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June 9, 2025

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

Attention: Jo-Anne Galarneau  
Executive Director and Board Secretary

**Re: Application for Approval of the Island Industrial Customer Rate Adjustments Effective July 1, 2025 – Revision 1**

Please find enclosed Revision 1 of Newfoundland and Labrador Hydro's ("Hydro") application for approval of the 2025 Island Industrial Customer Rate Adjustments including updates to the Island Industrial Customer Conservation and Demand Management Cost Recovery Adjustment and Island Industrial Customer Project Cost Recovery Rider to become effective July 1, 2025 originally filed with the Board of Commissioners of Public Utilities on June 5, 2025.

Hydro has included a Revision History indicating the locations and reasons for the revisions. The revisions have been shaded grey, for ease of reference.

Should you have any questions, please contact the undersigned.

Yours truly,

**NEWFOUNDLAND AND LABRADOR HYDRO**

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

Encl.

ecc:

**Board of Commissioners of Public Utilities**

Jacqui H. Glynn  
Board General

**Consumer Advocate**

Dennis M. Browne, KC, Browne Fitzgerald Morgan & Avis  
Stephen F. Fitzgerald, KC, Browne Fitzgerald Morgan & Avis  
Sarah G. Fitzgerald, Browne Fitzgerald Morgan & Avis  
Bernice Bailey, Browne Fitzgerald Morgan & Avis

**Linde Canada Inc.**

Sheryl E. Nisenbaum  
Peter Strong

**Newfoundland Power Inc.**

Dominic J. Foley  
Douglas W. Wright  
Regulatory Email

**Teck Resources Limited**

Shawn Kinsella

**Island Industrial Customer Group**

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

## Revision History

<b>Revision No.</b>	<b>Revision Date</b>	<b>Location</b>	<b>Reason</b>
1	9-June-2025	Schedule 1	Correction line numbers referenced within formulas.

# Island Industrial Customer Rate Adjustments

Effective July 1, 2025

Original Submission: June 5, 2025

Revision 1: June 9, 2025

An application to the Board of Commissioners of Public Utilities



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

**IN THE MATTER OF** an application by Newfoundland and Labrador Hydro (“*Hydro*”), pursuant to Subsection 70(1) of the *Act*, for the approval of a change in the Conservation and Demand Management (“*CDM*”) Cost Recovery Adjustment and Project Cost Recovery Rider to be charged to Island Industrial Customers effective July 1, 2025.

**To: The Board of Commissioners of Public Utilities (“Board”)**

**THE APPLICATION OF HYDRO STATES THAT:**

**A. Background**

1. Hydro, a corporation continued and existing under the *Hydro Corporation Act, 2024*, is a public utility within the meaning of the *Act*, and is subject to the provisions of the *EPCA*.
2. Under the *Act*, the Board has the general supervision of public utilities and requires that a public utility submits for the approval of the Board the rates, tolls, and charges for the service provided by the public utility and the rules and regulations that relate to that service.
3. Subsection 70(1) of the *Act* provides that a public utility shall not charge, demand, collect or receive compensation for a service performed by it until the Board has approved a schedule of rates, tolls, and charges for the services provided by the public utility.

***CDM Cost Recovery***

4. In Board Order No. P.U. 22(2017), the Board approved Hydro’s Rules and Regulations for CDM Cost Recovery, which require the CDM Cost Recovery Adjustment to be updated annually reflecting the ongoing amortizations and the deferred CDM program costs for the previous year.

5. In Board Order No. P.U. 37(2022), the Board approved a Revised CDM Cost Recovery Adjustment Definition effective as of January 1, 2023. The Revised CDM Cost Recovery Adjustment Definition increased the amortization period of annual CDM costs from seven to ten years for both historical balances and annual charges.
6. In Board Order No. P.U. 17(2024), the Board approved an Island Industrial Customer CDM Cost Recovery Adjustment of 0.006 cents per kWh effective July 1, 2024.

