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January 15, 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
January 1, 2025**

Please find enclosed Newfoundland and Labrador Hydro's ("Hydro") application for approval of the 2025 Island Industrial Customer Rate Adjustments including an updated Rate Stabilization Plan ("RSP") Current Plan Adjustment and an updated Project Cost Recovery Rider to become effective January 1, 2025 ("Application").

The adjustment to the RSP has been calculated in accordance with the RSP Rules for Balance Disposition. The forecast impact on Island Industrial Customers as a result of the RSP Current Plan Adjustment, coupled with the update of the Project Cost Recovery Rider, results in maintaining rates at current levels for January 1, 2025. Hydro intends to propose further updates to the Project Cost Recovery Rider for Island Industrial Customers, in accordance with the Government of Newfoundland and Labrador's rate mitigation plan, on July 1, 2025 when Hydro files its application for the July 1, 2025 Island Industrial Customer Conservation and Demand Management Cost Recovery Adjustment. As the final RSP Current Plan Adjustment has been calculated, Hydro intends to file one annual rate change for Island Industrial Customers each year, effective July 1.

Hydro has communicated to the Island Industrial Customer Group the proposal to keep rates at current levels for January 1, 2025 and its plan to change the timing of the annual rate update from January 1 to July 1. The Island Industrial Customer Group understand that rates will remain at current levels on January 1, 2025 and have communicated that they do not have any objections to moving the annual rate change from January 1 to July 1.

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", written over a horizontal line.

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

Encl.

Ecc:

Board of Commissioners of Public Utilities

Jacqui H. Glynn
Katie R. Philpott
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
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Linde Canada Inc.

Sheryl E. Nisenbaum
Peter Strong

Newfoundland Power Inc.

Dominic J. Foley
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Teck Resources Limited

Shawn Kinsella

Island Industrial Customer Group

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

Island Industrial Customer Rate Adjustments

Effective January 1, 2025

January 15, 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 Sections 70(1) and 76 of the *Act*, for the approval of: (i) the 2025 Island Industrial Customer Rate Stabilization Plan (“*RSP*”) Adjustments, and (ii) the update to the Project Cost Recovery Rider (“*Application*”).

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

THE APPLICATION OF HYDRO STATES THAT:

A. Background

1. Hydro is 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 submit 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. Section 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.
4. On February 21, 2022, the Board issued Board Order No. P.U. 4(2022) approving the Supply Cost Variance Deferral Account to become effective November 1, 2021. The Board also approved the RSP Rules for Balance Disposition, which addressed (i) the cessation of supply cost variance activity in the RSP after October 31, 2021; (ii) the allocation of the October 31, 2021 balance in the RSP Hydraulic Production Variation component, excluding finance charges, to be recovered over four

years plus financing charges accumulated to December 31 for each year based on 12 months-to-date kWh as of October 31, 2021; and (iii) the elimination of the RSP Fuel Rider.

5. On July 1, 2022, as approved in Board Order No. P.U. 19(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.
6. On January 26, 2023, in Board Order No. P.U. 3(2023), the Board approved an Island Industrial Customer RSP Current Plan Adjustment of 1.477 cents per kWh and the conclusion of the Island Industrial Customer RSP Current Plan Mitigation Adjustment of (0.675) cents per kWh, both effective as of January 1, 2023. The purpose of the RSP Current Plan Mitigation Adjustment was to recover the year-end 2021 Current Plan Balance over two years (2022 and 2023) with the objective of obtaining equal rate impacts each year.
7. As Hydro noted in its application for the 2023 Island Industrial Customer RSP Adjustments, Hydro did not propose the implementation of a Project Cost Recovery Rider for Island Industrial Customers in 2023 given the forecast average billing impact of 15.4% in 2023. Instead, Hydro planned to implement the Project Cost Recovery Rider in 2024, after the RSP balance owing had declined. This approach avoided a higher rate increase for Island Industrial Customers in 2023 and provided for rate stability in 2024.
8. On January 30, 2024, in Board Order No. P.U. 4(2024), the Board approved an Island Industrial Customer RSP Current Plan Adjustment of 0.589 cents per kWh, a decrease in the RSP Adjustment which was offset by the implementation of a Project Cost Recovery Rider of 0.888 cents per kWh. The combined effect of the RSP change and the Project Cost Recovery Rider maintained stability in rates at 2023 levels.
9. Section C.2 of the RSP Rules for Balance Disposition requires an update of the Island Industrial Customer RSP Current Plan Adjustment, effective January 1 of each year, to recover the balance in the Island Industrial Customer RSP at December 31 of the previous year and the forecast financing charges to the end of the following calendar year.

10. Section C.2 of the RSP Rules outlines the method for determining the Island Industrial Customer RSP Current Plan Adjustment, which computes a new recovery adjustment based upon the December 31 RSP balance of the previous year.¹

B. Application

11. The Island Industrial Customer RSP Current Plan as at December 31, 2024, provided in the RSP Report attached as Schedule 2 to this Application, contains a debit balance of approximately \$0.4 million to be recovered from customers. Hydro's Application seeks approval of an updated Island Industrial Customer RSP Current Plan Adjustment of 0.093 cents per kWh effective January 1, 2025. This RSP Current Plan Adjustment would decrease customer billings by an average of approximately 6.0%.
12. In the Government of Newfoundland and Labrador's ("Government") finalized rate mitigation plan,² announced in May 2024, 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."*³
13. Beginning in July 2025, Hydro will propose any change in rates for Island Industrial Customers to comply with government's direction on July 1 when the application for the July 1 Island Industrial Customer Conservation and Demand Management ("CDM") Cost Recovery Adjustment is filed. As the final RSP Current Plan Adjustment has been calculated, this change in scheduling of the rate adjustment will result in one rate application for Island Industrial Customers each year. It will also align the timing of rate changes for Island Industrial Customers with Hydro's Utility Customer, Newfoundland Power Inc.

