse-au-Loup** | **14** | **14** | **13** | **24** |
| **Total Energy Sold (Before Rural Accrual)** | **4,660** | **4,551** | **4,329** | **7,633** |
| Rural Accrual | (71) | (50) | N/A | N/A |
| **Total Energy Sold** | **4,590** | **4,501** | **4,329** | **7,633** |
| **Non-Regulated Customers**[31] | | | | |
| Labrador Industrials | 981 | 921 | 997 | 1,991 |

[30] Numbers may not add due to rounding.

[31] 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). 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 $19 million has been approved by the Board for 2024 and a total of $1.7 million has been approved by Hydro for 2024 projects under $750,000. Hydro's revised Board-approved 2024 Capital Budget as at June 30, 2024, was $139 million. Table 12 shows the breakdown of Hydro's capital budget approvals of $139 million by Board Order.

**Table 12: Capital Budget by Board Order as of June 30, 2024 ($000)**

| | |
|---|---|
| **2024 Capital Budget** | **96,452** |
| Multi Year Cost Flow Reallocation 2023 to 2024[32] | 8,350 |
| Project Carryover 2023 to 2024[32] | 13,529 |
| Projects Approved by Board: | |
| Order No. P.U. 6(2023)[33] | 13,173 |
| Order No. P.U. 12(2023)[34] | 2,812 |
| Order No. P.U. 21(2023)[35] | 1,766 |
| Order No. P.U. 28(2023)[36] | 1,299 |
| **Total Projects Approved by Board Order** | **19,050** |
| 2024 New Projects Under $750,000 approved by Hydro | 1,656 |
| **Total Approved Capital Budget[37,38,39]** | **139,037** |

[32] 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.

[33] 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 is budgeted for 2024.

[34] 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.

[35] 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.

[36] 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.

[37] 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.

[38] 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.

[39] 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.

In advance of the 2024 Capital Budget Application, the Government of Newfoundland and Labrador amended the *Electrical Power and Control Act, 1994*[40] to increase the threshold for capital expenditures requiring pre-approval from the Board to $750,000. Table 13 outlines the capital projects under $750,000 approved by Hydro within the current quarter.

**Table 13: Capital Expenditures Under $750,000**
**Approved by Hydro for the Quarter Ended June 30, 2024**
**($000)**

| Investment Class | Title | Total Budget | Project/Program | Description |
|---|---|---|---|---|
| Renewal | Installation of L1 Blades for Unit 1 Turbine | 581.3 | Project | Installation of L1 Blades for Unit 1 Turbine at the Holyrood TGS. |
| General Plant | Modify Office Buildings and Procure Furniture, Fixtures and Equipment (Hydro Place)[41] | 249.8 | Project | Hydro is required to perform office retrofits and purchase office furniture, tools and equipment which are typically driven by changes in the organizational structure, which requires spatial changes in the physical environment, or unforeseen requests to accommodate departmental or individual employee needs. This project allows for the immediate capital refurbishment and replacement work required in such cases for 2024. . |

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 at June 30, 2024, net of CIACs, was $135 million.

[40] *Electrical Power and Control Act, 1994*, SNL, 1994, c E-5.1.
[41] Hydro proposed the introduction of a program by the same name in its 2025 CBA. Hydro has identified needs within this program for Hydro Place within 2024; however, the 2024 scope was advanced as a supplemental project under $750,000 due to the timing of the program introduction within the 2025 CBA. The scope of this project does not include the completion of fire restoration work on the fourth floor of Hydro Place as outlined in Hydro's supplemental capital application currently before the Board.

## 6.2 Capital Expenditures

Table 14 provides an overview of Hydro's capital expenditures for the current quarter.

**Table 14: Capital Expenditures Overview for the Quarter Ended June 30, 2024 ($000)[42]**

| | Board-Approved Budget 2024 | Q2 Actual 2024 | YTD Actual 2024 | Expected Remaining Expenditures 2024 |
|---|---|---|---|---|
| Access | 5,015 | 1,092 | 2,469 | 2,644 |
| General Plant | 27,293 | 3,847 | 5,185 | 22,221 |
| Mandatory | 2,540 | 905 | 1,115 | 1,425 |
| Renewal | 86,312 | 22,617 | 36,914 | 70,167 |
| Service Enhancement | 9,875 | 1,353 | 3,041 | 6,421 |
| System Growth | 7,002 | 1,342 | 2,643 | 4,822 |
| Allowance for Unforeseen Expenditures | 1,000 | - | - | - |
| **Total 2024[43,44,45]** | **139,037** | **31,156** | **51,366** | **107,701** |

## 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 and forecast expenditures relative to the approved budget are provided in Chart 11.

[42] Numbers may not add due to rounding.
[43] Expenditures are before CIACs.
[44] Table 14 does not include modifications to Hydro's infrastructure due to implementation of the Muskrat Falls Project, given that all aspects of incorporation of the Muskrat Falls Project are fully funded by the project (Labrador Hydro Project Exemption Order in Council OC2000-206 and OC2013-342, NLR 120/13). Expenditures related to these modifications were approximately $56,100 in the current quarter.
[45] FEED costs for the current quarter of $1.1 million and YTD of $2.0 million have been excluded.

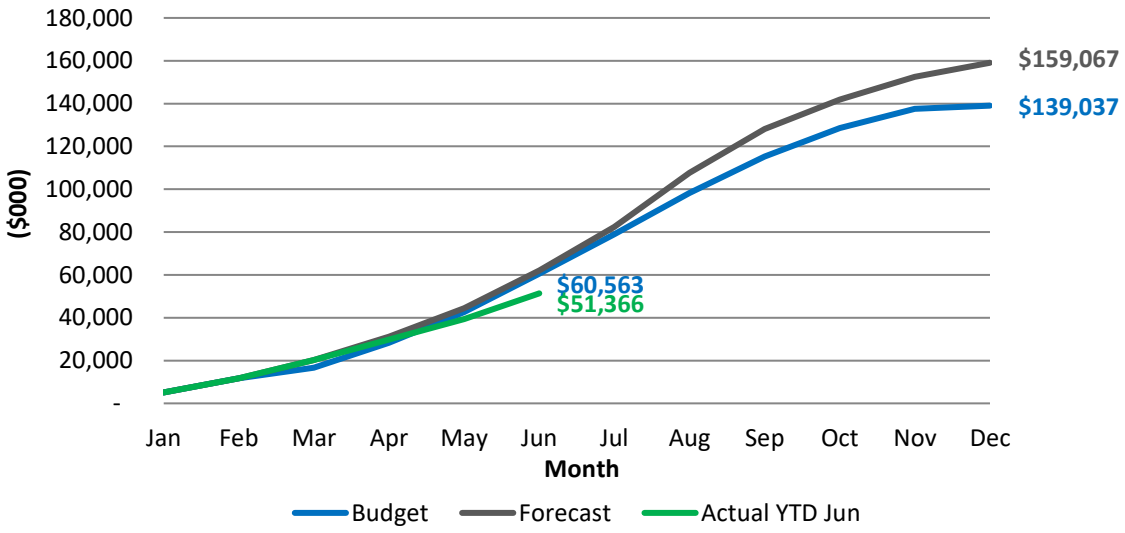


**Chart 11: 2024 Capital Program Actual vs Budget**

Hydro monitors project scope, schedule, and cost for its capital projects and programs and updates the forecast throughout the year, as required. To the end of the current quarter, Hydro's expenditures were approximately 15% lower than budget, primarily as a result of:

- Slower-than-anticipated pace of expenditures to address in-service failures within 2024;
- Later-than-anticipated delivery of mobile equipment, electric vehicle chargers, and terminal station equipment; and
- Transmission and distribution work shifting to later in 2024.

This YTD under-expenditure was partially offset by more refurbishment expenditures required than anticipated to address condition assessments at the Holyrood TGS.

Hydro's overall forecast for 2024 is approximately 14% higher than the approved budget. This is primarily a result of:

- Forecasting of higher-than-anticipated levels of work to address failures for various assets;
- Forecasting of higher-than-anticipated levels work to address condition assessments for the Holyrood TGS; and

- Advancement of work from 2025 to 2024 within the multi-year project to refurbish the Ebbegunbaeg Control Structure and within the multi-year diesel genset replacement program.

The forecasted increase in expenditures is partially offset by:

- Forecasted delayed expenditure on the Refurbish Penstock 1 project due to the timing of steel supply, steel prices, and engineering design work timing; and
- Cancelled scopes of work at the Bottom Brook Terminal Station, the Stephenville Terminal Station and the Bishops Falls Complex.

As required by the provisional Capital Budget Application Guidelines, 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 to be filed by April 1, 2025.

A summary of the planned and break-in construction activities completed during Q2 is provided in Table 15.

**Table 15: Highlights of Planned and Break-In Work[46] Completed**

| Asset Category | Planned Work Q2 2024 | Break-In Work Q2 2024 |
|---|---|---|
| **Gas Turbines** | Engine was refurbished for the Hardwoods Gas Turbine. | |
| **Generation Tools and Equipment** | | Vibration monitoring equipment for gas turbines was procured. |
| **Generation** | Overhauls were completed for Diesel Units at the Norman's Bay and St. Lewis Generating Stations.<br><br>The main switchgear was modified at the Nain Generating Station. | Unit was replaced at the St. Brendan's Generating Station. |
| **Hydraulic Plant** | Control room annunciator panels were replaced at Hinds Lake.<br><br>A spare slip ring for the generator slip ring/brush system was overhauled for Upper Salmon. | A generator stator ground fault was resolved for Unit 3 at Bay d'Espoir.<br><br>The penstock - surge tank transition area for Penstock 3 was refurbished at Bay d'Espoir. |

[46] Break-in work is work that was not identified as part of the annual work plan.

| Asset Category | Planned Work Q2 2024 | Break-In Work Q2 2024 |
|---|---|---|
| **Information Systems** | The core operations technology infrastructure storage area network disk capacity was upgraded at Hydro Place. | Electricity system load forecasting software was replaced. |
| **Telecontrol** | Closed-circuit television security cameras were replaced at the three terminal stations. | Critical spare components for Hydro's SCADA network were procured. |
| **Terminal Stations** | Ongoing work to upgrade, refurbish and/or replace battery banks, disconnect switches, instrument transformers and protective relays at various terminal stations.<br><br>SCADA link for IOC was installed, and condition assessment and refurbishment of Synchronous Condenser 1 was completed at the Wabush Terminal Station.<br><br>Refurbished tap changer for Transformer T1 at the St. Anthony Diesel Plant Terminal Station. | A circuit breaker phase tank was replaced at the Oxen Pond Terminal Station.<br><br>A spare bearing for Synchronous Condensers 1 and 2 was refurbished at the Wabush Terminal Station. |
| **Thermal Plant** | The following work was completed for Holyrood TGS Unit 2:<br>• Turbine and valves were overhauled, including replacement of last-stage blades;<br>• Turbine control system was upgraded; and<br>• West boiler feedwater and cooling water pumps were overhauled.<br><br>The Holyrood TGS Fuel Oil Storage Tank 1 was inspected and refurbished. | Last-stage turbine blades for Unit 1 were procured for the Holyrood TGS. |
| **Transmission** | Wood pole line refurbishment was completed for Transmission Lines TL221, TL259 and TL250. | A structure was relocated on Transmission Line TL226. |
| **Transportation** | Two heavy-duty material handlers, one heavy-duty bucket truck and several light-duty vehicles were procured. | |

## 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 current quarter, Hydro had completed approximately 27% of forecasted planned activities for all of 2024, and completed 65% of the planned activities for YTD Q2. Results for Annual Work Plan activities are provided in Table 16.