***Project Cost Recovery Rider***

7. On July 1, 2022, Hydro implemented a Project Cost Recovery Rider for its Utility customer to begin recovery of the Muskrat Falls Project cost payments being made by Hydro under the Muskrat Falls Power Purchase Agreement.
8. As Hydro noted in its application for the 2023 Island Industrial Customer Rate Stabilization Plan (“RSP”) Adjustments, Hydro did not propose the implementation of a Project Cost Recovery Rider for Island Industrial Customers in 2023 to enable rate stability during that period. Instead, Hydro planned to implement the Project Cost Recovery Rider for Island Industrial Customers in 2024, after the RSP balance owing had declined. This approach avoided a rate increase relating to the Project Cost Recovery Rider for Island Industrial Customers in 2023 and provided for rate stability in 2024.
9. On January 30, 2024, in Board Order No. P.U. 4(2024), the Board approved the implementation of a Project Cost Recovery Rider for the Island Industrial Customers of 0.888 cents per kWh. The combined effect of a decrease in the RSP Adjustment and the implementation of the Project Cost Recovery Rider resulted in no change to the rates for Island Industrial Customers as of January 1, 2024.
10. In Hydro’s application for the Island Industrial Customer Rate Adjustments effective January 1, 2025, approved in Board Order No. P.U. 7(2025), Hydro requested an Island Industrial Customer RSP Current Plan Adjustment of 0.093 cents per kWh, a decrease in the RSP Adjustment that was offset by the updated Project Cost Recovery Rider of 1.384 cents per kWh. The combined effect of the RSP change and the Project Cost Recovery Rider maintained rates at 2024 levels.

11. In that same application, Hydro stated its intention to propose any further updates to the Project Cost Recovery Rider in the Island Industrial Customer CDM Cost Recovery Adjustment application, to be filed in June of each year.
12. On April 15, 2025, Hydro filed its application for the July 1, 2025 Utility Rate Adjustments. The Proposed Project Cost Recovery Rider for Utility customers was designed to achieve the target average Domestic customer rate increase attributable to Hydro of 2.25%, (3.3% wholesale increase) effective July 1, 2025.

**B. Application**

13. Schedule 1 to this application provides the calculation of the proposed CDM Cost Recovery Adjustment of 0.006 cents per kWh to be effective as of July 1, 2025. There is no change to the existing CDM Cost Recovery Adjustment.
14. Order in Council OC2024-062, Hydro's Board of Directors were directed to "*structure any application for utility rate increases such that retail rate increases to domestic rate class customers attributable to Newfoundland and Labrador Hydro shall be targeted at 2.25 per cent per year (the "Hydro Target Increase")*" for each rate application filed with the Board relating to the period up to and including the year 2030. Government further directed that rate increases be structured "*for other customers subject to Island Interconnected rates in a manner that is compatible with the Hydro Target Rate Increase.*"<sup>1</sup>
15. Hydro's present application seeks approval of an updated Project Cost Recovery Rider of 1.652 cents per kWh, effective July 1, 2025. This proposal would increase customer billings by 3.3%, thereby allowing Hydro to collect Muskrat Falls Project related costs in accordance with the Government's rate mitigation plan as directed through the Order in Council. The 3.3% increase is consistent with the increase to the Wholesale rate proposed in Hydro's application for July 1, 2025 Utility Rate Adjustments. Schedule 2 of this application provides the calculation for the projected billing increase.

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<sup>1</sup> Order in Council OC2024-062 <<https://www.exec-oic.gov.nl.ca/public/oic/details?order-id=21851>>.

16. Schedule 3 to this application provides an updated Island Industrial Customer Rate Sheet, reflecting the revised Island Industrial Customer CDM Cost Recovery Adjustment and Project Cost Recovery Rider.

**C. Newfoundland and Labrador Hydro's Request**

17. Hydro requests the Board approve:
- (i) An Island Industrial Customer CDM Cost Recovery Adjustment continued as 0.006 cents per kWh, as set out in Schedule 1 of this application, to be effective as of July 1, 2025;
  - (ii) A revised Project Cost Recovery Rider of 1.652 cents per kWh, as set out in Schedule 2 of this application, to become effective July 1, 2025; and
  - (iii) The Industrial-Firm Rate Sheet, attached as Schedule 3 of this application.

**D. Reasons for Approval**

18. Approval by the Board of the proposed Island Industrial Customer CDM Cost Recovery Adjustment and Project Cost Recovery Rider will permit for recovery of deferred customer energy conservation program costs, as provided for, and intended by, Board Orders No. P.U. 22(2017) and P.U. 37(2022) and provide for reasonable recovery of Muskrat Falls Project costs from the Island Industrial Customers in accordance with the rate mitigation plan.

**E. Communications**

19. Communications with respect to this application should be forwarded to Shirley A. Walsh, Senior Legal Counsel, Regulatory for Hydro.