¹ Details of this calculation are contained in Appendix A of Schedule 1 of this Application.

² Government of Newfoundland and Labrador, Industry, Energy and Technology, "Provincial Government Announces Finalization of Rate Mitigation Plan," May 16, 2024, <<https://www.gov.nl.ca/releases/2024/iet/0516n01/>>.

³ Order in Council OC2024-062 <<https://www.exec-oic.gov.nl.ca/public/oic/details?order-id=21851>>.

14. Hydro's present Application seeks approval of an updated Project Cost Recovery Rider of 1.384 cents per kWh, effective January 1, 2025. This proposal, discussed further in Schedule 1 of this Application, would effectively increase customer billings by an average of 6.0%, thereby offsetting the rate decrease resulting from the RSP Current Plan Adjustment and maintaining rates at current levels. The rate impacts of both the RSP Current Plan Adjustment and the Project Cost Recovery Rider are illustrated in Appendix B to Schedule 1 of this Application.
15. Schedule 3 to this Application provides the proposed Island Industrial Customer rate sheets with an effective date of January 1, 2025. The proposed rate sheets reflect (i) the revised Island Industrial Customer RSP Current Plan Adjustment of 0.093 cents per kWh, and (ii) the revised Project Cost Recovery Rider of 1.384 cents per kWh.

C. Newfoundland and Labrador Hydro's Request

16. Hydro requests the Board approve the following:
 - a) A revised Island Industrial Customer RSP Current Plan Adjustment of 0.093 cents per kWh to become effective January 1, 2025; and
 - b) A revised Project Cost Recovery Rider of 1.384 cents per kWh to become effective January 1, 2025.

D. Reasons for Approval


17. Approval by the Board of the proposed Island Industrial Customer RSP Adjustments and Project Cost Recovery Rider will permit rate stability provided for, and intended by, the *Act*, the *EPCA*, and the Orders of the Board as set out in the Application, and will provide for reasonable recovery of prudently incurred costs. The proposals contained herein will only impact the Island Industrial Customers and have no impact on Newfoundland Power Inc. or its discrete RSP balances.

E. Communications

18. 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 15th day of January 2025.

NEWFOUNDLAND AND LABRADOR HYDRO



Shirley A. Walsh
Counsel for the Applicant
Newfoundland and Labrador Hydro,
500 Columbus Drive, P.O. Box 12400
St. John's, NL A1B 4K7
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Schedule 1

Proposed Island Industrial Customer Rate Adjustments

Supporting Evidence



Proposed Island Industrial Customer Rate Adjustments

Supporting Evidence



Contents

1.0	Background	1
2.0	RSP Adjustments – Current Plan	2
3.0	Supply Cost Variance Deferral Account – Project Cost Recovery Rider.....	3
4.0	Conclusion.....	5

List of Appendices

Appendix A: Island Industrial Customer RSP Current Plan Adjustment

Appendix B: Island Industrial Customer Billing Impacts

Appendix C: Island Industrial Customer Project Cost Recovery Rider – Estimated Balances Owing

1 **1.0 Background**

2 On February 21, 2022, the Board of Commissioners of Public Utilities (“Board”) issued Board Order No.
3 P.U. 4(2022), approving the Supply Cost Variance Deferral Account (“SCVDA”) and the discontinuance of the
4 existing Rate Stabilization Plan (“RSP”) Rules effective as of November 1, 2021. In the same Order, the Board
5 also approved the RSP Rules for the Balance Disposition account.¹

6 The Island Industrial Customer RSP Current Plan balance as at December 31, 2021 was a debit balance owing
7 from customers of approximately \$4.3 million. This balance reflected one-quarter of the balance in the RSP
8 Hydraulic Production Variation component, plus financing costs. Due to a large balance in the Island Industrial
9 Customer RSP Current Plan coupled with the discontinuance of the RSP Fuel Rider, the updated RSP
10 Adjustments for the Island Industrial Customers in 2022 would have resulted in a rate increase of
11 approximately 23.6%. Providing a rate increase of that magnitude would have been considered “rate shock”
12 for customers.

13 On February 4, 2022, Hydro filed an application with the Board proposing a modification of the Island
14 Industrial Customers’ RSP Adjustment calculation.² In Board Order No. P.U. 5(2022), the Board approved
15 Hydro’s proposal to implement a RSP Current Plan Mitigation Adjustment to recover the year-end 2021
16 Current Plan Balance over two years (2022 and 2023) with the objective of obtaining equal rate impacts each
17 year resulting in an average bill impact of 12.7% in 2022, and a projected average bill impact of 12.6% in
18 2023.

19 In Board Order No. P.U. 3(2023), the Board approved the Island Industrial Customer RSP Current Plan
20 Adjustment of 1.477 cents per kWh and the conclusion of Island Industrial Customer RSP Current Plan
21 Mitigation Adjustment of (0.675) cents per kWh to become effective January 1, 2023. The approval of the RSP
22 Current Plan Adjustment and discontinuance of the RSP Current Plan Mitigation Adjustment resulted in an
23 average 2023 billing impact of 15.4%.

