

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

**AN ORDER OF THE BOARD**

**NO. P.U. 36(2025)**

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

**IN THE MATTER OF** an application by Newfoundland and Labrador Hydro for approval of capital expenditures for the construction and installation of electric vehicle charging infrastructure, pursuant to section 41 of the **Act**.

**DECISION SUMMARY**

Newfoundland and Labrador Hydro’s application for approval of capital expenditures in the amount of \$4,263,000 for the purchase and installation of electric vehicle charging infrastructure at seven sites throughout the province is not approved. The Application proposes the addition of five public electric vehicle charging stations on the Island Interconnected System and two on the Labrador Isolated System. The Board accepts that the proposed electric vehicle charging infrastructure would provide benefits for electric vehicle owners but finds that the evidence is insufficient in relation to the potential implications for electricity customers, in particular whether there may be impacts on load and capital spending. In addition, the evidence does not support the introduction of electric vehicle charging stations at this time on the Labrador Isolated System which is primarily served by diesel generation. The Board finds that Hydro’s report on isolated systems load management should be completed before electric vehicle chargers are considered for the Labrador Isolated System. The Board acknowledges the value of public chargers for electric vehicle owners and electric vehicle adoption but finds that Newfoundland and Labrador Hydro has failed to demonstrate that the proposed chargers would result in power being delivered to customers at the lowest possible cost, in an environmentally responsible manner, consistent with reliable service.

## 1. APPLICATION

On August 8, 2025 Newfoundland and Labrador Hydro (“Hydro”) filed an application seeking approval of capital expenditures in the amount of \$4,263,000 for the construction and installation of public Direct Current Fast Chargers (“DCFC”) at seven sites across the province, including two sites in Labrador (the “Application”). The Application sets out that funding of up to \$3,800,000 is expected from the Government of Newfoundland and Labrador. Hydro does not propose the inclusion of the remaining costs in its regulated rate base for recovery from customers at this time. The proposed electric vehicle (“EV”) chargers on the Island Interconnected System have an estimated cost of \$3,093,390. The proposed EV chargers on the Labrador Isolated System include solar generation and battery storage and have total estimated costs of \$1,169,560.

The Application states that the proposed public EV charging stations would add further charging capacity for growth and alleviate congestion, in addition to providing faster charging times reflecting advancements in EV charging technology. The Application also states that the project will allow for increased numbers of EVs to be owned and operated within the province which will serve to significantly reduce greenhouse gas emissions when compared to internal combustion engines and will help address gaps in regional EV charging service areas in the province.

## 2. PROCESS

The Application was copied to Newfoundland Power Inc. (“Newfoundland Power”); the Consumer Advocate, Mr. Dennis Browne, KC (the “Consumer Advocate”); the Island Industrial Customer Group<sup>1</sup> and the Labrador Interconnected Group.<sup>2</sup>

On August 21 and 22, 2025 requests for information were filed by the Board, Newfoundland Power, and the Consumer Advocate, which were answered by Hydro on September 3, 2025.

On September 8 and 12, 2025 submissions and comments were filed by Newfoundland Power and the Consumer Advocate. Newfoundland Power did not object to the Application on the basis that revenues and costs would not be recovered from Newfoundland Power or their customers. The Consumer Advocate opposed the Application and recommended that the Board reject it citing several concerns, including the fact that the project is likely to increase load at a time when Hydro is facing severe capacity and energy problems.

On September 22, 2025 Hydro filed its reply. Hydro stated that the project ensures that EV charging is offered in the most efficient, least-cost manner, is largely funded by government and is consistent with government’s Climate Change Mitigation Plan.

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<sup>1</sup> The Island Industrial Customer Group consists of Corner Brook Pulp and Paper Limited, Braya Renewable Fuels (Newfoundland) GP Inc., and Vale Newfoundland and Labrador Limited.

<sup>2</sup> The Labrador Interconnected Group consists of the communities of Sheshatshiu, Happy Valley-Goose Bay, Wabush, and Labrador City.