**DATED** at St. John's in the province of Newfoundland and Labrador on this 9th day of June 2025.

**NEWFOUNDLAND AND LABRADOR HYDRO**




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Shirley A. Walsh  
 Counsel for the Applicant  
 Newfoundland and Labrador Hydro,  
 500 Columbus Drive, P.O. Box 12400  
 St. John's, NL A1B 4K7  
 Telephone: (709) 685-4973

# Schedule 1

Calculation of the Proposed Island Industrial Customer  
Conservation and Demand Management Cost Recovery  
Adjustment



Newfoundland and Labrador Hydro  
Calculation of Conservation and Demand Management ("CDM") Cost Recovery Adjustment - Island Industrial Customers

Line No	2024 Energy Sales (kWh)	Percent of Total kWh	Allocation of Recoverable Amount (\$000)
<b>1 A) Island Interconnected Recoverable Allocation<sup>1</sup></b>			
2	5,701,619,749	86.6%	338
3	444,804,711	6.8%	26
4	434,926,546	6.6%	26
5	<b>6,581,351,006</b>	<b>100.0%</b>	<b>390</b>
From Page 2, Line 26			
<b>6 B) Calculation of Island Industrial Customer CDM Cost Recovery Adjustment</b>			
7	Island Industrial Current Year Allocation (\$000)	3	Line 3/10 years
8	2024 Energy Sales - Island Industrial Customers (kWh)	444,804,711	From Line 3
9	2025 CDM Cost Recovery Adjustment (cents per kWh)	0.0006	[(Line 7 x 1,000)/Line 8] x 100
10	2024 CDM Cost Recovery Adjustment (cents per kWh)	0.0006	
11	2023 CDM Cost Recovery Adjustment (cents per kWh)	0.0003	
12	2022 CDM Cost Recovery Adjustment (cents per kWh)	0.0005	
13	2021 CDM Cost Recovery Adjustment (cents per kWh)	0.0003	
14	2020 CDM Cost Recovery Adjustment (cents per kWh)	0.0010	
15	2019 CDM Cost Recovery Adjustment (cents per kWh)	0.0005	
16	2018 CDM Cost Recovery Adjustment (cents per kWh)	0.0004	
17	2017 CDM Cost Recovery Adjustment (cents per kWh)	0.0020	
18	<b>Total CDM Cost Recovery Adjustment (cents per kWh)</b>	<b>0.006</b>	Line 9 + Line 10 + Line 11 + Line 12 + Line 13 + Line 14 + Line 15 + Line 16 + Line 17

<sup>1</sup>Totals may not add due to rounding.