¹ Newfoundland and Labrador Hydro (“Hydro”) has proposed to file a future application with the Board, subsequent to the next General Rate Application (“GRA”) Order, to deal with the allocation and recovery of the balance in the current SCVDA that accumulates prior to the conclusion of the next GRA. “Supply Cost Accounting Application,” Newfoundland and Labrador Hydro, July 29, 2021.

² “Application for Approval of the Island Industrial Customer Rate Stabilization Plan Adjustments,” Newfoundland and Labrador Hydro, February 4, 2022.

1 As approved in Board Order No. P.U. 19(2022), Hydro implemented a Project Cost Recovery Rider for its
2 Utility customer effective July 1, 2022 to begin recovery of Muskrat Falls Project cost payments being made
3 by Hydro under the Muskrat Falls Power Purchase Agreement; however, Hydro did not feel it was feasible to
4 implement a Project Cost Recovery Rider for the Island Industrial Customers in January 2023. As the forecast
5 balance for recovery in the RSP declined in 2023,³ Hydro planned for the implementation of a Project Cost
6 Recovery Rider in 2024, avoiding a higher rate increase for Island Industrial Customers in 2023 and providing
7 rate stability for 2024.

8 On January 16, 2024, Hydro applied for a Project Cost Recovery Rider for Island Industrial Customers along
9 with an updated RSP Current Plan Adjustment. At the time, the proposed RSP Current Plan Adjustment
10 resulted in a rate decrease of 10.4%. To provide Hydro with the opportunity to begin recovering Muskrat
11 Falls Costs from Island Industrial Customers while maintaining rate stability, a Project Cost Recovery Rider
12 was calculated to offset this 10.4% decrease, thereby maintaining rates at existing levels. The application was
13 approved by the Board in Order No. P.U. 4(2024).

14 The RSP Rules for Balance Disposition require that the Island Industrial Customer RSP Current Plan balance as
15 at December 31 be used in the computation of an updated RSP Current Plan Adjustment for the Island
16 Industrial Customers to be made effective January 1 of each year. The information herein supports Hydro's
17 application, including the calculations of Hydro's proposed Island Industrial Customer RSP Adjustments and
18 Project Cost Recovery Rider to be effective as of January 1, 2025.

19 **2.0 RSP Adjustments – Current Plan**

20 The December 31, 2024 RSP report, included as Schedule 2 to this application, is prepared in accordance with
21 the approved RSP Rules for Balance Disposition and includes the allocation of the RSP Hydraulic Production
22 Variation component to Island Industrial Customers.

23 The Island Industrial Customer RSP Current Plan balance as at December 31, 2024 is a debit balance owing
24 from customers of approximately \$0.4 million. Based on the RSP Current Plan balance as at
25 December 31, 2024 and in accordance with Section C.2 of the RSP Rules for Balance Disposition, Hydro has

³ "Application for Approval of the Island Industrial Customer Rate Stabilization Plan Adjustments," Newfoundland and Labrador Hydro, February 4, 2022, sch. 1, p. 3/16–18.

1 computed the 2025 Island Industrial Customer RSP Current Plan Adjustment to be 0.093 cents per kWh⁴
2 effective January 1, 2025.

3 When compared to the existing approved rate of 0.589 cents per kWh, this decrease of 0.496 cents per kWh
4 in the RSP Current Plan Adjustment would result in an average billing decrease of 6.0% for the Island
5 Industrial Customer class.

6 As of December 31, 2024, the balance in the Hydraulic Variation Account⁵ has been fully allocated to the
7 Utility Customer and the Island Industrial Customers. The proposed RSP Current Plan Adjustment, to be
8 effective as of January 1, 2025 to collect the December 31, 2024 balances, finalizes the activity in the RSP
9 related to Industrial Customers. Hydro will file an application in January 2026 to dispose of any residual
10 balances remaining as of December 31, 2025 in the plan balance for Island Industrial customers.⁶

11 **3.0 Supply Cost Variance Deferral Account – Project Cost** 12 **Recovery Rider**

13 The Project Cost Recovery Rider was created to begin recovery of payments that Hydro is making under the
14 Muskrat Falls Power Purchase Agreement, consistent with Order in Council OC2022-120.⁷ Hydro
15 implemented the Project Cost Recovery Rider for its Utility customer effective July 1, 2022; however, as
16 noted above, Hydro did not propose implementation of the Project Cost Recovery Rider for Island Industrial
17 Customers until January 1, 2024 to lessen customer rate shock. As such, the Project Cost Recovery Rider for
18 Island Industrial customers was approved by the Board in Order Order No. P.U. 4(2024) and became effective
19 on January 1, 2024.

20 In May 2024, the Government of Newfoundland and Labrador announced the finalization of its rate
21 mitigation plan and issued two related Orders in Council. In Order in Council OC2024-062, Hydro's Board of
22 Directors was directed to "*structure any application for utility rate increases such that retail rate increases to*
23 *domestic rate class customers attributable to Newfoundland and Labrador Hydro shall be targeted at 2.25 per*
24 *cent per year*" for each rate application filed with the Board relating to the period up to and including the

⁴ The details of this calculation are provided in Appendix A.

⁵ The RSP Rules for Balance Disposition assigned 25% of the Hydraulic Variation Account Balance as of October 31, 2021 excluding finance charges and finance charges accumulated to December 31 for each year to customers.

⁶ The Utility Current Plan Adjustment reflecting their balance as of March 31, 2025 will be proposed in the July 1 Application for Utility Rate Adjustments.

