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June 30, 2026

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
Board Secretary

Re: Application for approval of line relocation, and a contribution in aid of construction for a portion of the costs

Please find enclosed Newfoundland and Labrador Hydro's ("Hydro") application for the capital expenditures necessary to relocate a portion of Transmission Line TL210 at the request of New Found Gold Corp. ("New Found Gold") pursuant to Section 41(3) of the *Public Utilities Act* ("Act"), and a contribution from New Found Gold of an amount equal to the costs of the project, less applicable credits, pursuant to Section 9(c) of Hydro's *Schedule of Rate, Rules and Regulations* and Section 41(5) of the *Act*. This project is required to allow New Found Gold to further develop its mine located near the town of Appleton.

Further details regarding the relocation of TL210 is contained in Schedule 1 to Hydro's application, and details of the contribution to be paid by New Found Gold are contained in Schedule 2.

Should you have any questions, please contact the undersigned.

Yours truly,

NEWFOUNDLAND AND LABRADOR HYDRO

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

ecc:

Board of Commissioners of Public Utilities
Jacqui H. Glynn
Ryan Oake
Board General

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

Labrador Interconnected Group
Senwung F. Luk, Olthuis Kleer Townshend LLP
Nicholas E. Kennedy, Olthuis Kleer Townshend LLP

Consumer Advocate
Adrienne H.Y. Ding, O'Dea Earle
Justin W. King, O'Dea Earle
Consumer Advocate Genera

Newfoundland Power Inc.
Dominic J. Foley
Douglas W. Wright
Regulatory Email

Application for Approval of Line Relocation, and a CIAC for a Portion of the Costs

June 30, 2026

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”) for approval of the construction necessary to relocate a section of transmission line pursuant to Section 41(3) of the *Act*, and a contribution from New Found Gold Corp. (“New Found Gold”) equal to the costs of the construction, pursuant to Section 41(5) of the *Act*.

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*.

B. Application

2. Hydro owns and operates the 138 kV Transmission Line TL210 between Stony Brook Terminal Station and Newfoundland Power Inc.’s Gander Substation.
3. New Found Gold is a Canadian gold producer currently looking to advance the Queensway Gold Project located near the town of Appleton. The existing easement for TL210 runs directly through the established quarry location owned by New Found Gold, resulting in restrictions on their ability to conduct open pit quarrying activity in the area.
4. New Found Gold has requested the relocation of a 6.5 km section of TL210, as shown in Figure 2 and Figure 3 of Schedule 1 to this application to allow for the development of the Queensway Gold Project.

5. Schedule 1 to this application provides further details regarding the scope, justification, cost, and schedule to complete the required relocation of TL210. The cost of the project is estimated at \$4,550,200.
6. Section 9(c) of Hydro's *Schedule of Rates, Rules and Regulations* state that "*Where special facilities are required or requested by the Customer or any facility is relocated at the request of the Customer, the Customer shall pay Hydro the estimated additional cost of providing the special facilities and the estimated cost of the relocation less any betterment. The payment may be required in advance or, subject to credit approval, billed to the customer.*" As such, New Found Gold is responsible for the estimated cost, less a betterment credit, of the relocation of TL210.
7. The amount of New Found Gold's contribution to the relocation of TL210 is set out in Schedule 2 to this application.
8. The proposed expenditures are necessary for Hydro to relocate a facility at the request of a customer to remove an impediment to a customer's business. The proposed contribution from New Found Gold is required pursuant to Hydro's *Schedule of Rates, Rules and Regulations*.

C. Newfoundland and Labrador Hydro's Request

9. Hydro requests that the Board make an Order pursuant to Section 41(3) of the *Act*, approving the capital expenditures necessary to relocate a portion of TL210 as requested by New Found Gold, in the amount of \$4,550,200.
10. Hydro requests that the Board make an Order pursuant to Section 41(5) of the *Act*, approving the contribution by New Found Gold in the amount of \$2,902,140 excluding HST.