**Approval of the Island Industrial Customer Rate Adjustments Effective July 1, 2025**  
**Schedule 1, Page 2 of 2**

**Newfoundland and Labrador Hydro**  
**Conservation and Demand Management Account Amortization (\$000)<sup>1</sup>**

Line No	Year	System Balance	As Filed - Seven-Year Amortization										Revised - Ten-Year Amortization									
			2017	2018	2019	2020	2021	2022	Amount Amortized	Remaining Account Balance	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
1		4,524	646	646	646	646	646	3,878	646	162	162	162	162	162	162	162	162	162	162	162	162	162
2	2016	3,846	549	549	549	549	549	3,297	549	137	137	137	137	137	137	137	137	137	137	137	137	137
3		8,370	1,196	1,196	1,196	1,196	1,196	7,175	1,196	299	299	299	299	299	299	299	299	299	299	299	299	299
4		479	68	68	68	68	342	137	68	27	27	27	27	27	27	27	27	27	27	27	27	27
5	2017	994	142	142	142	142	710	284	142	57	57	57	57	57	57	57	57	57	57	57	57	57
6		1,474	211	211	211	211	1,053	421	211	84	84	84	84	84	84	84	84	84	84	84	84	84
7		443	63	63	63	63	253	190	63	32	32	32	32	32	32	32	32	32	32	32	32	32
8	2018	1,085	155	155	155	155	620	465	155	78	78	78	78	78	78	78	78	78	78	78	78	78
9		1,528	218	218	218	218	873	655	218	109	109	109	109	109	109	109	109	109	109	109	109	109
10		43	-	-	-	-	18	24	-	3	3	3	3	3	3	3	3	3	3	3	3	3
11	2019	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
12		43	-	-	-	-	18	24	-	3	3	3	3	3	3	3	3	3	3	3	3	3
13		681	-	-	-	-	195	487	-	61	61	61	61	61	61	61	61	61	61	61	61	61
14	2020	1,343	-	-	-	-	384	959	-	120	120	120	120	120	120	120	120	120	120	120	120	120
15		2,024	-	-	-	-	578	1,446	-	181	181	181	181	181	181	181	181	181	181	181	181	181
16		313	-	-	-	-	45	268	-	30	30	30	30	30	30	30	30	30	30	30	30	30
17	2021	1,167	-	-	-	-	167	1,000	-	111	111	111	111	111	111	111	111	111	111	111	111	111
18		1,480	-	-	-	-	211	1,268	-	141	141	141	141	141	141	141	141	141	141	141	141	141
19		211	-	-	-	-	-	211	-	21	21	21	21	21	21	21	21	21	21	21	21	21
20	2022	885	-	-	-	-	885	-	-	88	88	88	88	88	88	88	88	88	88	88	88	88
21		1,095	-	-	-	-	1,095	-	-	110	110	110	110	110	110	110	110	110	110	110	110	110
22		410	-	-	-	-	-	-	-	41	41	41	41	41	41	41	41	41	41	41	41	41
23		955	-	-	-	-	-	-	-	96	96	96	96	96	96	96	96	96	96	96	96	96
24		27	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
25		1,392	-	-	-	-	-	-	-	137	137	137	137	137	137	137	137	137	137	137	137	137
26		390	-	-	-	-	-	-	-	39	39	39	39	39	39	39	39	39	39	39	39	39
27		994	-	-	-	-	-	-	-	99	99	99	99	99	99	99	99	99	99	99	99	99
28		1	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
29		1,385	-	-	-	-	-	-	-	138	138	138	138	138	138	138	138	138	138	138	138	138
30		7,494	715	778	784	881	4,731	1,962	715	377	416	416	416	416	416	416	416	416	416	416	416	416
31		11,269	549	691	846	846	5,177	5,098	549	687	786	786	786	786	786	786	786	786	786	786	786	786
32		28	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
33		18,791	1,196	1,406	1,625	1,651	9,908	6,105	1,196	927	1,064	1,202	1,202	1,202	1,202	1,202	1,202	1,202	1,202	1,202	1,202	1,202

<sup>1</sup> Totals may not add due to rounding.  
<sup>2</sup> Consistent with the "2022 Conservation and Demand Management Report," Newfoundland and Labrador Hydro, March 31, 2023, p. 13, Table 5.  
<sup>3</sup> Utility Rider was Deferred as per OC2020-083, not for Indurisk.  
<sup>4</sup> The total for 2019 and 2020 include activity for 2019 of \$1.5 million and 2020 of \$0.6 million.  
<sup>5</sup> Consistent with the "2023 Electrification, Conservation and Demand Management Report," Newfoundland and Labrador Hydro, April 10, 2025, p. 5, Table 2. The difference between the \$1,408 and \$1,385 reflects additional transfers to be made to the deferral account in 2025.  
<sup>6</sup> Consistent with the "2024 Electrification, Conservation and Demand Management Report," Newfoundland and Labrador Hydro, April 10, 2025, p. 5, Table 2. The difference between the \$1,408 and \$1,385 reflects additional transfers to be made to the deferral account in 2025.

# Schedule 2

Island Industrial Customer Project Cost Recovery Rider  
and Billing Impacts



**Newfoundland and Labrador Hydro**  
**Island Industrial Customers Estimated Billing Impacts**  
**July 1, 2025**

	Billing Units <sup>1</sup>	Unit	Billings at			Revised Billings (\$)	Change (\$)	Change (%)
			Current Rates	Existing Rates (\$)	Proposed Rates			
Demand (kW)	932,178	\$/kW/mo	10.73	10,002,270	10.73	10,002,270		
Energy - Firm (MWhs)	444,805	¢/kWh	4.428	19,695,953	4.428	19,695,953		
Specifically Assigned		\$	318,130	318,130	318,130	318,130		
<b>Total Base Rate</b>				<b>30,016,353</b>		<b>30,016,353</b>	-	0.0%
RSP Current Plan Adjustment	444,805	¢/kWh	0.093	413,668	0.093	413,668	-	0.0%
Project Cost Recovery Rider	444,805	¢/kWh	1.384	6,156,097	1.652	7,348,174	1,192,077	3.3%
CDM Recovery Adjustment	444,805	¢/kWh	0.006	26,688	0.006	26,688	-	0.0%
<b>Total</b>				<b>36,612,806</b>		<b>37,804,883</b>	<b>1,192,077</b>	<b>3.3%</b>

<sup>1</sup> Billing units are based on January to December 2024 actuals.