**Table 16: Annual Work Plan Activity**

| YTD Actual | | | 2024 Forecast | | |
|---|---|---|---|---|---|
| **Planned** | **Completed** | **%** | **Baseline** | **Scheduled** | **%** |
| 2,142 | 1,400 | 65 | 5,425 | 5,171 | 95 |

# 7.0 Financial

## 7.1 Statement of Income ($000)

| Q2 | | | | YTD | | | Annual |
|---|---|---|---|---|---|---|---|
| **2024 Actual** | **2024 Budget** | **2023 Actual** | | **2024 Actual** | **2023 Budget** | **2023 Actual** | **2024 Budget** |
| | | | **Revenue** | | | | |
| 143,145 | 143,246 | 143,075 | Energy Sales | 373,480 | 373,168 | 372,468 | 642,134 |
| 1,917 | 1,449 | 3,194 | Other Revenue | 4,476 | 2,899 | 11,469 | 5,801 |
| **145,062** | **144,695** | **146,269** | | **377,956** | **376,067** | **383,937** | **647,935** |
| | | | **Expenses** | | | | |
| 40,971 | 34,777 | 35,759 | Operating Costs | 77,430 | 70,352 | 72,226 | 141,108 |
| 28,901 | 26,633 | 29,351 | Fuels | 150,839 | 145,374 | 155,456 | 232,560 |
| 15,372 | 16,469 | 16,048 | Power Purchased | 33,030 | 35,935 | 34,645 | 67,316 |
| 22,768 | 21,839 | 22,506 | Amortization | 43,393 | 43,598 | 42,393 | 89,917 |
| 582 | 539 | 330 | Other Expense | 1,200 | 1,078 | 861 | 2,157 |
| 21,094 | 21,588 | 21,242 | Interest | 42,538 | 43,741 | 42,646 | 85,280 |
| **129,688** | **121,845** | **125,236** | | **348,430** | **340,078** | **348,227** | **618,338** |
| **15,374** | **22,850** | **21,033** | **Net Income** | **29,526** | **35,989** | **35,710** | **29,597** |



Net income for the three months ended June 30, 2024 was $15.4 million, a $5.6 million decrease from the same period in 2023. Net income for the six months ended June 30, 2024 was $29.5 million, a $6.2 million decrease from the same period in 2023. The decrease for the quarter and year to date is primarily due to higher operating costs.

# 8.0 People and Community

## 8.1 Diversity and Inclusion

### 8.1.1 Accessibility Symposium

As was shared in the Quarterly Regulatory Report for the Quarter Ended December 31, 2023, and in line with the provincial *Accessibility Act*,[47] Hydro published an Accessibility Plan ("Plan") at the end of 2023. The Plan extends from 2024 to 2026 and covers many business areas, including employment, customer service, communications, information technology, and our physical/built environment.

In April, Hydro presented at InclusionNL's Accessibility Symposium regarding the Plan. InclusionNL is the corporate arm of Empower, the Disability Resource Centre, and provides support, services, and information to businesses in Newfoundland and Labrador on accessibility, inclusion, disability confidence, and inclusive employment. There, as part of a panel, our Lead for Engagement and Diversity shared Hydro's successful experience in creating a plan as well as tips and insights for other organizations in the creation of their own plans.

### 8.1.2 Celebrating Pride Month

In June, Hydro recognized Pride Month. We know that Pride is a great time to showcase allyship and that there are many ways to be an ally, including attending events and educating oneself. Through our communication, we shared upcoming events and various learning opportunities, including a planned session from local presenter Stephanie Howlett, CEO of DiversityNL, who would speak to our employees about all things Pride – including why it's important and how to show support.

Hydro also had Pride flags raised at locations throughout the province, including Bishop's Falls, Bay d'Espoir, Churchill Falls, Holyrood and Hydro Place, to serve as a visual display of our support and welcoming environment of the 2SLGBTQIA+ community.

## 8.2 Community Initiatives

During the second quarter of 2024, Hydro continued to work closely with our community partners and supported several important community initiatives on the island and in Labrador.

[47] *Accessibility Act,* SNL 2021, c A-1.001.

### 8.2.1 Employees Bring Energy from the Heart during Annual Acts of Kindness Week

From April 14 to 20, 2024, Hydro held its annual Acts of Kindness Week. Coinciding with National Volunteer Week each year, the initiative provides a focused opportunity for Hydro employees to give back to organizations in the communities where they live and work. This year, volunteers supported many charities and community groups throughout the province. From organizing fundraisers and collections of clothing and personal items, preparing meals for families staying at Ronald McDonald House, or leading community programming for seniors, Hydro employees were there to lend a helpful hand and provide the energy communities count on.


During Acts of Kindness Week Hydro also held the fourth annual Energy Breakfast for Kids Eat Smart Foundation Newfoundland and Labrador, with employees providing healthy food items and monetary donations to support school breakfast programs around the province. Employees from Labrador West to St. John's participated in the annual fundraiser, collecting donations and dropping food items at local schools. Through this year's Energy Breakfast, combined with a corporate donation, Hydro and its employees were proud to provide a total contribution of more than $58,000 for school breakfast programs around the province.

### 8.2.2 Making STEM Careers Possible With the Trades & Technology Scholarships for Women

Each year Hydro partners with Women in Resource Development Corporation (WRDC) to offer Trades & Technology Scholarships for Women. The program, which launched on May 7, 2024, provides six $1,500

scholarships for women entering various post-secondary programs such as welding, carpentry, power line technician, civil engineering technology, environmental engineering technology and many others. These scholarships provide valuable financial support for recipients as they pursue trades and technology careers, while also helping to build more diverse industries for the province.

### 8.2.3 Employees Lend a Helping Hand during United Way Newfoundland and Labrador Day of Caring


On June 6, 2024, employees throughout Hydro proudly participated in the annual Day of Caring organized by the United Way Newfoundland and Labrador. On this day, United Way connects volunteers from various companies with charities and non-profit organizations in need of assistance. Local charities identify specific needs, and United Way matches volunteers to help fulfill those needs. Through this initiative, more than 25 Hydro employees assisted six community groups in St. John's and Holyrood by helping with cleaning and organizing, landscaping and gardening, painting, and maintenance.

### 8.2.4 Supporting Accessible Opportunities to Foster Environmental Education


Nature Newfoundland and Labrador is the province's oldest conservation organization, dedicated to promoting the enjoyment and conservation of wildlife and natural resources in the province. This year, Hydro was proud to support Nature Newfoundland and Labrador as they launched a new Marine Backpack Program for World Oceans Day on June 8, 2024. The program offers a fun, accessible way for families to learn about the environment through self-guided interpretation, and aims to foster greater awareness and appreciation of Newfoundland and Labrador's marine wildlife. Building on the success of their Birdwatching Backpack Program, these newest backpacks

include binoculars, guide books, and sighting recordings for children and adults, and are currently available to borrow from public libraries around the eastern region.

# 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.[48] Hydro advised that the wind farm assets that form part of the Wind-Hydrogen-Diesel System would remain in place while Hydro continues to pursue partnership opportunities with independent power producers. A further application will be made once there is a finalized plan regarding these assets. Hydro's application to decommission the hydrogen components was approved in Board Order No. P.U. 10(2023).

## 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.

## 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.

[48] http://pub.nl.ca/applications/NLH2023RameaWindHydrogen/app/From%20NLH%20-%20Application%20for%20the%20Abandonment%20of%20the%20Hydrogen%20System%20Portion%20of%20the%20Ramea%20Wind-Hydrogen-Diesel%20Generation%20Project%20-%202023-03-22.PDF.

# 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 |
|---|---|---|---|---|
| 23-Apr-2024 | Glenburnie/Rocky Harbour | Tree Contact | 2,081 | 5 hours, 26 minutes |
| 03-May-2024 | Glenburnie/Rocky Harbour | Tree Contact | 2,055 | 3 hours, 45 minutes |
| 05-Jun-2024 | Bottom Waters | Failed Insulator | 529 | 15 hours, 0 minutes |
| 11-Jun-2024 | Baie Verte Peninsula | Defective Equipment | 2,232 | 3 hours, 34 minutes |
| 18-Jun-2024 | Labrador West | T4 Trip | 7,069 | 1 hour, 40 minutes |
| 25-Jun-2024 | Labrador West | Forest Fires | 7,070 | 23 hours, 7 minutes |

# Appendix B

## Major Events Excluded From Performance Index Tables

# Major Events

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

| Year | Event Description | End-Consumer SAIDI | End-Consumer SAIFI | Service Continuity SAIDI | Service Continuity SAIFI | Transmission T-SAIDI | Transmission 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 |

[1] Data for 2024 reflects major events to the end of the current quarter. Data for 2019–2023 reflects major events experienced through the year.

