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September 17, 2026

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

Attention: Mike McNiven
Senior Regulatory Advisor & Board Secretary

Re: Monthly Energy Supply Report for the Island Interconnected System for August 2026

Enclosed please find Newfoundland and Labrador Hydro's Monthly Energy Supply Report for the Island Interconnected System as directed by the Board of Commissioners of Public Utilities.

Should you have any questions, please contact the undersigned.

Yours truly,

NEWFOUNDLAND AND LABRADOR HYDRO

A handwritten signature in blue ink, appearing to read "Shirley A. Walsh", is written over a horizontal line.

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

Encl.

ecc:

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Monthly Energy Supply Report for the Island Interconnected System for August 2026

September 17, 2026

A report to the Board of Commissioners of Public Utilities



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1.0 Introduction

On February 8, 2016, the Board of Commissioners of Public Utilities (“Board”) requested that Newfoundland and Labrador Hydro (“Hydro”) file a biweekly report containing, but not limited to, the following:

- 1) System Hydrology Report;
- 2) The thermal plant operated in support of hydrology;
- 3) Production by plant/unit; and
- 4) Details of any current or anticipated long-term derating.

In July 2016, the Board indicated that a monthly report would thereafter be sufficient. This report provides data for August 2026.

Ownership of the Water Management function resides within Hydro in the Resource and Production Planning department and is at all times guided by Hydro’s operating instructions and environmental standards. This group works in consultation with Energy Marketing to optimize the use of Hydro’s hydrologic resources through imports/exports and to ensure that the security of supply for domestic load for Hydro’s customers remains paramount in all decisions, ensuring the delivery of least-cost, reliable service in an environmentally responsible manner.

2.0 System Hydrology

Reservoir inflows in August 2026 were 13% above the month’s historical average.¹ Table 1 summarizes the aggregate storage position of Hydro’s reservoirs at the end of the reporting period.

Table 1: System Hydrology Storage Levels

Date	2026 (GWh)	2025 (GWh)	20-Year Average (GWh)	Minimum Storage Limit (GWh)	Maximum Operating Level (GWh)	Maximum Operating Level (%)
31-Aug-2026	1,880	1,423	1,866	1,237	2,454	77

¹ Calculated in terms of energy [gigawatt hour (“GWh”)].

1 The aggregate reservoir storage level on August 31, 2026 was 1,880 GWh, which is 23% below the
 2 seasonal maximum operating level and 52% above the minimum storage limit.² Total system energy for
 3 the month decreased by 122 GWh overall, resulting in a total system energy storage 14 GWh above the
 4 20-year average. Inflows to the reservoirs of the Bay d’Espoir Generating Station (“Bay d’Espoir”) were
 5 114% of average in August 2026. Inflows to the Hinds Lake Reservoir were 210% of average, and inflows
 6 to the Cat Arm Reservoir were 63% of average during the month.

7 Total precipitation for the month of August across Hydro’s reservoir system was 112 mm at Burnt Dam,
 8 108 mm at Long Pond, and 104 mm at Hinds Lake.³

9 Table 2 summarizes the unit outages experienced during August 2026.

Table 2: August 2026 Unit Outage Summary

Unit Name	Date Offline	Return to Service	Outage type	Notes
Bay d’Espoir Unit 3	June 15, 2026	n/a	Planned	n/a
Bay d’Espoir Unit 4	June 15, 2026	n/a	Planned	n/a
Bay d’Espoir Unit 7	July 5, 2026	August 20, 2026	Planned	n/a
Hinds Lake	May 24, 2026	n/a	Planned	n/a
Cat Arm Unit 1	August 9, 2026	n/a	Planned	n/a
Granite Canal	August 12, 2026	August 12, 2026	Unplanned	Unit experienced a trip as a result of elevated vibration.
Bay d’Espoir Unit 1	August 14, 2026	August 14, 2026	Planned	n/a
Cat Arm Unit 2	August 20, 2026	n/a	Planned	n/a
Granite Canal	August 25, 2026	August 25, 2026	Planned	n/a