⁷ Order in Council OC2022-120, <<https://www.exec-oic.gov.nl.ca/public/oic/details?order-id=20009>>.

1 year 2030. OC2024-062 also directs that rate increases be structured for other customers subject to Island
2 Interconnected System rates in a manner that is compatible with the domestic rate class increase of 2.25%.
3 Consistent with Hydro’s proposals in 2024, at this time Hydro is proposing to update the Project Cost
4 Recovery Rider to continue recovery of Muskrat Falls Project costs while maintaining rates equal to current
5 levels. As shown in Appendix B, Hydro’s proposed January 1, 2025 Project Cost Recovery Rider of 1.384 cents
6 per kWh was calculated to offset the 6.0% rate decrease as a result of the RSP Current Plan Adjustment,
7 resulting in no net rate change for customers.

8 Going forward, starting in 2025, Hydro will propose any change in rates for Island Industrial Customers
9 related to the Muskrat Falls Project costs and government’s directions regarding rate increases on July 1
10 when the application for the July 1 Island Industrial Customer Conservation and Demand Management
11 (“CDM”) Cost Recovery Adjustment is filed. Given the final RSP Current Plan Adjustment has been calculated,
12 this change will result in one rate application for Island Industrial Customers each year. It will also align the
13 timing of rate changes for Island Industrial Customers with Hydro’s Utility Customer, Newfoundland Power
14 Inc.

15 Hydro will file an application in June 2025 proposing updates to the CDM Cost Recovery Adjustment and a
16 change to the Project Cost Recovery Rider, taking into consideration the Utility Rate adjustment to achieve
17 the 2.25% domestic rate increase and any past amounts remaining owing from Industrial Customers. The
18 amounts collected through the Project Cost Recovery Rider are credited to the SCVDA – Industrial
19 component. As the rules for the allocation and recovery of balances in the SCVDA will be proposed in a future
20 application to the Board,⁸ Hydro has estimated the remaining balance owing by Island Industrial Customers
21 by considering the contributions made by the Utility customer since July 1, 2022 and applying an energy
22 allocator.⁹ The objective of the energy allocator is to maintain fairness in rate proposals between customer
23 groups until final disposition of the balances in the account is proposed and approved. Using this method,
24 Hydro estimates Island Industrial Customers owe approximately \$1.3 million relating to 2022, \$2.5 million
25 relating to 2023, and \$3.8 million relating to 2024. In 2024, the Project Cost Recovery Rider collected \$3.9
26 million compared to the estimated \$3.8 million owing, fully recovering the estimated current portion owing

⁸ Application proposed to be filed subsequent to the next GRA Order. In the first quarter of 2025, Hydro will provide additional evidence on the proposed recovery and allocation approach over the long-term giving consideration to rate mitigation reflected in customer rates.

⁹ Allocating deferral account balances to customer classes based on energy has been accepted for previous deferral account balances including the RSP, Revised Energy SCVDA, and the Holyrood Conversion Rate Deferral Account.

1 plus an additional \$0.1 million contributing to the recovery of estimated balances owing related to prior
 2 years. Appendix C provides the calculation of the estimated amounts owing from Island Industrial Customers.
 3 Table 1 summarizes the proposed Island Industrial Customer Adjustments, as computed in accordance with
 4 the RSP Rules for Balance Disposition and the proposed Project Cost Recovery Rider.¹⁰

Table 1: Summary of Island Industrial Customers Proposed January 1, 2025 Rate Change

Particulars	Existing (¢/kWh)	Proposed (¢/kWh)	Forecast Average Bill Impact 2025 (%)
RSP Current Plan Adjustment	0.589	0.093	-6.0
Project Cost Recovery Rider	0.888	1.384	6.0
Total	1.477	1.477	-

5 **4.0 Conclusion**

6 Under the existing RSP Rules for Balance Disposition, the Island Industrial Customer RSP Current Plan
 7 Adjustment for 2025 would result in an average decrease of 6.0%. Hydro is proposing to update the Project
 8 Cost Recovery Rider to continue recovery of a portion of the Muskrat Falls Project costs while maintaining
 9 rates at current levels for January 1, 2025. Going forward, beginning in 2025, Hydro will propose any further
 10 updates to the Project Cost Recovery Rider in the Island Industrial Customer CDM Cost Recovery Adjustment
 11 application, to be filed in June of each year.

12 Hydro has communicated to the Island Industrial Customer Group the proposal to keep rates at current levels
 13 for January 1, 2025 and its plan to change the timing of the annual rate update from January 1 to July 1. The
 14 Island Industrial Customer Group understand that rates will remain at current levels on January 1, 2025 and
 15 have communicated that they do not have any objections to moving the annual rate change from January 1
 16 to July 1. Hydro will consult with the Island Industrial Customer Group prior to filing its proposal to update
 17 rates effective July 1, 2025.

18 Revised Island Industrial Customer rate sheets providing the updated Adjustments reflecting Hydro’s
 19 proposals are included as Schedule 3 to this application.

¹⁰ The forecast values for 2025 were calculated based on 2024 Actual kWh sales.