D. Communications

11. 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 30th day of June 2026.

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
Telephone: (709) 685-4973

Schedule 1

TL210 Modification – New Found Gold (2026–2027)



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TL210 Modification – New Found Gold (2026–2027)

Location:	TL210
Investment Classification:	Access
Asset Category:	Transmission
Estimated Cost:	\$4,550,200

1.0 Introduction

Newfoundland and Labrador Hydro (“Hydro”) owns and operates the 138 kV Transmission Line TL210 between Stony Brook (“STB”) Terminal Station and Newfoundland Power Inc.’s (“Newfoundland Power”) Gander Substation, as illustrated in Figure 1. Originally built in 1969, TL210 is operated and maintained according to established inspection and maintenance programs and is deemed to be in good working condition.

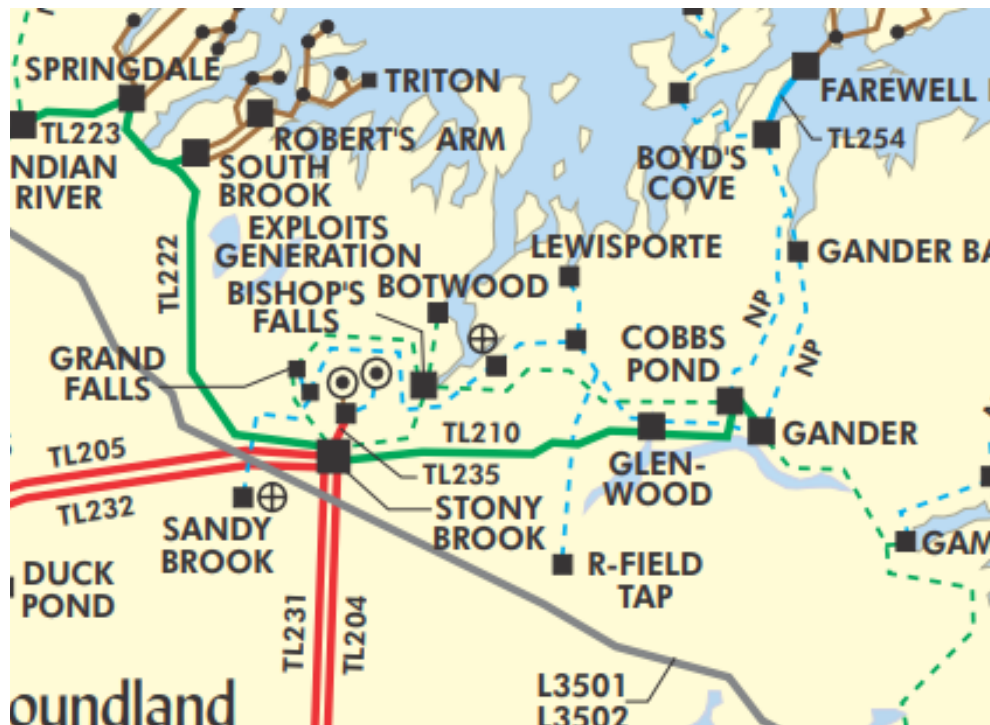


Figure 1: System Map - TL210

New Found Gold Corp. (“New Found Gold”) has requested a section of TL210 be relocated to facilitate their future mining project. The existing easement for TL210 runs directly through the established

quarry location owned by New Found Gold, resulting in restrictions on their ability to conduct open pit quarrying activity in the area.

Hydro plans to begin a project to establish a new section of TL210 on a different easement in 2026. The estimated time to complete the project is two years, with an estimated cost of \$4,550,200. New Found Gold will contribute fully to the project costs, less the applicable betterment credit provided based on the age of the transmission infrastructure to be replaced.¹

Newfoundland Power similarly has a Transmission Line 147L that will also be relocated. As the relocated section of that line will be on an adjacent easement to Hydro's relocated section of TL210, Hydro and Newfoundland Power are coordinating their respective projects. While Hydro and Newfoundland Power will make independent applications to the Board of Commissioners of Public Utilities for approval of their respective projects, and separate contribution agreements with New Found Gold, Hydro and Newfoundland Power have agreed to issue a joint tender for the work to enable efficiencies and cost savings where possible.

