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May 21, 2024

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**Re: Quarterly Regulatory Report for the Quarter Ended March 31, 2024**

Enclosed is Newfoundland and Labrador Hydro's Quarterly Regulatory Report for Quarter Ended March 31, 2024, originally filed with the Board of Commissioners of Public Utilities on May 15, 2024.

The Quarterly Regulatory Report is divided into three reports, as follows:

**1)** Quarterly Summary;

**2)** Contribution In Aid of Construction; and

**3)** Customer Damage Claims.

Should you have any questions, please contact the undersigned.

Yours truly,

**NEWFOUNDLAND AND LABRADOR HYDRO**

Shirley A. Walsh
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Encl.

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# Quarterly Regulatory Report

## Quarter Ended March 31, 2024

May 15, 2024

A report to the Board of Commissioners of Public Utilities

# Index

**Tab 1**

# Quarterly Summary

## Quarter Ended March 31, 2024

# Contents

## List of Appendices



## List of Attachments

# Abbreviations

| Term | Definition |
|---|---|
| AIF | All-injury Frequency Rate |
| bbl | Barrel |
| Board | Board of Commissioners of Public Utilities |
| CIAC | Contribution in Aid of Construction |
| EC | Electricity Canada (Formerly known as the Canadian Electricity Association) |
| EMS | Environmental Management System |
| FTE | Full-time equivalent |
| Holyrood TGS | Holyrood Thermal Generating Station |
| Hydro | Newfoundland and Labrador Hydro |
| LTIF | Lost-Time Injury Frequency |
| Newfoundland Power<br>NP | Newfoundland Power Inc. |
| Q1 | First Quarter |
| RSP | Rate Stabilization Plan |
| SAIDI | System Average Interruption Duration Index |
| SAIFI | System Average Interruption Frequency Index |
| TRIF | Total Recordable Injury Frequency |
| T-SAIDI | Transmission System Average Interruption Duration Index |
| T-SAIFI | Transmission System Average Interruption Frequency Index |
| T-SARI | Transmission System Average Restoration Index |

| Term | Definition |
|---|---|
| UFLS | Under Frequency Load Shedding |
| YTD | Year-to-Date |

# Definitions

**Current Quarter:** The period beginning January 1, 2024 and ending March 31, 2024.

**EMS Target:** An EMS target is an initiative undertaken to improve environmental performance.

**End Consumer:** End Consumer is a reliability measure of all end consumers of electricity in the province supplied by Hydro, excluding Industrial customers. The measure is a combination of Hydro's service continuity data and Newfoundland Power's service continuity data for loss of supply outages resulting from events on Hydro's system.

**End-Consumer SAIDI:** End-Consumer SAIDI measures reliability to all end customers of electricity in the province who are supplied by Hydro. It is a measure of the duration of service interruptions experienced as a result of Hydro system events but does not reflect service interruptions that are a result of issues on Newfoundland Power's distribution system.

**End-Consumer SAIFI:** End-Consumer SAIFI measures reliability to all end customers of electricity in the province who are supplied by Hydro. It is a measure of the frequency of service interruptions experienced as a result of Hydro system events but does not reflect service interruptions that are a result of issues on Newfoundland Power's distribution system.

**FTE:** One FTE is the equivalent of actual paid regular hours—2,080 hours per year in the operating environment and 1,950 hours per year in Hydro's head office environment.

**Net FTE:** Net FTEs are regulated, Hydro-based employees plus time charged to regulated Hydro less time charged from regulated Hydro to the non-regulated lines of business.

**Major Event:** EC defines Major Events as "events that exceed reasonable design and/or operational limits of the electrical power system."

**Service Continuity SAIDI and SAIFI**: Service Continuity SAIDI and SAIFI measure the duration and frequency of service interruptions to Hydro's Isolated and Interconnected systems.

**SAIDI:** SAIDI is the average interruption duration per customer. It is calculated by dividing the number of customer-outage hours by the total number of customers in an area.

**SAIFI:** SAIFI is a reliability key performance indicator for distribution service, measuring the average cumulative number of sustained interruptions per customer per year. SAIFI is calculated by dividing the number of customers that have experienced an outage by the total number of customers in an area.

**TRIF:** TRIF is a calculation of the rate at which injuries occur.

**T-SAIDI:** T-SAIDI is a reliability key performance indicator for bulk transmission assets, measuring the average duration of outages in minutes per delivery point.

**T-SAIFI:** T-SAIFI is a reliability key performance indicator for bulk transmission assets, measuring the average frequency of outages per delivery point.

**T-SARI:** T-SARI is a reliability key performance indicator for bulk transmission assets, measuring the average duration per transmission interruption. T-SARI is calculated by dividing T-SAIDI by T-SAIFI.

**UFLS:** Under frequency load shedding is the reliability performance indicator that measures the number of events in which shedding of customer load is required to counteract the loss of generation capacity. During a UFLS event, customers are automatically removed from the electrical system. The quantity of customers removed is linearly proportional to the amount of generation lost.

**YTD:** The period ending March 31 of the applicable year.

# 1.0 Highlights

**Table 1: Highlights YTD**

| | Q1 | | | |
|---|---|---|---|---|
| | **2024 Actual** | **2024 Target** | **2023 Actual** | **2024 Annual Target** |
| **Safety and Environment** | | | | |
| TRIF Rate[1] | 0.49 | N/A | 0.00 | 1.25 |
| LTIF Rate | 0.49 | N/A | 0.00 | <0.15 |
| Achievement of EMS Targets (%) | 2 | N/A | 3 | 95 |
| **Reliability** | | | | |
| SAIDI | 0.49 | 0.37 | 0.31 | 2.64 |
| SAIFI | 0.30 | 0.20 | 0.48 | 1.10 |
| **Production** | | | | |
| Holyrood No. 6 Fuel Oil Average Cost ($/bbl) | 119 | 105 | 127 | 103 |
| Holyrood Efficiency (kWh/bbl) | 563 | 583 | 535 | 583 |
| **Electricity Delivery (GWh)** | | | | |
| Energy Sales | 2,817 | 2,641 | 2,764 | 7,633 |
| **Financial ($ Millions)[2]** | | | | |
| Revenue | 232.9 | 231.4 | 237.7 | 647.9 |
| Operating Expenses | 36.5 | 35.6 | 36.5 | 141.1 |
| Net Income | 14.2 | 13.1 | 14.7 | 29.6 |
| **RSP ($ Millions)[3]** | | | | |
| RSP Balance | 49.0 | 46.6 | 52.0 | 30.8 |
| **Supply Cost Variance Deferral Account ($ Millions)[4]** | | | | |
| Cumulative Net Balance | 382.6 | 73.6 | 12.5 | 308.5 |
| **FTE Employees[5,6]** | | | | |
| Regulated | 788.20 | N/A | 787.1 | 833.54 |

[1] TRIF = $\frac{\text{number of recordable injuries x 200,000}}{\text{number of hours worked}}$

[2] Financial figures exclude non-regulated activities.

[3] The RSP report for the current quarter is provided as Attachment 1.

[4] Computed based on methodology presented in "Supply Cost Accounting Compliance Application," Newfoundland and Labrador Hydro, January 21, 2022.

[5] Figures shown are net FTEs.

[6] Net FTE target data is not available at this time. Hydro will report budget data in its Quarterly Regulatory Report for the Quarter Ended June 30, 2024.

# 2.0 Safety and Health

## 2.1 Safety at Hydro

Hydro experienced a tragic incident on August 10, 2023, resulting in a workplace fatality. Hydro has undertaken an internal investigation and is using its learnings to inform safety and health priorities within the company.

Safety remains Hydro's priority. Hydro's framework for safety performance includes a balanced focus on culture, people, and process as it continues to ensure its safety management system reflects standards that are similar to that contained in ISO 45001. Completing investigations into workplace incidents to prevent future incidents is a critical part of overall safety management systems. Leading indicators—such as safety meetings, Occupational Health and Safety Committee meetings, leadership safety interactions, and the safety and health monitoring plan, among other performance indicators—continue to be tracked and discussed to ensure safety and health are a continuous part of Hydro's work focus.

Hydro's focus on ensuring the safety of its employees, contractors, and the public continued during the current quarter. The advancement of Hydro's safety and health priorities include:

- Continue risk-based review of existing practices, processes and programs to ensure a focus on hazard recognition, safe job planning, and injury prevention;
- Continue focus on safety training for supervisors, operational managers, and lead hands to reinforce core responsibilities and duties;
- Continue to advance our mental health initiatives and ensure support programs are in place for employees; and
- Support employees in Early and Safe Return to Work with disability case management support and attendance support.

## 2.2 Safety Performance

An overview of Hydro's safety performance is provided in Table 2. Management has evaluated its safety metrics to ensure alignment with EC and its members. As a result, Hydro is transitioning to reporting on TRIF rate versus AIF rate as of January 1, 2024.

TRIF rate is a more representative indicator of safety performance as it tracks "First Aid with Restrictions," as well as lost-time injuries, medical treatment injuries, and fatalities. The AIF tracks only the latter three.

Hydro is also no longer using the lead/lag ratio as an organizational performance indicator as it is not an industry standard and we have shifted to a focus on quality of hazard reporting versus quantity of reports. This shift reflects both industry practice, as noted, as well as feedback from employees. Hazard identification and reporting continues to be an important part of Hydro's health and safety culture.

**Table 2: Safety Performance Detail[7]**

| | Q1 2024 | Q1 2023 | 2023 Annual |
|---|---|---|---|
| Fatalities | 0 | 0 | 1 |
| Lost-Time Injuries | 1 | 0 | 5 |
| Medical Treatment Injuries | 0 | 0 | 3 |
| First Aid with Restrictions | 0 | 0 | 2 |
| TRIF Rate | 0.49 | 0.00 | 1.39 |
| LTIF Rate | 0.49 | 0.00 | 0.63 |
| Severity Rate (Days Lost) | 1.46(3) | 0.00(0) | 39.40(312) |
| High-Potential Incidents | 0 | 0 | 4 |

Hydro experienced one lost-time injury during this quarter, which was low severity in nature. As a result of this recordable injury, Hydro's YTD TRIF rate is 0.49 and LTIF rate is also 0.49. Hydro's lost-time severity rate was 1.46, based on three days of lost time from that one injury.

A comparison of Hydro's TRIF and LTIF rates over the past five years and the 2024 rates is provided in Chart 1. Hydro's annual lost-time severity rate for the past five years compared to 2024 is provided in Chart 2.

[7] Injury statistics reflect regulated Hydro employees only.

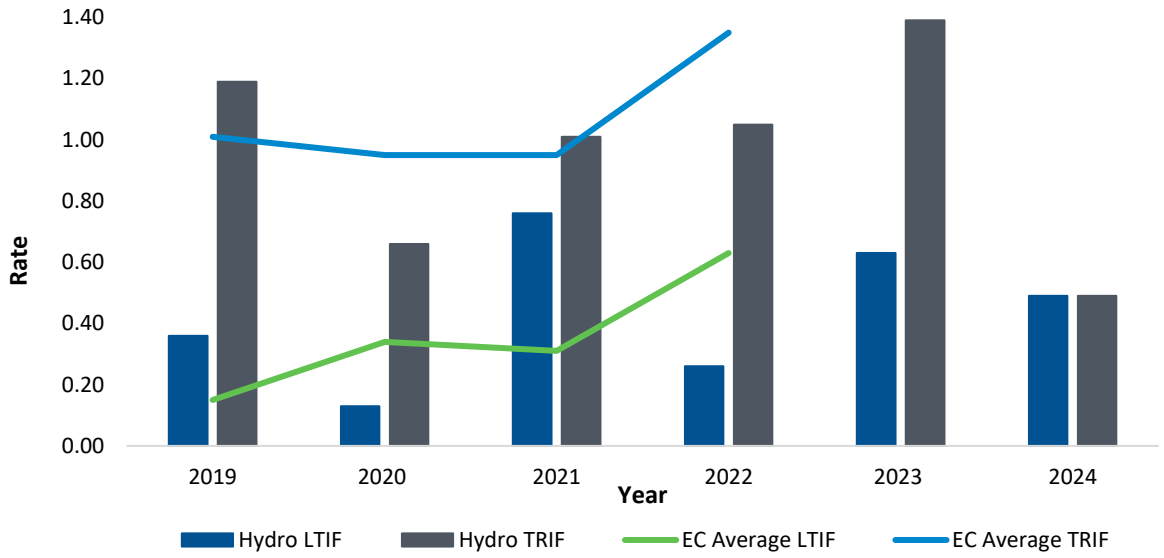


**Chart 1: Hydro's TRIF and LTIF Compared to EC Averages[8,9,10]**

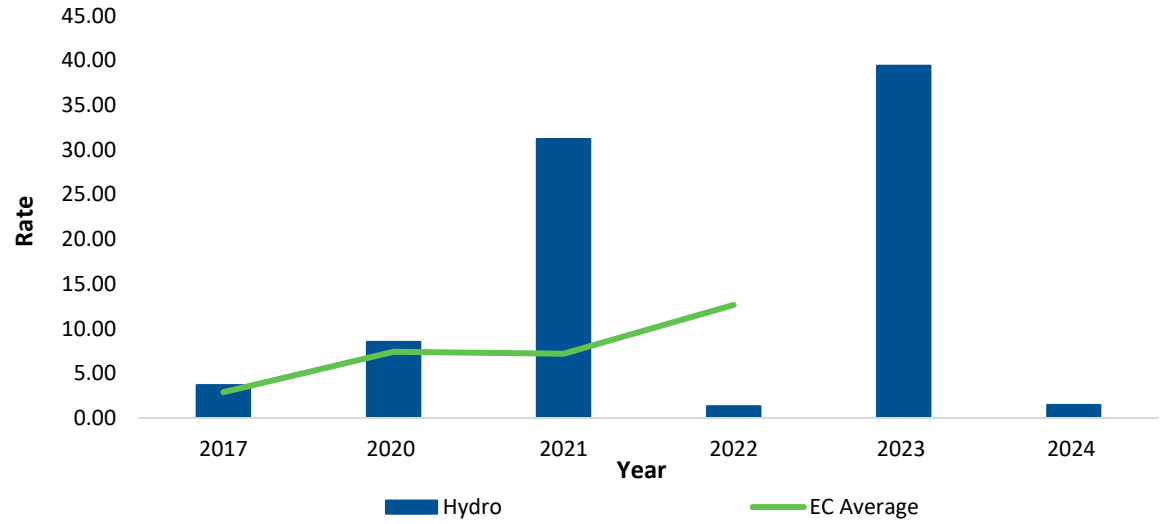


**Chart 2: Hydro's Lost-Time Severity Rate Compared to EC Average[11,12]**

[8] Safety and Health performance metrics are compared to EC utility members in Group 2 (300–1,500 employees), except in 2022 where Hydro fell in Group 1 (1,500+ employees). The EC comparator group here is the same baseline that Hydro would use for the total Hydro experience, not just regulated operations.
[9] The annual EC benchmarks for 2023 were not available as of the date this report was published.
[10] As of January 1, 2024, AIF has been replaced with TRIF in this report. For all years before 2024, AIF is reported in this chart, while for 2024, TRIF is reported in this chart.
[11] Safety and Health performance metrics are compared to EC utility members in Group 2 (300–1,500 employees), except in 2022 where Hydro fell in Group 1 (1,500+ employees). The EC comparator group here is the same baseline that Hydro would use for the total Hydro experience, not just regulated operations.
[12] The annual EC benchmarks for 2023 were not available as of the date this report was published.