# Appendix C

## Generation Unit Outages

**April 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 | 160 | 160 | 160 | 160 | 160 | 160 | 160 | 90 | 90 | 90 | 90 | | | | | | | | | | | | | | | | | | | |
| | G2 | 170 MW | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | G3 | 150 MW | | | | | | | | | | | | | | | | | | 90 | 90 | | | | | | | | | | | |
| | GT | 123.5 MW | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | Diesels | 10 MW | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Soldiers Pond<br>Labrador-Island Link | Monopole ("M")<br>Bipole ("B") | 700 MW | | | | | | | M 450 | | M 450 | | M 450 | M 450 | M 450 | M 450 | M 450 | M 450 | M 450 | M 450 | M 450 | M 450 | M 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 | 8.7 | 8.7 | 8.7 | 8.7 | 8.7 | 8.7 | 8.7 | 8.7 | 8.7 | 8.7 | 8.7 | 8.7 | 8.7 | 8.7 | 8.7 | 8.7 | 8.7 | 8.7 | 8.7 | 8.7 | 8.7 | 8.7 | 8.7 | 8.7 | 8.7 | 8.7 | 8.7 | 8.7 | 8.7 | 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

## May 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 | | | | | | | | | | | | | | | | | | | | | | | | | | 30 | 60 | 60 | 60 | 60 | 60 |
| | 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 | | | | | | | | | | | | | | | | | 85 | 85 | 85 | 85 | 85 | 85 | 85 | | | | 70 | | | | |
| | G3 | 150 MW | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | GT | 123.5 MW | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | Diesels | 10 MW | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Soldiers Pond<br>Labrador-Island Link | Monopole ("M")<br>Bipole ("B") | 700 MW | | | M 450 | M 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 | B 450 | M 450 | | | | | | | | M 450 | M 450 | M 450 |
| Paradise River | Unit | 8 MW | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Stephenville | GT | 50 MW | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| St. Anthony | Unit | 9.7 MW | 8.7 | 8.7 | 8.7 | 8.7 | 8.7 | 8.7 | 8.7 | 8.7 | 8.7 | 8.7 | 8.7 | 8.7 | 8.7 | 8.7 | 8.7 | 8.7 | 8.7 | 8.7 | 8.7 | 8.7 | 8.7 | 8.7 | 8.7 | 8.7 | 8.7 | 8.7 | 8.7 | 8.7 | 8.7 | 8.7 | 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

**June 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 | 60 | 60 | 60 | 60 | 60 | 60 | 60 | 60 | 60 | 60 | 60 | 60 | 60 | 60 | 60 | 60 | 60 | 60 | 60 | 60 | 60 | 60 | 60 | 60 | 60 | 60 | 60 | 60 | 60 | 60 |
| | G2 | 67 MW | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Granite Canal | Unit | 40 MW | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Hardwoods | GT | 50 MW | | | | | | | | | | | | 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<br>Labrador-Island Link | Monopole ("M")<br>Bipole ("B") | 700 MW | 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 | 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 | B 450 | B 450 | B 450 | B 450 |
| Paradise River | Unit | 8 MW | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Stephenville | GT | 50 MW | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| St. Anthony | Unit | 9.7 MW | 8.7 | 8.7 | 8.7 | 8.7 | 8.7 | 8.7 | 8.7 | 8.7 | 8.7 | 8.7 | 8.7 | 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 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |

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# Appendix D

## Supplemental Reliability Information

# 1.0 Service Continuity Performance

## 1.1 Service Continuity by Outage Type

Service Continuity SAIDI and SAIFI performance data, by outage type, are provided in Table D-1 and Table D-2, respectively. Hydro uses the average of each index for the period 2019–2023 to establish its annual targets for 2024 for these indexes.

**Table D-1: Service Continuity SAIDI (Hours per Customer)**

| | Q2 | | YTD | | | Annual Target |
|---|---|---|---|---|---|---|
| | 2024 | 2023 | Target | 2024 | 2023 | 2024 |
| Planned | 0.32 | 2.34 | N/A | 0.44 | 2.62 | N/A |
| Unplanned | 3.51 | 3.52 | N/A | 6.33 | 5.22 | N/A |
| **Planned and Unplanned** | **3.83** | **5.86** | **8.36** | **6.77** | **7.84** | **17.65** |

**Table D-2: Service Continuity SAIFI (Interruptions per Customer)**

| | Q2 | | YTD | | | Annual Target |
|---|---|---|---|---|---|---|
| | 2024 | 2023 | Target | 2024 | 2023 | Target |
| Planned | 0.17 | 0.35 | N/A | 0.28 | 0.48 | N/A |
| Unplanned | 1.21 | 2.09 | N/A | 2.16 | 3.28 | N/A |
| **Planned and Unplanned** | **1.38** | **2.44** | **2.12** | **2.44** | **3.76** | **5.38** |

## 1.2 Service Continuity Performance by Area

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

**Table D-3: Service Continuity SAIDI**

| | Q2 | | YTD | |
|---|---|---|---|---|
| Area | 2024 | 2023 | 2024 | 2023 |
| Labrador Region | 2.03 | 10.55 | 3.14 | 10.96 |
| Island Region | 5.05 | 2.87 | 9.23 | 5.85 |
| **All Areas** | **3.83** | **5.86** | **6.77** | **7.84** |

**Table D-4: Service Continuity SAIFI**

| | Q2 | | YTD | |
|---|---|---|---|---|
| **Area** | **2024** | **2023** | **2024** | **2023** |
| Labrador Region | 1.31 | 4.90 | 2.00 | 5.70 |
| Island Region | 1.43 | 0.87 | 2.74 | 2.52 |
| **All Areas** | **1.38** | **2.44** | **2.44** | **3.76** |

## 1.3 Service Continuity Performance by Origin

Service continuity SAIDI and SAIFI values, broken down by origin, are provided in Table D-5 and Table D-6, respectively.[1]

**Table D-5: Service Continuity SAIDI (Hours per Customer)**

| | Q2 | | YTD[2] | | Average |
|---|---|---|---|---|---|
| **Origin** | **2024** | **2023** | **2024** | **2023** | **2019–2023** |
| Loss of Supply: Transmission | 2.11 | 1.97 | 2.97 | 2.99 | 9.97 |
| Distribution | 1.72 | 3.89 | 3.80 | 4.85 | 7.68 |
| **Overall SAIDI** | **3.83** | **5.86** | **6.77** | **7.84** | **17.65** |

**Table D-6: Service Continuity SAIFI (Interruptions per Customer)**

| | Q2 | | YTD[4] | | Average |
|---|---|---|---|---|---|
| **Origin** | **2024** | **2023** | **2024** | **2023** | **2019–2023** |
| Loss of Supply: Transmission | 0.65 | 1.58 | 0.99 | 2.45 | 3.01 |
| Distribution | 0.73 | 0.86 | 1.45 | 1.31 | 2.37 |
| **Overall SAIFI** | **1.38** | **2.44** | **2.44** | **3.76** | **5.38** |

[1] Hydro is updating some reliability tracking processes and is currently unable to provide segmented loss of supply statistics for Newfoundland Power, Isolated, and L'Anse-au-Loup systems. Reporting will resume when available.

[2] Hydro has amended the calculation of this performance indicator from a 12-month rolling average to a YTD value. This is consistent with the remaining data provided in this section of the report.

## 1.4 Service Continuity Performance by Type

Service Continuity SAIDI and SAIFI values by type, broken down by geographical area, are provided in Table D-7.

**Table D-7: Service Continuity by Interruption Type**

| | Q2 2024 Unplanned | | Q2 2024 Planned | | Q2 2024 Total | |
|---|---|---|---|---|---|---|
| **Area** | **SAIDI** | **SAIFI** | **SAIDI** | **SAIFI** | **SAIDI** | **SAIFI** |
| Island Region | 4.53 | 1.19 | 0.45 | 0.23 | 4.98 | 1.42 |
| Labrador Region | 1.90 | 1.24 | 0.12 | 0.07 | 2.02 | 1.31 |
| **All Areas** | **3.51** | **1.21** | **0.32** | **0.17** | **3.83** | **1.38** |

## 1.5 Service Continuity Customer Interruptions by Cause

Service Continuity interruptions, grouped by cause, are provided in Table D-8.

**Table D-8: Service Continuity by Cause of Interruption[3]**

| | Q2 2024 | | YTD | |
|---|---|---|---|---|
| **Cause** | **SAIDI** | **SAIFI** | **SAIDI** | **SAIFI** |
| Adverse Environment | 0.00 | 0.00 | 0.10 | 0.04 |
| Adverse Weather | 0.08 | 0.02 | 1.10 | 0.17 |
| Defective Equipment | 0.38 | 0.06 | 0.54 | 0.18 |
| Environment: Corrosion | 0.02 | 0.02 | 0.08 | 0.03 |
| Environment: Salt Spray | 0.00 | 0.00 | 0.00 | 0.00 |
| Foreign Interference | 0.00 | 0.00 | 0.00 | 0.00 |
| Foreign Interference: Object | 0.01 | 0.00 | 0.10 | 0.01 |
| Foreign Interference: Vehicle | 0.09 | 0.02 | 0.09 | 0.02 |
| Human Error | 0.00 | 0.00 | 0.00 | 0.00 |
| Loss of Supply | 2.11 | 0.65 | 2.97 | 0.99 |
| Lightning | 0.00 | 0.00 | 0.00 | 0.00 |
| Scheduled Outage: Planned | 0.32 | 0.17 | 0.44 | 0.28 |
| Tree Contacts | 0.46 | 0.12 | 0.54 | 0.14 |
| Undetermined/Other | 0.34 | 0.31 | 0.80 | 0.59 |
| **Total** | **3.83** | **1.38** | **6.77** | **2.44** |

[3] Numbers may not add due to rounding.

# 2.0 Transmission System Average Restoration Index

Hydro's 2024 YTD T-SARI[4] was 205 minutes per interruption compared to 80 minutes per interruption for 2023 YTD. Hydro does not establish a restoration index target.

Chart D-1 shows the annual YTD T-SARI performance from 2020 to 2024 and the EC from 2020 to 2022 annual T-SARI performances.