Schedule 1, Appendix A

Island Industrial Customer

RSP Current Plan Adjustment Calculation



Proposed Island Industrial Customer Rate Adjustments - Supporting Evidence, Appendix A

Newfoundland and Labrador Hydro
Rate Stabilization Plan Current Plan Adjustment
Island Industrial Customers

Line No	Calculation of Industrial Customer RSP Current Plan Adjustment	Amount (\$)	Comments
Current Plan			
1	December Balance	399,333	December 2024 RSP
2	Forecast Financing Costs to December 31, 2025	12,148	Line 21
3	Total	411,481	Line 1 + Line 2
4	12 Months-to-Date (Jan to Dec) Industrial Customer Sales (kWh)	444,804,711	
5	RSP Current Plan Adjustment (¢ per kWh)	0.093	Line 3/Line 4*100

Industrial Customer Forecast Financing Charges
2025

6	2019 Test Year Weighted Average Cost of Capital per Annum	5.430%
7	Nominal Financing Rate	5.299%

	2024 Sales (kWh)	Financing ¹ Costs (\$)	Adjustment (\$)	Balance ¹ (\$)
8	Balance Forward			399,333
9	January	34,096,351	1,764	(31,710)
10	February	37,189,193	1,631	(34,586)
11	March	36,210,744	1,486	(33,676)
12	April	16,816,635	1,344	(15,639)
13	May	27,986,319	1,280	(26,027)
14	June	44,567,438	1,171	(41,448)
15	July	46,115,360	993	(42,887)
16	August	38,554,247	808	(35,855)
17	September	40,096,645	654	(37,290)
18	October	35,670,691	492	(33,174)
19	November	41,599,164	347	(38,687)
20	December	45,901,924	178	(42,689)
21	Total	444,804,711	12,148	(413,668)

¹ Numbers may not add due to rounding.

Schedule 1, Appendix B

Island Industrial Customer Billing Impacts



Proposed Island Industrial Customer Rate Adjustments - Supporting Evidence, Appendix B

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

	Billing Units ¹	Unit	Current Rates	Existing Rates (\$)	Proposed Rates	Revised Billings (\$)	Change (\$)	Change (%)
Demand (kWs)	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		
Total Base Rate				30,016,353		30,016,353	-	0.0%
RSP Current Plan Adjustment	444,805	¢/kWh	0.589	2,619,900	0.093	413,668	(2,206,231)	-6.0%
Project Cost Recovery Rider	444,805	¢/kWh	0.888	3,949,866	1.384	6,156,097	2,206,231	6.0%
CDM Recovery Adjustment	444,805	¢/kWh	0.006	26,688	0.006	26,688	-	0.0%
Total				36,612,806		36,612,806	-	0.00%

¹ Billing units are based on January to December 2024 actuals.

Proposed Island Industrial Customer Rate Adjustments - Supporting Evidence, Appendix B

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

	Billing Units ¹	Unit	Current		Billings at Existing Rates		Revised		Change (\$)	Change (%)
			Rates	Rates	(\$)	Rates	(\$)			
Demand (kW/s)	72,000	\$/kW/mo	10.73	10.73	772,560	10.73	772,560			
Energy - Firm (MWhs)	43,684	¢/kWh	4.428	4.428	1,934,348	4.428	1,934,348			
Specifically Assigned		\$	-	-	-	-	-			
Total Base Rate					2,706,908		2,706,908			0.0%
RSP Current Plan Adjustment	43,684	¢/kWh	0.589	0.093	257,301	0.093	40,627	(216,675)		-6.5%
Project Cost Recovery Rider	43,684	¢/kWh	0.888	1.384	387,918	1.384	604,593	216,675		6.5%
CDM Recovery Adjustment	43,684	¢/kWh	0.006	0.006	2,621	0.006	2,621	-		0.0%
Total					3,354,748		3,354,748			0.0%

¹ Billing units are based on January to December 2024 actuals.

Proposed Island Industrial Customer Rate Adjustments - Supporting Evidence, Appendix B

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

	Billing Units ¹	Unit	Current Rates	Billings at		Revised Rates	Revised Billings (\$)	Change (\$)	Change (%)
				Existing Rates (\$)	Revised Rates				
Demand (kW's)	576,000	\$/kW/mo	10.73	6,180,480	10.73	6,180,480			
Energy - Firm (MWhs)	283,421	c/kWh	4.428	12,549,890	4.428	12,549,890			
Specifically Assigned		\$	145,352	145,352	145,352	145,352			
Total Base Rate				18,875,722		18,875,722		-	0.0%
RSP Current Plan Adjustment	283,421	c/kWh	0.589	1,669,351	0.093	263,582	(1,405,769)		-6.1%
Project Cost Recovery Rider	283,421	c/kWh	0.888	2,516,780	1.384	3,922,549	1,405,769		6.1%
CDM Recovery Adjustment	283,421	c/kWh	0.006	17,005	0.006	17,005	-		0.0%
Total				23,078,858		23,078,858		-	0.0%

¹ Billing units are based on January to December 2024 actuals.

Proposed Island Industrial Customer Rate Adjustments - Supporting Evidence, Appendix B

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

	Billing Units ¹	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			
Total Base Rate					89,001			89,001		-	0.0%
RSP Current Plan Adjustment	255	¢/kWh	0.589	0.589	1,504	0.093	0.093	238	(1,267)	-1.4%	
Project Cost Recovery Rider	255	¢/kWh	0.888	0.888	2,268	1.384	1.384	3,535	1,267	1.4%	
CDM Recovery Adjustment	255	¢/kWh	0.006	0.006	15	0.006	0.006	15	-	0.0%	
Total					92,788			92,788		-	0.0%

¹ Billing units are based on January to December 2024 actuals.