**Newfoundland and Labrador Hydro**  
**Island Industrial Customers Estimated Billing Impacts**  
**Linde Canada Inc.**  
**July 1, 2025**

	Billing Units <sup>1</sup>	Unit	Current		Billings at Existing Rates		Revised Rates		Revised Billings (\$)	Change (\$)	Change (%)
			Rates	Rates	(\$)	Rates	Rates				
Demand (kW/s)	72,000	\$/kW/mo	10.73	10.73	772,560	10.73	10.73	772,560			
Energy - Firm (MWhs)	43,684	¢/kWh	4.428	4.428	1,934,348	4.428	4.428	1,934,348			
Specifically Assigned		\$	-	-	-	-	-	-			
<b>Total Base Rate</b>					<b>2,706,908</b>			<b>2,706,908</b>		0.0%	
RSP Current Plan Adjustment	43,684	¢/kWh	0.093	0.093	40,627	0.093	0.093	40,627		0.0%	
Project Cost Recovery Rider	43,684	¢/kWh	1.384	1.384	604,593	1.652	1.652	721,667	117,074	3.5%	
CDM Recovery Adjustment	43,684	¢/kWh	0.006	0.006	2,621	0.006	0.006	2,621		0.0%	
<b>Total</b>					<b>3,354,748</b>			<b>3,471,823</b>	<b>117,074</b>	<b>3.5%</b>	

<sup>1</sup> Billing units are based on January to December 2024 actuals.

**Newfoundland and Labrador Hydro**  
**Island Industrial Customers Estimated Billing Impacts**  
**Vale Newfoundland and Labrador Ltd.**  
**July 1, 2025**

	Billing Units <sup>1</sup>	Unit	Current		Billings at Existing Rates (\$)		Revised Rates		Revised Billings (\$)	Change (\$)	Change (%)
			Rates	Rates	(\$)	(\$)	Rates	Rates			
Demand (kW/s)	576,000	\$/kW/mo	10.73	10.73	6,180,480	6,180,480	10.73	10.73	6,180,480	-	0.0%
Energy - Firm (MWhs)	283,421	¢/kWh	4.428	4.428	12,549,890	12,549,890	4.428	4.428	12,549,890	-	0.0%
Specifically Assigned		\$	145,352	145,352	145,352	145,352	145,352	145,352	145,352	-	0.0%
<b>Total Base Rate</b>					<b>18,875,722</b>	<b>18,875,722</b>			<b>18,875,722</b>	<b>-</b>	<b>0.0%</b>
RSP Current Plan Adjustment	283,421	¢/kWh	0.093	0.093	263,582	263,582	0.093	0.093	263,582	-	0.0%
Project Cost Recovery Rider	283,421	¢/kWh	1.384	1.384	3,922,549	3,922,549	1.652	1.652	4,682,118	759,569	3.3%
CDM Recovery Adjustment	283,421	¢/kWh	0.006	0.006	17,005	17,005	0.006	0.006	17,005	-	0.0%
<b>Total</b>					<b>23,078,858</b>	<b>23,078,858</b>			<b>23,838,426</b>	<b>759,569</b>	<b>3.3%</b>

<sup>1</sup> Billing units are based on January to December 2024 actuals.

**Newfoundland and Labrador Hydro**  
**Island Industrial Customers Estimated Billing Impacts**  
**Corner Brook Pulp and Paper Ltd.**  
**July 1, 2025**

	Billing Units <sup>1</sup>	Unit	Current		Billings at Existing Rates		Revised Rates		Revised Billings (\$)	Change (\$)	Change (%)
			Rates	Rates	(\$)	Rates	Rates				
Demand (kW/s)	6,000	\$/kW/mo	10.73	10.73	64,380	10.73	10.73	64,380			
Energy - Firm (MWhs)	255	¢/kWh	4.428	4.428	11,310	4.428	4.428	11,310			
Specifically Assigned		\$	13,311	13,311	13,311	13,311	13,311	13,311			
<b>Total Base Rate</b>					<b>89,001</b>			<b>89,001</b>		-	0.0%
RSP Current Plan Adjustment	255	¢/kWh	0.093	0.093	238	0.093	0.093	238		-	0.0%
Project Cost Recovery Rider	255	¢/kWh	1.384	1.384	3,535	1.652	1.652	4,219		685	0.7%
CDM Recovery Adjustment	255	¢/kWh	0.006	0.006	15	0.006	0.006	15		-	0.0%
<b>Total</b>					<b>92,788</b>			<b>93,473</b>		<b>685</b>	<b>0.7%</b>

<sup>1</sup> Billing units are based on January to December 2024 actuals.