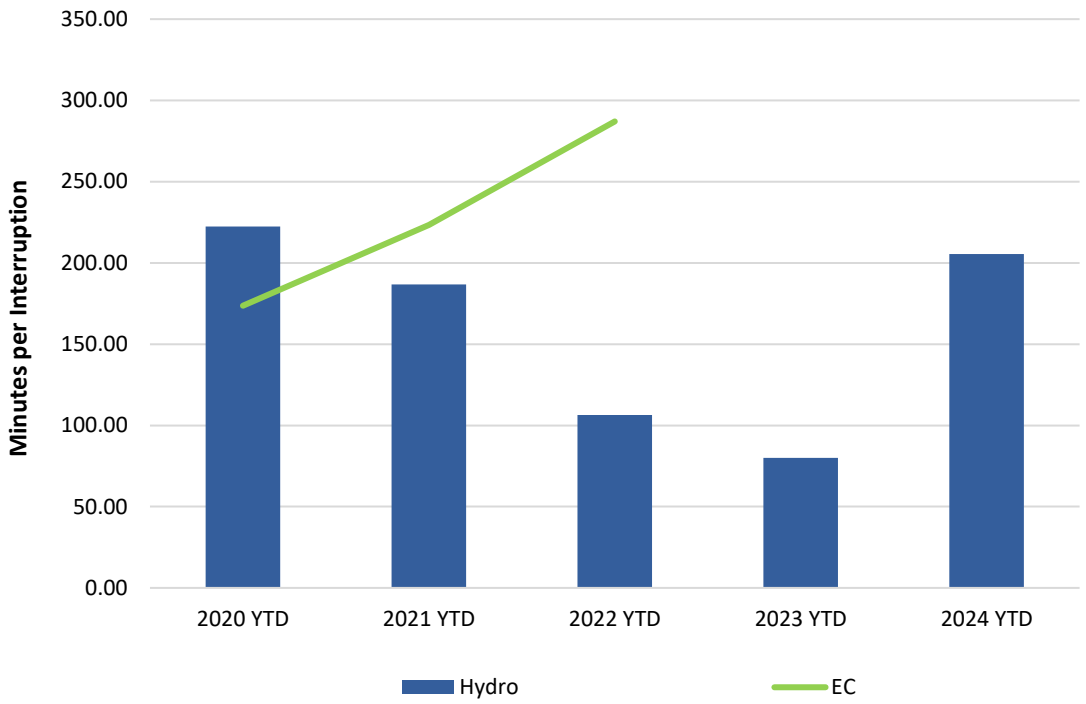


**Chart D-1: T-SARI Measurements 2020–2024[5]**

# 3.0 Under Frequency Load Shedding

Performance data for UFLS events and UFLS undersupplied energy, by customer breakdown, are provided in Table D-9 and Table D-10, respectively. The 2024 UFLS target is zero events. Hydro does not establish a UFLS event YTD target or UFLS undersupplied energy targets. Performance data for UFLS events is provided in Chart D-2.

[4] T-SARI is calculated based on numbers that have not been rounded; therefore, T-SARI may not equate to T-SAIDI divided by T-SAIFI as presented in this report due to rounding.
[5] EC reliability data is published annually. EC reliability data is not currently available for 2023.

**Table D-9: Customer Breakdown of UFLS Events**

| | Q2 | | 12 Months-to-Date | | Annual Target | Average |
|---|---|---|---|---|---|---|
| **Customer** | **2024** | **2023** | **2024** | **2023** | **2024** | **2019–2023** |
| Newfoundland Power | 0 | 0 | 2 | 2 | N/A | 1.2 |
| Industrials | 0 | 0 | 1 | 4 | N/A | 1.4 |
| Hydro Rural | 0 | 0 | 0 | 0 | N/A | 0 |
| **Total Events**[6] | **0** | **0** | **2** | **2** | **0** | **1.2** |

**Table D-10: Customer Breakdown of UFLS Undersupplied Energy (MW-min)**

| | Q2 | | 12 Months-to-Date | | Average |
|---|---|---|---|---|---|
| **Customer** | **2024** | **2023** | **2024** | **2023** | **2019–2023** |
| Newfoundland Power | 0 | 0 | 1,085 | 7,058 | 2,405 |
| Industrials | 0 | 0 | 28 | 497 | 221 |
| Hydro Rural | 0 | 0 | 0 | 0 | 0 |
| **Total Undersupplied Energy**[7] | **0** | **0** | **1,113** | **7,555** | **2,626** |

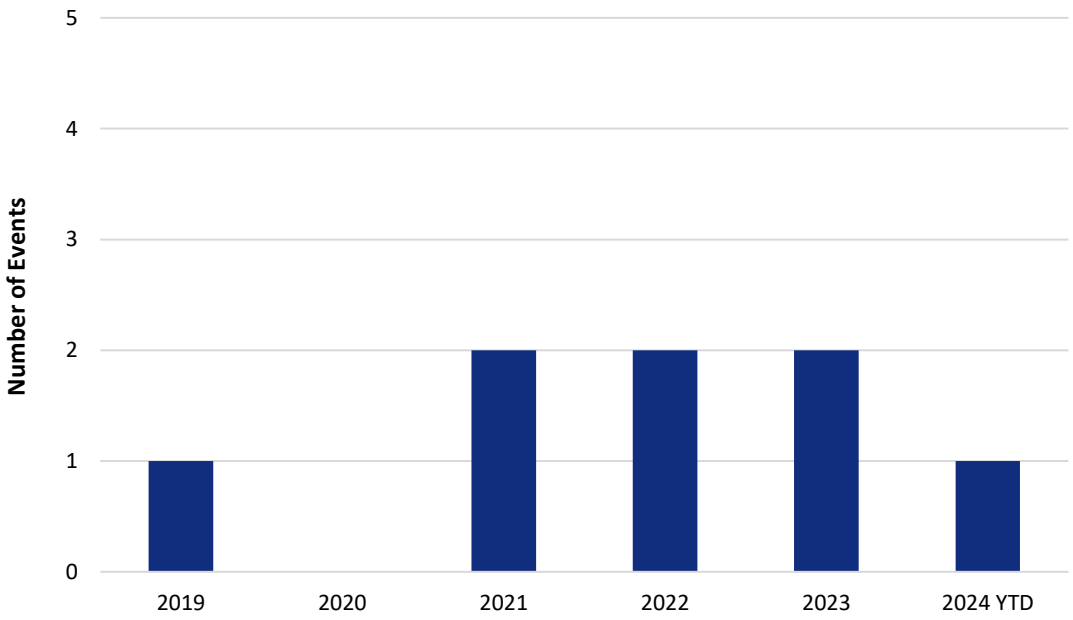


**Chart D-2: UFLS Events**

[6] As individual UFLS events can affect customer types differently, totals may not be the sum of the customer types.
[7] As individual UFLS events can affect customer types differently, totals may not be the sum of the customer types.

# Appendix E

## Financial Schedules

**Balance Sheet - Regulated Operations**
**as at June 30, 2024**
**($000)[1]**

| **Assets** | **June 2024** | **June 2023** |
|---|---|---|
| Current Assets | | |
| Cash and Cash Equivalents | 80,216 | 14,745 |
| Accounts Receivable | 69,554 | 65,293 |
| Current Portion of Sinking Funds | 11,647 | 6,259 |
| Inventory | 91,515 | 95,153 |
| Contract Receivable | 1,598 | 8,067 |
| Due from Related Parties | 382 | 359 |
| Prepaid Expenses | 7,325 | 7,794 |
| Promissory Note - Non-Regulated | 2,503 | - |
| | **264,740** | **197,670** |
| Property, Plant and Equipment | 2,343,316 | 2,258,414 |
| Intangible Assets | 5,226 | 5,064 |
| Sinking Funds | 199,574 | 197,821 |
| Right-of-Use Assets | 2,423 | 2,452 |
| Regulatory Assets | 1,216,316 | 571,366 |
| Long-Term Receivable | 173 | 217 |
| **Total Assets** | **4,031,768** | **3,233,004** |
| **Liabilities and Shareholder's Equity** | | |
| Current Liabilities | | |
| Accounts Payable and Accrued Liabilities | 81,161 | 66,161 |
| Accrued Interest | 25,363 | 25,363 |
| Current Portion of Long-Term Debt | 6,650 | 6,650 |
| Deferred Credits | 5,890 | 5,085 |
| Current Portion of Deferred Contributions | 981 | 993 |
| Current Portion of Asset Retirement Obligations | 96 | 1,401 |
| Due to Related Parties | 7,446 | 23,613 |
| Current Portion of Contract Payable | 280,804 | 270,817 |
| Promissory Notes | 428,000 | 20,000 |
| Promissory Note - Non-Regulated | - | 9,248 |
| | **836,391** | **429,331** |
| Deferred Contributions | 67,545 | 65,406 |
| Long-Term Payable | 824 | 824 |
| Long-Term Debt | 2,013,068 | 2,026,030 |
| Lease Liability | 2,579 | 2,590 |
| Regulatory Liabilities | 18,896 | 10,598 |
| Asset Retirement Obligations | 27,141 | 16,184 |
| Employee Future Benefits | 79,339 | 68,615 |
| Contract Payable | 363,409 | 6,040 |
| Contributed Capital | 100,000 | 100,000 |
| Retained Earnings | 509,431 | 483,630 |
| Accumulated Other Comprehensive Income | 13,145 | 23,756 |
| **Total Liabilities and Shareholder's Equity** | **4,031,768** | **3,233,004** |

[1] Small differences from balances in prior periods not specifically noted are immaterial and in most cases are the result of rounding differences.

**Statement of Income - Regulated Operations**
**for the Six Months Ended June 30, 2024**
**($000)[1]**

| Q2 | | | | YTD | | | Annual |
|---|---|---|---|---|---|---|---|
| 2024 Actual | 2024 Budget | 2023 Actual | | 2024 Actual | 2023 Budget | 2023 Actual | 2024 Budget |
| | | | **Revenue** | | | | |
| 143,145 | 143,246 | 143,075 | Energy Sales | 373,480 | 373,168 | 372,468 | 642,134 |
| 1,917 | 1,449 | 3,194 | Other Revenue | 4,476 | 2,899 | 11,469 | 5,801 |
| **145,062** | **144,695** | **146,269** | | **377,956** | **376,067** | **383,937** | **647,935** |
| | | | **Expenses** | | | | |
| 40,971 | 34,777 | 35,759 | Operating Costs | 77,430 | 70,352 | 72,226 | 141,108 |
| 28,901 | 26,633 | 29,351 | Fuels | 150,839 | 145,374 | 155,456 | 232,560 |
| 15,372 | 16,469 | 16,048 | Power Purchased | 33,030 | 35,935 | 34,645 | 67,316 |
| 22,768 | 21,839 | 22,506 | Amortization | 43,393 | 43,598 | 42,393 | 89,917 |
| 582 | 539 | 330 | Other Expense | 1,200 | 1,078 | 861 | 2,157 |
| 21,094 | 21,588 | 21,242 | Interest | 42,538 | 43,741 | 42,646 | 85,280 |
| **129,688** | **121,845** | **125,236** | | **348,430** | **340,078** | **348,227** | **618,338** |
| **15,374** | **22,850** | **21,033** | **Net Income** | **29,526** | **35,989** | **35,710** | **29,597** |

[1] Small differences from balances in prior periods not specifically noted are immaterial and in most cases are the result of rounding differences.