Proposed Island Industrial Customer Rate Adjustments - Supporting Evidence, Appendix B

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

	Billing Units ¹	Unit	Current		Billings at Existing Rates		Revised		Change (\$)	Change (%)
			Rates	Rates	(\$)	Rates	(\$)	(\$)		
Demand (kW/s)	268,000	\$/kW/mo	10.73	10.73	2,875,640	10.73	2,875,640			
Energy - Firm (MWhs)	113,863	¢/kWh	4.428	4.428	5,041,842	4.428	5,041,842			
Specifically Assigned		\$	107,678	107,678	107,678	107,678	107,678			
Total Base Rate					8,025,160		8,025,160		-	0.0%
RSP Current Plan Adjustment	113,863	¢/kWh	0.589	0.093	670,652	0.093	105,892	(564,759)		-5.8%
Project Cost Recovery Rider	113,863	¢/kWh	0.888	1.384	1,011,101	1.384	1,575,860	564,759		5.8%
CDM Recovery Adjustment	113,863	¢/kWh	0.006	0.006	6,832	0.006	6,832	-		0.0%
Total					9,713,745		9,713,745		-	0.0%

¹ Billing units are based on January to December 2024 actuals.

Proposed Island Industrial Customer Rate Adjustments - Supporting Evidence, Appendix B

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

	Billing Units ¹	Unit	Current		Billings at Existing Rates		Revised		Change (\$)	Change (%)
			Rates	Rates	(\$)	Rates	(\$)			
Demand (kW/s)	3,000	\$/kW/mo	10.73	10.73	32,190	10.73	32,190			
Energy - Firm (MWhs)	1,041	¢/kWh	4.428	4.428	46,108	4.428	46,108			
Specifically Assigned		\$	51,789	51,789	51,789	51,789	51,789			
Total Base Rate					130,087		130,087		-	0.0%
RSP Current Plan Adjustment	1,041	¢/kWh	0.589	0.093	6,133	0.093	968	(5,165)		-3.5%
Project Cost Recovery Rider	1,041	¢/kWh	0.888	1.384	9,247	1.384	14,411	5,165		3.5%
CDM Recovery Adjustment	1,041	¢/kWh	0.006	0.006	62	0.006	62	-		0.0%
Total					145,529		145,529		-	0.0%

¹ Billing units are based on January to December 2024 actuals.

Proposed Island Industrial Customer Rate Adjustments - Supporting Evidence, Appendix B

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

	Billing Units ¹	Unit	Current Rates	Billings at		Revised Rates	Revised Billings (\$)	Change (\$)	Change (%)
				Existing Rates (\$)	Revised Rates				
Demand (kW/s)	7,178	\$/kW/mo	10.73	77,020	10.73	77,020			
Energy - Firm (MWhs)	2,540	¢/kWh	4.428	112,456	4.428	112,456			
Specifically Assigned		\$	-	-	-	-			
Total Base Rate				189,476		189,476		-	0.0%
RSP Current Plan Adjustment	2,540	¢/kWh	0.589	14,959	0.093	2,362	(12,597)	(12,597)	-5.5%
Project Cost Recovery Rider	2,540	¢/kWh	0.888	22,552	1.384	35,149	12,597	12,597	5.5%
CDM Recovery Adjustment	2,540	¢/kWh	0.006	152	0.006	152	-	-	0.0%
Total				227,139		227,139		-	0.0%

¹ Billing units are based on January to December 2024 actuals.

Schedule 1, Appendix C

Island Industrial Customer Project Cost Recovery Rider – Estimated Balances Owing



Proposed Island Industrial Customer Rate Adjustments - Supporting Evidence, Appendix C

**Island Industrial Customer Project Cost Recovery Rider - Estimated Balances Owning
Based on Energy Allocations by Customer Class
For July 1 2022 - December 31, 2024^{1,2}**

Customer Class	2022 Energy	2022 Energy	2022 Allocation	2022 Project Cost Recovery Rider	
	(kWh)	(%)	(%)	Actual	Estimate³
				(\$)	(\$)
Utility Customer	2,373,695,030	86.17	93.26	18,942,087	
Island Industrial Customer	177,744,089	6.45	6.45		1,310,063
Island Interconnected Rural	203,371,901	7.38	0.29		58,902
	<u>2,754,811,020</u>	<u>100.00</u>	<u>100.00</u>		

Customer Class	2023 Energy	2023 Energy	2023 Allocation	2023 Project Cost Recovery Rider	
	(kWh)	(%)	(%)	Actual	Estimate³
				(\$)	(\$)
Utility Customer	5,858,252,958	88.25	94.71	46,748,860	
Island Industrial Customer	334,067,650	5.03	5.03		2,482,808
Island Interconnected Rural	445,935,437	6.72	0.26		128,336
	<u>6,638,256,045</u>	<u>100.00</u>	<u>100.00</u>		

Customer Class	2024 Energy	2024 Energy	2024 Allocation	2024 Project Cost Recovery Rider	
	(kWh)	(%)	(%)	Actual	Estimate³
				(\$)	(\$)
Utility Customer	5,701,619,749	86.63	92.98	52,429,070	
Island Industrial Customer	444,804,711	6.76	6.76		3,811,793
Island Interconnected Rural	434,926,546	6.61	0.26		146,607
	<u>6,581,351,006</u>	<u>100.00</u>	<u>100.00</u>		

¹ 2022 Energy and Recoveries are for the period of July 1 to December 31 which is the period the Project Cost Recovery Rider was in effect for Utility Customer. 2023 and 2024 Energy and Recoveries are for the period of January 1 to December 31.