## 2.3 Line Contacts

There were no reportable line contact incidents by third parties during the current quarter. Hydro continues to work toward reducing line contact incidents by increasing public and contractor awareness of the hazards associated with contacting power lines through education.

# 3.0 Reliability

## 3.1 Outage Information

There were seven power outages reported to the Board during the current quarter. Information on each of these outages is provided in Appendix A.

A summary of major events from 2019 to 2024 YTD, including the associated impact the major events would have had on performance indicators, is provided in Appendix B. As electrical systems are neither constructed nor expected to fully withstand extreme weather conditions, such as hurricanes and ice storms, the impacts of major events have been removed from the data used in the calculation of each of the electrical system reliability performance indicators in this report.

## 3.2 Generation Outage Summary

A summary of the status of Hydro's generating units for the current quarter is provided in Appendix C. It classifies which units were available or unavailable and any associated deratings. Further information is provided in Hydro's daily Supply and Demand Status reports filed with the Board.[13]

## 3.3 Reliability Indicators

For all reliability performance indicators in this report, a year-over-year decrease in reliability indicators indicates an improvement in system performance and a year-over-year increase in reliability indicators indicates a decline in system performance. Data on reliability indicators including Service Continuity by Type, Area and Origin, T-SARI, and UFLS, are provided in Appendix D.

### 3.3.1 End-Consumer Performance

The End-Consumer Performance Index data provided in Table 3 are measures of the duration and frequency of service interruptions experienced as a result of Hydro's system events. Hydro uses the

[13] Hydro's daily Supply and Demand Status reports can be accessed at http://www.pub.nl.ca/applications/IslandInterconnectedSystem/DemandStatusReports.php.

averages of its End-Consumer Indices performances for the period 2019–2023 to establish its 2024 annual targets.

**Table 3: End-Consumer Performance**

| | Q1 | | YTD | | | 2024 Annual Target |
|---|---|---|---|---|---|---|
| | 2024 | 2023 | Target | 2024 | 2023 | (2019–2023 Average) |
| SAIDI | 0.49 | 0.31 | 0.37 | 0.49 | 0.31 | 2.64 |
| SAIFI | 0.30 | 0.48 | 0.20 | 0.30 | 0.48 | 1.10 |

Hydro's End-Consumer SAIDI and SAIFI YTD data (2020–2024) is provided in Chart 3 and Chart 4, respectively.

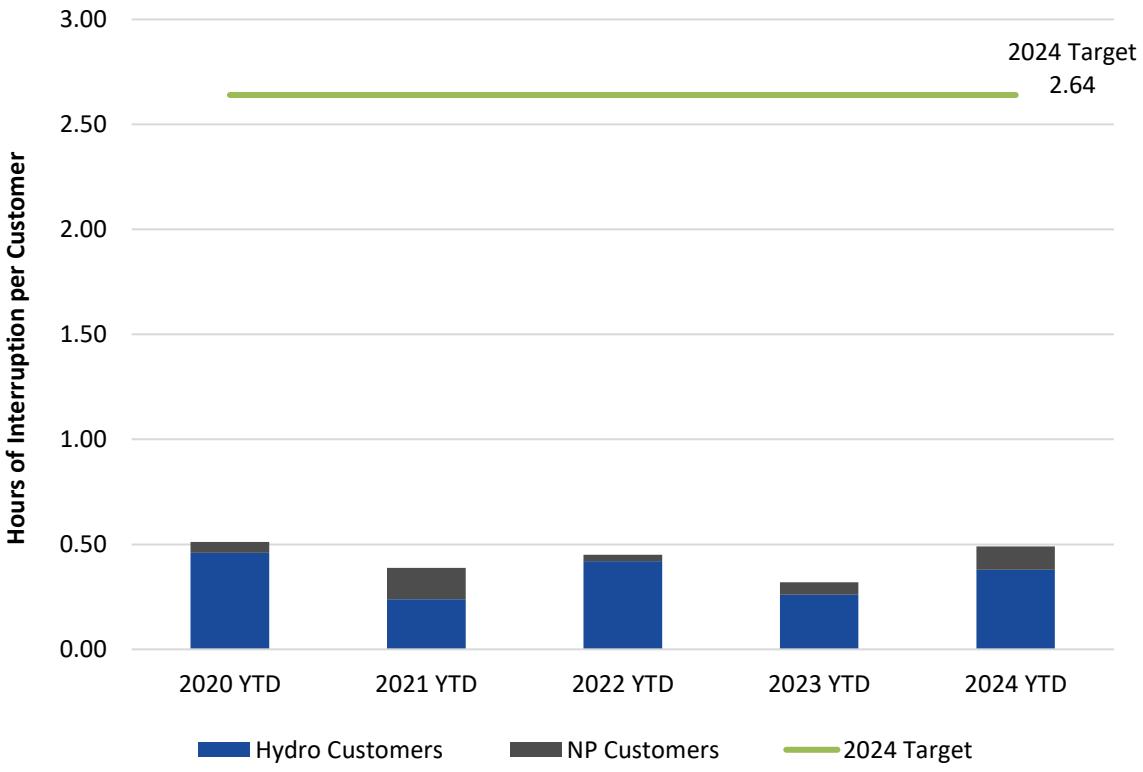


**Chart 3: End-Consumer SAIDI**

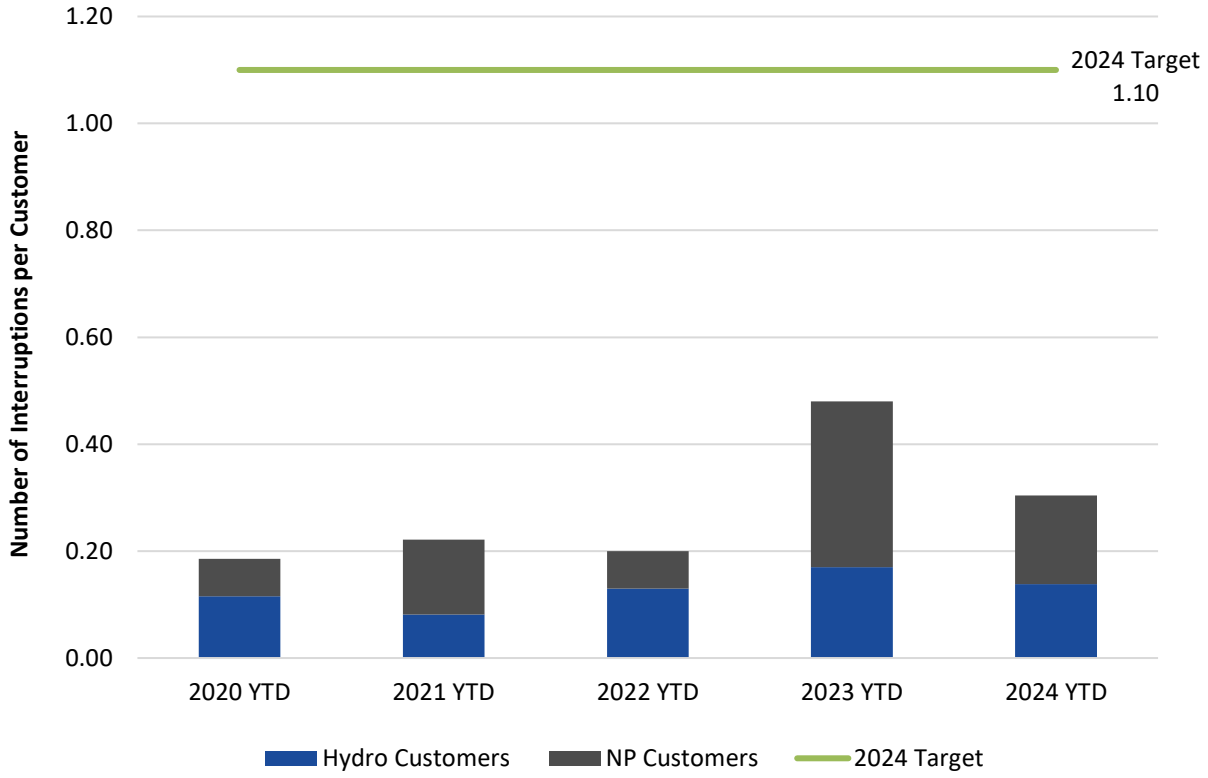


**Chart 4: End-Consumer SAIFI**

### 3.3.2 Bulk Power System Delivery Point Interruption Performance

T-SAIDI and T-SAIFI data are provided in Table 4. Hydro uses the averages of each Index for the period 2019–2023 to establish its annual target[14] for 2024. The T-SAIDI and T-SAIFI performance for Hydro, including planned and unplanned outages (2020–2024 YTD), and EC are provided in Chart 5 and Chart 6, respectively.

**Table 4: Transmission Delivery Point Performance**

| | Q1 | | YTD | | | 2024 Annual Target |
|---|---|---|---|---|---|---|
| | 2024 | 2023 | Target | 2024 | 2023 | (2019–2023 Average) |
| T-SAIDI | 49.52 | 33.62 | 86.08 | 49.52 | 33.62 | 432.93 |
| T-SAIFI | 0.31 | 0.81 | 0.62 | 0.31 | 0.81 | 2.92 |

[14] Hydro has completed a delivery point review and has developed the 2024 transmission targets using updated historic values.

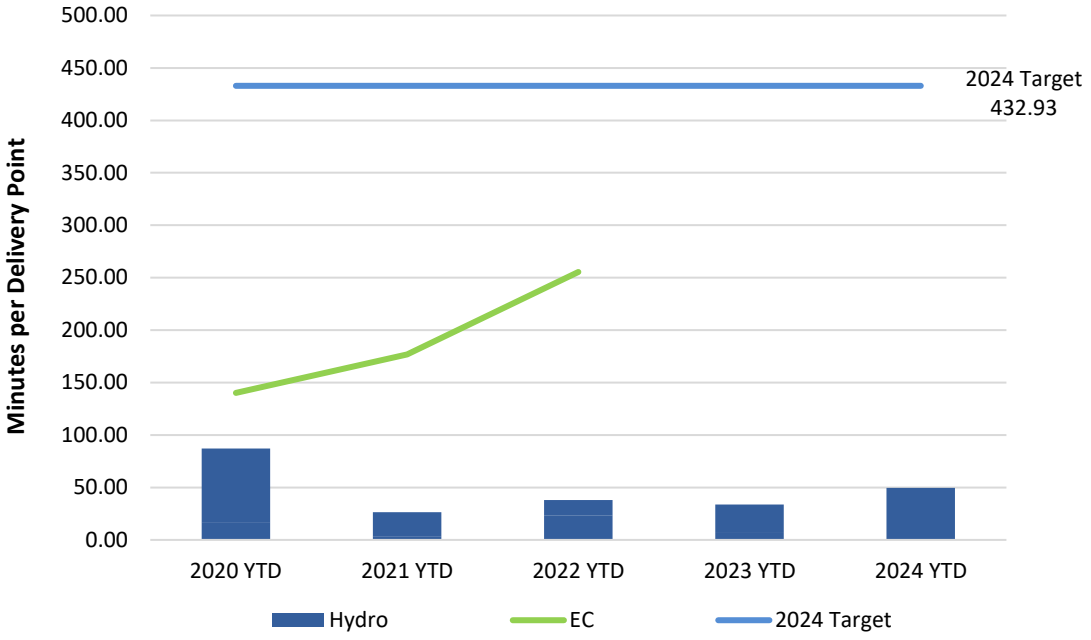


**Chart 5: T-SAIDI[15]**

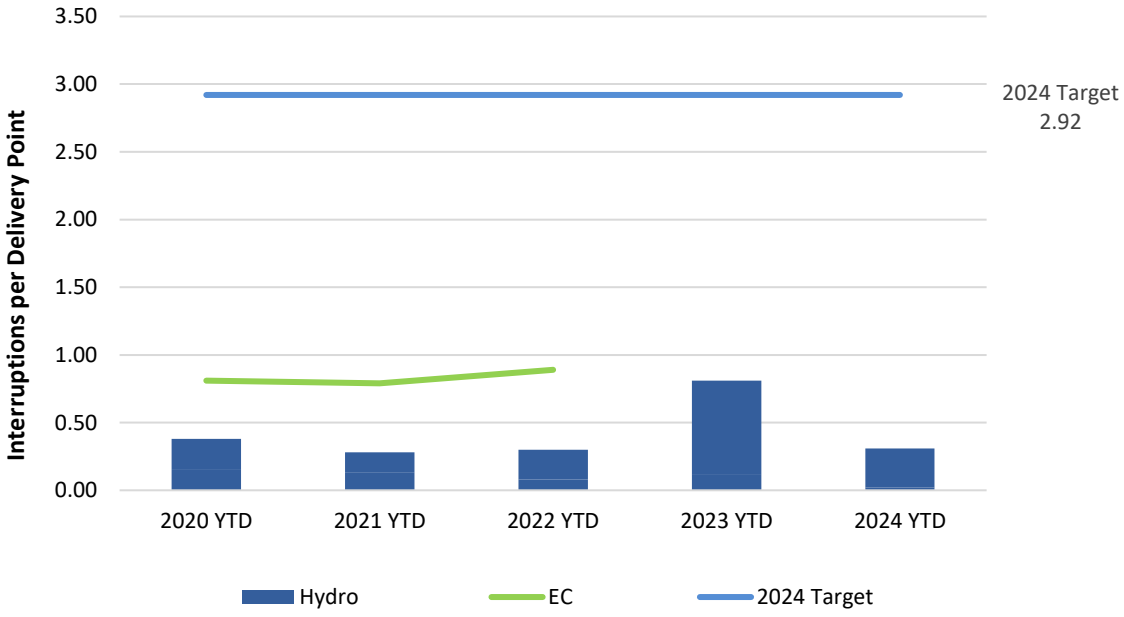


**Chart 6: T-SAIFI[16]**

[15] EC reliability data is published annually. EC reliability data for transmission is not currently available for 2023.
[16] EC reliability data is published annually. EC reliability data for transmission is not currently available for 2023.