**Newfoundland and Labrador Hydro**  
**Island Industrial Customers Estimated Billing Impacts**  
**Braya Renewable Fuels**  
**July 1, 2025**

	Billing Units <sup>1</sup>	Unit	Current Rates		Billings at Existing Rates (\$)		Revised Rates		Revised Billings (\$)		Change (\$)	Change (%)
			Rates	Rates	Existing Rates (\$)	Revised Rates	Revised Rates	Revised Billings (\$)				
Demand (kW)	268,000	\$/kW/mo	10.73	10.73	2,875,640	10.73	2,875,640		2,875,640			
Energy - Firm (MWhs)	113,863	¢/kWh	4.428	4.428	5,041,842	4.428	5,041,842		5,041,842			
Specifically Assigned		\$	107,678	107,678	107,678	107,678	107,678		107,678			
<b>Total Base Rate</b>					<b>8,025,160</b>		<b>8,025,160</b>		<b>8,025,160</b>		-	0.0%
RSP Current Plan Adjustment	113,863	¢/kWh	0.093	0.093	105,892	0.093	105,892		105,892		-	0.0%
Project Cost Recovery Rider	113,863	¢/kWh	1.384	1.384	1,575,860	1.652	1,881,013		1,881,013		305,152	3.1%
CDM Recovery Adjustment	113,863	¢/kWh	0.006	0.006	6,832	0.006	6,832		6,832		-	0.0%
<b>Total</b>					<b>9,713,745</b>		<b>10,018,897</b>		<b>10,018,897</b>		<b>305,152</b>	<b>3.1%</b>

<sup>1</sup> Billing units are based on January to December 2024 actuals.

**Newfoundland and Labrador Hydro**  
**Island Industrial Customers Estimated Billing Impacts**  
**Teck Resources Ltd.**  
**July 1, 2025**

	Billing Units <sup>1</sup>	Unit	Current		Billings at Existing Rates		Revised Rates		Revised Billings (\$)	Change (\$)	Change (%)
			Rates	Rates	Existing Rates (\$)	Revised Rates	Revised Rates				
Demand (kW/s)	3,000	\$/kW/mo	10.73	10.73	32,190	10.73	10.73	32,190			
Energy - Firm (MWhs)	1,041	¢/kWh	4.428	4.428	46,108	4.428	4.428	46,108			
Specifically Assigned		\$	51,789	51,789	51,789	51,789	51,789	51,789			
<b>Total Base Rate</b>					<b>130,087</b>			<b>130,087</b>		-	0.0%
RSP Current Plan Adjustment	1,041	¢/kWh	0.093	0.093	968	0.093	0.093	968		-	0.0%
Project Cost Recovery Rider	1,041	¢/kWh	1.384	1.384	14,411	1.652	1.652	17,202		2,791	1.9%
CDM Recovery Adjustment	1,041	¢/kWh	0.006	0.006	62	0.006	0.006	62		-	0.0%
<b>Total</b>					<b>145,529</b>			<b>148,319</b>		<b>2,791</b>	<b>1.9%</b>

<sup>1</sup> Billing units are based on January to December 2024 actuals.

**Newfoundland and Labrador Hydro**  
**Island Industrial Customers Estimated Billing Impacts**  
**Marathon Gold Corporation**  
**July 1, 2025**

	Billing Units <sup>1</sup>	Unit	Current Rates		Billings at Existing Rates (\$)		Revised Rates		Revised Billings (\$)		Change (\$)	Change (%)
			Current Rates	Revised Rates	Existing Rates (\$)	Revised Rates	Existing Rates (\$)	Revised Rates	Revised Billings (\$)			
Demand (kW/s)	7,178	\$/kW/mo	10.73	10.73	77,020	10.73	77,020	10.73	77,020	-	0.0%	
Energy - Firm (MWhs)	2,540	¢/kWh	4.428	4.428	112,456	4.428	112,456	4.428	112,456	-	0.0%	
Specifically Assigned		\$	-	-	-	-	-	-	-	-	-	0.0%
<b>Total Base Rate</b>					<b>189,476</b>		<b>189,476</b>		<b>189,476</b>	<b>-</b>	<b>0.0%</b>	
RSP Current Plan Adjustment	2,540	¢/kWh	0.093	0.093	2,362	0.093	2,362	0.093	2,362	-	0.0%	
Project Cost Recovery Rider	2,540	¢/kWh	1.384	1.384	35,149	1.652	41,955	1.652	41,955	6,806	3.0%	
CDM Recovery Adjustment	2,540	¢/kWh	0.006	0.006	152	0.006	152	0.006	152	-	0.0%	
<b>Total</b>					<b>227,139</b>		<b>233,945</b>		<b>233,945</b>	<b>6,806</b>	<b>3.0%</b>	