² Island Interconnected Rural energy is reallocated based on the 2019 Test Year Rural Deficit (96.1% for Utility Customer and 3.9% for customers on the Hydro Rural Labrador Interconnected System).

³ Industrial Customer Estimate = (Utility Customer Actual/Utility Customer Allocation) x Industrial Customer Allocation.

Schedule 2

Rate Stabilization Plan Report

December 31, 2024

(Unaudited)



**Newfoundland and Labrador Hydro
Rate Stabilization Plan Report
December 31, 2024**

Summary of Key Facts

The Rate Stabilization Plan ("RSP") of Newfoundland and Labrador Hydro ("Hydro") was established for Hydro's Utility customer, Newfoundland Power Inc. ("Newfoundland Power") and Island Industrial customers to smooth rate impacts for variations between actual results and Test Year Cost of Service estimates for:

- Hydraulic production;
- No. 6 Fuel cost at Hydro's Holyrood Thermal Generating Station;
- Customer Load (Utility and Island Industrial); and
- Rural rates.

In Board Order No. P.U. 33(2021), the Board of Commissioners of Public Utilities ("Board") approved the Supply Cost Variance Deferral Account ("SCVDA") to deal with future supply cost variances on the Island Interconnected System beginning in the month in which Hydro was required to begin payments under the Muskrat Falls Purchase Power Agreement (i.e., November 2021). The approval of the SCVDA discontinued transfers to the RSP, effective as of the implementation of the SCVDA, resulting from variations in future costs associated with the Test Year Cost of Service estimates for the items listed above. However, the Board directed that the RSP balances be maintained for the transparent and timely recovery of historical balances. The rules provide for the disposition of historical balances in accordance with the RSP Rules previously approved by the Board in Board Order No. P.U. 4(2022).

Finance charges are calculated on the balances using the test year weighted average cost of capital, which is currently 5.43% per annum.

Rate Stabilization Plan
Net Hydraulic Production Variation
December 31, 2024

A	B1	B2	B3	B	C	D	E	F	G	H
Cost of Service	Actual Net Hydraulic Production (kWh)	Net Pondered Energy (kWh)	Spill Exports (kWh)	Net Hydraulic Production for Variance Calculation (kWh)	Monthly Net Hydraulic Production Variance (kWh)	Cost of Service No. 6 Fuel Cost (\$/CDN/bbl)	Net Hydraulic Production Variation (\$)	Financing Charges (\$)	Transfers	Cumulative Variation and Financing Charges (\$)
				(B1 + B2 - B3)	(A - B)		(C / O ¹ X D)			(E + F)
Opening Balance Adjustment										14,888,361
Adjusted Opening Balance										14,888,361
January	-	-	-	-	-	105.90	-	65,749	-	14,954,110
February	-	-	-	-	-	105.90	-	66,039	-	15,020,149
March	-	-	-	-	-	105.90	-	66,331	-	15,086,480
April	-	-	-	-	-	105.90	-	66,624	-	15,153,104
May	-	-	-	-	-	105.90	-	66,918	-	15,220,022
June	-	-	-	-	-	105.90	-	67,214	-	15,287,236
July	-	-	-	-	-	105.90	-	67,511	-	15,354,747
August	-	-	-	-	-	105.90	-	67,809	-	15,422,556
September	-	-	-	-	-	105.90	-	68,108	-	15,490,664
October	-	-	-	-	-	105.90	-	68,409	-	15,559,073
November	-	-	-	-	-	105.90	-	68,711	-	15,627,784
December	-	-	-	-	-	105.90	-	69,015	-	15,696,799
	-	-	-	-	-			808,438	-	15,696,799
Hydraulic Allocation								(14,888,361)		(15,696,799)
Hydraulic Variation at Year End ²								(14,888,361)		(15,696,799)

¹ O is the Holyrood Operating Efficiency of 583 kWh/barrel, reference Board Order No. P.U. 16(2019) at p.19.

² At year end 25% of the hydraulic variation balance as of October 31, 2021 excluding financing charges and 100% of the annual financing charges are allocated to customers as follows:

	Approved kWh	% of kWh to total	Reallocate		Net
			Allocation	Rural	
Utility	5,399,356,095	86.2%	(13,526,991)	(1,064,109)	(14,591,100)
Industrial	424,107,383	6.8%	(1,062,515)	-	(1,062,515)
Rural	441,980,531	7.0%	(1,107,293)	1,107,293	-
Total	6,265,444,009	100.0%	(15,696,799)	43,184	(15,653,615)
Labrador Interconnected (write-off to income)				(43,184)	(43,184)
				-	(15,696,799)

(to pages 3 & 4)