### 3.3.3 Service Continuity Performance

Service Continuity SAIDI and SAIFI performance data are provided in Table 5. Hydro uses the average of each index for the period 2019–2023 to establish its annual targets for 2024 for these indices. Service Continuity SAIDI and SAIFI performance data for Hydro (2020–2024 YTD) and EC are provided in Chart 7 and Chart 8, respectively.

**Table 5: Service Continuity SAIDI and SAIFI**

| | Q1 | | YTD | | | 2024 Annual Target |
|---|---|---|---|---|---|---|
| | 2024 | 2023 | Target | 2024 | 2023 | (2019–2023 Average) |
| SAIDI | 2.92 | 1.98 | 2.45 | 2.92 | 1.98 | 17.65 |
| SAIFI | 1.07 | 1.32 | 0.95 | 1.07 | 1.32 | 5.38 |

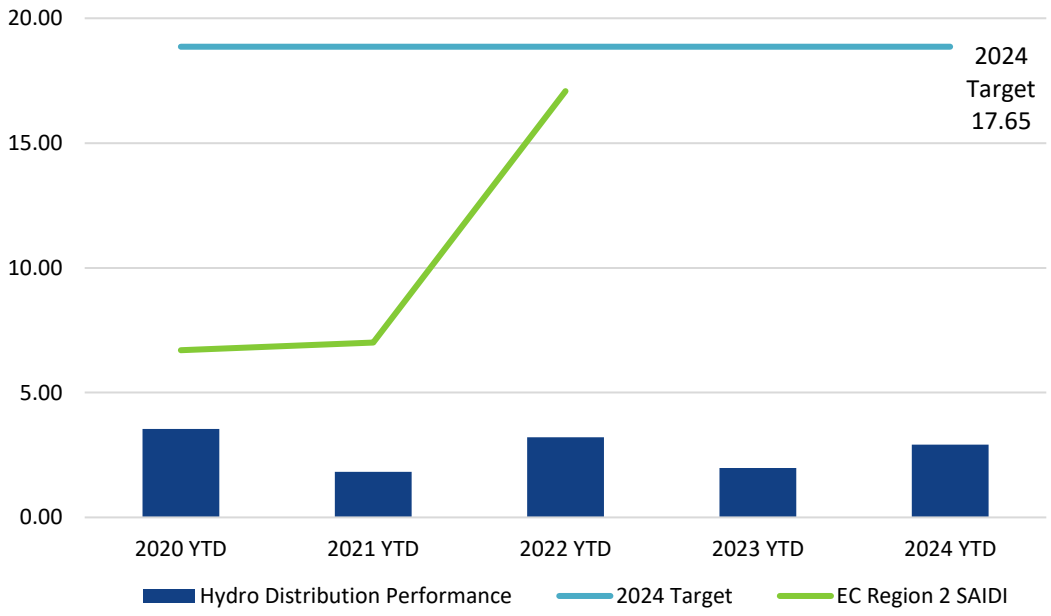


**Chart 7: Service Continuity SAIDI**

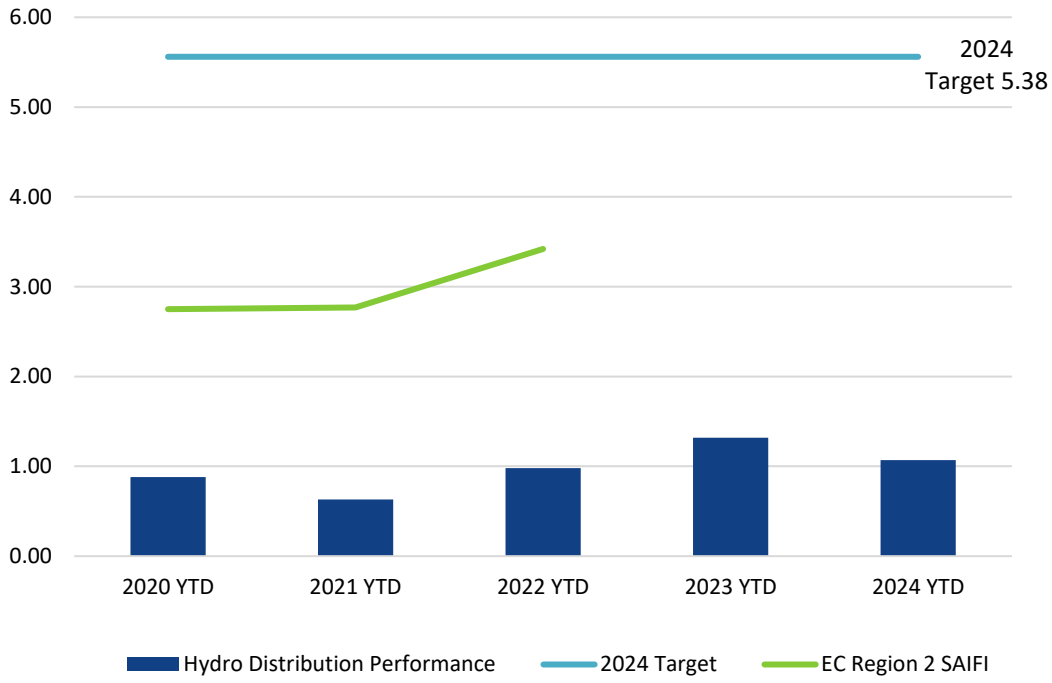


**Chart 8: Service Continuity SAIFI**

# 4.0 Customer Service

## 4.1 Customer Transactional Surveys

Survey results for the current quarter indicate that approximately 86% of customers were satisfied with the service they received when they reached out to Hydro's Customer Service department for assistance. As well, 89% of customers felt their concern was resolved with the first call. A summary of these results is provided in Table 6.

**Table 6: Customer Service Transactional Survey Data**

| Measure | Q1 2024 | Q1 2023 |
|---|---|---|
| Overall Satisfaction | 86% | 85% |
| First Call Resolution | 89% | 84% |
| Number of Surveys Completed | 330 | 520 |

## 4.2 Customer Statistics

A summary of the number of Hydro customers in each customer class, including net metering, is provided in Table 7.

Hydro did not receive any new net metering applications during the current quarter. Hydro's total number of net metering customers remains at three, with a total net metering capacity of 71.6 kW.

**Table 7: Customer Statistics**

| | Q1 | | Annual | |
|---|---|---|---|---|
| | 2024 Actual | 2023 Actual | 2024 Budget | 2023 Actual |
| Rural Customers[17] | 39,264 | 39,163 | 39,184 | 39,221 |
| Industrial Customers | 6 | 5 | 6 | 5 |
| Labrador Industrial Transmission Customers[18] | 2 | 2 | 2 | 2 |
| Utility Customers | 1 | 1 | 1 | 1 |
| Average Monthly Reading Days | 30.4 | 30.0 | N/A | 30.0 |
| Net Metering Customers | 3 | 3 | N/A | 3 |

# 5.0 Supply Costs and Energy Sales

## 5.1 Fuel Prices[19]

Market prices for No. 6 fuel oil reached a high of $127/bbl at the end of March and a low of $111/bbl in early February. The ending inventory cost for the current quarter was $119/bbl; this compares to the fuel price of $106/bbl that was reflected in Newfoundland Power's wholesale rates during the current quarter.[20]

There were three shipments of No. 6 fuel oil during the first quarter as detailed in Table 8. Inventory at the end of the quarter was 253,722 bbls.

**Table 8: No. 6 Fuel Oil Shipments**

| Delivery Date | Quantity (bbl.) | Price/bbl Delivered ($) |
|---|---|---|
| 3-Jan-2024 | 210,317 | 117 |
| 8-Feb-2024 | 209,885 | 119 |
| 20-Mar-2024 | 211,507 | 126 |

[17] Includes net metering customers.
[18] Iron Ore Company of Canada and Tacora Resources Inc.
[19] Prices for No. 6 fuel oil are provided in Canadian ("CDN") dollars.
[20] The price of $105.90/bbl is reflected in Newfoundland Power's base rates effective October 1, 2019, as per *Public Utilities Act*, RSNL 1990, c P-47, Board Order No. P.U. 30(2019), Board of Commissioners of Public Utilities, September 11, 2019.

A comparison of No. 6 fuel oil prices in 2024 as compared to 2022 and 2023 as well as the fuel oil price reflected in the wholesale rate to Newfoundland Power are provided in Chart 9.

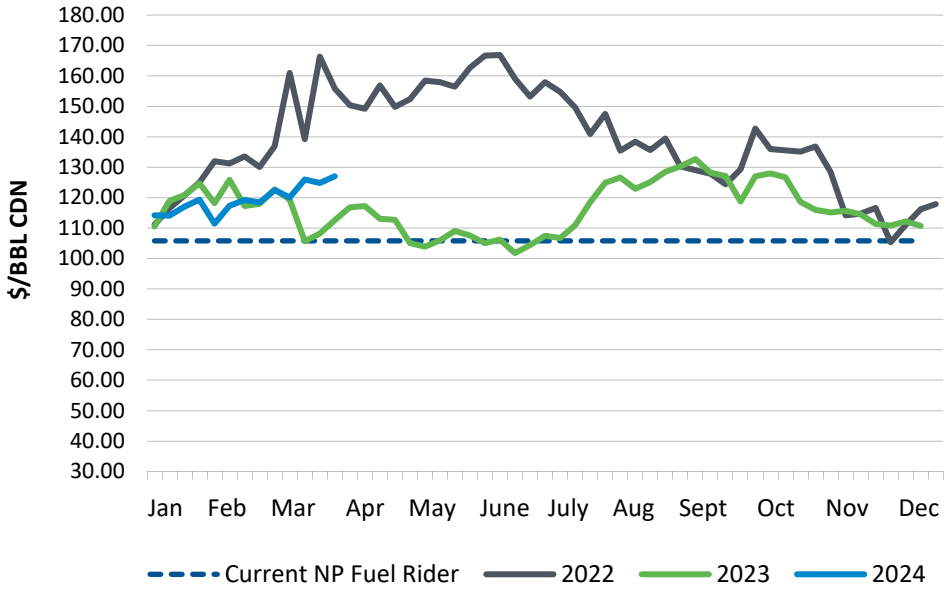


**Chart 9: No. 6 Fuel Oil Average Weekly New York Spot Price**

The monthly forecast price of No. 6 fuel oil for the next twelve months is provided in Table 9.[21]

**Table 9: No. 6 Fuel Oil Forecast Prices ($CDN/bbl)**

| Month | Price |
|---|---|
| Apr-24 | 111.90 |
| May-24 | 114.60 |
| Jun-24 | 119.70 |
| Jul-24 | 120.30 |
| Aug-24 | 119.70 |
| Sep-24 | 115.60 |
| Oct-24 | 112.50 |
| Nov-24 | 108.10 |
| Dec-24 | 102.70 |
| Jan-25 | 97.30 |
| Feb-25 | 92.80 |
| Mar-25 | 88.40 |

[21] The price forecast is based on Platts Analytics fuel price outlook, March 2024 World Oil Market Forecast and includes the premium for the No. 6 fuel oil.

A comparison of the Ultra Low Sulphur Diesel No. 1 (used in diesel generation) fuel oil prices in 2024 as compared to 2022, and 2023 is provided in Chart 10.

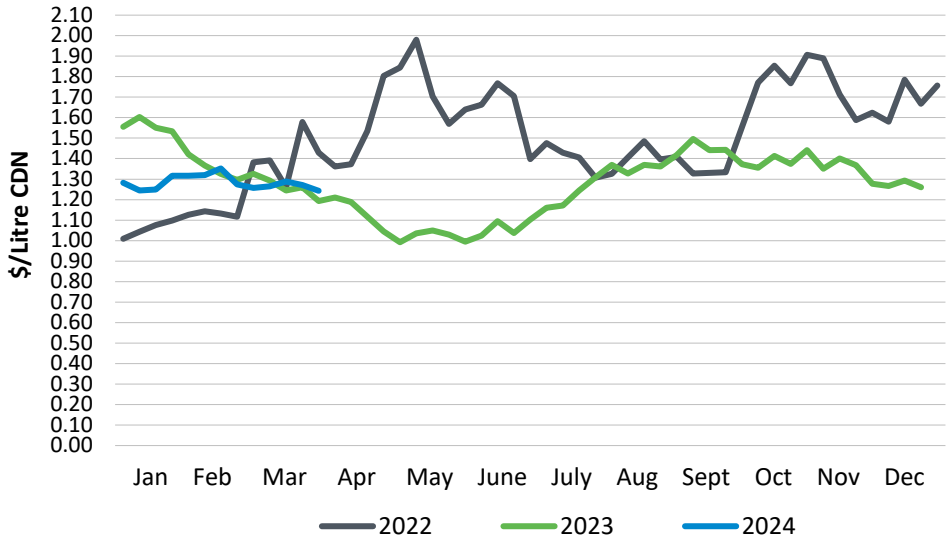


**Chart 10: Ultra Low Sulphur No. 1 Diesel Weekly Montreal Rack Price**

## 5.2 Transfers to Supply Cost Deferral Accounts

### 5.2.1 Supply Cost Variance Deferral Account Overview

The balances accumulated in the Supply Cost Variance Deferral Account as at March 31, 2024 are reported in Attachment 2.