10 Figure 1 plots the 2025 and 2026 storage levels, minimum storage limits, maximum operating level
 11 storage, and 20-year average aggregate storage for comparison. In addition to the 2025–2026 minimum
 12 storage limits presented in Figure 1, Hydro has established the minimum storage limits to April 30, 2027.
 13 The 2026–2027 minimum storage limits were developed considering maximized delivery of power from

² Minimum storage limits are developed annually to provide guidance in the reliable operation of Hydro’s major reservoirs—Victoria, Meelpaeg, Long Pond, Cat Arm, and Hinds Lake. The minimum storage limit is designed to indicate the minimum level of aggregate storage required such that if there was a repeat of Hydro’s critical dry sequence, or other less severe sequence, Hydro’s load can still be met through the use of the available hydraulic storage supplemented with maximized deliveries of power from the Muskrat Falls Generating Station (“Muskrat Falls”) over the Labrador-Island Link (“LIL”). Hydro’s long-term critical dry sequence is defined as January 1959 to March 1962. Other dry periods are also considered during this analysis to ensure that no other shorter-term historic dry sequence could result in insufficient storage.

³ Intense thunderstorm activity near the beginning of the month in the Hinds Lake watershed led to inflows well above average for the month; however, the precipitation from these localized events occurred in a portion of the reservoir that was not captured by existing stationary meteorological instrumentation located near the Hinds Lake Generating Station.

- 1 the Muskrat Falls Generating Station, supplemented by available Recapture Energy from the Churchill
- 2 Falls Generating Station over the LIL, utilizing the transmission limits associated with the full under-
- 3 frequency load shedding limit of 57.7 Hz.⁴

⁴ The minimum storage methodology was updated to ensure Hydro's reservoirs could continue to provide reliable service to customers at the lowest possible cost, in an environmentally responsible manner. The 2026–2027 analysis assumed that only one unit at the Holyrood Thermal Generating Station ("Holyrood TGS") would be online and operating at minimum load during the winter 2026–2027 period. This assumption was made to de-risk Island system energy storage based on global market uncertainty associated with fuel prices and supply. Hydro plans to have all three units at the Holyrood TGS available at full capability, if needed. However, Hydro expects Island reservoirs to be supported with Muskrat Falls energy instead of thermal energy from the Holyrood TGS.