<sup>1</sup> Billing units are based on January to December 2024 actuals.

# Schedule 3

## Island Industrial Customer Rate Sheets

July 1, 2025



**INDUSTRIAL – FIRM**

**Availability**

Any person purchasing power, other than a retailer, supplied from the Interconnected Island bulk transmission grid at voltages of 66 kV or greater on the primary side of any transformation equipment directly supplying the person and who has entered into a contract with Hydro for the purchase of firm power and energy.

**Base Rate\***

**Demand Charge**

The rate for Firm Power, as defined and set out in the Industrial Service Agreements, shall be \$10.73 per kilowatt (kW) per month of billing demand.

**Firm Energy Charge**

Base Rate.....	@ 4.428¢ per kWh
<b>RSP Adjustment - Current Plan .....</b>	<b>@ 0.093¢ per kWh</b>
<b>Project Cost Recovery Rider.....</b>	<b>@ 1.652 ¢ per kWh</b>
<b>CDM Cost Recovery Adjustment.....</b>	<b>@ 0.006¢ per kWh</b>

### **Specifically Assigned Charges**

The table below contains the additional annual specifically assigned charges for customer plant in service that is specifically assigned to the Customer.

	<b>Annual Amount</b>
Corner Brook Pulp and Paper Limited	\$13,311
Braya Renewable Fuels (Newfoundland) GP Inc.	\$107,678
Teck Resources Limited	\$51,789
Vale	\$145,352

### **\*Subject to RSP Adjustments and CDM Cost Recovery Adjustment**

RSP Adjustments refers to all applicable adjustments arising from the operation of Hydro’s Rate Stabilization Plan, which levelizes variations in hydraulic production, fuel cost, load and rural rates.

The CDM Cost Recovery Adjustment is updated annually to provide recovery over a ten-year period of costs charged annually to the Conservation and Demand Management (CDM) Cost Deferral Account.

### **Adjustment for Losses**

If the metering point is on the load side of the transformer, either owned by the customer or specifically assigned to the customer, an adjustment for losses as determined in consultation with the customer prior to January 31 of each year shall be applied.

### **General**

Details regarding the conditions of Service are outlined in the Industrial Service Agreements.

**This rate schedule does not include the Harmonized Sales Tax (HST) that applies to electricity bills.**

## **INDUSTRIAL – NON-FIRM**

### **Availability**

Any person purchasing power, other than a retailer, supplied from the Interconnected Island bulk transmission grid at voltages of 66 kV or greater on the primary side of any transformation equipment directly supplying the person and who has entered into a contract with Hydro for the purchase of firm power and energy.

### **Rate**

#### **Non-Firm Energy Charge: Non-Thermal Generation Source (¢ per kWh)**

Hydro will inform the Customer of the Non-firm energy charge on the first business day following the 21st day of the month preceding the month for which the rate is being set.

Energy charges shall be the greater of:

- (i) The energy charge applicable to Rate No. 2.4L – General Service 1,000 KVA and Over provided in Hydro’s Schedule of Rates, Rules and Regulations; and
- (ii) The applicable On-Peak Energy Rate or Off-Peak Energy Rate

The following formula shall apply to calculate the On-Peak Energy Rate and Off-Peak Energy Rate:

#### **On-Peak Energy Rate:**

The non-firm energy charge for the on-peak period for the calendar month shall be calculated monthly based on the weighted average of:

- (iii) the settlement price for NYISO Zone A Day-Ahead Peak Calendar-Month 5 MW Futures after the end of trading on the nineteenth day of the previous month, converted to Canadian dollars using the exchange rate of the same day, and adjusted for losses and other market fees; and
- (iv) the settlement price for ISO New England Mass Hub 5 MW Peak Calendar-Month Day-Ahead LMP Futures after the end of trading on the nineteenth day of the previous month, converted to Canadian dollars using the exchange rate of the same day, and adjusted for losses and other market fees.