2.0 Project Description and Justification

New Found Gold is a Canadian gold producer currently looking to advance the Queensway Gold Project located near the town of Appleton. The location of the established quarry owned by New Found Gold requires the re-routing of a 6.5 km section of TL210, as shown in Figure 2 and Figure 3. The relocated section of the transmission line will be 8.4 km in length and will be built to Hydro's current standards. If the transmission line is not relocated, New Found Gold's mine site operations will be detrimentally impacted due to the current restrictions on open pit quarrying activity in the area. Specifically, the company is currently unable to quarry within the existing right-of-way and must maintain prescribed minimum safe approach distances from the energized transmission infrastructure.

Completion of the relocation is required to enable New Found Gold to operate its Queensway Gold Project mine site. New Found Gold is responsible for all costs associated with the relocation of TL210 and associated infrastructure, less applicable credits.

¹ As part of New Found Gold's contribution agreement, New Found Gold will also be responsible for the cost of the demolition of the line infrastructure no longer being used. This cost is estimated at \$197,627 and is not included in the \$4,550,200.

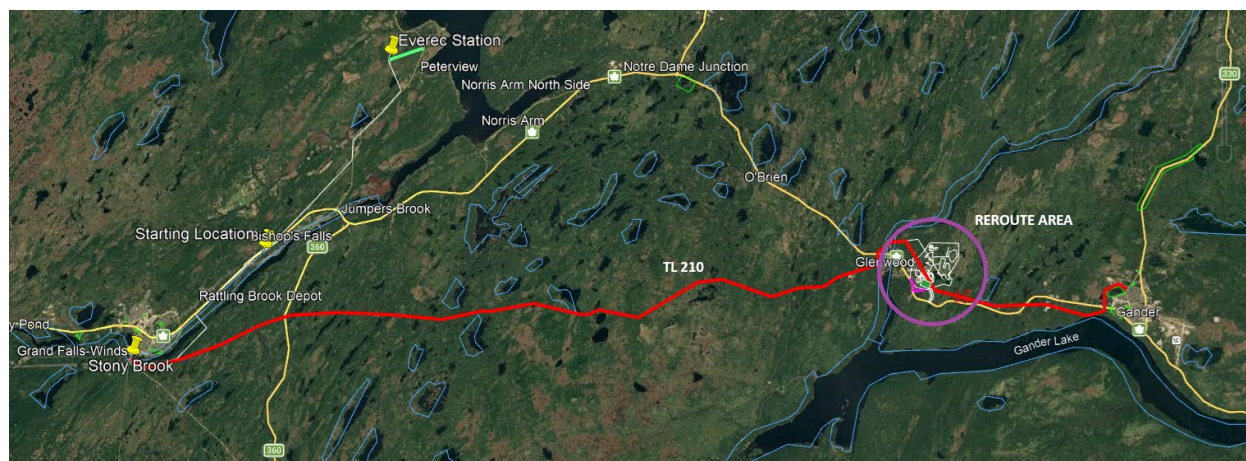


Figure 2: TL210 Location with Proposed Area for Relocation

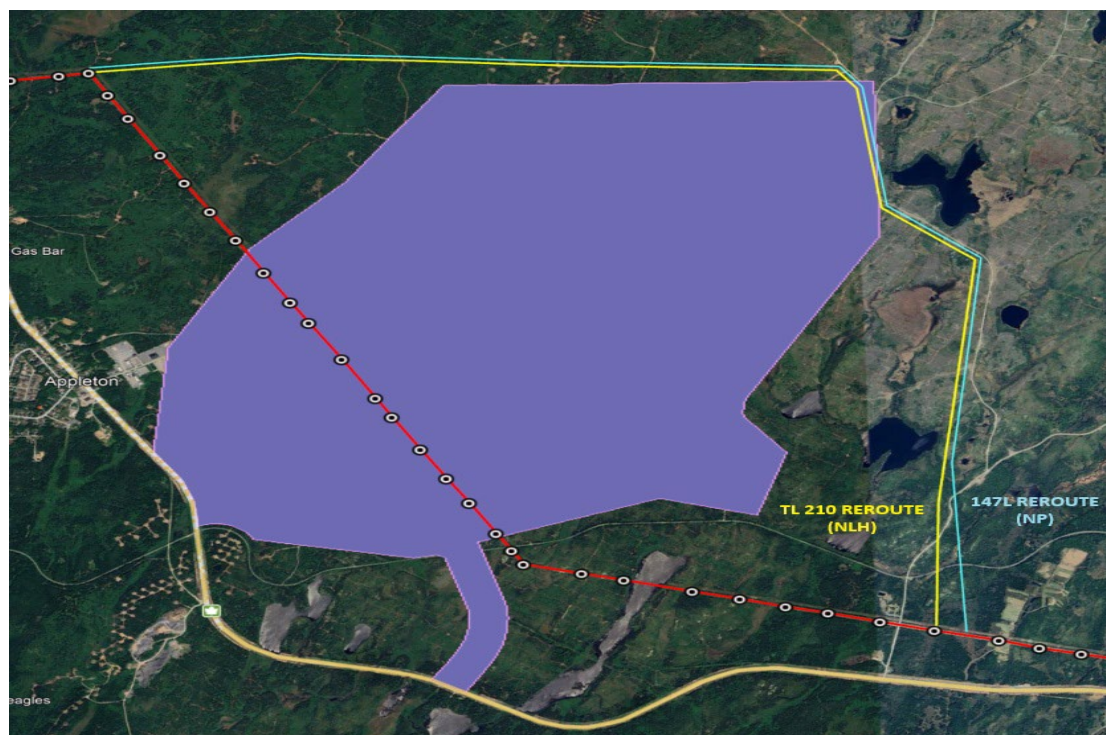


Figure 3: Proposed Relocation Layout

3.0 Asset Overview

3.1 Asset Background