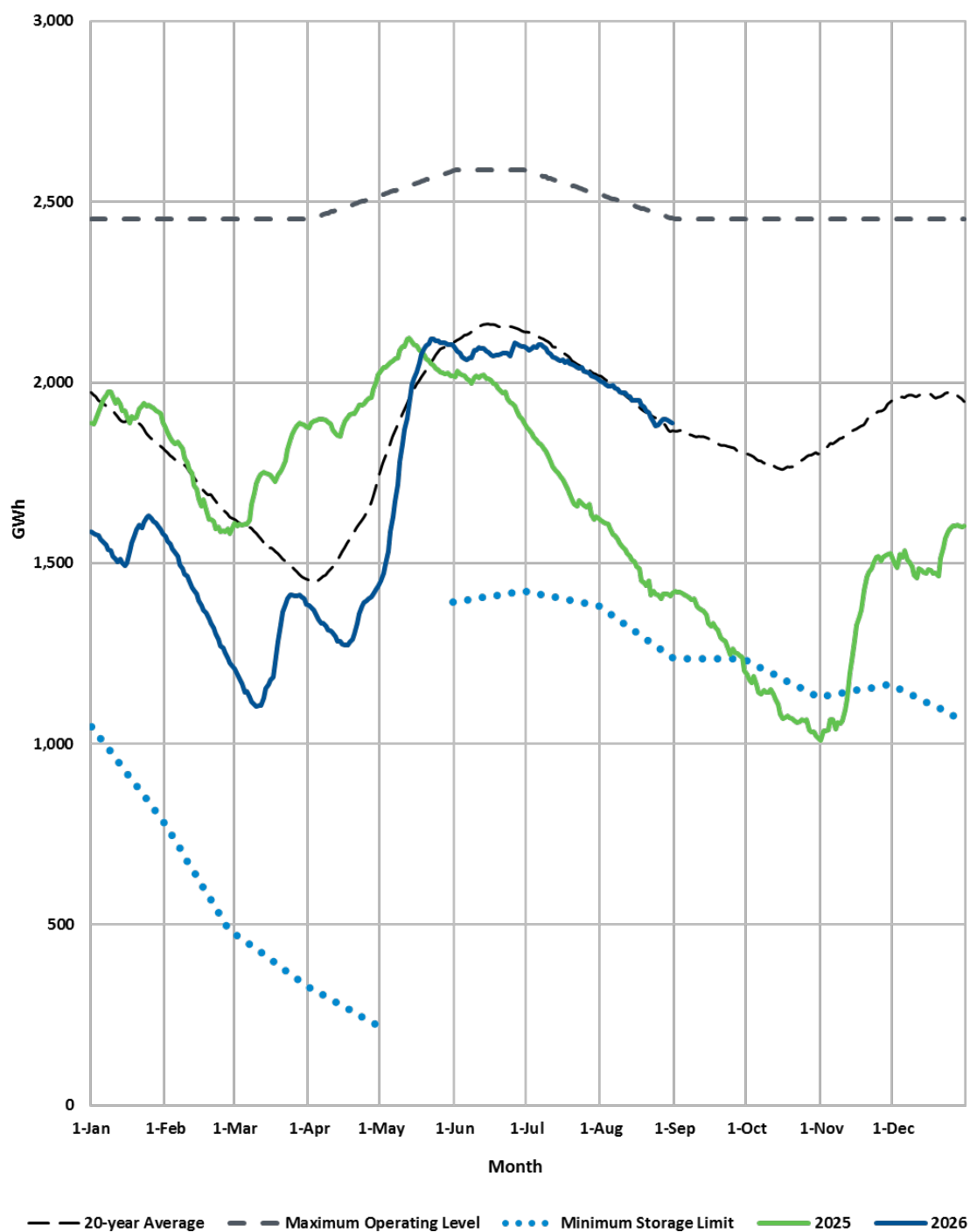


Figure 1: Total System Energy Storage⁵

⁵ Data points in Figure 1 represent storage at the beginning of each day. Table 1 reports the end-of-day storage values, which results in a small difference between the storage data presented in Table 1 and Figure 1.

2.1 Ponding

In Board Order No. P.U. 49(2018), the Board approved Hydro’s application for approval of a Pilot Agreement for the Optimization of Hydraulic Resources (“Pilot Agreement”).⁶ The intent of the Pilot Agreement is to optimize Hydro’s hydraulic resources through the strategic use of its storage capabilities, taking advantage of the variability of energy pricing in external markets over time.

Appendix A provides information regarding imported and exported energy transactions under the Pilot Agreement during the month. No ponding exports or imports occurred over the Maritime Link during August 2026.

2.2 Spill Activity

Appendix A provides information regarding spill avoidance export transactions undertaken.⁷ Spill avoidance exports were not required at any locations on the Integrated Island System in August 2026. Spill releases continued at Hinds Lake for the entire month of August 2026 to keep the reservoir within safe operating limits while the planned outage at the Hinds Lake Generating Station is ongoing. With the plant offline on planned outage, there were no opportunities for spill avoidance exports to occur.

A summary of the year-to-date (“YTD”) total volumes spilled or bypassed in both MCM⁸ and GWh for the Island Interconnected System in August 2026 can be found in Table 3. Avoided spill energy is shown in Table A-2.

Table 3: Spill Activity

	Granite Canal Bypass		Burnt Dam Spillway		North Salmon Bypass		Cat Arm Spillway		Hinds Lake Spillway	
	MCM	GWh	MCM	GWh	MCM	GWh	MCM	GWh	MCM	GWh
31-August-2026	-	-	-	-	-	-	-	-	59.0	31.8
YTD Total	42.4	4.0	9.9	6.5	17.5	2.3	94.2	84.6	175.3	94.5

⁶ The Third Amended and Restated Pilot Agreement for the Optimization of Hydraulic Resources was approved as per Board Order No. P.U. 35(2022) and was extended as per Board Order No. P.U. 30(2023), Board Order No. P.U. 29(2024), and again in Board Order No. P.U. 37(2025).