### 3. BOARD DECISION

The Application seeks approval for Hydro to construct and install public EV chargers at seven sites across the province, five on the Island Interconnected System and two on the Labrador Isolated System. The Board first approved capital expenditures for Hydro to construct and install EV charging infrastructure in 2020.<sup>3</sup> Over the period 2020 to 2023 the Board approved a number of applications filed by both Hydro and Newfoundland Power for EV chargers in the province. By the end of 2025 it is expected that the utility EV charging network in the province will consist of forty-one chargers on the Island Interconnected System and three on the Labrador Interconnected System. Approval of this Application would increase the number of utility EV chargers on the Island Interconnected System to forty-six and would result in the first two EV chargers on the Labrador Isolated System.<sup>4</sup>

When the Board approved Hydro's first application for EV charging infrastructure in 2020, the evidence at the time showed that Newfoundland and Labrador was the only province in Canada without a high-speed Level 3 DCFC network.<sup>5</sup> The evidence also showed that this was a key barrier to market development of EVs in the province. In 2021 additional capital expenditures were approved for both Hydro and Newfoundland Power for EV chargers on the basis that it would benefit customers.<sup>6</sup> The Board stated:

These stations are a critical first step toward the electrification of the province so as to maximize the benefits of the forecast surplus energy upon the commissioning of the Muskrat Falls Project. The geographic coverage provided by the proposed EV charging stations will address a primary barrier to EV adoption and the resulting increase in EV uptake should improve the business case for future private investment. The Board is satisfied that investment by the utilities in EV charging infrastructure is the best currently available tool to contribute to increased EV uptake in the province which will ultimately contribute to increased sales of electricity, increased revenues and, with appropriate load management measures, reduced costs for customers.<sup>7</sup>

The Board noted that the approval was based on the unique circumstances at the time and set out that subsequent applications for EV infrastructure would have to demonstrate that further capital expenditures are justified in the circumstances. The Board specifically noted the need for updated information relating to a number of issues, including EV uptake, forecast load and load management.<sup>8</sup>

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<sup>3</sup> Order No. P.U. 7(2020).

<sup>4</sup> There would be no additions to the three EV chargers on the Labrador Interconnected System.

<sup>5</sup> Order No. P.U. 7(2020). Hydro expenditures of \$2,059,400 were approved for fourteen EV chargers on the island with anticipated government funding of \$1.8 million and the remaining funds to be contributed by Hydro.

<sup>6</sup> Order No. P.U. 30(2021). Hydro expenditures of \$1.1 million were approved for six EV chargers on the Island and \$500,000 for three on the Labrador Interconnected System, with government funding of \$330,000, and no recovery of costs for the Labrador locations. Newfoundland Power expenditures of \$1.5 million were approved for ten EV chargers with government funding of \$550,000.

<sup>7</sup> Order No. P.U. 30(2021), Reasons for Decision, page 13.

<sup>8</sup> Order No. P.U. 30(2021), Reasons for Decision, page 13.

1 In 2022 the Board again addressed EV charging infrastructure investment by the utilities and  
2 stated:

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4 With the commissioning of the Muskrat Falls Project and the Labrador Island Link, the  
5 Island Interconnected system is forecast to have surplus electricity available. At the same  
6 time the recovery of the costs of the Muskrat Falls Project from customers on the Island  
7 Interconnected system is expected to place significant upward pressure on rates. Given  
8 this, the Board concluded in the rate mitigation review that maximizing domestic load  
9 through electrification, improving energy efficiency and using demand response to reduce  
10 peak load and allow for increased export sales will likely lead to the best outcomes for  
11 customers on the Island Interconnected system.<sup>9</sup>

12  
13 Additional utility EV charging infrastructure capital expenditures were approved in 2023.<sup>10</sup>

14  
15 The Board notes that the circumstances on the electrical system are very different today than  
16 when the earlier EV charging infrastructure applications were approved. Currently the capacity  
17 and energy outlook on the Island Interconnected System suggests shortfalls rather than surpluses.  
18 Anticipated load growth is driving the need for additional capacity on the Island Interconnected  
19 System. This combined with aging facilities and planned retirements is anticipated to lead to the  
20 need for additional capital expenditures. As noted by the Consumer Advocate significant new  
21 capital expenditures are anticipated in relation to the extension of the Holyrood Thermal  
22 Generating Station's service life and the proposed Bay d'Espoir Unit 8 and Avalon Combustion  
23 Turbine projects.

24  
25 The Application does not address the fact that surplus energy may no longer be available from  
26 Muskrat Falls and also does not address the anticipated need for additional capital to meet  
27 forecast demand and energy. As set out above, the Board has accepted evidence filed in earlier  
28 applications that utility investments in public charging infrastructure can contribute to higher EV  
29 adoption and capacity and energy growth. Hydro was asked how encouraging EV adoption in  
30 these circumstances helps to reduce the forecast capacity shortfall on the Island Interconnected  
31 System given the evidence in earlier applications that EV chargers are expected to result in a  
32 further increase in public charging. Hydro did not answer the question posed and instead stated  
33 that the increased levels of EV adoption have been accounted for in its load forecast.<sup>11</sup> The Board  
34 shares the concerns expressed by the Consumer Advocate that the proposed project may put  
35 upward pressure on load at a time when Hydro may be facing capacity and energy shortfalls.