TL210 is a 138 kV transmission line originally built in 1969 between STB Terminal Station and Newfoundland Power's Gander Substation. It consists of wood, steel and aluminum towers. The section of transmission line that will no longer be utilized once TL210 is relocated was last inspected in 2022 and

deemed to be in good working condition. All required deficiencies identified in the 2022 inspections have been addressed. The next planned inspection is scheduled for 2032.²

3.2 Condition-Based Remaining Life

TL210 is maintained through Hydro's Wood Pole Line Management Program. The anticipated life of the relocated section of line is in excess of 50 years.

4.0 Analysis

4.1 Evaluation of Alternatives

There are no viable alternatives to relocation of this line, as it is currently running through the quarry location of the customer.

4.2 Least-Cost Evaluation

Hydro has not identified any viable alternatives to facilitate a least-cost evaluation.

4.3 Recommended Alternative

Hydro is proposing to proceed with the project as identified in this report.

4.3.1 Risk of Asset Stranding

As TL210 is a critical component of the transmission system serving the northeastern region of Newfoundland, Hydro considers the risk of asset stranding to be negligible.

5.0 Scope of Work

Hydro has determined that the scope of work for this project, beginning in 2026, will be completed in 2027. The work includes:

- Right-of-way clearing for the new easement;
- Construction of the new 8.4 km section of TL210; and
- Interconnection of the new section to the existing transmission line.

² The current planned inspection is in 2032. After the relocation of this line, the newly built 8.4 km section would be scheduled for inspection 20 years after the in-service date, in 2047.