⁷ Pursuant to the Pilot Agreement, exporting when system load is low allows for increased generation from Island hydraulic facilities and the utilization of water (energy) that would have otherwise been spilled, while not increasing the risk of spill elsewhere in the system.

⁸ Million cubic metres (“MCM”).

3.0 Production and Purchases

Appendix B provides a breakdown of power purchases, including the import and export activity over the LIL and Maritime Link as well as production by plant during August 2026.^{9,10} There was no energy repaid from Corner Brook Pulp and Paper (“CBPP”) to Energy Marketing under the Temporary Energy Exchange Agreement in August 2026. A total of 422 MWh of emergency energy¹¹ was supplied to Nova Scotia over the Maritime Link during August 2026.

4.0 Thermal Production

No Holyrood TGS units were online for system requirements in August 2026. There was no energy production, and standby generation was not used to support reservoir storage. The operating hours for the Holyrood TGS, Holyrood Combustion Turbine (“CT”), and the Hardwoods and Stephenville Gas Turbines (“GT”) are summarized in Table 4.

Table 4: Holyrood TGS and CTs Operating Hours

	Operating Hours	Sync Condense Hours	Available Hours
Holyrood TGS			
Unit 1	0.0	0.0	0.0
Unit 2	0.0	0.0	0.0
Unit 3	0.0	744.0	744.0
CTs			
Hardwoods GT	1.1	261.0	262.2
Stephenville GT	3.6	0.0	744.0
Holyrood CT	0.0	0.0	744.0

5.0 Unit Deratings

Holyrood TGS Unit 1 began its planned annual outage on May 24, 2026, and remained on planned outage for the entire month of August 2026. The outage is scheduled to continue until October 3, 2026.

⁹ On April 1, 2021, Hydro entered into an agreement with CBPP to send energy to supplement low reservoir levels, with energy being repaid by CBPP at a later date. This energy is to be exported and not used to supply the Island Interconnected System.

¹⁰ On July 1, 2026, Hydro entered into a fifth Power Purchase Agreement (“PPA”) with CBPP as directed by Government of Newfoundland and Labrador (“Government”) in Order in Council OC2026-133. The PPA with CBPP provides Hydro with 280 GWh of non-firm energy from July 1, 2026 to June 30, 2027, inclusive.

¹¹ Measured at Bottom Brook Terminal Station, inclusive of losses.

1 Holyrood TGS Unit 2 began its planned annual outage on May 6, 2026, and remained on planned outage
2 for the entire month of August 2026. The outage is scheduled to continue until December 21, 2026,
3 extended from September 26, 2026, due to unexpected findings during execution of the Unit 2 turbine
4 valve and generator overhaul.

5 Holyrood TGS Unit 3 was on planned annual outage for the entire month of August 2026. The outage
6 began on March 29, 2026. The original return-to-service date of July 18, 2026 was extended to
7 August 29, 2026 because boiler condition assessment inspections of the waterwall floor tubes identified
8 areas requiring pad weld repairs and tube replacements. This work is complete, but the outage was
9 further extended to September 26, 2026 to allow for completion of work on boiler forced draft fans and
10 pump house travelling screens. On May 1, 2026, the generator was placed online in synchronous
11 condenser mode. The synchronous condenser was online for the entire month of August 2026.

12 The Hardwoods GT was on a planned maintenance outage from August 3, 2026, to August 23, 2026 to
13 complete capital upgrades and preventative and corrective maintenance activities. The unit was
14 returned to service at 50% capacity on August 23, 2026. End A remained unavailable until
15 September 2, 2026, due to a fuel leak on the on-engine fuel pump. The pump was replaced with a spare,
16 and the unit was released at full capacity.