#### **Off-Peak Energy Rate**

The non-firm energy charge for the off-peak period for the calendar month shall be calculated monthly based on the weighted average of:

- (v) the settlement price for NYISO Zone A Day-Ahead Off-Peak Calendar-Month 5 MW Futures after the end of trading on the nineteenth day of the previous month, converted to Canadian dollars using the exchange rate of the same day, and adjusted for losses and other market fees; and

- (vi) the settlement price for ISO New England Mass Hub Day-Ahead Off-Peak Calendar-Month 5 MW Futures after the end of trading on the nineteenth day of the previous month, converted to Canadian dollars using the exchange rate of the same day, and adjusted for losses and other market fees.

The weightings applied to each market price to calculate the on-peak and off-peak energy charges will reflect the percentage of kWh exports sold (i.e., including exports from regulated and non-regulated Hydro) based on each market for the previous calendar month.

### Peak and Off-Peak Periods

The winter on-peak period is 7 am to 10 pm, Monday to Friday, for the months of December to March and the non-winter peak period is 8 am to 10 pm, Monday to Friday, for the period April to November. The off-peak period will include all other hours.

### Non-Firm Energy Charge: Thermal Generation Source (¢ per kWh)

The following formula shall apply to calculate the Non-Firm Energy rate:

$$\{(A \div B) \times (1 \div (1 - C))\} \times 100$$

- A = the monthly average cost of fuel per barrel for the energy source in the current month or, in the month the source was last used
- B = the conversion factor for the source used (kWh/bbl)
- C = the average system losses on the Island Interconnected grid for the last five years ending in 2016 (3.34%).

The energy sources and associated conversion factors are:

- 1) Holyrood, using No. 6 fuel with a conversion factor of 583 kWh/bbl
- 2) Gas turbines using No. 2 fuel with a conversion factor of 475 kWh/bbl
- 3) Diesels using No. 2 fuel with a conversion factor of 556 kWh/bbl

### Adjustment for Losses for Thermal Generation Source

If the metering point is on the load side of the transformer, either owned by the customer or specifically assigned to the customer, an adjustment for losses as determined in consultation with the customer prior to January 31 of each year shall be applied.

### General

Details regarding the conditions of Service are outlined in the Industrial Service Agreements.

**This rate schedule does not include the Harmonized Sales Tax (HST) that applies to electricity bills.**

**INDUSTRIAL – WHEELING**

**Availability**

Any person purchasing power, other than a retailer, supplied from the Interconnected Island bulk transmission grid at voltages of 66 kV or greater on the primary side of any transformation equipment directly supplying the person and who has entered into a contract with Hydro for the purchase of firm power and energy and whose Industrial Service Agreement so provides.

**Rate**

**Energy Charge**

All kWh (net of losses)\* ..... @ 0.831¢ per kWh

\*For the purpose of this Rate, losses shall be 3.34%, the average system losses on the Island Interconnected Grid for the last five years ending in 2016.

**General**

Details regarding the conditions of Service are outlined in the Industrial Service Agreements.

**This rate schedule does not include the Harmonized Sales Tax (HST) that applies to electricity bills.**

# Affidavit



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

**IN THE MATTER OF** an application by Newfoundland and Labrador Hydro (“Hydro”), pursuant to Subsection 70(1) of the *Act*, for the approval of a change in the Conservation and Demand Management (“CDM”) Cost Recovery Adjustment and Project Cost Recovery Rider to be charged to Island Industrial Customers effective July 1, 2025.

**AFFIDAVIT**

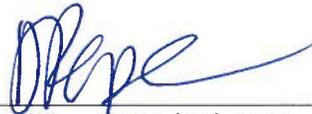
I, Dana Pope, of St. John’s in the province of Newfoundland and Labrador, make oath and say as follows:

- 1) I am Vice President, Regulatory Affairs and Stakeholder Relations, Newfoundland and Labrador Hydro, the applicant named in the attached application.
- 2) I have read and understand the foregoing Application.
- 3) To the best of my knowledge, information, and belief, all of the matters, facts, and things set out in this Application are true.

**SWORN** at St. John’s in the province of Newfoundland and Labrador this 9th day of June 2025, before me:



\_\_\_\_\_  
Barrister, Newfoundland and Labrador



\_\_\_\_\_  
Dana Pope, CPA (CA), MBA