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37 The Board acknowledges that current government policy encourages EV adoption and it is  
38 reasonable to expect the continued adoption of EVs even with the recent federal government

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<sup>9</sup> Order No. P.U. 33(2022), page 11.

<sup>10</sup> Order No. P.U. 21(2023). Capital expenditures were approved for Hydro in the amount of \$2,059,800 for seven EV chargers on the island, with government funding of \$2,000,000 and Hydro contributing the remaining funds. The Application, page 1, footnote 1 sets out that as a result of additional government funding this project increased to ten EV chargers and Hydro subsequently decided to install an additional EV charger in Conne River.

<sup>11</sup> CA-NLH-002.

review of its EV policies. The Board also accepts that Hydro needs to plan for load growth and other implications for the electrical system that may be associated with EV adoption. Nevertheless, the Board is not satisfied that the Application serves this purpose. The Application appears to be primarily aimed at meeting demand for public EV charging not demand for electricity. The Application states:

Hydro is proposing to construct DCFCs at seven new sites across the province in an effort to alleviate congestion, provide faster charging speeds to customers, and enable EV travel to currently unserved areas.<sup>12</sup>

The Application states that Hydro is proposing to install the EV chargers in response to customer demand, to improve regional connectivity for EV owners and to reduce GHG emissions from the transportation sector.<sup>13</sup> The project was stated to be the only viable alternative identified as additional charging capacity is required to meet growing customer demand and higher charging acceptance rates of new EVs.<sup>14</sup>

The Board acknowledges that the proposed EV chargers will allow for additional and improved EV charging and shorter wait times for EV owners. These are benefits to EV owners, not electricity customers. The Board notes that such benefits to EV owners are not set out in the legislated power policy of the province which the Board is directed to uphold. The legislation includes the provision of power in an environmentally responsible manner but does not go so far as to say that this includes benefits to EV owners. Clear legislative direction would be required for the Board to consider the stated benefits to EV owners as a material consideration in the evaluation of whether the proposed project is consistent with the provision of reliable least-cost environmentally responsible service.

In addition to the stated benefits to EV owners, the Application argued that the proposed EV infrastructure would have benefits in terms of the reduction of greenhouse gas emissions. The Application suggested that the project would allow for increased numbers of EVs to be owned which would serve to significantly reduce GHG emissions compared to internal combustion vehicles.<sup>15</sup> Hydro was not able to provide an estimate of the GHG emissions associated with this project.<sup>16</sup> The Board is not satisfied that Hydro has provided adequate evidence demonstrating GHG emissions reductions. In addition, while GHG emissions associated with capital expenditure proposals are a consideration for the Board, it is not clear that potential GHG emissions in the transportation industry as a result of the utility installing EV chargers should be a part of the evaluation of utility capital expenditures.

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<sup>12</sup> Application, Schedule 1, page 9.

<sup>13</sup> Application, Schedule 1, page 4.

<sup>14</sup> Application, Schedule 1, page 7.

<sup>15</sup> Application, Schedule 1, page i.

<sup>16</sup> CA-NLH-007; Application, Schedule 1, pages i to ii. Hydro did provide an estimate of the total reduction in GHG emissions from its existing EV chargers.

Hydro also suggested that its involvement in EV charging station projects would ensure that the transition to EVs in the province occurs with the least impact on the electrical system.<sup>17</sup> The addition of the solar and battery infrastructure on the Labrador Isolated System was provided as an example of how Hydro's involvement can minimize the impacts on the electrical system. While the Board has in the past acknowledged the potential benefits of Hydro's involvement in the development of EV charging in the province, as discussed already the Board did so on the basis of the evidence at the time. The Board did not make a determination that Hydro should always be the provider of EV charging stations and directed that in future applications Hydro would have to provide updated supporting evidence. The Board notes that Hydro did not provide evidence in this Application as to how it's involvement in the EV charging stations on the island serves to minimize the impacts on the electrical system. The Board is not satisfied that the evidence demonstrates that Hydro's involvement in the proposed EV charging stations on the island is necessary to minimize the impact on the electricity system of EV charging stations.

The Board acknowledges the value of EV charging infrastructure for EV owners and EV adoption. Further, the Board accepts that the cost of the proposed chargers would not be recovered from electricity customers and that the estimated annual operating deficit is not material for Hydro. Nevertheless, the Board does not believe that the evidence demonstrates that the project is to the benefit of electricity customers as the proposed EV chargers can contribute to EV adoption which can increase load at a time when there are forecast capacity and energy shortfalls driving the need for additional capital expenditures. The Board is not satisfied that the proposed capital expenditures for EV charging infrastructure are consistent with the provision of service at the lowest possible cost, in an environmentally responsible manner, consistent with reliable service.