17 The Holyrood CT was available at full capacity for the entire month of August 2026.

18 Stephenville GT was available at full capacity for the full month of August 2026, with the exception of
19 planned deratings to 50% capacity due to daily single-end outages on August 27 and 28, 2026 (End A)
20 and August 30 and 31, 2026 (End B) to complete borescope inspections of the engines.

Appendix A

Ponding and Spill Transactions



Table A-1: Ponding Transactions

Date	Ponding Imports (MWh)	Ponding Exports (MWh)	Ponding Imports Purchased by Hydro (MWh)	Transfer of Pond Balance to Spill Avoidance (MWh)	Energy Losses to Export (MWh)	Cumulative Ponded Energy (MWh)
Opening Balance	-	-	-	-	-	-
Total ¹	-	-	-	-	-	-

Table A-2: Avoided Spill Energy

Date	Avoided Spill Exports (MWh)	Energy Losses to Export (MWh)	Transfer of Pond Balance to Spill Avoidance (MWh)	YTD Avoided Spill Energy (MWh)
Opening Balance	-	-	-	7,999
Total	-	-	-	7,999

¹ Total transactions for August 2026.

Appendix B

Production and Purchases



Table B-1: Generation and Purchases (GWh)^{1,2,3}

	Aug 2026	YTD Aug 2026
Hydro Generation (Hydro)		
Bay d'Espoir		
Unit 1	36.8	219.6
Unit 2	24.2	150.4
Unit 3	0.0	192.3
Unit 4	0.0	107.5
Unit 5	41.7	280.0
Unit 6	41.3	283.7
Unit 7	32.0	508.1
Subtotal Bay d'Espoir	176.0	1,741.6
Upper Salmon	40.4	337.4
Granite Canal	17.9	144.8
Hinds Lake	0.0	185.4
Cat Arm		
Unit 1	9.5	307.6
Unit 2	26.0	276.8
Subtotal Cat Arm	35.5	584.4
Paradise River	0.8	17.8
Star Lake	11.9	94.7
Rattle Brook	0.0	9.6
Exploits	49.0	392.3
Mini Hydro	0.0	0.0
Total Hydro Generation (Hydro)	331.4	3,508.0
Thermal Generation (Hydro)		
Holyrood TGS		
Unit 1	0.0	176.1
Unit 2	0.0	151.4
Unit 3	0.0	56.0
Subtotal Holyrood TGS Units	0.0	383.5
Holyrood Combustion Turbine and Diesels	0.0	7.2
Hardwoods Gas Turbine	0.0	1.1
Stephenville Gas Turbine	0.1	1.1
Other Thermal	0.0	0.3
Total Thermal Generation (Hydro)	0.1	393.3
Purchases		
Requested Newfoundland Power and Vale CBPP	0.0	0.2
Capacity Assistance	0.0	0.0
Power Purchase Agreement ⁴	19.9	190.0
Secondary	0.0	6.3
Co-Generation	0.0	20.5
Subtotal CBPP	19.9	216.8
Wind Purchases	7.1	114.1
Maritime Link Imports ⁵	0.0	2.4
New World Dairy	0.1	1.3
Labrador Island Link Delivery to IIS ^{6,7}	54.4	759.6
Total Purchases	81.5	1,094.4
Total	413.1	4,995.7

¹ Numbers may not add due to rounding.

² Gross generation.

³ Actuals reflect rounded values to the nearest tenth of a GWh. Differences between the total versus the addition of individual components are due to rounding.

⁴ Includes both energy repaid from CBPP to Energy Marketing under the Temporary Energy Exchange Agreement that was exported over the Maritime Link as well as deliveries to Hydro under a fifth PPA with CBPP as directed by Government that began July 1, 2026.

⁵ Includes energy flows as a result of purchases and inadvertent energy.

⁶ LIL deliveries to the Island Interconnected System are calculated as LIL imports of 239.7 GWh less Maritime Link exports of 185.3 GWh.

⁷ Net energy delivered to the Island Interconnected System is less than the total energy delivery to Hydro under the Muskrat Falls PPA because of transmission losses on the LIL.