**Statement of Comprehensive Income - Regulated Operations**
**for the Six Months Ended June 30, 2024**
**($000)[1]**

| Q2 | | | | YTD | | |
|---|---|---|---|---|---|---|
| **2024 Actual** | **2024 Budget** | **2023 Actual** | | **2024 Actual** | **2024 Budget** | **2023 Actual** |
| 15,374 | 22,850 | 21,033 | Net Income | 29,526 | 35,989 | 35,710 |
| | | | Other Comprehensive Loss | | | |
| (249) | - | (509) | Employee Future Benefit Actuarial Loss | (498) | - | (1,017) |
| **15,125** | **22,850** | **20,524** | **Total Comprehensive Income** | **29,028** | **35,989** | **34,693** |

[1] Small differences from balances in prior periods not specifically noted are immaterial and in most cases are the result of rounding differences.

**Statement of Cash Flows - Regulated Operations**
**for the Six Months Ended June 30, 2024**
**($000)[1]**

| | YTD | |
|---|---|---|
| | **2024** | **2023** |
| **Operating Activities** | | |
| Net Income | 29,526 | 35,710 |
| Adjusted for Items not Involving Cash Flow | | |
| Amortization of Property, Plant and Equipment | 43,393 | 42,388 |
| Accretion of Asset Retirement Obligation and Long-Term Debt | 1,234 | 1,060 |
| Amortization of Deferred Contributions | (996) | (1,097) |
| Employee Future Benefits | 887 | 1,034 |
| Loss on Disposal of Property, Plant and Equipment | - | - |
| Other | (7,900) | (8,117) |
| | **66,144** | **70,978** |
| Changes in Non-Cash Working Capital Balances | | |
| Accounts Receivable | 35,256 | 31,754 |
| Inventory | 9,191 | 3,839 |
| Long-Term Receivable | - | - |
| Prepaid Expenses | (2,647) | (2,087) |
| Regulatory Assets | (366,634) | (67,018) |
| Regulatory Liabilities | 227 | 97 |
| Accounts Payable and Accrued Liabilities | (27,404) | (44,980) |
| Contract Payable | 192,916 | 111,391 |
| Accrued Interest | 1 | - |
| Contract Receivable | 10,952 | (8,067) |
| Due to/from Related Parties | 8,306 | 7,933 |
| | **(73,692)** | **103,840** |
| **Financing Activities** | | |
| Decrease in Long-Term Receivable | 22 | 40 |
| Decrease (Increase) in Deferred Credits | 2,234 | 2,075 |
| Increase in Deferred Capital Contribution | 3,286 | 2,789 |
| Increase in Promissory Notes | 182,007 | (99,040) |
| Issuance of Long-Term Debt | - | - |
| Long-Term Debt Retired | - | - |
| | **187,549** | **(94,136)** |
| **Investing Activities** | | |
| Additions to Property, Plant and Equipment | (55,843) | (50,444) |
| Removal Costs | (245) | (170) |
| Proceeds on Disposal | - | - |
| Additions to Intangible Assets | (1) | - |
| Increase in Sinking Funds | (2,400) | (2,400) |
| Decrease in Related Party Note Receivable | - | 29,665 |
| Changes in Non-Cash Working Capital Balances | (4,502) | 12,123 |
| | **(62,991)** | **(11,226)** |
| **Net (Decrease) Increase in Cash** | 50,866 | (1,522) |
| **Cash Position, Beginning of Period** | 29,350 | 16,267 |
| **Cash Position, End of Period** | **80,216** | **14,745** |

[1] Small differences from balances in prior periods not specifically noted are immaterial and in most cases are the result of rounding differences.

**Revenue Summary - Regulated Operations**
**for the Six Months Ended June 30, 2024**
**($000)[1]**

| Q2 | | | | YTD | | | Annual |
|---|---|---|---|---|---|---|---|
| 2024 Actual | 2024 Budget | 2023 Actual | | 2024 Actual | 2024 Budget | 2023 Actual | 2024 Budget |
| | | | **Industrial** | | | | |
| 7,431 | 11,297 | 5,536 | Industrial | 15,680 | 22,472 | 13,123 | 45,268 |
| 4,252 | 818 | 5,682 | Industrial Load[2] | 7,657 | 1,693 | 9,425 | 3,488 |
| 11,683 | 12,115 | 11,218 | **Total Industrial** | 23,337 | 24,165 | 22,548 | 48,756 |
| | | | **Utility** | | | | |
| 108,201 | 104,900 | 124,812 | Newfoundland Power Inc. | 299,248 | 310,687 | 314,193 | 513,994 |
| 4,142 | 6,807 | (12,419) | Utility Load[3] | 5,522 | (7,648) | (10,256) | (4,438) |
| 112,343 | 111,707 | 112,393 | **Total Utility** | 304,770 | 303,039 | 303,937 | 509,556 |
| 19,119 | 19,424 | 19,154 | **Rural** | 45,373 | 45,964 | 45,983 | 83,821 |
| - | - | 310 | **Export Energy** | - | - | - | - |
| | | | **Other Revenue** | | | | |
| 422 | 129 | 189 | Sundry | 585 | 258 | 376 | 517 |
| 411 | 409 | 411 | Pole Attachments | 822 | 818 | 810 | 1,636 |
| 497 | 521 | 549 | Amortization of CIAC[4] | 996 | 1,043 | 1,097 | 2,088 |
| 197 | - | 1,680 | Recovery of Supply Power[5] | 1,293 | - | 8,456 | - |
| 390 | 390 | 365 | Generation Demand Recovery | 780 | 780 | 730 | 1,560 |
| **1,917** | **1,449** | **3,194** | **Total Other Revenue** | **4,476** | **2,899** | **11,469** | **5,801** |
| **145,062** | **144,695** | **146,269** | **Total Revenue** | **377,956** | **376,067** | **383,937** | **647,934** |

[1] Small differences from balances in prior periods not specifically noted are immaterial and in most cases are the result of rounding differences.

[2] Industrial load represents the revenue load variance recognized through the Supply Cost Variance Deferral Account ("SCVDA").

[3] Utility load represents the revenue load variance recognized through the SCVDA.

[4] Contribution in aid of Construction ("CIAC").

[5] Recovery of Supply Power includes sales of emergency energy to Nova Scotia Power and recovery of costs incurred by Newfoundland and Labrador Hydro as a result of advanced delivery of the Nova Scotia Block to Emera.

**Supplementary Schedule - Regulated Operations**
**for the Six Months Ended June 30, 2024**
**($000)[1]**

| Q2 | | | | YTD | | | Annual |
|---|---|---|---|---|---|---|---|
| **2024 Actual** | **2024 Budget** | **2023 Actual** | | **2024 Actual** | **2024 Budget** | **2023 Actual** | **2024 Budget** |
| | | | **Interest** | | | | |
| | | | **Interest Income** | | | | |
| 3,790 | 3,707 | 3,599 | Interest on Sinking Fund | 7,492 | 7,385 | 7,079 | 14,875 |
| 959 | 149 | 1,302 | Other Interest Income | 1,933 | 297 | 2,291 | 594 |
| **4,749** | **3,856** | **4,901** | **Total Interest Income** | **9,425** | **7,682** | **9,370** | **15,469** |
| | | | **Interest Expense** | | | | |
| 24,432 | 24,432 | 24,432 | Interest on Long-Term Debt | 48,863 | 48,863 | 48,863 | 97,725 |
| 5,799 | 357 | 677 | Interest on Short-Term Debt | 9,925 | 3,191 | 2,361 | 7,426 |
| 2,235 | 2,232 | 2,198 | Debt Guarantee Fee | 4,470 | 4,463 | 4,397 | 8,926 |
| 625 | 826 | 538 | Accretion | 1,233 | 1,636 | 1,060 | 3,283 |
| (618) | (586) | (804) | RSP[2] Interest | (1,199) | (1,160) | (1,495) | (2,137) |
| (6,153) | (1,431) | (558) | SCVDA[3] Interest | (10,318) | (4,876) | (2,594) | (11,467) |
| 23 | 12 | 21 | Other | 39 | 23 | 34 | 44 |
| **26,343** | **25,842** | **26,504** | **Total Interest Expense** | **53,013** | **52,140** | **52,626** | **103,800** |
| (500) | (398) | (361) | Interest Capitalized during Construction | (1,050) | (717) | (610) | (3,051) |
| 25,843 | 25,444 | 26,143 | | 51,963 | 51,423 | 52,016 | 100,749 |
| **21,094** | **21,588** | **21,242** | **Net Interest Expense** | **42,538** | **43,741** | **42,646** | **85,280** |

[1] Small differences from balances in prior periods not specifically noted are immaterial and in most cases are the result of rounding differences.

[2] Rate Stabilization Plan ("RSP").

[3] Supply Cost Variance Deferral Account ("SCVDA").

## Balance Sheet - Non-Regulated Activities
## as at June 30, 2024
## ($000)[1]

| **Assets** | **June 2024** | **June 2023** |
|---|---|---|
| Current Assets | | |
| Accounts Receivable | 7,084 | 3,061 |
| Prepaid Expenses | - | - |
| Deferred Assets | 34,066 | 42,845 |
| Promissory Note Receivable | - | 9,248 |
| Due from Related Party | 3,543 | 4,044 |
| | **44,693** | **59,198** |
| Investment in CF(L)Co[2] | 762,527 | 720,456 |
| **Total Assets** | **807,220** | **779,654** |
| **Liabilities and Shareholder's Equity** | | |
| Current Liabilities | | |
| Accounts Payable and Accrued Liabilities | 4,648 | 3,763 |
| Due to Related Party | 23,272 | 19,275 |
| Promissory Note | 2,503 | - |
| Derivative Liabilities | 37,873 | 45,074 |
| | **68,296** | **68,112** |
| Employee Future Benefits | 4,126 | 3,329 |
| Share Capital | 22,504 | 22,504 |
| Lower Churchill Development Corporation | 15,400 | 15,400 |
| Retained Earnings | 691,525 | 663,807 |
| Accumulated Other Comprehensive Income | 5,369 | 6,502 |
| **Total Liabilities and Shareholder's Equity** | **807,220** | **779,654** |

[1] Small differences from balances in prior periods not specifically noted are immaterial and in most cases are the result of rounding differences.

[2] Churchill Falls (Labrador) Corporation ("CF(L)Co").