### **3.1. Labrador Isolated System Chargers**

The proposed project includes EV charging stations at two sites on the Labrador Isolated System, both of which would have solar generation and battery storage. While the Board has previously approved capital expenditures for EV chargers on the Island Interconnected System and the Labrador Interconnected System, this is the first time that a utility has applied for approval of capital expenditures to construct and install EV charging infrastructure on an isolated system in this province.

The Board acknowledges that the EV charging stations on the Labrador Isolated System are paired with solar generation and battery storage with the intention of avoiding system upgrades, annual fuel costs and negative impact on the rural deficit.<sup>18</sup> Further, it is possible that excess generation could be supplied to the grid thereby lowering the rural deficit through decreased diesel generation requirements.<sup>19</sup> Newfoundland Power accepts the proposed approach on the basis that the solar and battery system would limit cost impacts on the rural deficit and Newfoundland Power's customers.

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<sup>17</sup> CA-NLH-010 and CA-NLH-011.

<sup>18</sup> PUB-NLH-001 and PUB-NLH-002.

<sup>19</sup> PUB-NLH-001.

Despite the configuration of the proposed Labrador EV chargers, the Board has concerns in relation to the introduction of EV chargers on the Labrador Isolated System. This system is primarily served by diesel generation and, as already discussed, additional EV charging infrastructure can serve to increase EV charging which can put upward pressure on the load on the system. While Hydro stated that it does not expect EV load growth to have any material impact on the Labrador Isolated System in the near-term, it did not provide supporting evidence. While the addition of solar and battery infrastructure serves to minimize the impacts of the proposed EV chargers on the system, this infrastructure does not address the potential impacts of at-home charging. The Board notes the evidence that local residents on the Labrador Isolated System will have access to home charging at a lower cost than at the proposed EV chargers.<sup>20</sup>

The Board is concerned that load increases on the Labrador Isolated System could lead to increased fuel costs, additional capacity needs and upward pressure on the rural deficit. As a result, it is essential for Hydro to plan and manage the impacts of EV adoption on isolated systems to ensure the provision of reliable service in a least-cost environmentally responsible manner. Hydro states it plans to monitor and consider the impacts of EV growth on isolated systems as part of its annual load forecasting process.<sup>21</sup> Hydro indicates that it will provide further details on the planned approach to electrification on isolated systems in its strategic load management report to be filed in April 2026.<sup>22</sup> The Board notes that this report is to include an assessment of the impact of increased electrification on isolated diesel systems and the planned approach to manage increased electrification, including the use of electric vehicles. The Board believes that this information is essential to fully assess the potential implications associated with the introduction of EV charging infrastructure on the Labrador Isolated System. The Board is not satisfied that the proposed capital expenditures for EV charging stations on the Labrador Isolated System should be approved before Hydro files its report in relation to strategic load management on its isolated systems.

#### **4. ORDER**

##### **IT IS THEREFORE ORDERED THAT:**

1. The proposed capital expenditures in the amount of \$4,263,000 for the purchase and installation of seven Direct Current Fast Chargers are not approved.
2. Hydro shall pay all expenses of the Board arising from this Application.

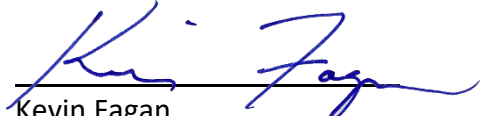
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<sup>20</sup> PUB-NLH-007.

<sup>21</sup> PUB-NLH-006(a).

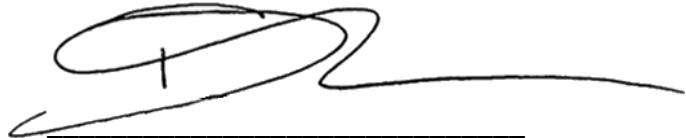
<sup>22</sup> PUB-NLH-007. On July 17, 2025, the Board directed Hydro to file a Strategic Load Management Plan for its isolated systems by April 30, 2026.

**DATED** at St. John's, Newfoundland and Labrador, this 10<sup>th</sup> day of December 2025.



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Kevin Fagan  
Chair and Chief Executive Officer



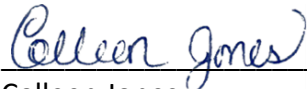
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Dwanda Newman, LL.B.  
Vice-Chair



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Christopher Pike, LL.B., FCIP  
Commissioner



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Colleen Jones  
Assistant Board Secretary