

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

AN ORDER OF THE BOARD

NO. P.U. 13(2025)

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 2024 balance in the
10 Isolated Systems Supply Cost Variance
11 Deferral Account, pursuant to sections
12 70(1) and 80 of the **Act**.
13
14

15 **WHEREAS** Newfoundland and Labrador Hydro (“Hydro”) is a corporation continued and existing
16 under the **Hydro Corporation Act, 2024**, is a public utility within the meaning of the **Act**, and is
17 also subject to the provisions of the **EPCA**; and
18

19 **WHEREAS** the definition of the Isolated Systems Supply Cost Variance Deferral Account was
20 approved in Order No. P.U. 22(2017); and
21

22 **WHEREAS** the approved account definition requires Hydro to file an application for the approval
23 of the account balance and disposition of any balance in the Isolated Systems Supply Cost
24 Variance Deferral Account no later than March 31st of each year; and
25

26 **WHEREAS** on March 12, 2025 Hydro filed an application requesting approval of the allocation of
27 the 2024 debit balance in the Isolated Systems Supply Cost Variance Deferral Account in the
28 amount of \$6,725,263, consistent with the methodology approved for disposition in previous
29 years (the “Application”); and

1 **WHEREAS** the Application proposes that the 2024 Isolated Systems Supply Cost Variance Deferral
2 Account debit balance be allocated between Newfoundland Power Inc. (“Newfoundland Power”)
3 and the Hydro Rural Labrador Interconnected System customers based on the 2019 Test Year
4 Rural Deficit allocation which would result in a debit balance of \$6,462,978 owing from
5 Newfoundland Power and a \$262,285 charge to Hydro’s net income; and
6

7 **WHEREAS** the Application proposes to transfer the allocated balance associated with the 2024
8 Isolated Systems Supply Cost Variance Deferral Account to Newfoundland Power’s Rate
9 Stabilization Plan (“RSP”) Current Plan balance as of March 31, 2025 to be recovered from
10 customers through the RSP Current Plan Adjustment starting July 1, 2025; and
11

12 **WHEREAS** the Application was circulated to: Newfoundland Power; the Consumer Advocate,
13 Dennis Browne, KC; a group of Island Industrial customers: Corner Brook Pulp and Paper Limited,
14 Braya Renewable Fuels (Newfoundland) GP Inc., Vale Newfoundland and Labrador Limited; Linde
15 Canada Inc.; and Teck Resources Limited; and
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17 **WHEREAS** Newfoundland Power advised on March 21, 2025 that they had no comments on the
18 Application and no other comments were received; and
19

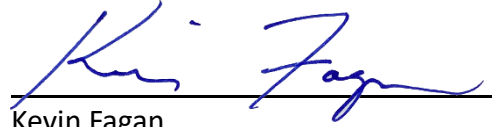
20 **WHEREAS** on March 24, 2025 Hydro noted that there were no comments received from the
21 parties and asked that the Board approve the Application as filed; and
22

23 **WHEREAS** the Board is satisfied that Hydro’s proposal for the allocation and recovery of the 2024
24 Isolated Systems Supply Cost Variance Deferral Account should be approved.
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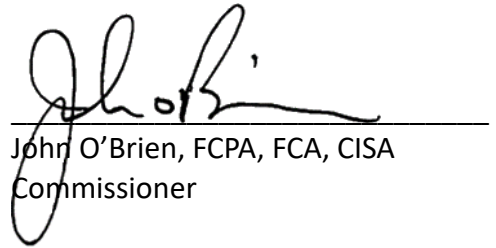
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27 **IT IS THEREFORE ORDERED THAT:**
28

- 29 1. Hydro’s proposed disposition of the \$6,725,263 balance in the 2024 Isolated Systems Supply
30 Cost Variance Deferral Account through the transfer, effective March 31, 2025, of a debit of
31 \$6,462,978 to the Newfoundland Power RSP Current Plan balance with recovery starting July
32 1, 2025, and a debit of \$262,285 allocated to Hydro Rural Labrador Interconnected System
33 customers to be applied to reduce Hydro’s net income is approved.
34
- 35 2. Hydro shall pay all expenses of the Board arising from this Application.

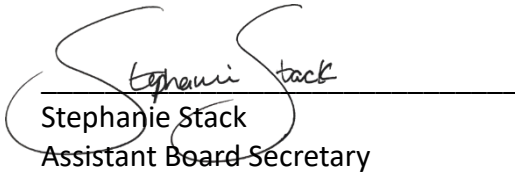
DATED at St. John's, Newfoundland and Labrador, this 3rd day of April 2025.



Kevin Fagan
Chair and Chief Executive Officer



John O'Brien, FCPA, FCA, CISA
Commissioner



Stephanie Stack
Assistant Board Secretary