The 2024 YTD activity in the account increased the balance by $111.3 million primarily due to payments made under the Muskrat Falls Power Purchase Agreement and Transmission Funding Agreement ($181.7 million). This increase in costs was offset by fuel savings at the Holyrood TGS ($42.2 million), payments received from Newfoundland Power related to the Project Cost Recovery Rider implemented on July 1, 2022, which is credited to the Utility component of the Supply Cost Variance Deferral Account ($16.0 million), payments received from Industrial Customers related to the Project Cost Recovery Rider implemented on January 1, 2024, which is credited to the Industrial component of the Supply Cost Variance Deferral Account ($1.0 million). The total balance in the account as at March 31, 2024 is $382.6 million.[22]

[22] Supply Cost Variance Deferral Account balance of $382.6 million is unaudited.

### 5.2.2 Isolated Systems Cost Variance Deferral Account

Hydro accumulated $2.4 million[23] in the Isolated Systems Cost Variance Deferral Account as at March 31, 2024. The current year's actual unit cost of diesel fuel was approximately 16¢/kWh more than the 2019 Test Year unit cost of fuel, which is the primary driver of the YTD transfer of fuel oil costs to the account this year.

The current year transfers to the Isolated Systems Cost Variance Deferral Account are provided in Table 10. Pursuant to Board Order No. P.U. 30(2019), Hydro has calculated the transfers relative to the 2019 Test Year.

**Table 10: Isolated Systems Cost Variance Deferral Account Transfers ($ Millions)[24]**

| Q1 | | |
|---|---|---|
| **2024 Actual** | **2023 Actual** | **Variance** |
| 2.4 | 5.4 | (3.0) |

In accordance with the currently approved account definitions, Hydro filed its application for recovery of the Isolated Systems Cost Variance Deferral Account on March 25, 2024, before the March 31, 2024 deadline. This application included the final transfer amounts as well as detailed information as to the drivers of the transfers. In Order No. P.U. 10(2024), the Board approved Hydro's proposed disposition of the $12,059,436 balance in the 2023 Isolated Systems Supply Cost Variance Deferral Account through the transfer, effective March 31, 2024, of a debit of $11,589,118 to the Newfoundland Power RSP Current Plan balance with recovery starting July 1, 2024, and a debit of $470,318 allocated to Hydro Rural Labrador Interconnected System customers to be applied to reduce Hydro's net income as approved.

## 5.3 Statement of Energy Sold

A summary of Hydro's energy sales YTD compared to that of other reporting periods is provided in Table 11.

[23] The March 31, 2024 Isolated System Cost Variance Deferral balance of $2.4 million is unaudited.
[24] Net of deadbands.

**Table 11: Statement of Energy Sold YTD (GWh)**

| | 2024 Actual | 2023 Actual | 2024 Budget | 2024 Annual Budget |
|---|---|---|---|---|
| **Island Interconnected** | | | | |
| Newfoundland Power | 2,002 | 1,998 | 2,090 | 5,825 |
| Island Industrials | 107 | 100 | 165 | 665 |
| Export and Other | 315 | 251 | - | - |
| Rural | | | | |
| Domestic | 87 | 87 | 85 | 254 |
| General Service | 45 | 51 | 42 | 150 |
| Street Lighting | 1 | 1 | 1 | 3 |
| **Subtotal Rural** | **133** | **139** | **128** | **407** |
| **Subtotal Island Interconnected** | **2,557** | **2,488** | **2,383** | **6,897** |
| **Island Isolated** | | | | |
| Domestic | 2 | 2 | 1 | 4 |
| General Service | - | - | - | 2 |
| Street Lighting | - | - | - | - |
| **Subtotal Island Isolated** | **2** | **2** | **1** | **6** |
| **Labrador Interconnected** | | | | |
| Domestic | 121 | 127 | 121 | 315 |
| General Service | 133 | 132 | 116 | 347 |
| Non-Firm Energy | 4 | - | - | - |
| Street Lighting | - | - | - | 2 |
| **Subtotal Labrador Interconnected** | **258** | **259** | **237** | **664** |
| **Labrador Isolated** | | | | |
| Domestic | 8 | 8 | 8 | 24 |
| General Service | 5 | 5 | 5 | 18 |
| Street Lighting | - | - | - | - |
| **Subtotal Labrador Isolated** | **13** | **13** | **13** | **42** |
| **L'Anse-au-Loup** | | | | |
| Domestic | 5 | 6 | 5 | 16 |
| General Service | 3 | 3 | 2 | 8 |
| Street Lighting | - | - | - | - |
| **Subtotal L'Anse-au-Loup** | **8** | **9** | **7** | **24** |
| **Total Energy Sold (Before Rural Accrual)** | **2,838** | **2,771** | **2,641** | **7,633** |
| Rural Accrual | (21) | (7) | N/A | N/A |
| **Total Energy Sold** | **2,817** | **2,764** | **2,641** | **7,633** |
| **Non-Regulated Customers**[25] | | | | |
| Labrador Industrials | 536 | 523 | 576 | 1,991 |

[25] Does not include non-regulated sales for export.

# 6.0 Asset Management and Investment

## 6.1 2024 Capital Budget

Hydro's 2024 Capital Budget was approved by the Board in Order No. P.U. 35(2023). In addition to approval for an investment of $96 million in capital projects, Hydro carried forward approximately $22 million from its 2023 capital program, of which approximately $14 million is project carryover and $8 million is multi-year cash flow reallocation. As a result, Hydro's opening capital budget for 2024 was $118 million. Additionally, supplemental capital of $19 million has been approved for 2024. A total of $0.8 million has been approved by Hydro for 2024 projects under $750,000. Hydro's revised Board-approved 2024 Capital Budget as at March 31, 2024, was $138 million. Table 12 shows the breakdown of Hydro's capital budget approvals of $138 million by Board Order.

**Table 12: Capital Budget by Board Order as of March 31, 2024 ($000)[26]**

| | |
|---|---|
| **2024 Capital Budget[27]** | **96,452** |
| Multi Year Cost Flow Reallocation 2023 to 2024[28] | 8,350 |
| Project Carryover 2023 to 2024[28] | 13,529 |
| Projects Approved by Board: | |
| Order No. P.U. 6(2023)[29] | 13,173 |
| Order No. P.U. 12(2023)[30] | 2,812 |
| Order No. P.U. 21(2023)[31] | 1,766 |
| Order No. P.U. 28(2023)[32] | 1,299 |
| **Total Projects Approved by Board Order** | **19,050** |
| 2024 New Projects Under $750,000 approved by Hydro | 825 |
| **Total Approved Capital Budget[33,34]** | **138,206** |

[26] Numbers may not add due to rounding.
[27] Approved in *Public Utilities Act*, RSNL 1990, c P-47, Board Order No. P.U. 35(2023), Board of Commissioners of Public Utilities, December 21, 2023.
[28] The carryover budget of $21.9 million, of which approximately $13.5 million is project carryover and $8.4 million is multi-year cash flow reallocation, excludes CIACs. Hydro also carried forward CIACs of ($0.6) million, which would result in an estimated net carryover of $21.3 million to be recovered through customer rates.
[29] The replacement and weld refurbishment of Penstock 1 at the Bay d'Espoir Hydroelectric Generating Facility was approved for $50.6 million, of which $13.2 million is budgeted for 2024.
[30] The replacement of last stage blades on Units 1 and 2 at the Holyrood TGS, including the purchase of a second set of last stage blades and an *in-situ* inspection of the Unit 2 last stage blades, was approved for $6.4 million, of which $2.8 million is budgeted for 2024.
[31] The construction and installation of seven ultra-fast Direct Current Fast Chargers along the Trans-Canada Highway was approved for $2.1 million, of which $1.8 million is budgeted for 2024.
[32] The purchase of a spare generator step-up transformer set of last stage blades to serve as a capital spare at the Holyrood TGS was approved for $7.5 million, of which $1.3 million is budgeted for 2024.
[33] In Board Order No. P.U. 7(2024), the contribution by Braya Renewable Fuels (Newfoundland) GP Inc. was approved for costs associated with the replacement of protective relays on transformers which is estimated to be $41,000 in 2024 and $0.4 million in 2025.
[34] In Board Order P.U. 8(2024), the contribution by Vale Newfoundland and Labrador Ltd. was approved for costs associated with the installation of fire protection which is estimated to be $53,800 in 2024 and $0.6 million in 2025.

In advance of the 2024 Capital Budget Application, the Government of Newfoundland and Labrador amended the *Electrical Power and Control Act, 1994*[35] to increase the threshold for capital expenditures requiring pre-approval from the Board to $750,000. Table 13 outlines the capital projects under $750,000 approved by Hydro within the current quarter.

**Table 13: Capital Expenditures Under $750,000**
**Approved by Hydro for the Quarter Ended March 31, 2024**
**($000)**

| Investment Class | Title | Total Budget | Project/Program | Description |
|---|---|---|---|---|
| General Plant | Install Level II EV[36] Chargers – Hydro Place | 322.6 | Project | Installation of EV charging stations at Hydro Place. |
| Service Enhancement | Install Transmission Line Monitoring System – TL201 | 469.9 | Project | Implementing a Dynamic Line Rating system on TL201 which will monitor ability to increase the winter thermal rating of TL201. |
| Service Enhancement | Upgrade Exhaust Stack Expansion Joints – Hardwoods and Stephenville | 32.2 | Project | Manufacturing and installation of insulated fiberglass covers for the expansion joints on the exhaust stacks at Hardwoods and Stephenville Gas Turbines. |

In addition, there were CIACs carried forward from the 2023 capital program and supplemental CIACs approved by the Board totalling $3 million. The 2024 Capital Budget as at March 31, 2024, net of CIACs, was $135 million.

[35] *Electrical Power and Control Act, 1994*, SNL, 1994, c E-5.1.
[36] Electric vehicle ("EV").

## 6.2 Capital Expenditures

Table 14 provides an overview of Hydro's capital expenditures for the current quarter.

**Table 14: Capital Expenditures Overview for the Quarter Ended March 31, 2024 ($000)[37]**

| | Board-Approved Budget 2024 | Q1 Actual 2024 | YTD Actual 2024 | Expected Remaining Expenditures 2024 |
|---|---|---|---|---|
| Access | 5,015 | 1,377 | 1,377 | 3,638 |
| General Plant | 27,043 | 1,338 | 1,338 | 26,799 |
| Mandatory | 2,540 | 209 | 209 | 2,331 |
| Renewal | 85,731 | 14,297 | 14,297 | 78,009 |
| Service Enhancement | 9,875 | 1,688 | 1,688 | 8,187 |
| System Growth | 7,002 | 1,301 | 1,301 | 5,701 |
| Allowance for Unforeseen Expenditures | 1,000 | - | - | 1,000 |
| **Total 2024[38,39,40]** | **138,206** | **20,210** | **20,210** | **125,664** |

## 6.3 2024 Capital Projects and Programs Progress

Hydro's approved planned capital projects and programs continue to advance through stages of planning, design, procurement, and construction. It is typical for most of Hydro's capital construction activity to take place in the second, third, and fourth quarters each year. Additionally, throughout the year, certain unplanned capital work arises that must be addressed ("break-in work"), which may have an impact on the amount of planned work that can be performed. Hydro's actual and forecast expenditures relative to the approved budget are provided in Chart 11.

Hydro monitors project scope, schedule, and cost for its capital projects and programs and updates the forecast throughout the year, as required. To the end of the current quarter, Hydro's expenditures were 21.8% higher than budget, primarily as a result of earlier than anticipated procurement costs for new

[37] Numbers may not add due to rounding.
[38] Expenditures are before CIACs.
[39] Table 14 does not include modifications to Hydro's infrastructure due to implementation of the Muskrat Falls Project, given that all aspects of incorporation of the Muskrat Falls Project are fully funded by the project (Labrador Hydro Project Exemption Order in Council OC2000-206 and OC2013-342, NLR 120/13). Expenditures related to these modifications were approximately $35,000 in the current quarter.
[40] Front end engineering costs for the current quarter and YTD of $0.8 million have been excluded.

equipment. Hydro's overall forecast for 2024 is 5.5% higher than the approved budget. This is primarily a result of:

- More than anticipated work to address failures and condition assessments for terminal stations, Fuel Oil Storage Tank 1 at the Holyrood TGS, and gas turbines;
- Advancement of work within the multi-year project to refurbish Ebbegunbaeg Control Structure; and
- Work forecasted to be completed for more than the original budget estimate for some projects and programs.

As required by the provisional Capital Budget Application Guidelines,[41] explanations will be provided for projects and programs with variances exceeding 10% and $100,000 at year-end, as part of Hydro's Capital Expenditures and Carryover Report to be filed by April 1, 2025.

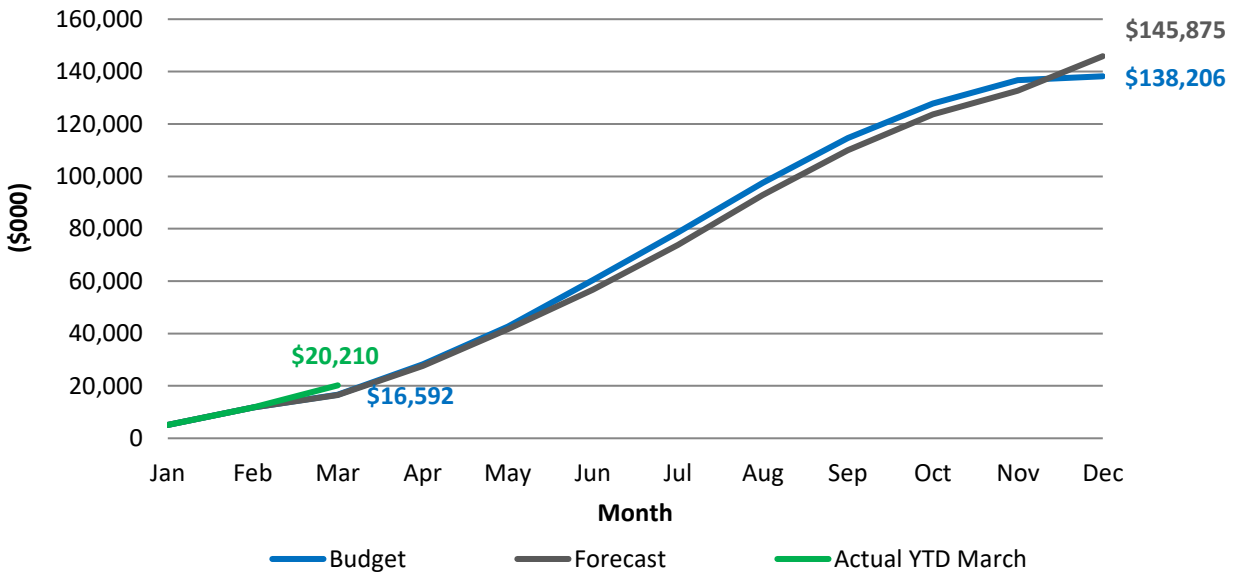


**Chart 11: 2023 Capital Program Actual vs Budget**

[41] "Capital Budget Application Guidelines (Provisional)," Board of Commissioners of Public Utilities, January 2022. http://pub.nl.ca/PU/guidelines/Capital%20Budget%20Application%20Guidelines%20(Provisional)%20-%202021-12-20.PDF.