- 1 The scope of work will include all project management, engineering, material procurement,
 2 environmental assessment, construction, and commissioning activities.
- 3 Engineering design will be completed by Hydro’s internal resources and supported by external
 4 consultants where required. Materials will be procured in accordance with Hydro engineering
 5 equipment standards. Construction will primarily be completed by contractors with support from
 6 Hydro’s internal resources as required.

7 **5.1 Project Budget**

- 8 The estimate for this project is shown in Table 1.

Table 1: Project Estimate (\$000)³

	2026	2027	Total
Material Supply	0.0	1,127.6	1,127.6
Labour	155.5	167.3	322.8
Consultant	6.8	10.1	16.9
Contract Work	437.0	1,990.9	2,427.9
Other Direct Costs	15.1	21.9	37.0
Interest and Escalation	42.2	304.1	346.3
Contingency	39.6	232.2	271.8
Total	696.1	3,854.1	4,550.2

- 9 The project has an estimated capital cost of \$4,550,200 with scheduled project completion in 2027. New
 10 Found Gold will contribute to all costs incurred by Hydro in relocating the necessary section of TL210.

11 **5.2 Project Schedule**

- 12 The schedule for this project is shown in Table 2.

³ Numbers may not add due to rounding.

Table 2: Project Schedule⁴

Activity	Start Date	End Date
Design and Planning: ⁵		
Engineering.	July 2026	September 2026
Easement Procurement.	July 2026	September 2026
Procurement:		
Material Procurement.	September 2026	June 2027
Construction Contractor Procurement.	July 2026	September 2026
Construction:		
Vegetation Clearing.	September 2026	October 2026
Line Construction.	October 2026	July 2027
Commissioning:		
Phasing Confirmation.	July 2027	July 2027
As-Built Review and Approval.	August 2027	September 2027
Closeout:		
Project Closeout.	September 2027	October 2027

1 **6.0 Conclusion**

- 2 This project is required to address a request by New Found Gold to relocate a portion of a transmission
- 3 line to facilitate the expansion of the Queensway Gold Project currently in the TL210 right of way.
- 4 Capital project costs will be contributed by New Found Gold, subject to applicable credits.

⁴ Newfoundland Power is also relocating a line in this area. In an effort to avail of execution and cost efficiencies, both parties will coordinate work as required. This schedule is therefore subject to change based on this coordination.

⁵ Preliminary engineering and planning and easement procurement has been completed as part of front-end engineering design.

Schedule 2

2026 Contribution Calculation for New Found Gold



2026 Contribution Calculation for New Found Gold

(using detailed estimated construction cost)¹

Detailed Construction Cost	\$4,550,200
Less: Betterment Credit ²	\$1,845,687
Plus: Existing line removal cost ³	<u>\$197,627</u>
Total Contribution	<u>\$2,902,140</u>

¹ Detailed construction costs to reroute a 6.5 km section of TL210 near Appleton to provide access to the quarry that runs under the line. New line will be 8.4 km in length.

² Based on a betterment factor of 79.5% for an average pole age of 50 years, and a replacement factor of 51%.

³ Removal cost estimate reflects to cost of removal of the existing line, less the portion being left in place for the purpose of providing service to New Found Gold in future. If the remaining portion is determined not to be useful for this purpose, it will also be removed at the cost of the Customer.

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”) for approval of the construction necessary to relocate a section of transmission line pursuant to Section 41(3) of the Act, and a contribution from New Found Gold Corp. (“New Found Gold”) equal to the costs of the construction, pursuant to Section 41(5) of the Act.

AFFIDAVIT

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

- 1) I am Director of Engineering, Engineering and Technology, 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 30th day of June 2026, before me:



Barrister, Newfoundland and Labrador

Witnessed through the use of audio-visual technology in accordance with the *Commissioners for Oaths Act* and *Commissioners for Oaths Regulations*.



Paul Dillon