**Statement of Income - Non-Regulated Activities**
**for the Six Months Ended June 30, 2024**
**($000)[1]**

| Q2 | | | | YTD | | | Annual |
|---|---|---|---|---|---|---|---|
| 2024 Actual | 2024 Budget | 2023 Actual | | 2024 Actual | 2024 Budget | 2023 Actual | 2024 Budget |
| | | | **Revenue** | | | | |
| 14,639 | 12,348 | 12,176 | Energy Sales | 33,285 | 29,717 | 29,125 | 59,203 |
| 4,714 | 5,267 | 4,714 | Other Revenue | 9,428 | 10,534 | 9,429 | 21,069 |
| **19,353** | **17,615** | **16,890** | | **42,713** | **40,251** | **38,554** | **80,272** |
| | | | **Expenses** | | | | |
| 385 | 296 | 940 | Operating Costs | 609 | 569 | 1,466 | 1,106 |
| - | - | - | Fuels | - | - | - | - |
| 4,714 | 5,267 | 4,713 | Transmission Rental | 9,428 | 10,534 | 9,429 | 21,068 |
| 26,259 | 12,166 | 11,489 | Power Purchased | 50,769 | 25,268 | 25,017 | 51,516 |
| - | - | - | Interest | - | - | - | - |
| 38 | - | 8,300 | Other Expense[2] | 3,808 | - | 2,229 | - |
| **31,396** | **17,729** | **25,442** | | **64,614** | **36,371** | **38,141** | **73,690** |
| **(12,043)** | **(114)** | **(8,552)** | Net Operating (Loss) Income | **(21,901)** | **3,880** | **413** | **6,582** |
| | | | **Other Revenue** | | | | |
| 11,069 | 178 | 345 | Equity in CF(L)Co | 30,624 | 18,486 | 17,975 | 41,283 |
| 2,599 | 1,402 | 937 | Preferred Dividends | 4,142 | 3,303 | 3,622 | 6,106 |
| **13,668** | **1,580** | **1,282** | | **34,766** | **21,789** | **21,597** | **47,389** |
| **1,625** | **1,466** | **(7,270)** | **Net Income (Loss)** | **12,865** | **25,669** | **22,010** | **53,971** |

[1] Small differences from balances in prior periods not specifically noted are immaterial and in most cases are the result of rounding differences.

[2] The balance in Other Expense is related to the fair value valuation of the Energy Marketing - Hydro Power Purchase Agreement derivative liability and associated gains and losses as a result of changes in forecasted energy prices.

## Statement of Retained Earnings - Non-Regulated Activites
## for the Six Months Ended June 30, 2024
## ($000)[1]

| Q2 | | | YTD | |
|---|---|---|---|---|
| **2024 Actual** | **2023 Actual** | | **2024 Actual** | **2023 Actual** |
| 689,900 | 671,723 | Balance, Beginning of Period | 678,660 | 645,843 |
| 1,625 | (7,270) | Net Income (Loss) | 12,865 | 22,010 |
| - | (646) | Dividends | - | (4,046) |
| **691,525** | **663,807** | Balance, End of Period | **691,525** | **663,807** |

[1] Small differences from balances in prior periods not specifically noted are immaterial and in most cases are the result of rounding differences.

**Statement of Comprehensive Income - Non-Regulated Activities**
**for the Six Months Ended June 30, 2024**
**($000)[1]**

| Q2 | | | | YTD | | | Annual |
|---|---|---|---|---|---|---|---|
| **2024 Actual** | **2024 Budget** | **2023 Actual** | | **2024 Actual** | **2024 Budget** | **2023 Actual** | **2024 Budget** |
| 1,625 | 1,466 | (7,270) | Net Income (loss) | 12,865 | 25,669 | 22,010 | 53,971 |
| | | | Other Comprehensive Income (Loss) | | | | |
| 529 | - | (497) | Share of CF(L)Co other Comprehensive Loss and Other | 275 | - | 8 | - |
| **2,154** | **1,466** | **(7,767)** | **Total Comprehensive Income (Loss)** | **13,140** | **25,669** | **22,018** | **53,971** |

[1] Small differences from balances in prior periods not specifically noted are immaterial and in most cases are the result of rounding differences.

## Statement of Cash Flows - Non-Regulated Activities
## for the Six Months Ended June 30, 2024
## ($000)[1]

| | YTD | |
|---|---|---|
| | **2024** | **2023** |
| Operating Activities | | |
| Net Income | 12,865 | 22,010 |
| Adjusted for Items not Involving Cash Flow | | |
| Employee Future Benefits | 207 | 179 |
| Equity in CF(L)Co | (30,624) | (17,975) |
| Net Changes in PPA[2] Fair Value | 3,807 | 2,230 |
| Other | - | - |
| | **(13,745)** | **6,444** |
| **Changes in Non-Cash Working Capital Balances** | | |
| Accounts Receivable | (298) | 5,105 |
| Accounts Payable and Accrued Liabilities | 1,117 | (161) |
| Due to/from Related Parties | (3,918) | 3,227 |
| Prepaid Expenses | 672 | 639 |
| | **(16,172)** | **15,254** |
| **Financing Activities** | | |
| Increase (Decrease) in Promissory Notes | 15,993 | (11,959) |
| Dividends | - | (4,046) |
| | **15,993** | **(16,005)** |
| **Investing Activities** | | |
| | - | - |
| Changes in Non-Cash Working Capital Balances | 179 | 751 |
| | **179** | **751** |
| **Net Change in Cash** | - | - |
| **Cash Position, Beginning of Period** | - | - |
| **Cash Position, End of Period** | - | - |

[1] Small differences from balances in prior periods not specifically noted are immaterial and in most cases are the result of rounding differences.

[2] Power Purchase Agreement between Newfoundland and Labrador Hydro and Nalcor Energy Marketing ("PPA").

# Attachment 1

## Rate Stabilization Plan Report

Quarter Ended June 30, 2024

**Newfoundland and Labrador Hydro**
**Rate Stabilization Plan Report**
**June 30, 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. 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**
**June 30, 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 | | | | | | | | | | | |
| August | | | | | | | | | | | |
| September | | | | | | | | | | | |
| October | | | | | | | | | | | |
| November | | | | | | | | | | | |
| December | | | | | | | | | | | |
| **YTD** | **-** | **-** | **-** | **-** | **-** | **-** | | **-** | **398,875** | **-** | **15,287,236** |

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

**Rate Stabilization Plan**
**Summary of Utility Customer**
**June 30, 2024**

| | A | B | C | D | E | F | G | H |
|---|---|---|---|---|---|---|---|---|
| | **Load Variation ($)** | **Allocation Fuel Variance ($)** | **Allocation Rural Rate Alteration ($)** | **Subtotal Monthly Variances ($)** | **Financing Charges ($)** | **Adjustment[1] ($)** | **Transfers[2] ($)** | **Cumulative Net Balance ($)** |
| | | | | **(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 | | | | | | | | |
| August | | | | | | | | |
| September | | | | | | | | |
| October | | | | | | | | |
| November | | | | | | | | |
| December | | | | | | | | |
| **YTD** | - | - | - | - | 761,298 | (16,239,535) | 11,589,118 | (3,889,119) |
| Hydraulic Allocation **(from page 2)** | | | | | | | | - |
| **Total** | **-** | **-** | **-** | **-** | **761,298** | **(16,239,535)** | **11,589,118** | **26,682,333** |

[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] 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**
**June 30, 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 | | | | | | | |
| August | | | | | | | |
| September | | | | | | | |
| October | | | | | | | |
| November | | | | | | | |
| December | | | | | | | |
| **YTD** | - | - | - | 38,445 | (1,159,544) | - | (1,121,099) |
| Hydraulic Allocation **(from page 2)** | | | | | | | - |
| **Total** | **-** | **-** | **-** | **38,445** | **(1,159,544)** | **-** | **792,124** |

[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**
**June 30, 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 | | | | |
| August | | | | |
| September | | | | |
| October | | | | |
| November | | | | |
| December | | | | |

# Attachment 2

## Supply Cost Variance Deferral Account Report

Quarter Ended June 30, 2024

**Newfoundland and Labrador Hydro**
**Supply Cost Variance Deferral Account**
**June 30, 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 ("Hydro") 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 will be trued up to reflect the actual short-term cost of borrowing for 2024.

**Supply Cost Variance Deferral Account**
**Summary**
**June 30, 2024**

| | Supply Cost Variance Deferral Account Balance ($) (from page 3) | Utility Balance ($) (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 | 312,104,403 | (13,625,254) | - | **298,479,149** |
| February | 342,046,430 | (14,578,410) | - | **327,468,020** |
| March | 398,032,518 | (15,412,310) | - | **382,620,208** |
| April | 459,145,468 | (16,162,803) | - | **442,982,665** |
| May | 513,778,430 | (17,010,097) | - | **496,768,333** |
| June | 473,187,916 | (17,510,869) | - | **455,677,047** |
| July | | | | |
| August | | | | |
| September | | | | |
| October | | | | |
| November | | | | |
| December | | | | |

**Supply Cost Variance Deferral Account**
**Section A: Summary**
**June 30, 2024**

| | Muskrat Falls Project Cost Variance ($) | Rate Mitigation Fund[2] ($) | Project Cost Recovery Rider | | Holyrood TGS[5] Fuel Cost Variance[6] ($) | Other IIS[7] Supply Cost Variance[6] ($) | Net Revenue From Exports Variance ($) | Transmission Tariff Revenue Variance ($) | Load Variation | | Greenhouse Gas Credit Revenue Variance ($) | Subtotal Monthly Variances ($) | Financing Charges[1] | | | Transfers ($) | Cumulative Net Balance ($) |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | Utility[3] ($) | Industrial[4] ($) | | | | | Utility ($) | Industrial ($) | | | Utility ($) | Industrial ($) | Other ($) | | |
| | (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 | (305,206) | - | 1,623,375 | - | 312,104,403 |
| February | 60,093,165 | - | (5,193,050) | (330,240) | (21,078,221) | (3,580,930) | (407,397) | (1,498,023) | (410,190) | 925,931 | (29,082) | 28,491,963 | (332,708) | (1,407) | 1,784,179 | - | 342,046,430 |
| March[8] | 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 | (356,836) | (2,941) | 1,948,954 | - | 398,032,518 |
| 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 | (379,443) | (4,435) | 2,233,171 | - | 459,145,468 |
| May | 59,780,821 | - | (3,530,077) | (248,519) | 2,202,522 | (1,651,819) | (350,006) | (1,498,023) | (3,753,884) | 1,550,406 | (1,688) | 52,499,733 | (398,586) | (5,129) | 2,536,944 | - | 513,778,430 |
| June | 49,022,047 | (90,000,000) | (2,498,638) | (395,759) | (3,008,308) | (980,286) | (181,385) | (1,498,023) | 5,828,685 | 723,206 | 10,889 | (42,977,572) | (414,987) | (6,283) | 2,808,328 | - | 473,187,916 |
| July | | | | | | | | | | | | | | | | - | |
| August | | | | | | | | | | | | | | | | - | |
| September | | | | | | | | | | | | | | | | - | |
| October | | | | | | | | | | | | | | | | - | |
| November | | | | | | | | | | | | | | | | - | |
| December | | | | | | | | | | | | | | | | - | |
| **YTD** | **350,767,020** | **(90,000,000)** | **(26,127,317)** | **(1,748,177)** | **(40,625,203)** | **(15,049,195)** | **(2,373,953)** | **(8,988,138)** | **5,522,208** | **7,657,488** | **(289,874)** | **178,744,859** | **(2,187,766)** | **(20,195)** | **12,934,951** | **-** | **189,471,849** |
| **Total** | **1,205,804,037** | **(425,104,321)** | **(91,818,264)** | **(1,748,177)** | **(154,818,271)** | **(63,617,350)** | **(50,944,869)** | **(35,769,234)** | **58,618,357** | **44,073,184** | **(35,784,320)** | **448,890,772** | **(4,662,690)** | **(20,195)** | **28,980,029** | **-** | **473,187,916** |

[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 will be trued up to reflect the actual short-term cost of borrowing for 2024.

