

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

AN ORDER OF THE BOARD

NO. P.U. 9(2026)

1 **IN THE MATTER OF** the **Electrical Power**
2 **Control Act, 1994, SNL 1994**, Chapter E-5.1
3 (the “**EPCA**”) and the **Public Utilities Act**,
4 RSNL 1990, Chapter P-47 (the “**Act**”), as
5 amended, and regulations thereunder; and
6

7 **IN THE MATTER OF** an application by
8 Newfoundland and Labrador Hydro for
9 recovery of the 2025 balance in the Isolated
10 Systems Supply Cost Variance Deferral Account,
11 pursuant to sections 70(1) and 80 of the **Act**.
12
13

14 **WHEREAS** Newfoundland and Labrador Hydro (“Hydro”) is a corporation continued and existing
15 under the **Hydro Corporation Act, 2024**, is a public utility within the meaning of the **Act**, and is
16 also subject to the provisions of the **EPCA**; and
17

18 **WHEREAS** the definition of the Isolated Systems Supply Cost Variance Deferral Account was
19 approved in Order No. P.U. 22(2017); and
20

21 **WHEREAS** the approved account definition requires Hydro to file an application for the approval
22 of the account balance and disposition of any balance in the Isolated Systems Supply Cost
23 Variance Deferral Account no later than March 31st of each year; and
24

25 **WHEREAS** on March 19, 2026 Hydro filed an application requesting approval of the allocation of
26 the 2025 debit balance in the Isolated Systems Supply Cost Variance Deferral Account in the
27 amount of \$6,338,566 (net of the cost variance threshold), consistent with the methodology
28 approved for disposition in previous years (the “Application”); and
29

30 **WHEREAS** the Application proposes that the 2025 Isolated Systems Supply Cost Variance Deferral
31 Account debit balance be allocated between Newfoundland Power Inc. (“Newfoundland Power”)
32 and the Hydro Rural Labrador Interconnected System customers based on the 2019 Test Year
33 Rural Deficit allocation which would result in a debit balance of \$6,091,362 owing from
34 Newfoundland Power and a \$247,204 charge to Hydro’s net income; and

1 **WHEREAS** the Application proposes to transfer the allocated balance associated with the 2025
2 Isolated Systems Supply Cost Variance Deferral Account to Newfoundland Power's Rate
3 Stabilization Plan ("RSP") Current Plan balance as of March 31, 2026 to be recovered from
4 customers through the RSP Current Plan Adjustment starting July 1, 2026; and

5
6 **WHEREAS** the Application was circulated to: Newfoundland Power; the Consumer Advocate, Ms.
7 Adrienne Ding (the "Consumer Advocate"); the Island Industrial Customer Group;¹ Linde Canada
8 Inc.; and Teck Resources Limited; and

9
10 **WHEREAS** Newfoundland Power and the Consumer Advocate advised on March 31, 2026 and
11 April 1, 2026 respectively, that they had no comments on the Application and no other comments
12 were received; and

13
14 **WHEREAS** on April 2, 2026 Hydro noted that there were no comments received from the parties
15 and asked that the Board approve the Application as submitted; and

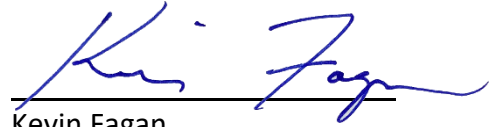
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17 **WHEREAS** the Board is satisfied that Hydro's proposal for the allocation and recovery of the 2025
18 Isolated Systems Supply Cost Variance Deferral Account should be approved.

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21 **IT IS THEREFORE ORDERED THAT:**

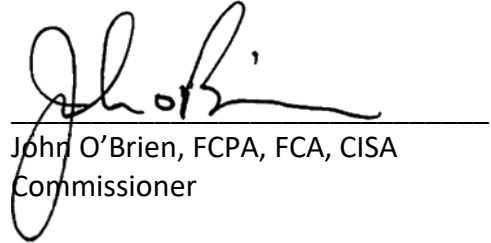
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23 1. Hydro's proposed disposition of the \$6,338,566 balance in the 2025 Isolated Systems Supply
24 Cost Variance Deferral Account through the transfer, effective March 31, 2026, of a debit of
25 \$6,091,362 to the Newfoundland Power RSP Current Plan balance with recovery starting July
26 1, 2026, and a debit of \$247,204 allocated to Hydro Rural Labrador Interconnected System
27 customers to be applied to reduce Hydro's net income is approved.
28
29 2. Hydro shall pay all expenses of the Board arising from this Application.

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

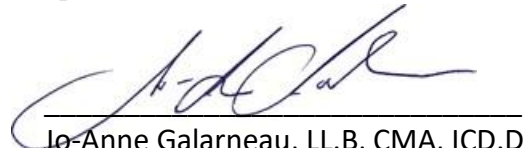
DATED at St. John's, Newfoundland and Labrador, this 8th day of April 2026.



Kevin Fagan
Chair and Chief Executive Officer



John O'Brien, FCPA, FCA, CISA
Commissioner



Jo-Anne Galarneau, LL.B, CMA, ICD.D
Commissioner



Mike McNiven
Board Secretary