Rate Stabilization Plan
Summary of Utility Customer
December 31, 2024

	A	B	C	D	E	F	G	H
	Load	Allocation	Allocation	Subtotal	Financing	Adjustment ^{1,2}	Transfers ³	Cumulative
	Variation	Fuel Variance	Rural Rate	Monthly	Charges			Net
	(\$)	(\$)	Alteration	Variances	(\$)	(\$)	(\$)	Balance
			(\$)	(\$)				(\$)
				(A + B + C)				
Opening Balance								(to page 5)
Adjustment								30,571,452
Adjusted Opening Balance								30,571,452
January	-	-	-	-	135,008	(3,679,298)	-	27,027,162
February	-	-	-	-	119,356	(3,227,760)	-	23,918,758
March	-	-	-	-	105,629	(3,024,361)	11,589,118	32,589,144
April	-	-	-	-	143,918	(2,560,945)	-	30,172,117
May	-	-	-	-	133,244	(2,194,133)	-	28,111,228
June	-	-	-	-	124,143	(1,553,038)	-	26,682,333
July	-	-	-	-	117,833	(1,496,476)	-	25,303,690
August	-	-	-	-	111,745	(1,411,832)	-	24,003,603
September	-	-	-	-	106,003	(1,420,694)	-	22,688,912
October	-	-	-	-	100,197	(1,879,002)	-	20,910,107
November	-	-	-	-	92,342	(2,202,194)	-	18,800,255
December	-	-	-	-	83,025	(2,886,267)	-	15,997,013
Year-to-Date	-	-	-	-	1,372,443	(27,536,000)	11,589,118	(14,574,439)
Hydraulic Allocation (from page 2)								14,591,100
Total	-	-	-	-	1,372,443	(27,536,000)	11,589,118	30,588,113

¹ Effective July 1, 2023, the RSP Adjustment rate is 0.496 cents per kWh as per Board Order No. P.U. 15(2023).

² Effective August 1, 2024, the RSP Adjustment rate is 0.461 cents per kWh as per Board Order No. P.U. 15(2024).

³ Recovery of the 2023 Isolated Systems Supply Costs Deferral was approved in Board Order No. P.U. 10(2024).

**Rate Stabilization Plan
Summary of Industrial Customers
December 31, 2024**

	A	B	C	D	E	F	G
	Load	Allocation	Subtotal	Financing	Adjustment ¹	Transfers	Cumulative
	Variation	Fuel Variance	Monthly	Charges			Net
	(\$)	(\$)	Variations	(\$)	(\$)	(\$)	Balance
			(\$)				(\$)
			(A + B)				
Opening Balance							(to page 5)
Adjustment							1,913,223
Adjusted Opening Balance							1,913,223
January	-	-	-	8,449	(200,828)	-	1,720,844
February	-	-	-	7,599	(219,044)	-	1,509,399
March	-	-	-	6,666	(213,281)	-	1,302,784
April	-	-	-	5,753	(99,050)	-	1,209,487
May	-	-	-	5,341	(164,839)	-	1,049,989
June	-	-	-	4,637	(262,502)	-	792,124
July	-	-	-	3,498	(271,619)	-	524,003
August	-	-	-	2,314	(227,085)	-	299,232
September	-	-	-	1,321	(236,169)	-	64,384
October	-	-	-	284	(210,100)	-	(145,432)
November	-	-	-	(642)	(245,019)	-	(391,093)
December	-	-	-	(1,727)	(270,362)	-	(663,182)
Year-to-Date	-	-	-	43,493	(2,619,898)	-	(2,576,405)
Hydraulic Allocation (from page 2)							1,062,515
Total	-	-	-	43,493	(2,619,898)	-	399,333

¹ Effective January 1, 2024, the RSP Adjustment rate is 0.589 cents per kWh as per Board Order No. P.U. 4(2024).

Rate Stabilization Plan
 Overall Summary
 December 31, 2024

	A	B	C	D
	Hydraulic Balance (\$)	Utility Balance (\$)	Industrial Balance (\$)	Total To Date (\$)
	(from page 2)	(from page 3)	(from page 4)	(A + B + C)
Opening Balance	14,888,361	30,571,452	1,913,223	47,373,036
Adjustments	-	-	-	-
Adjusted Opening Balance	14,888,361	30,571,452	1,913,223	47,373,036
January	14,954,110	27,027,162	1,720,844	43,702,116
February	15,020,149	23,918,758	1,509,399	40,448,306
March	15,086,480	32,589,144	1,302,784	48,978,408
April	15,153,104	30,172,117	1,209,487	46,534,708
May	15,220,022	28,111,228	1,049,989	44,381,239
June	15,287,236	26,682,333	792,124	42,761,693
July	15,354,747	25,303,690	524,003	41,182,440
August	15,422,556	24,003,603	299,232	39,725,391
September	15,490,664	22,688,912	64,384	38,243,960
October	15,559,073	20,910,107	(145,432)	36,323,748
November	15,627,784	18,800,255	(391,093)	34,036,946
December	-	30,588,113	399,333	30,987,446

Schedule 3

Island Industrial Customer Rate Sheets

January 1, 2025



Schedule of Rates, Rules and Regulations
Industrial – Firm

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
RSP Adjustment - Current Plan	@ 0.093¢ per kWh
Project Cost Recovery Rider.....	@ 1.384¢ per kWh
CDM Cost Recovery Adjustment.....	@ 0.006¢ per kWh

**Schedule of Rates, Rules and Regulations
Industrial – Firm**

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.

	Annual Amount
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

**Schedule of Rates, Rules and Regulations
Industrial – Firm**

- (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.

*Schedule of Rates, Rules and Regulations
Industrial – Wheeling*

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 Sections 70(1) and 76 of the *Act*, for the approval of: (i) the 2025 Island Industrial Customer Rate Stabilization Plan (“RSP”) Adjustments, and (ii) the update to the Project Cost Recovery Rider (“Application”).

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 for 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 15th day of January, 2025 before me:



Commissioner for Oaths, Newfoundland and Labrador



Dana Pope, CPA (CA), MBA

KIMBERLEY DUGGAN
A Commissioner for Oaths in and for
the Province of Newfoundland and Labrador
My commission expires on December 31, 2021.