



Newfoundland and Labrador Hydro
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May 27, 2024

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: Supply Cost Variance Deferral Account Monthly Report

Further to correspondence from the Board of Commissioners of Public Utilities accompanying Board Order No. P.U. 4(2022), please find enclosed Newfoundland and Labrador Hydro's report on the activity and balance of the Supply Cost Variance Deferral Account to the end of April 2024.

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

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Board General

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Supply Cost Variance Deferral Account Report (Unaudited)

April 2024

May 27, 2024

A report to the Board of Commissioners of Public Utilities



**Supply Cost Variance Deferral Account
 Summary
 April 30, 2024**

	Supply Cost Variance Deferral Account Balance (\$) (from page 2)	Utility Balance (\$) (from page 3)	Industrial Balance (\$) (from page 4)	Total to Date (\$)
Opening Balance	283,716,067	(12,444,308)	-	271,271,759
Adjustment	-	-	-	-
Adjusted Opening Balance	283,716,067	(12,444,308)	-	271,271,759
January	312,104,403	(13,625,254)	-	298,479,149
February	342,046,430	(14,578,410)	-	327,468,020
March	398,032,518	(15,412,310)	-	382,620,208
April	459,145,468	(16,162,803)	-	442,982,665
May				
June				
July				
August				
September				
October				
November				
December				

Supply Cost Variance Deferral Account Report for April 2024 (Unaudited)

Supply Cost Variance Deferral Account
Section A: Summary
April 30, 2024

	Project Cost Recovery Rider		Load Variation				Financing Charges				Cumulative Net Balance (\$)						
	Muskat Falls Project Cost Variance (\$)	Rate Mitigation Fund (\$)	Utility ¹ (\$)	Industrial ² (\$)	Holyrood TGS ³ Fuel Cost Variance ⁴ (\$)	Other IIS ⁵ Supply Cost Variance ⁶ (\$)	Net Revenue From Exports Variance (\$)	Transmission Tariff Revenue Variance (\$)	Utility (\$)	Industrial (\$)		Other (\$)	Transfers (\$)				
Opening Balance Adjustment	855,037,017	(335,104,321)	(65,690,947)	-	(114,193,068)	(48,568,155)	(48,570,916)	(26,781,096)	53,096,149	36,415,696	(35,494,446)	270,145,913	(2,474,924)	-	16,045,078	-	283,716,067
Adjusted Opening Balance	855,037,017	(335,104,321)	(65,690,947)	-	(114,193,068)	(48,568,155)	(48,570,916)	(26,781,096)	53,096,149	36,415,696	(35,494,446)	270,145,913	(2,474,924)	-	16,045,078	-	283,716,067
January	60,516,084	-	(5,919,516)	(302,776)	(22,011,159)	264,112	(446,394)	(1,498,023)	(4,794,456)	1,279,854	(17,559)	27,070,167	(305,206)	-	1,623,375	-	312,104,403
February	60,093,165	-	(5,193,050)	(330,240)	(21,078,221)	(3,580,930)	(407,397)	(1,498,023)	(410,190)	925,931	(29,082)	28,491,963	(332,708)	-	1,784,179	-	342,046,430
March ⁶	61,108,742	-	(4,865,806)	(321,551)	863,536	(7,862,356)	(558,056)	(1,498,023)	6,584,788	1,199,512	(253,875)	54,396,911	(356,836)	(2,941)	1,948,954	-	398,032,518
April	60,246,161	-	(4,120,230)	(149,332)	2,406,427	(1,237,916)	(430,715)	(1,498,023)	2,067,265	1,978,579	1,441	59,263,657	(379,443)	(4,435)	2,233,171	-	459,145,468
May	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
June	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
July	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
August	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
September	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
October	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
November	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
December	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Year-to-Date	241,964,152	-	(20,098,602)	(1,103,899)	(39,819,417)	(12,417,090)	(1,842,562)	(5,992,092)	3,447,407	5,383,876	(299,075)	169,222,698	(1,374,193)	(8,783)	7,589,679	-	175,429,401
Total	1,097,001,169	(335,104,321)	(85,789,549)	(1,103,899)	(154,012,485)	(60,985,245)	(50,413,478)	(32,773,188)	56,543,556	41,799,572	(35,793,521)	439,368,611	(3,849,117)	(8,783)	23,634,757	-	459,145,468