[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] As per Order No. P.U. 19(2022), the Board approved a Project Cost Recovery Rider of 0.798 cents per kWh that became effective as of July 1, 2022. There is no change to the Project Cost Recovery Rider effective July 1, 2023 as per Board Order No. P.U. 15(2023).

[4] 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.

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

[6] In 2021, Nalcor commenced delivery of the Nova Scotia Block that, combined with limited Labrador-Island Link ("LIL") capacity, meant Hydro could not be delivered as much energy from the Muskrat Falls Hydroelectric Generating Station 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.

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

[8] In March 2024, 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.

**Supply Cost Variance Deferral Account**
**Section B: Utility Customer Balance**
**June 30, 2024**

| | Allocation Rural Rate Alteration[1] ($) | Financing Charges ($) | 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) | (57,817) | - | (13,625,254) |
| February | (889,852) | (63,304) | - | (14,578,410) |
| March | (766,167) | (67,733) | - | (15,412,310) |
| April | (678,886) | (71,607) | - | (16,162,803) |
| May | (772,200) | (75,094) | - | (17,010,097) |
| June | (421,742) | (79,030) | - | (17,510,869) |
| July | | | - | |
| August | | | - | |
| September | | | - | |
| October | | | | |
| November | | | | |
| December | | | | |
| **YTD** | **(4,651,976)** | **(414,585)** | **-** | **(5,066,561)** |
| **Total** | **(16,440,129)** | **(1,070,740)** | **-** | **(17,510,869)** |

[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.

**Supply Cost Variance Deferral Account**
**Section B: Industrial Customers Balance[1]**
**June 30, 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**
**June 30, 2024**

| | Muskrat Falls PPA Charges Actual ($) (A) | Muskrat Falls PPA Charges Test Year ($) ($A_T$) | TFA[1] 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 | | | | | |
| August | | | | | |
| September | | | | | |
| October | | | | | |
| November | | | | | |
| December | | | | | |
| **Total** | **133,948,567** | **-** | **216,818,452** | **-** | **350,767,020** |

[1] Transmission Funding Agreement ("TFA").

**Supply Cost Deferral Account**
**Holyrood TGS Fuel Cost Variance**
**June 30, 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 ($Can./bbl) | Actual ($) C | Test Year Quantity No. 6 Fuel (bbl.) | Test Year No. 6 Fuel Cost ($Can./bbl) | Test Year ($) $C_T$ | Total Variation ($) $(C - C_T)$ (to page 3) |
|---|---|---|---|---|---|---|---|---|---|
| January | 190,758 | 139 | 190,619 | 118.63 | 22,586,720 | 421,132 | 105.90 | 44,597,879 | **(22,011,159)** |
| February | 149,552 | 4,252 | 145,299 | 119.56 | 17,372,692 | 363,087 | 105.90 | 38,450,913 | **(21,078,221)** |
| March | 167,165 | 1,463 | 165,702 | 119.39 | 19,783,842 | 178,662 | 105.90 | 18,920,306 | **863,536** |
| April | 110,502 | - | 110,502 | 122.35 | 13,514,172 | 104,889 | 105.90 | 11,107,745 | **2,406,427** |
| May | 73,636 | 408 | 73,228 | 122.35 | 8,959,789 | 63,808 | 105.90 | 6,757,267 | **2,202,522** |
| June | 1,792 | 1,022 | 770 | 122.35 | 94,244 | 29,297 | 105.90 | 3,102,552 | **(3,008,308)** |
| July | | | | | | | | | |
| August | | | | | | | | | |
| September | | | | | | | | | |
| October | | | | | | | | | |
| November | | | | | | | | | |
| December | | | | | | | | | |
| **Total** | **693,405** | **7,285** | **686,120** | **119.97** | **82,311,460** | **1,160,875** | **105.90** | **122,936,663** | **(40,625,203)** |

[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**
**June 30, 2024**

| | Thermal Variation[1] ($) (D) | Off-Island Power Purchase Variation[1] ($) (E) | On-Island Power Purchase Variation[1] ($) (F) | CBPP[2] Firm Energy Variation[1] ($) (G) | Current Month Variation ($) (D + E + F + G) | Year-to-Date Variation ($) | Cost Variance Threshold[3] ($) | Other IIS Supply Cost Variance ($) |
|---|---|---|---|---|---|---|---|---|
| January | 621,604 | (477,034) | 619,542 | - | 764,112 | 764,112 | 500,000 | 264,112 |
| February | (854,054) | (2,610,139) | (1,116,737) | - | (4,580,930) | (3,816,818) | (500,000) | (3,316,818) |
| March | (710,355) | (5,919,829) | (1,232,172) | - | (7,862,356) | (11,679,174) | (500,000) | (11,179,174) |
| April | (88,885) | (146,318) | (1,002,713) | - | (1,237,916) | (12,917,090) | (500,000) | (12,417,090) |
| May | (57,980) | - | (1,593,839) | - | (1,651,819) | (14,568,909) | (500,000) | (14,068,909) |
| June | (534,579) | - | (445,707) | - | (980,286) | (15,549,195) | (500,000) | (15,049,195) |
| July | | | | | | | | |
| August | | | | | | | | |
| September | | | | | | | | |
| October | | | | | | | | |
| November | | | | | | | | |
| December | | | | | | | | |
| **Total** | **(1,624,249)** | **(9,153,320)** | **(4,771,626)** | **-** | **(15,549,195)** | | | |

[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**
**June 30, 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 | | | | | |
| August | | | | | |
| September | | | | | |
| October | | | | | |
| November | | | | | |
| December | | | | | |
| **Total** | **-** | **1,965,467** | **408,486** | **2,373,953** | **(2,373,953)** |

[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 Purchase Power Agreement ("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 Station. 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.

**Supply Cost Deferral Account**
**Tariff Revenue**
**June 30, 2024**

| | Test Year ($) ($T) | Actual ($) (I) | Total Variation ($) ($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 | | | |
| August | | | |
| September | | | |
| October | | | |
| November | | | |
| December | | | |
| **Total** | **-** | **8,988,138** | **(8,988,138)** |

**Supply Cost Deferral Account**
**Load Variation - Utility**
**June 30, 2024**

| | Test Year Cost of Service Firm Sales (kWh) ($J_T$) | Actual Firm Sales (kWh) ($J_A$) | Sales Variance (kWh) ($J_T - J_A$) | Firm Energy Rate ($/kWh) ($K_R$) | Load Variation ($) ($J_T - J_A$) 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 | | | | | |
| August | | | | | |
| September | | | | | |
| October | | | | | |
| November | | | | | |
| December | | | | | |
| **Total** | **3,304,500,000** | **3,274,099,740** | **30,400,260** | | **5,522,208** |

**Supply Cost Deferral Account**
**Load Variation - Industrial**
**June 30, 2024**

| | Test Year Cost of Service Firm Sales (kWh) ($J_T$) | Actual Firm Sales (kWh) ($J_A$) | Sales Variance (kWh) ($J_T - J_A$) | Firm Energy Rate ($/kWh) ($K_R$) | Load Variation ($) ($J_T - J_A$) 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 | | | | | |
| August | | | | | |
| September | | | | | |
| October | | | | | |
| November | | | | | |
| December | | | | | |
| **Total** | **369,800,000** | **196,866,679** | **172,933,321** | | **7,657,488** |

**Supply Cost Deferral Account**
**Rural Rate Alteration**
**June 30, 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 | | | | | | |
| August | | | | | | |
| September | | | | | | |
| October | | | | | | |
| November | | | | | | |
| December | | | | | | |
| **Total** | **(4,898,935)** | **58,169** | **(4,840,766)** | **(4,651,976)** | **(188,790)** | **-** |

[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**
**June 30, 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 | | | |
| August | | | |
| September | | | |
| October | | | |
| November | | | |
| December | | | |
| **Total** | **-** | **289,874** | **(289,874)** |

**Supply Cost Deferral Account**
**Rate Mitigation Fund**
**June 30, 2024**

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

[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.