A high-level summary of the planned and break-in construction activities completed during Q1 is provided in Table 15.

**Table 15: Highlights of Planned and Break-In Work Completed**

| Asset Category | Planned Work Q1 2024 | Break-In Work Q1 2024 |
|---|---|---|
| **Administration** | | Parking lot light poles were replaced at Hydro Place. |
| **Diesel Generation** | Fire protection was installed at the Ramea Diesel Generating Station.<br><br>Unit 2044 was installed at the Mary's Harbour Diesel Generating Station.<br><br>Unit 579 was overhauled at the Black Tickle Diesel Generating Station. | A silencer was installed on Unit 2088 at the Charlottetown Diesel Generating Station.<br><br>A spare engine was procured for the Charlottetown Diesel Generating Station.<br><br>A fire panel was replaced at the St. Brendan's Diesel Generating Station. |
| **Gas Turbines** | The human machine interface was replaced at the Happy Valley Gas Turbine. | |
| **Thermal Plant** | | The Unit 2 west cooling water pump motor was overhauled.<br><br>The Unit 2 east steam drum vent valves were replaced.<br><br>Spare main steam control valve cam shafts for Units 1 and 2 were procured.<br><br>The administration area air conditioning unit was overhauled. |
| **Transmission** | | A dynamic line rating system was installed for TL201.<br><br>A pole was replaced for Structure 5 on TL233.<br><br>Guying attachments were refurbished for Structures 94 and 103 on TL215. |
| **Transportation** | Light duty vehicles and all-terrain vehicles were procured. | |

| Asset Category | Planned Work Q1 2024 | Break-In Work Q1 2024 |
|---|---|---|
| **Terminal Stations** | Transformer T7 at the Holyrood Terminal Station was replaced with the former Transformer T31 from Churchill Falls.<br><br>The interconnection of Valentine Gold Project was completed.<br><br>Fire protection was installed at the Buchans Terminal Station.<br><br>An online dissolved gas analyser was installed for Transformer T1 at the South Brook Terminal Station.<br><br>Protection upgrades were completed for Transmission Line TL 205 at the Stoney Brook and Buchans Terminal Stations. | The failed Bay d'Espoir Transformer T6 was refurbished and stored as a spare.<br><br>The spare start/run breaker was refurbished for the Wabush Synchronous Condenser. |

## 6.4 Integrated Annual Work Plan

Hydro has an Integrated Annual Work Plan consisting of capital and maintenance work for its generation, transmission, distribution, and other associated assets. Hydro's 2024 Integrated Annual Work Plan completion target is 90%. As of the end of the current quarter, Hydro had completed approximately 16% of forecasted planned activities for the year. Results for Annual Work Plan activities are provided in Table 16.

**Table 16: Annual Work Plan Activity**

| YTD Actual | | | 2024 Forecast | | |
|---|---|---|---|---|---|
| **Planned** | **Completed** | **%** | **Baseline** | **Scheduled** | **%** |
| 1,834 | 1,134 | 62 | 7,157 | 7,157 | 100.0 |

# 7.0 Financial

## 7.1 Statement of Income ($000)

| Q1 | | | | YTD | | | Annual |
|---|---|---|---|---|---|---|---|
| 2024 Actual | 2024 Budget | 2023 Actual | | 2024 Actual | 2023 Budget | 2023 Actual | 2024 Budget |
| | | | **Revenue** | | | | |
| 230,335 | 229,922 | 229,393 | Energy Sales | 230,335 | 229,922 | 229,393 | 642,134 |
| 2,559 | 1,450 | 8,275 | Other Revenue | 2,559 | 1,450 | 8,275 | 5,801 |
| **232,894** | **231,372** | **237,668** | | **232,894** | **231,372** | **237,668** | **647,935** |
| | | | **Expenses** | | | | |
| 36,459 | 35,575 | 36,467 | Operating Costs | 36,459 | 35,575 | 36,467 | 141,108 |
| 121,938 | 118,741 | 126,105 | Fuels | 121,938 | 118,741 | 126,105 | 232,560 |
| 17,658 | 19,466 | 18,597 | Power Purchased | 17,658 | 19,466 | 18,597 | 67,316 |
| 20,625 | 21,759 | 19,887 | Amortization | 20,625 | 21,759 | 19,887 | 89,917 |
| 618 | 539 | 531 | Other Expense | 618 | 539 | 531 | 2,157 |
| 21,444 | 22,153 | 21,404 | Interest | 21,444 | 22,153 | 21,404 | 85,280 |
| **218,742** | **218,233** | **222,991** | | **218,742** | **218,233** | **222,991** | **618,338** |
| **14,152** | **13,139** | **14,677** | **Net Income** | **14,152** | **13,139** | **14,677** | **29,597** |

Net income for the three months ended March 31, 2024 was $14.2 million which is on par with the $14.7 million for the same period in 2023.

# 8.0 People and Community

## 8.1 Diversity and Inclusion

### 8.1.1 Sharing our Accessibility Plan

As was shared in the Quarterly Regulatory Report for the Quarter Ended December 31, 2023, and in line with the provincial *Accessibility Act*,[42] Hydro published an Accessibility Plan ("Plan") at the end of 2023. The Plan extends from 2024 to 2026, and covers many areas of business, including employment, customer service, communications, information technology, and our physical/built environment.

In February of this year, the Executive Sponsor of our Accessibility Committee co-hosted a company-wide webinar with Empower NL where we shared details on the *Accessibility Act*, as well as a detailed

[42] *Accessibility Act,* SNL 2021, c A-1.001.

overview of Hydro's Plan and associated actions. This session was in support of ensuring ongoing communication and reemphasizing the existence and importance of the Plan.

### 8.1.2 International Women's Day

Each year, Hydro recognizes International Women's Day, which is commemorated worldwide on March 8, 2024, and aims to celebrate women's achievements, acknowledge the ongoing struggles of women and girls everywhere, and to act as a call to action to accelerate women's equality. This year's theme, #InspireInclusion, recognized that when we inspire others to understand and value women's inclusion, we forge a better world.

This year, Hydro hosted a session on Impostor Syndrome, which can be felt by many but is predominantly associated with women. During this virtual session, Dr. Judit Lovas spoke to employees about creating a workplace culture which encourages conversations about Impostor Syndrome and how individually we can address our impostor thoughts and feelings.

## 8.2 Community Initiatives

During the first quarter of 2024, Hydro worked with several community partners across the province in support of initiatives aligned with our strategic focus areas, and established a new employee network to advance local community efforts in the regions where our employees live and work.

### 8.2.1 Helping New Canadians Stay Safe During Power Outages and Emergencies

In February 2024, Hydro partnered with the Canadian Red Cross and the Association for New Canadians to offer two information sessions to some of our province's newest Canadians. The sessions focused on being prepared for the emergencies most commonly experienced in Newfoundland and Labrador, and provided practical tips and information to help participants keep their families safe during power outages and emergencies.

This was the second time that Hydro and the Canadian Red Cross joined forces to offer these sessions to the Association for New Canadians, following a successful pilot in 2022. More than 80 people participated in February, and we look forward to continuing these valuable sessions in the future to help keep our customers safe.

### 8.2.2 Supporting Diverse, Inclusive Community Events in Newfoundland and Labrador

During the first quarter of 2024, Hydro sponsored several initiatives through the Energy from the Heart Community Program that contributed to building diverse, inclusive opportunities for people across the province.

In February, Hydro was a Gold Sponsor for Easter Seals Newfoundland and Labrador's Snowarama, an 80 km snowmobile event that raises funds to provide free, accessible recreation equipment to families and communities throughout the province. As a sponsor, Hydro was proud to support the valuable programs and services that Easter Seals provides to people with disabilities in our province, as well as offer important power line safety information to help registered snowmobilers safely arrive at their destination.

In March, Hydro sponsored the 2024 Canadian Pride Curling Championship, hosted in the province for the first time by the Odds & Ends LGBTQ2+ Curling League. Founded in 2016, Odds & Ends was the first LGBTQ2+ sports league in Newfoundland and Labrador to promote curling within the LGBTQ2+ community and provide a safe social space for those within the community, their families, and allies. The championship brought together 16 of the best LGBTQ2+ curling teams in the country to compete, and Hydro was honoured to support the event and contribute to their goal of inclusive sport for all.

### 8.2.3 Supporting Future Engineers during National Design Competition

In February, more than 150 students from 16 universities across the country came to St. John's and Clarenville for the 50th Great Northern Concrete Toboggan Race. The race is the largest and longest-running engineering student competition in the country.

Hydro and our employees were proud to help make the competition a reality this year. In addition to sponsoring the event, employees served on the organizing committee, judged the quality and safety of designs entered in the competition, and were on hand to answer questions from students about our operations and the exciting career opportunities available at Hydro.

# 9.0 Ramea

In Board Order No. P.U. 31(2007), the Board directed Hydro to provide quarterly updates on the Ramea Wind-Hydrogen-Diesel project as part of its quarterly report to the Board.

On March 22, 2023, Hydro filed an application proposing to decommission the hydrogen components of the Wind-Hydrogen-Diesel System, as they are not used or useful and their removal will not adversely affect the reliability of the service Hydro provides.[43] Hydro advised that the wind farm assets that form part of the Wind-Hydrogen-Diesel System would remain in place while Hydro continues to pursue partnership opportunities with independent power producers. A further application will be made once there is a finalized plan regarding these assets. Hydro's application to decommission the hydrogen components was approved in Board Order No. P.U. 10(2023).

## 9.1 Capital Costs

There will be no future capital expenditures incurred for the Ramea Wind-Hydrogen-Diesel Generation project. The decommissioning of the hydrogen components will be a non-regulated expense.

## 9.2 Operating Costs

The wind turbines were not operational during the current quarter; therefore, no costs were incurred.

## 9.3 Reliability and Safety Issues

The wind turbines were not operational during the current quarter; as such, there are no safety issues to report.

[43] <http://pub.nl.ca/applications/NLH2023RameaWindHydrogen/app/From%20NLH%20-%20Application%20for%20the%20Abandonment%20of%20the%20Hydrogen%20System%20Portion%20of%20the%20Ramea%20Wind-Hydrogen-Diesel%20Generation%20Project%20-%202023-03-22.PDF>

# Appendix A

## Power Outages Reported to the Board of Commissioners of Public Utilities

# Power Outages

**Table A-1: Power Outages Reported to the Board for the Current Quarter**

| Date | Area Affected | Cause | Customers Affected | Duration |
|---|---|---|---|---|
| 18-Jan-2024 | Glenburnie/Rocky Harbour | Tree Contact | 2,012 | 5 hours, 9 minutes |
| 22-Jan-2024 | Fogo Island | Defective Equipment | 1,579 | 8 hours, 13 minutes |
| 07-Feb-2024 | Bottom Waters | Adverse Weather - Ice | 1,729 | 2 hours, 57 minutes |
| 09-Feb-2024 | Newfoundland Power Customers | UFLS | 21,637 | 49 minutes |
| 29-Mar-2024 | Hampden | Adverse Weather - Ice | 291 | 26 hours, 16 minutes |
| 30-Mar-2024 | Jackson's Arm | Adverse Weather - Ice | 296 | 34 hours, 55 minutes |
| 31-Mar-2024 | L'Anse-au-Loup | Adverse Weather - Ice | 617 | 18 hours, 20 minutes |

# Appendix B

## Major Events Excluded From Performance Index Tables

# Major Events

**Table B-1: Major Events Excluded From Performance Index Tables[1]**

| Year | Event Description | End-Consumer SAIDI | End-Consumer SAIFI | Service Continuity SAIDI | Service Continuity SAIFI | Transmission T-SAIDI | Transmission T-SAIFI |
|---|---|---|---|---|---|---|---|
| 2024 | No major events | N/A | N/A | N/A | N/A | N/A | N/A |
| 2023 | No major events | N/A | N/A | N/A | N/A | N/A | N/A |
| 2022 | TL214 outage due to extreme winds | 0.26 | 0.03 | 0.00 | 0.00 | 35.67 | 0.03 |
| | Great Northern Peninsula outage | 0.38 | 0.03 | 2.93 | 0.20 | 91.92 | 0.23 |
| | Connaigre Peninsula outage due to freezing rain | 0.24 | 0.01 | 1.81 | 0.06 | 0.00 | 0.00 |
| 2021 | No major events | N/A | N/A | N/A | N/A | N/A | N/A |
| 2020 | Winter storm affecting Change Islands/Fogo | 0.09 | 0.01 | 0.71 | 0.09 | 0.00 | 0.00 |
| 2019 | No major events | N/A | N/A | N/A | N/A | N/A | N/A |

[1] Data for 2024 reflects major events to the end of the current quarter. Data for 2018–2023 reflects major events experienced through the year.