¹ As per Order No. P.U. 19(2022), the Board of Commissioners of Public Utilities ("Board") approved a Project Cost Recovery Rider of 0.798 cents per kWh that became effective as of July 1, 2022. There is no change to the Project Cost Recovery Rider effective July 1, 2023 as per Board Order No. P.U. 15(2023).

² As per Order No. P.U. 4(2024), the Board of Commissioners of Public Utilities ("Board") approved a Project Cost Recovery Rider of 0.888 cents per kWh that became effective as of January 1, 2024.

³ Holyrood Thermal Generating Station ("Holyrood TGS").

⁴ In 2021, Nalcor commenced delivery of the Nova Scotia Block that, combined with limited U.I. capacity, meant Hydro could not be delivered as much energy from the Muskrat Falls Hydroelectric Generating Facility as it would otherwise. Nalcor committed to indemnify Hydro for any damages suffered as a result of this reduction in deliveries including compensating Hydro for incremental costs of fuel and/or imports over the Maritime Link. The 2024 balances reflect adjustments to the calculation to eliminate incremental costs incurred by Hydro as a result of reduced deliveries. The balances in this report reflect the true-up of initial estimates made throughout the period.

⁵ Island Interconnected System ("IIS").

⁶ In March the actual settlement value for net export sales for 2023 was finalized. This settlement did not change the revenue that was accrued in December 2023, therefore no true-up was required.

Supply Cost Variance Deferral Account
Section B: Utility Customer Balance
April 30, 2024

	Allocation Rural Rate Alteration ¹ (\$)	Financing Charges (\$)	Transfers (\$)	Cumulative Net Balance (\$) (to page 1)
Opening Balance	(11,788,153)	(656,155)	-	(12,444,308)
Adjustments	-	-	-	-
Adjusted Opening Balance	(11,788,153)	(656,155)	-	(12,444,308)
January	(1,123,129)	(57,817)	-	(13,625,254)
February	(889,852)	(63,304)	-	(14,578,410)
March	(766,167)	(67,733)	-	(15,412,310)
April	(678,886)	(71,607)	-	(16,162,803)
May	-	-	-	-
June	-	-	-	-
July	-	-	-	-
August	-	-	-	-
September	-	-	-	-
October	-	-	-	-
November	-	-	-	-
December	-	-	-	-
Year-to-Date	(3,458,034)	(260,461)	-	(3,718,495)
Total	(15,246,187)	(916,616)	-	(16,162,803)

¹ The Rural Rate Alteration is allocated between Utility and Labrador Interconnected customers in the same proportion that the rural deficit was allocated in the approved 2019 Cost of Service Study, which is 96.1% and 3.9%, respectively. The Labrador Interconnected amount is then removed from the plan and written off to net income (loss).

The only transactions posted to the Utility's Customer Balance are Newfoundland Power's allocation of Rural Rate Alteration and associated interest until further approval is obtained from the Board.

Supply Cost Variance Deferral Account
Section B: Industrial Customers Balance¹
April 30, 2024

	Financing Charges (\$)	Transfers (\$)	Cumulative Net Balance (\$) (to page 1)
Opening Balance	-	-	-
January	-	-	-
February	-	-	-
March	-	-	-
April	-	-	-
May			
June			
July			
August			
September			
October			
November			
December			
Year-to-Date	-	-	-
Total	-	-	-

¹No transactions will be applied to this balance until further approval is obtained from the Board.