## 2024 Short-Term Interest Calculation[1]

| | ($000's) |
|---|---|
| Promissory Note Interest | 5,429 |
| Operating Line Interest | - |
| Standby and Upfront Fee | 699 |
| Brokerage Fee | 112 |
| Debt Guarantee Fee – Recoverable Portion Only | 164 |
| **Total Short-Term Borrowing Costs** | **6,404** |
| **Weighted Average Short-Term Debt Balance[2]** | **111,934** |
| **Short-Term Cost of Borrowing 2023** | **5.72%** |

[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 will be 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**
**June 30, 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 | 366,432 | 30,708 | 767,288 | **(736,580)** |
| 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 | | | | | |
| August | | | | | |
| September | | | | | |
| October | | | | | |
| November | | | | | |
| December | | | | | |
| **Subtotal** | **2,951,243** | **379,335** | **2,571,907** | **3,635,281** | **(1,063,373)** |

[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**
**June 30, 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 | | | | | |
| August | | | | | |
| September | | | | | |
| October | | | | | |
| November | | | | | |
| December | | | | | |
| **Subtotal** | **316,075** | **-** | **316,075** | **551,266** | **(235,191)** |

**Other Island Interconnected System Supply Cost Variance**
**Thermal Generation Cost Variance**
**June 30, 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 | | | | | |
| August | | | | | |
| September | | | | | |
| October | | | | | |
| November | | | | | |
| December | | | | | |
| **Subtotal** | **1,380** | **-** | **1,380** | **323,923** | **(322,542)** |

**Other Island Interconnected System Supply Cost Variance**
**Thermal Generation Cost Variance**
**June 30, 2024**

| St. Anthony 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 | (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 | | | | | |
| August | | | | | |
| September | | | | | |
| October | | | | | |
| November | | | | | |
| December | | | | | |
| **Subtotal** | **19,683** | **-** | **19,683** | **20,348** | **(666)** |

**Other Island Interconnected System Supply Cost Variance**
**Thermal Generation Cost Variance**
**June 30, 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 | | | | | |
| August | | | | | |
| September | | | | | |
| October | | | | | |
| November | | | | | |
| December | | | | | |
| **Subtotal** | **7,710** | **-** | **7,710** | **10,187** | **(2,477)** |
| **Total** | | | | | **(1,624,249)** |

**Supply Cost Variance Deferral Account**
**Off-Island Power Purchase**
**June 30, 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 | | | |
| October | | | |
| November | | | |
| December | | | |
| **Subtotal** | **-** | **8,672,647** | **(8,672,647)** |

**Supply Cost Variance Deferral Account**
**Off-Island Power Purchase**
**June 30, 2024**

| **Labrador-Island Link** | **Actual Cost ($)** | **Test Year Cost ($)** | **Off-Island Power Purchase Variation ($)** |
|---|---|---|---|
| | **(A)** | **(B)** | **(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 | | | |
| November | | | |
| December | | | |
| **Subtotal** | **-** | **480,674** | **(480,673)** |
| **Total** | | | **(9,153,320)** |

**Supply Cost Deferral Account**
**On-Island Purchases Variation**
**June 30, 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 | | | | | |
| August | | | | | |
| September | | | | | |
| October | | | | | |
| November | | | | | |
| December | | | | | |
| **Subtotal** | **317,086,685** | **319,873,920** | **(2,787,235)** | | **(111,489)** |

**Supply Cost Deferral Account**
**On-Island Purchases Variation**
**June 30, 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 | | | | | |
| August | | | | | |
| September | | | | | |
| October | | | | | |
| November | | | | | |
| December | | | | | |
| **Subtotal** | **69,775,113** | **72,947,520** | **(3,172,407)** | | **(126,896)** |

**Supply Cost Deferral Account**
**On-Island Purchases Variation**
**June 30, 2024**

| **Rattle Brook** | **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 | 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 | | | | | |
| August | | | | | |
| September | | | | | |
| October | | | | | |
| November | | | | | |
| December | | | | | |
| **Subtotal** | **8,363,897** | **7,600,000** | **763,897** | | **65,016** |

**Supply Cost Deferral Account**
**On-Island Purchases Variation**
**June 30, 2024**

| CBPP[1] 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 | | | | | |
| August | | | | | |
| September | | | | | |
| October | | | | | |
| November | | | | | |
| December | | | | | |
| **Subtotal** | **12,263,125** | **34,500,000** | **(22,236,875)** | | **(4,189,428)** |

[1] Corner Brook Pulp and Paper Limited ("CBPP").

**Supply Cost Deferral Account**
**On-Island Purchases Variation**
**June 30, 2024**

| St. Lawrence 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 | 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 | | | | | |
| August | | | | | |
| September | | | | | |
| October | | | | | |
| November | | | | | |
| December | | | | | |
| **Subtotal** | **50,475,335** | **56,320,000** | **(5,844,665)** | | **(421,984)** |

**Supply Cost Deferral Account**
**On-Island Purchases Variation**
**June 30, 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 | | | | | |
| August | | | | | |
| September | | | | | |
| October | | | | | |
| November | | | | | |
| December | | | | | |
| **Subtotal** | **45,530,472** | **45,360,000** | **170,472** | | **13,155** |
| **Total** | | | | | **(4,771,626)** |

**Indemnity Agreement**
**Fuel Costs Reimbursed by Nalcor[1]**
**June 30, 2024**

| | Actual Production No. 6 Fuel (kWh) | Actual Cost No. 6 Fuel[2] ($) | Actual Production Gas Turbine Fuel (kWh) | Actual Cost Gas Turbine Fuel[2] ($) | Actual Costs Reimbursed[2] ($) |
|---|---|---|---|---|---|
| January | 81,000 | 16,482 | - | - | 16,482 |
| February | 2,479,000 | 508,418 | 696,000 | 366,432 | 874,850 |
| March | 853,000 | 174,686 | - | - | 174,686 |
| April | - | - | - | - | - |
| May | 238,000 | 49,949 | - | - | 49,949 |
| June | 596,000 | 125,000 | - | - | 125,000 |
| July | | | | | |
| August | | | | | |
| September | | | | | |
| October | | | | | |
| November | | | | | |
| December | | | | | |
| | **4,247,000** | **874,535** | **696,000** | **366,432** | **1,240,967** |

[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 Station 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 June 30, 2024

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 Boundary | 1 | 2 | 3 | 0 | 2 | 1 |
| Outside Plan Boundary | 4 | 4 | 8 | 0 | 3 | 5 |
| **Subtotal** | **5** | **6** | **11** | **0** | **5** | **6** |
| General Service | 2 | 4 | 6 | 1 | 2 | 3 |
| **Total** | **7** | **10** | **17** | **1** | **7** | **9** |

[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** | | | | | |
| 30-May-2024 | Port Anson | 1973192 | 8,402 | 13,162 | |
| **Domestic: Outside Residential Planning Boundaries** | | | | | |
| 23-Apr-2024 | Westport | 1952639 | 102,125 | 103,525 | |
| 17-Jun-2024 | South Brook; Green Bay | 1986161 | 5,139 | 6,539 | |
| 26-Jun-2024 | L'Anse-au-Loup | 1954532 | 5,320 | 6,720 | |
| 27-Jun-2024 | St. Anthony | 1984074 | 2,773 | 1,610 | |
| **General Service** | | | | | |
| 22-Apr-2024 | Happy Valley-Goose Bay | 1945906 | 6,493 | 11,253 | |
| 18-Jun-2024 | St. Anthony | 1966597 | 336 | 5,096 | |

**Tab 3**

# Customer Damage Claims

## Quarter Ended June 30, 2024

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**

| | | | | Claims Accepted | | | Claims Rejected | | Claims Outstanding | |
|---|---|---|---|---|---|---|---|---|---|---|
| Region | # Received | # Outstanding Since Last Quarter | Total | # | Amount Claimed ($) | Amount Paid ($) | # | Amount ($) | # | Amount ($) |
| Central | 1 | 5 | **6** | 3 | 2,953 | 2,231 | 1 | 380 | 2 | 150 |
| Northern | 2 | 11 | **13** | 2 | 16,823 | 13,629 | 3 | 10,334 | 8 | 556,024[1] |
| Labrador | 1 | 3 | **4** | 2 | 4,415 | 3,463 | 2 | 2,228 | 0 | 0 |
| **Total** | **4** | **19** | **23** | **7** | **24,191** | **19,323** | **6** | **12,942** | **10** | **556,174** |

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

| | | | | Claims Accepted | | | Claims Rejected | | Claims Outstanding | |
|---|---|---|---|---|---|---|---|---|---|---|
| Region | # Received | # Outstanding Since Last Quarter | Total | # | Amount Claimed ($) | Amount Paid ($) | # | Amount ($) | # | Amount ($) |
| Central | 4 | 2 | **6** | 1 | 178 | 178 | 1 | 500 | 4 | 2,380 |
| Northern | 4 | 9 | **13** | 0 | 0 | 0 | 1 | 0 | 12 | 25,474 |
| Labrador | 3 | 5 | **8** | 2 | 12,413 | 9,026 | 3 | 1,830 | 3 | 5,013 |
| **Total** | **11** | **16** | **27** | **3** | **12,591** | **9,204** | **5** | **2,330** | **19** | **32,868** |

[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**

| Cause | # Received | # Outstanding Since Last Quarter | Total | Claims Accepted # | Claims Accepted Amount Claimed ($) | Claims Accepted Amount Paid ($) | Claims Rejected # | Claims Rejected Amount ($) | Claims Outstanding # | Claims Outstanding Amount ($) |
|---|---|---|---|---|---|---|---|---|---|---|
| System Operations | 0 | 0 | **0** | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Power Interruptions | 1 | 1 | **2** | 0 | 0 | 0 | 3 | 10,134 | 0 | 0 |
| Improper Workmanship | 2 | 3 | **5** | 1 | 1,659 | 1,313 | 1 | 1,528 | 3 | 552,551 |
| Weather Related | 0 | 4 | **4** | 1 | 800 | 424 | 1 | 900 | 2 | 700 |
| Equipment Failure | 0 | 9 | **9** | 5 | 21,733 | 17,586 | 0 | 0 | 4 | 2,773 |
| Third Party | 0 | 0 | **0** | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Miscellaneous | 1 | 0 | **1** | 0 | 0 | 0 | 1 | 380 | 0 | 0 |
| Awaiting Investigation | 0 | 2 | **2** | 0 | 0 | 0 | 0 | 0 | 1 | 150 |
| **Total** | **4** | **19** | **23** | **7** | **24,192** | **19,323** | **6** | **12,942** | **10** | **556,174** |

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

| Cause | # Received | # Outstanding Since Last Quarter | Total | Claims Accepted # | Claims Accepted Amount Claimed ($) | Claims Accepted Amount Paid ($) | Claims Rejected # | Claims Rejected Amount ($) | Claims Outstanding # | Claims Outstanding Amount ($) |
|---|---|---|---|---|---|---|---|---|---|---|
| System Operations | 1 | 0 | **1** | 0 | 0 | 0 | 1 | 630 | 0 | 0 |
| Power Interruptions | 0 | 1 | **1** | 0 | 0 | 0 | 1 | 400 | 0 | 0 |
| Improper Workmanship | 0 | 4 | **4** | 0 | 0 | 0 | 0 | 0 | 4 | 2,111 |
| Weather Related | 2 | 2 | **4** | 0 | 0 | 0 | 3 | 1,300 | 2 | 4,987 |
| Equipment Failure | 1 | 5 | **6** | 2 | 12,413 | 9,026 | 0 | 0 | 6 | 15,495 |
| Third Party | 0 | 0 | **0** | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Miscellaneous | 1 | 0 | **1** | 1 | 178 | 178 | 0 | 0 | 0 | 0 |
| Awaiting Investigation | 6 | 4 | **10** | 0 | 0 | 0 | 0 | 0 | 7 | 10,275 |
| **Total** | **11** | **16** | **27** | **3** | **12,591** | **9,204** | **5** | **2,330** | **19** | **32,868** |