

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

AN ORDER OF THE BOARD

NO. P.U. 34(2026)

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 and a contribution from the customer to interconnect and integrate the Nunatsiavut Clean Energy Corporation renewable energy project.

WHEREAS Newfoundland and Labrador Hydro (“Hydro”) is a corporation continued and existing under the **Hydro Corporation Act, 2024**, is a public utility within the meaning of the **Act**, and is also subject to the provisions of the **EPCA**; and

WHEREAS pursuant to section 41 of the **Act** and **Public Utilities Regulations**, NLR 40/23, a public utility shall not proceed with the construction, purchase or lease of improvements or additions to its property where the cost of construction or purchase is in excess of \$750,000 without prior approval of the Board; and

WHEREAS section 41(5) of the **Act** states a public utility that intends to demand from its customers a contribution towards the cost of improvements or additions to its property shall not demand the contribution without the prior approval of the Board; and

WHEREAS the Nunatsiavut Government has partnered with Natural Forces, as the Nunatsiavut Clean Energy Corporation (“NCEC”), to undertake the design, implementation, and operation of a wind energy and energy storage project in Nain (“NCEC Project”); and

WHEREAS to facilitate the interconnection of the renewable energy system in Nain, upgrades to Hydro’s distribution system and the diesel generating station’s control and communications systems are necessary; and

WHEREAS on October 2, 2026 Hydro filed an application (the “Application”) with the Board requesting approval of:

- (i) a capital expenditure in the amount of \$1,325,100 to integrate the increased renewable energy into the Nain electrical system and Hydro’s diesel generating station; and
- (ii) a contribution from NCEC in the amount of \$1,411,231.50, excluding HST; and

WHEREAS the Application stated that the project will allow for increased renewable energy penetration in Nain, reducing the amount of fuel consumed at the diesel generating station and that Hydro has negotiated a Power Purchase Agreement (“PPA”) with NCEC to purchase energy from NCEC at 90% of the cost of fuel to produce equivalent energy at the Nain Diesel Generating Station; and

WHEREAS the Application stated that NCEC will be responsible for the capital costs of \$1,325,100 associated with project, as well as an operations and maintenance factor of 6.5% to cover future maintenance requirements, and requested approval of the charge to NCEC of an estimated \$1,411,231.50, excluding HST; and

WHEREAS the Application was copied to: Newfoundland Power Inc. (“Newfoundland Power”); the Consumer Advocate, Ms. Adrienne Ding; the Island Industrial Customer Group¹; and the Labrador Interconnected Group²; and

WHEREAS on October 15, 2026 Newfoundland Power and the Consumer Advocate advised that they had no comments on the Application and no other comments were received; and

WHEREAS on October 19, 2026 Hydro requested that the Application be approved as submitted; and

WHEREAS the Board is satisfied that the proposed capital expenditures to facilitate the interconnection of the renewable energy system in Nain, as requested by NCEC, are necessary to meet the terms of the PPA and will allow for the provision of power in a more environmentally responsible manner and reduce the cost of energy production in Nain; and

WHEREAS the Board is also satisfied that the proposed contribution from NCEC is necessary to ensure that the costs are appropriately borne by the customer requesting the interconnection and that Hydro should review the project costs and contribution requirements following the planned completion of the project with any difference to be charged or refunded to NCEC.

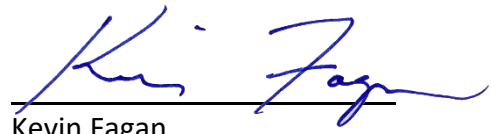
¹ The members of the Island Industrial Customer Group are Corner Brook Pulp and Paper Limited, Braya Renewable Fuels (Newfoundland) LP, and Vale Newfoundland and Labrador Limited.

² The members of the Labrador Interconnected Group are the communities of Sheshatshiu, Happy Valley-Goose Bay, Wabush, and Labrador City.

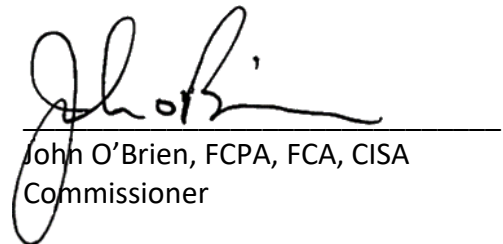
IT IS THEREFORE ORDERED THAT:

1. The Board approves the proposed capital expenditure in the amount of \$1,325,100 to integrate the renewable energy system into the Nain electrical system and Hydro's diesel generating station.
2. The Board approves the proposed contribution by Nunatsiavut Clean Energy Corporation in the amount of \$1,411,231.50, excluding HST, for the costs associated with the integration.
3. Hydro shall pay all expenses of the Board arising from this Application.

DATED at St. John's, Newfoundland and Labrador, this 23rd day of October, 2026.



Kevin Fagan
Chair and Chief Executive Officer



John O'Brien, FCPA, FCA, CISA
Commissioner



Colleen Jones
Assistant Board Secretary