# Appendix C

## Generation Unit Outages

## January 2024

| Location | Asset | Capacity | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 | 14 | 15 | 16 | 17 | 18 | 19 | 20 | 21 | 22 | 23 | 24 | 25 | 26 | 27 | 28 | 29 | 30 | 31 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Island** | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Bay d'Espoir | G1 | 76.5 MW | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | G2 | 76.5 MW | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | G3 | 76.5 MW | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | G4 | 76.5 MW | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | G5 | 76.5 MW | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | G6 | 76.5 MW | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | G7 | 154.4 MW | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Cat Arm | G1 | 67 MW | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | G2 | 67 MW | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Granite Canal | Unit | 40 MW | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Hardwoods | GT | 50 MW | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Hawkes Bay | Unit | 5 MW | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Hinds Lake | Unit | 75 MW | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Holyrood | G1 | 170 MW | 160 | 160 | 160 | 160 | 160 | 160 | 158 | 158 | 160 | 160 | 160 | 160 | 160 | 160 | 160 | 160 | 160 | 160 | 160 | 160 | 160 | 160 | 160 | 160 | 160 | 160 | | 160 | 160 | 160 | 160 |
| | G2 | 170 MW | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | G3 | 150 MW | 70 | 70 | 70 | 70 | 70 | 70 | 70 | 70 | | | | | | | | | | | | | | | | | | | | | | | |
| | GT | 123.5 MW | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | Diesels | 10 MW | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Soldiers Pond<br>Labrador-Island Link | Monopole ("M")<br>Bipole ("B") | 700 MW | B 450 | B 450 | B 450 | B 450 | B 450 | B 450 | B 450 | B 450 | B 450 | B 450 | B 450 | B 450 | B 450 | B 450 | B 450 | B 450 | B 450 | B 450 | B 450 | B 450 | B 450 | B 450 | B 450 | B 450 | B 450 | B 450 | B 450 | B 450 | B 450 | B 450 | B 450 |
| Paradise River | Unit | 8 MW | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Stephenville | GT | 50 MW | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| St. Anthony | Unit | 9.7 MW | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Upper Salmon | Unit | 84 MW | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |

Available
Available Derated
Unavailable

**February 2024**

| Location | Asset | Capacity | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 | 14 | 15 | 16 | 17 | 18 | 19 | 20 | 21 | 22 | 23 | 24 | 25 | 26 | 27 | 28 | 29 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Island** | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Bay d'Espoir | G1 | 76.5 MW | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | G2 | 76.5 MW | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | G3 | 76.5 MW | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | G4 | 76.5 MW | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | G5 | 76.5 MW | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | G6 | 76.5 MW | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | G7 | 154.4 MW | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Cat Arm | G1 | 67 MW | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | G2 | 67 MW | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Granite Canal | Unit | 40 MW | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Hardwoods | GT | 50 MW | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Hawkes Bay | Unit | 5 MW | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Hinds Lake | Unit | 75 MW | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Holyrood | G1 | 170 MW | 160 | 160 | 160 | 160 | 160 | 160 | 160 | 160 | | | | | 160 | 160 | 160 | 160 | 160 | 160 | 160 | 160 | 160 | 50 | 160 | 160 | 160 | 160 | 160 | 160 | 160 |
| | G2 | 170 MW | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | G3 | 150 MW | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | GT | 123.5 MW | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | Diesels | 10 MW | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Soldiers Pond Labrador-Island Link | Monopole ("M") Bipole ("B") | 700 MW | B 450 | B 450 | B 450 | B 450 | B 450 | B 450 | B 450 | B 450 | | B 345 | B 345 | B 345 | B 450 | B 450 | B 450 | B 450 | B 450 | B 450 | B 450 | B 450 | B 450 | B 450 | B 345 | B 345 | M 450 | M 450 | M 450 | M 450 | B 450 | B 450 |
| Paradise River | Unit | 8 MW | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Stephenville | GT | 50 MW | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| St. Anthony | Unit | 9.7 MW | | | | | | 8.7 | 8.7 | 8.7 | 8.7 | 8.7 | 8.7 | 8.7 | 8.7 | 8.7 | 8.7 | 8.7 | 8.7 | 8.7 | 8.7 | 8.7 | 8.7 | 8.7 | 8.7 | 8.7 | 8.7 | 8.7 | 8.7 | 8.7 | 8.7 |
| Upper Salmon | Unit | 84 MW | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |

Available
Available Derated
Unavailable

**March 2024**

| Location | Asset | Capacity | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 | 14 | 15 | 16 | 17 | 18 | 19 | 20 | 21 | 22 | 23 | 24 | 25 | 26 | 27 | 28 | 29 | 30 | 31 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Island** | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Bay d'Espoir | G1 | 76.5 MW | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | G2 | 76.5 MW | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | G3 | 76.5 MW | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | G4 | 76.5 MW | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | G5 | 76.5 MW | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | G6 | 76.5 MW | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | G7 | 154.4 MW | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Cat Arm | G1 | 67 MW | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | G2 | 67 MW | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Granite Canal | Unit | 40 MW | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Hardwoods | GT | 50 MW | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Hawkes Bay | Unit | 5 MW | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Hinds Lake | Unit | 75 MW | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Holyrood | G1 | 170 MW | 160 | 160 | 160 | 160 | 160 | | 160 | 160 | 160 | 160 | 160 | 160 | 160 | 160 | 160 | 160 | 160 | 160 | 160 | 160 | 160 | 160 | 160 | 160 | 160 | 160 | 160 | 160 | 160 | 160 | 160 |
| | G2 | 170 MW | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | G3 | 150 MW | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | GT | 123.5 MW | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | Diesels | 10 MW | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Soldiers Pond<br>Labrador-Island Link | Monopole ("M")<br>Bipole ("B") | 700 MW | B 450 | B 450 | B 450 | M 450 | | M 450 | M 450 | B 450 | B 450 | M 450 | M 450 | B 450 | B 450 | B 450 | M 450 | B 450 | B 450 | B 450 | B 450 | B 450 | B 450 | B 450 | B 450 | B 450 | B 450 | | B 450 | B 450 | B 450 | | |
| Paradise River | Unit | 8 MW | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Stephenville | GT | 50 MW | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| St. Anthony | Unit | 9.7 MW | 8.7 | 8.7 | 8.7 | 8.7 | 8.7 | 8.7 | 8.7 | 8.7 | 8.7 | 8.7 | 8.7 | 8.7 | 8.7 | 8.7 | 8.7 | 8.7 | 8.7 | 8.7 | 8.7 | 8.7 | 8.7 | 8.7 | 8.7 | 8.7 | 8.7 | 8.7 | 8.7 | 8.7 | 8.7 | 8.7 | 8.7 |
| Upper Salmon | Unit | 84 MW | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |

Available
Available Derated
Unavailable

# Appendix D

## Supplemental Reliability Information

# 1.0 Service Continuity Performance

## 1.1 Service Continuity by Outage Type

Service Continuity SAIDI and SAIFI performance data, by outage type, are provided in Table D-1 and Table D-2, respectively. Hydro uses the average of each index for the period 2019–2023 to establish its annual targets for 2024 for these indexes.

**Table D-1: Service Continuity SAIDI (Hours per Customer)[1]**

| | Q1 | | YTD | | | Annual Target |
|---|---|---|---|---|---|---|
| | 2024 | 2023 | Target | 2024 | 2023 | 2024 |
| Planned | 0.11 | 0.28 | N/A | 0.11 | 0.28 | N/A |
| Unplanned | 2.81 | 1.70 | N/A | 2.81 | 1.70 | N/A |
| **Planned and Unplanned** | **2.92** | **1.98** | **2.45** | **2.92** | **1.98** | **17.65** |

**Table D-2: Service Continuity SAIFI (Interruptions per Customer)[2]**

| | Q1 | | YTD | | | Annual Target |
|---|---|---|---|---|---|---|
| | 2024 | 2023 | Target | 2024 | 2023 | Target |
| Planned | 0.11 | 0.13 | N/A | 0.11 | 0.13 | N/A |
| Unplanned | 0.96 | 1.19 | N/A | 0.96 | 1.19 | N/A |
| **Planned and Unplanned** | **1.07** | **1.32** | **0.95** | **1.07** | **1.32** | **5.38** |

## 1.2 Service Continuity Performance by Area

Service Continuity SAIDI and SAIFI performance data, broken down by geographical area, are provided in Table D-3 and Table D-4, respectively.

**Table D-3: Service Continuity SAIDI[3]**

| | Q1 | | YTD | |
|---|---|---|---|---|
| Area | 2024 | 2023 | 2024 | 2023 |
| Labrador Region | 0.44 | 0.16 | 0.44 | 0.16 |
| Island Region | 2.49 | 1.82 | 2.49 | 1.82 |
| **All Areas** | **2.92** | **1.98** | **2.92** | **1.98** |

[1] Numbers may not add due to rounding.
[2] Numbers may not add due to rounding.
[3] Numbers may not add due to rounding.

**Table D-4: Service Continuity SAIFI[4]**

| | Q1 | | YTD | |
|---|---|---|---|---|
| **Area** | **2024** | **2023** | **2024** | **2023** |
| Labrador Region | 0.29 | 0.31 | 0.29 | 0.31 |
| Island Region | 0.78 | 1.01 | 0.78 | 1.01 |
| **All Areas** | **1.07** | **1.32** | **1.07** | **1.32** |

## 1.3 Service Continuity Performance by Origin

Service continuity SAIDI and SAIFI values, broken down by origin, are provided in Table D-5 and Table D-6, respectively.[5]

**Table D-5: Service Continuity SAIDI (Hours per Customer)[6]**

| | Q1 | | YTD[7] | | Average |
|---|---|---|---|---|---|
| **Origin** | **2024** | **2023** | **2024** | **2023** | **2019–2023** |
| Loss of Supply: Transmission | 0.86 | 1.02 | 0.86 | 1.02 | 9.97 |
| Distribution | 2.06 | 0.96 | 2.06 | 0.96 | 7.68 |
| **Overall SAIDI** | **2.92** | **1.98** | **2.92** | **1.98** | **17.65** |

**Table D-6: Service Continuity SAIFI (Interruptions per Customer)[8]**

| | Q1 | | YTD[4] | | Average |
|---|---|---|---|---|---|
| **Origin** | **2024** | **2023** | **2024** | **2024** | **2019–2023** |
| Loss of Supply: Transmission | 0.34 | 0.87 | 0.34 | 0.87 | 3.01 |
| Distribution | 0.73 | 0.45 | 0.73 | 0.45 | 2.37 |
| **Overall SAIFI** | **1.07** | **1.32** | **1.07** | **1.32** | **5.38** |

[4] Numbers may not add due to rounding.
[5] Hydro is updating some reliability tracking processes and is currently unable to provide segmented loss of supply statistics for Newfoundland Power, Isolated, and L'Anse-au-Loup systems. Reporting will resume when available.
[6] Numbers may not add due to rounding.
[7] Hydro has amended the calculation of this performance indicator from a 12-month rolling average to a YTD value. This is consistent with the remaining data provided in this section of the report.
[8] Numbers may not add due to rounding.

## 1.4 Service Continuity Performance by Type

Service Continuity SAIDI and SAIFI values by type, broken down by geographical area, are provided in Table D-7.

**Table D-7: Service Continuity by Interruption Type[9]**

| | Q1 2024 Unplanned | | Q1 2024 Planned | | Q1 2024 Total | |
|---|---|---|---|---|---|---|
| **Area** | **SAIDI** | **SAIFI** | **SAIDI** | **SAIFI** | **SAIDI** | **SAIFI** |
| Island Region | 2.41 | 0.72 | 0.07 | 0.06 | **2.48** | **0.78** |
| Labrador Region | 0.40 | 0.24 | 0.04 | 0.05 | **0.44** | **0.29** |
| All Areas | 2.81 | 0.96 | 0.11 | 0.11 | **2.92** | **1.07** |

## 1.5 Service Continuity Customer Interruptions by Cause

Service Continuity interruptions, grouped by cause, are provided in Table D-8.

**Table D-8: Service Continuity by Cause of Interruption[10]**

| | Q1 2024 | | YTD | |
|---|---|---|---|---|
| **Cause** | **SAIDI** | **SAIFI** | **SAIDI** | **SAIFI** |
| Adverse Environment | 0.10 | 0.04 | 0.10 | 0.04 |
| Adverse Weather | 1.01 | 0.15 | 1.01 | 0.15 |
| Defective Equipment | 0.16 | 0.11 | 0.16 | 0.11 |
| Environment: Corrosion | 0.06 | 0.01 | 0.06 | 0.01 |
| Environment: Salt Spray | 0.00 | 0.00 | 0.00 | 0.00 |
| Foreign Interference | 0.00 | 0.00 | 0.00 | 0.00 |
| Foreign Interference: Object | 0.09 | 0.01 | 0.09 | 0.01 |
| Foreign Interference: Vehicle | 0.00 | 0.00 | 0.00 | 0.00 |
| Human Error | 0.00 | 0.00 | 0.00 | 0.00 |
| Loss of Supply | 0.86 | 0.34 | 0.86 | 0.34 |
| Lightning | 0.00 | 0.00 | 0.00 | 0.00 |
| Scheduled Outage: Planned | 0.11 | 0.11 | 0.11 | 0.11 |
| Tree Contacts | 0.07 | 0.02 | 0.07 | 0.02 |
| Undetermined/Other | 0.46 | 0.28 | 0.46 | 0.28 |
| **Total** | **2.93** | **1.07** | **2.93** | **1.07** |

[9] Numbers may not add due to rounding.
[10] Numbers may not add due to rounding.

# 2.0 Transmission System Average Restoration Index

Hydro's 2024 YTD T-SARI[11] was 160 minutes per interruption compared to 42 minutes per interruption for 2023 YTD. Hydro does not establish a restoration index target.

Chart D-1 shows the annual YTD T-SARI performance from 2020 to 2024 and the EC 2020 to 2022 annual T-SARI performances.

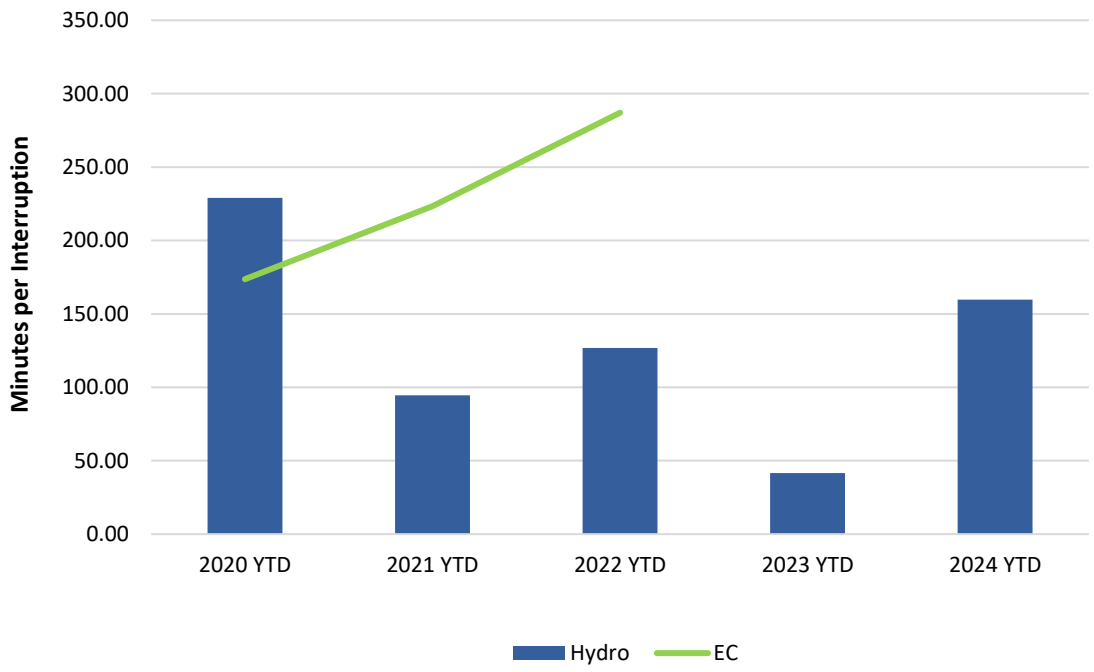


**Chart D-1: T-SARI Measurements 2020–2024**

# 3.0 Under Frequency Load Shedding

Performance data for UFLS events and UFLS undersupplied energy, by customer breakdown, are provided in Table D-9 and Table D-10, respectively. The 2024 UFLS target is zero events. Hydro does not establish a UFLS event YTD target or UFLS undersupplied energy targets. Performance data for UFLS events is provided in Chart D-2.

[11] T-SARI is calculated based on numbers that have not been rounded; therefore, T-SARI may not equate to T-SAIDI divided by T-SAIFI as presented in this report due to rounding.

**Table D-9: Customer Breakdown of UFLS Events**

| | Q1 | | 12 Months-to-Date | | Annual Target | Average |
|---|---|---|---|---|---|---|
| **Customer** | **2024** | **2023** | **2024** | **2023** | **2024** | **2019–2023** |
| Newfoundland Power | 1 | 1 | 2 | 3 | N/A | 1.2 |
| Industrials | 0 | 2 | 1 | 5 | N/A | 1.4 |
| Hydro Rural | 0 | 0 | 0 | 0 | N/A | 0 |
| **Total Events**[12] | **1** | **1** | **2** | **3** | **0** | **1.2** |

**Table D-10: Customer Breakdown of UFLS Undersupplied Energy (MW-min)**

| | Q1 | | 12 Months-to-Date | | Average |
|---|---|---|---|---|---|
| **Customer** | **2024** | **2023** | **2024** | **2023** | **2019–2023** |
| Newfoundland Power | 840 | 308 | 1,085 | 9,398 | 2,405 |
| Industrials | 0 | 68 | 28 | 763 | 221 |
| Hydro Rural | 0 | 0 | 0 | 0 | 0 |
| **Total Undersupplied Energy**[13] | **840** | **376** | **1,113** | **10,161** | **2,626** |

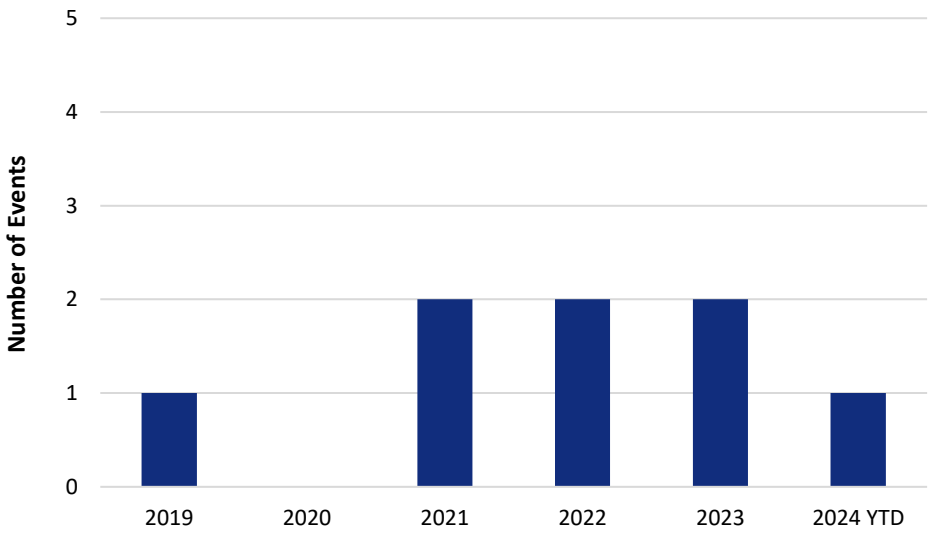


**Chart D-2: UFLS Events**

[12] As individual UFLS events can affect customer types differently, totals may not be the sum of the customer types.
[13] As individual UFLS events can affect customer types differently, totals may not be the sum of the customer types.

# Appendix E

## Financial Schedules

**Balance Sheet - Regulated Operations**
**as at March 31, 2024**
**($000)[1]**

| **Assets** | **March 2024** | **March 2023** |
|---|---|---|
| Current Assets | | |
| Cash and Cash Equivalents | 5,539 | 196,299 |
| Accounts Receivable | 100,998 | 111,712 |
| Current Portion of Sinking Funds | 6,360 | 9,966 |
| Inventory | 87,368 | 90,051 |
| Contract Receivable | 13,673 | - |
| Due from Related Parties | 410 | 1,216 |
| Prepaid Expenses | 11,599 | 11,672 |
| Related Party Note Receivable | - | 25,394 |
| Promissory Note - Non-Regulated | - | - |
| | **225,947** | **446,310** |
| Property, Plant and Equipment | 2,332,779 | 2,246,225 |
| Intangible Assets | 5,625 | 5,463 |
| Sinking Funds | 201,874 | 196,765 |
| Right-of-Use Assets | 2,423 | 2,452 |
| Regulatory Assets | 1,101,803 | 383,911 |
| Long-Term Receivable | 187 | 253 |
| **Total Assets** | **3,870,638** | **3,281,379** |
| **Liabilities and Shareholder's Equity** | | |
| Current Liabilities | | |
| Accounts Payable and Accrued Liabilities | 88,992 | 78,176 |
| Accrued Interest | 23,656 | 23,656 |
| Current Portion of Long-Term Debt | 6,650 | 6,650 |
| Deferred Credits | 5,477 | 2,839 |
| Current Portion of Deferred Contributions | 981 | 993 |
| Current Portion of Asset Retirement Obligations | 96 | 1,401 |
| Due to Related Parties | 7,400 | 22,117 |
| Short-Term Payable | - | - |
| Current Portion of Contract Payable | 277,743 | 216,169 |
| Promissory Notes | 299,999 | 140,000 |
| Promissory Note - Non-Regulated | 6,211 | 7,846 |
| | **717,205** | **499,847** |
| Deferred Contributions | 68,160 | 65,676 |
| Long-Term Payable | 824 | 3,050 |
| Long-Term Debt | 2,013,506 | 2,031,928 |
| Lease Liability | 2,599 | 2,611 |
| Regulatory Liabilities | 16,663 | 7,268 |
| Asset Retirement Obligations | 26,885 | 16,010 |
| Employee Future Benefits | 79,012 | 68,127 |
| Contract Payable | 338,333 | - |
| Contributed Capital | 100,000 | 100,000 |
| Retained Earnings | 494,057 | 462,597 |
| Accumulated Other Comprehensive Income | 13,394 | 24,265 |
| **Total Liabilities and Shareholder's Equity** | **3,870,638** | **3,281,379** |

[1] Small differences from balances in prior periods not specifically noted are immaterial and in most cases are the result of rounding differences.

**Statement of Income - Regulated Operations**
**for the Three Months Ended March 31, 2024**
**($000)[1]**

| Q1 | | | | YTD | | | Annual |
|---|---|---|---|---|---|---|---|
| **2024 Actual** | **2024 Budget** | **2023 Actual** | | **2024 Actual** | **2023 Budget** | **2023 Actual** | **2024 Budget** |
| | | | **Revenue** | | | | |
| 230,335 | 229,922 | 229,393 | Energy Sales | 230,335 | 229,922 | 229,393 | 642,134 |
| 2,559 | 1,450 | 8,275 | Other Revenue | 2,559 | 1,450 | 8,275 | 5,801 |
| **232,894** | **231,372** | **237,668** | | **232,894** | **231,372** | **237,668** | **647,935** |
| | | | **Expenses** | | | | |
| 36,459 | 35,575 | 36,467 | Operating Costs | 36,459 | 35,575 | 36,467 | 141,108 |
| 121,938 | 118,741 | 126,105 | Fuels | 121,938 | 118,741 | 126,105 | 232,560 |
| 17,658 | 19,466 | 18,597 | Power Purchased | 17,658 | 19,466 | 18,597 | 67,316 |
| 20,625 | 21,759 | 19,887 | Amortization | 20,625 | 21,759 | 19,887 | 89,917 |
| 618 | 539 | 531 | Other Expense | 618 | 539 | 531 | 2,157 |
| 21,444 | 22,153 | 21,404 | Interest | 21,444 | 22,153 | 21,404 | 85,280 |
| **218,742** | **218,233** | **222,991** | | **218,742** | **218,233** | **222,991** | **618,338** |
| **14,152** | **13,139** | **14,677** | **Net Income** | **14,152** | **13,139** | **14,677** | **29,597** |

[1] Small differences from balances in prior periods not specifically noted are immaterial and in most cases are the result of rounding differences.

**Statement of Comprehensive Income - Regulated Operations**
**for the Three Months Eended March 31, 2024**
**($000)[1]**

| Q1 | | | | YTD | | |
|---|---|---|---|---|---|---|
| **2024 Actual** | **2024 Budget** | **2023 Actual** | | **2024 Actual** | **2024 Budget** | **2023 Actual** |
| 14,152 | 13,139 | 14,677 | Net Income | 14,152 | 13,139 | 14,677 |
| | | | Other Comprehensive Loss | | | |
| (249) | - | (508) | Employee Future Benefit Actuarial Loss | (249) | - | (508) |
| **13,903** | **13,139** | **14,169** | **Total Comprehensive Income** | **13,903** | **13,139** | **14,169** |

[1] Small differences from balances in prior periods not specifically noted are immaterial and in most cases are the result of rounding differences.

**Statement of Cash Flows - Regulated Operations**
**for the Three Months Ended March 31, 2024**
**($000)[1]**

| | YTD | |
|---|---|---|
| | **2024** | **2023** |
| **Operating Activities** | | |
| Net Income | 14,152 | 14,677 |
| Adjusted for Items not Involving Cash Flow | | |
| Amortization of Property, Plant and Equipment | 20,625 | 19,887 |
| Accretion of Asset Retirement Obligation and Long-Term Debt | 609 | 522 |
| Amortization of Deferred Contributions | (505) | (548) |
| Employee Future Benefits | 560 | 546 |
| Loss on Disposal of Property, Plant and Equipment | - | - |
| Other | (3,808) | (3,974) |
| | **31,633** | **31,110** |
| Changes in Non-Cash Working Capital Balances | | |
| Accounts Receivable | 3,812 | (14,665) |
| Inventory | 13,338 | 8,941 |
| Long-Term Receivable | - | - |
| Prepaid Expenses | (6,921) | (5,965) |
| Regulatory Assets | (252,760) | 120,437 |
| Regulatory Liabilities | 48 | 49 |
| Accounts Payable and Accrued Liabilities | (20,460) | (30,294) |
| Contract Payable | 164,779 | 52,929 |
| Long-Term Payable | - | - |
| Accrued Interest | (1,706) | (1,706) |
| Contract Receivable | (1,123) | - |
| Due to/from Related Parties | 8,232 | 5,579 |
| | **(61,128)** | **166,415** |
| **Financing Activities** | | |
| Decrease in Long-Term Receivable | 8 | 4 |
| Decrease (Increase) in Deferred Credits | 1,821 | (172) |
| Increase in Deferred Capital Contribution | 3,113 | 2,510 |
| Increase in Promissory Notes | 62,720 | 19,558 |
| Issuance of Long-Term Debt | - | - |
| Long-Term Debt Retired | - | - |
| | **67,662** | **21,900** |
| **Investing Activities** | | |
| Additions to Property, Plant and Equipment | (24,295) | (19,489) |
| Removal Costs | (34) | (117) |
| Proceeds on Disposal | - | - |
| Additions to Intangible Assets | (1) | - |
| Increase in Sinking Funds | (2,400) | (2,400) |
| Decrease in Related Party Note Receivable | - | 4,271 |
| Changes in Non-Cash Working Capital Balances | (3,615) | 9,452 |
| | **(30,345)** | **(8,283)** |
| **Net (Decrease) Increase in Cash** | (23,811) | 180,032 |
| **Cash Position, Beginning of Period** | 29,350 | 16,267 |
| **Cash Position, End of Period** | **5,539** | **196,299** |

[1] Small differences from balances in prior periods not specifically noted are immaterial and in most cases are the result of rounding differences.

**Revenue Summary - Regulated Operations**
**for the Three Months Ended March 31, 2024**
**($000)[1]**

| Q1 | | | | YTD | | | Annual |
|---|---|---|---|---|---|---|---|
| 2024 Actual | 2024 Budget | 2023 Actual | | 2024 Actual | 2024 Budget | 2023 Actual | 2024 Budget |
| | | | **Industrial** | | | | |
| 8,249 | 11,175 | 7,277 | Industrial | 8,249 | 11,175 | 7,277 | 45,268 |
| 3,405 | 875 | 3,743 | Industrial Load[2] | 3,405 | 875 | 3,743 | (949) |
| 11,654 | 12,050 | 11,020 | **Total Industrial** | 11,654 | 12,050 | 11,020 | 44,319 |
| | | | **Utility** | | | | |
| 191,047 | 205,787 | 189,381 | Newfoundland Power Inc. | 191,047 | 205,787 | 189,381 | 513,994 |
| 1,380 | (14,455) | 2,163 | Utility Load[3] | 1,380 | (14,455) | 2,163 | - |
| 192,427 | 191,332 | 191,544 | **Total Utility** | 192,427 | 191,332 | 191,544 | 513,994 |
| 26,254 | 26,540 | 26,829 | **Rural** | 26,254 | 26,540 | 26,829 | 83,821 |
| - | - | - | **Export Energy** | - | - | - | - |
| | | | **Other Revenue** | | | | |
| 163 | 129 | 187 | Sundry | 163 | 129 | 187 | 517 |
| 411 | 409 | 399 | Pole Attachments | 411 | 409 | 399 | 1,636 |
| 499 | 522 | 548 | Amortization of CIAC[4] | 499 | 522 | 548 | 2,088 |
| 1,096 | - | 6,776 | Recovery of Supply Power[5] | 1,096 | - | 6,776 | - |
| 390 | 390 | 365 | Generation Demand Recovery | 390 | 390 | 365 | 1,560 |
| **2,559** | **1,450** | **8,275** | **Total Other Revenue** | **2,559** | **1,450** | **8,275** | **5,801** |
| **232,894** | **231,372** | **237,668** | **Total Revenue** | **232,894** | **231,372** | **237,668** | **647,935** |

[1] Small differences from balances in prior periods not specifically noted are immaterial and in most cases are the result of rounding differences.

[2] Industrial load represents the revenue load variance recognized through the Supply Cost Variance Deferral Account ("SCVDA").

[3] Utility load represents the revenue load variance recognized through the SCVDA.

[4] Contribution in aid of Construction ("CIAC").

[5] Recovery of Supply Power includes sales of emergency energy to Nova Scotia Power and recovery of costs incurred by Newfoundland and Labrador Hydro as a result of advanced delivery of the Nova Scotia Block to Emera.

**Supplementary Schedule - Regulated Operations**
**for the Three Months Ended March 31, 2024**
**($000)[1]**

| Q1 | | | | YTD | | | Annual |
|---|---|---|---|---|---|---|---|
| 2024 Actual | 2024 Budget | 2023 Actual | | 2024 Actual | 2024 Budget | 2023 Actual | 2024 Budget |
| | | | **Interest** | | | | |
| | | | **Interest Income** | | | | |
| 3,702 | 3,678 | 3,480 | Interest on Sinking Fund | 3,702 | 3,678 | 3,480 | 14,875 |
| 974 | 148 | 989 | Other Interest Income | 974 | 148 | 989 | 594 |
| **4,676** | **3,826** | **4,469** | **Total Interest Income** | **4,676** | **3,826** | **4,469** | **15,469** |
| | | | **Interest Expense** | | | | |
| 24,431 | 24,431 | 24,431 | Interest on Long-Term Debt | 24,431 | 24,431 | 24,431 | 97,725 |
| 3,971 | 2,834 | 1,684 | Interest on Short-Term Debt | 3,971 | 2,834 | 1,684 | 7,426 |
| 2,235 | 2,231 | 2,199 | Debt Guarantee Fee | 2,235 | 2,231 | 2,199 | 8,926 |
| 608 | 810 | 522 | Accretion | 608 | 810 | 522 | 3,283 |
| (581) | (574) | (691) | RSP[2] Interest | (581) | (574) | (691) | (2,137) |
| (4,165) | (3,445) | (2,036) | SCVDA Interest | (4,165) | (3,445) | (2,036) | (11,467) |
| 171 | 11 | 13 | Other | 171 | 11 | 13 | 44 |
| **26,670** | **26,298** | **26,122** | **Total Interest Expense** | **26,670** | **26,298** | **26,122** | **103,800** |
| (550) | (319) | (249) | Interest Capitalized during Construction | (550) | (319) | (249) | (3,051) |
| 26,120 | 25,979 | 25,873 | | 26,120 | 25,979 | 25,873 | 100,749 |
| **21,444** | **22,153** | **21,404** | **Net Interest Expense** | **21,444** | **22,153** | **21,404** | **85,280** |

[1] Small differences from balances in prior periods not specifically noted are immaterial and in most cases are the result of rounding differences.

[2] Rate Stabilization Plan ("RSP").

## Balance Sheet - Non-Regulated Activities
## as at March 31, 2024
## ($000)[1]

| **Assets** | **March 2024** | **March 2023** |
|---|---|---|
| Current Assets | | |
| Accounts Receivable | 7,332 | 6,331 |
| Prepaid Expenses | 336 | 321 |
| Deferred Assets | 51,098 | 64,267 |
| Promissory Note Receivable | 6,211 | 7,846 |
| Due from Related Party | 3,424 | 3,468 |
| | **68,401** | **82,233** |
| Investment in CF(L)Co[2] | 750,928 | 720,608 |
| **Total Assets** | **819,329** | **802,841** |
| **Liabilities and Shareholder's Equity** | | |
| Current Liabilities | | |
| Accounts Payable and Accrued Liabilities | 8,086 | 4,408 |
| Due to Related Party | 19,708 | 20,370 |
| Promissory Note | - | - |
| Derivative Liabilities | 54,869 | 58,197 |
| | **82,663** | **82,975** |
| Employee Future Benefits | 4,022 | 3,240 |
| Share Capital | 22,504 | 22,504 |
| Lower Churchill Development Corporation | 15,400 | 15,400 |
| Retained Earnings | 689,900 | 671,723 |
| Accumulated Other Comprehensive Income | 4,840 | 6,999 |
| **Total Liabilities and Shareholder's Equity** | **819,329** | **802,841** |

[1] Small differences from balances in prior periods not specifically noted are immaterial and in most cases are the result of rounding differences.

[2] Churchill Falls (Labrador) Corporation ("CF(L)Co").

**Statement of Income - Non-Regulated Activities**
**for the Three Months Ended March 31, 2024**
**($000)[1]**

| Q1 | | | | YTD | | | Annual |
|---|---|---|---|---|---|---|---|
| 2024 Actual | 2024 Budget | 2023 Actual | | 2024 Actual | 2024 Budget | 2023 Actual | 2024 Budget |
| | | | **Revenue** | | | | |
| 18,646 | 17,369 | 16,949 | Energy Sales | 18,646 | 17,369 | 16,949 | 59,203 |
| 4,714 | 5,267 | 4,715 | Other Revenue | 4,714 | 5,267 | 4,715 | 21,069 |
| **23,360** | **22,636** | **21,664** | | **23,360** | **22,636** | **21,664** | **80,272** |
| | | | **Expenses** | | | | |
| 224 | 273 | 526 | Operating Costs | 224 | 273 | 526 | 1,106 |
| - | - | - | Fuels | - | - | - | - |
| 4,714 | 5,267 | 4,716 | Transmission Rental | 4,714 | 5,267 | 4,716 | 21,068 |
| 24,510 | 13,102 | 13,528 | Power Purchased | 24,510 | 13,102 | 13,528 | 51,516 |
| - | - | - | Interest | - | - | - | - |
| 3,770 | - | (6,071) | Other Expense[2] | 3,770 | - | (6,071) | - |
| **33,218** | **18,642** | **12,699** | | **33,218** | **18,642** | **12,699** | **73,690** |
| **(9,858)** | **3,994** | **8,965** | Net Operating Income | **(9,858)** | **3,994** | **8,965** | **6,582** |
| | | | **Other Revenue** | | | | |
| 19,555 | 18,308 | 17,630 | Equity in CF(L)Co | 19,555 | 18,308 | 17,630 | 41,283 |
| 1,543 | 1,901 | 2,685 | Preferred Dividends | 1,543 | 1,901 | 2,685 | 6,106 |
| **21,098** | **20,209** | **20,315** | | **21,098** | **20,209** | **20,315** | **47,389** |
| **11,240** | **24,203** | **29,280** | **Net Income** | **11,240** | **24,203** | **29,280** | **53,971** |

[1] Small differences from balances in prior periods not specifically noted are immaterial and in most cases are the result of rounding differences.

[2] The balance in Other Expense is related to the fair value valuation of the Energy Marketing - Hydro Power Purchase agreement derivative liability and associated gains and losses as a result of changes in forecasted energy prices.

## Statement of Retained Earnings - Non-Regulated Activties
## for the Three MonthsEended March 31, 2024
## ($000)[1]

| Q1 | | | YTD | |
|---|---|---|---|---|
| **2024 Actual** | **2023 Actual** | | **2024 Actual** | **2023 Actual** |
| 678,660 | 645,843 | Balance, Beginning of Period | 678,660 | 645,843 |
| 11,240 | 29,280 | Net Income | 11,240 | 29,280 |
| 0 | (3,400) | Dividends | - | (3,400) |
| **689,900** | **671,723** | Balance, End of Period | **689,900** | **671,723** |

[1] Small differences from balances in prior periods not specifically noted are immaterial and in most cases are the result of rounding differences.

**Statement of Comprehensive Income - Non-Regulated Activities**
**for the Three Months Ended March 31, 2024**
**($000)[1]**

| Q1 | | | | YTD | | | Annual |
|---|---|---|---|---|---|---|---|
| **2024 Actual** | **2024 Budget** | **2023 Actual** | | **2024 Actual** | **2024 Budget** | **2023 Actual** | **2024 Budget** |
| 11,240 | 24,203 | 29,280 | Net Income | 11,240 | 24,203 | 29,280 | 53,971 |
| | | | Other Comprehensive Gain | | | | |
| - | - | - | Actuarial gain on employee benefits liability | - | - | - | - |
| (254) | - | 505 | Share of CF(L)Co other Comprehensive Loss and Other | (254) | - | 505 | - |
| **10,986** | **24,203** | **29,785** | **Total Comprehensive Income** | **10,986** | **24,203** | **29,785** | **53,971** |

[1] Small differences from balances in prior periods not specifically noted are immaterial and in most cases are the result of rounding differences.

## Statement of Cash Flows - Non-Regulated Activities
## for the Three Months Ended March 31, 2024
## ($000)[1]

| | YTD | |
|---|---|---|
| | **2024** | **2023** |
| Operating Activities | | |
| Net Income | 11,240 | 29,280 |
| Adjusted for Items not Involving Cash Flow | | |
| Employee Future Benefits | 103 | 89 |
| Equity in CF(L)Co | (19,555) | (17,630) |
| Net Changes in PPA[2] Fair Value | 3,771 | (6,069) |
| Other | 1 | - |
| | **(4,440)** | **5,670** |
| **Changes in Non-Cash Working Capital Balances** | | |
| Accounts Receivable | (546) | 1,835 |
| Accounts Payable and Accrued Liabilities | 4,602 | 557 |
| Due to/from Related Parties | (7,363) | 4,898 |
| Prepaid Expenses | 336 | 318 |
| | **(7,411)** | **13,278** |
| **Financing Activities** | | |
| Decrease (increase) in Promissory Notes | 7,279 | (10,557) |
| Dividends | - | (3,400) |
| | **7,279** | **(13,957)** |
| **Investing Activities** | | |
| | - | - |
| Changes in Non-Cash Working Capital Balances | 132 | 679 |
| | **132** | **679** |
| **Net Change in Cash** | - | - |
| **Cash Position, Beginning of Period** | - | - |
| **Cash Position, End of Period** | - | - |

[1] Small differences from balances in prior periods not specifically noted are immaterial and in most cases are the

[2] Power Purchase Agreement between Newfoundland and Labrador Hydro and Nalcor Energy Marketing ("PPA").

# Attachment 1

## Rate Stabilization Plan Report

Quarter Ended March 31, 2024

**Newfoundland and Labrador Hydro**
**Rate Stabilization Plan Report**
**March 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. 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).

The Isolated System Supply Costs Deferral Account was approved for recovery from the Utility Current Plan balance as of March 31 in Board Order No. P.U. 10(2024). The recovery of the Isolated System Supply Costs is reflected in the March 31, 2024 Report and in the Quarterly Financial Statements for the same period.

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**
**March 31, 2024**

| | A | B1 | B2 | B3 | B | C | D | E | F | G | H |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | Cost of Service Net Hydraulic Production (kWh) | Actual Net Hydraulic Production (kWh) | Net Ponded 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) (to page 5) |
| Opening Balance | | | | | | | | | | | 14,888,361 |
| Adjustment | | | | | | | | | | | - |
| **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 | | | | | | | | | | | |
| May | | | | | | | | | | | |
| June | | | | | | | | | | | |
| July | | | | | | | | | | | |
| August | | | | | | | | | | | |
| September | | | | | | | | | | | |
| October | | | | | | | | | | | |
| November | | | | | | | | | | | |
| December | | | | | | | | | | | |
| **YTD** | **-** | **-** | **-** | **-** | **-** | **-** | | **-** | **198,119** | **-** | **15,086,480** |

[1] O is the Holyrood Operating Efficiency of 583 kWh/barrel, as per Board Order No. P.U. 16(2019).

**Rate Stabilization Plan**
**Summary of Utility Customer**
**March 31, 2024**

| | A | B | C | D | E | F | G | H |
|---|---|---|---|---|---|---|---|---|
| | **Load Variation ($)** | **Allocation Fuel Variance ($)** | **Allocation Rural Rate Alteration ($)** | **Subtotal Monthly Variances ($)** | **Financing Charges ($)** | **Adjustment[1] ($)** | **Transfers[2] ($)** | **Cumulative Net Balance ($)** |
| | | | | **(A + B + C)** | | | | |
| | | | | | | | | **(to page 5)** |
| Opening Balance | | | | | | | | 30,571,452 |
| Adjustment | | | | | | | | - |
| **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 | | | | | | | | |
| May | | | | | | | | |
| June | | | | | | | | |
| July | | | | | | | | |
| August | | | | | | | | |
| September | | | | | | | | |
| October | | | | | | | | |
| November | | | | | | | | |
| December | | | | | | | | |
| **YTD** | - | - | - | - | 359,993 | (9,931,419) | 11,589,118 | 2,017,692 |
| Hydraulic Allocation **(from page 2)** | - | - | - | - | - | - | - | - |
| **Total** | **-** | **-** | **-** | **-** | **359,993** | **(9,931,419)** | **11,589,118** | **32,589,144** |

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

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

| | A | B | C | D | E | F | G |
|---|---|---|---|---|---|---|---|
| | Load Variation ($) | Allocation Fuel Variance ($) | Subtotal Monthly Variances ($) (A + B) | Financing Charges ($) | Adjustment[1] ($) | Transfers ($) | Cumulative Net Balance ($) (to page 5) |
| Opening Balance | | | | | | | 1,913,223 |
| Adjustment | | | | | | | - |
| **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 | | | | | | | |
| May | | | | | | | |
| June | | | | | | | |
| July | | | | | | | |
| August | | | | | | | |
| September | | | | | | | |
| October | | | | | | | |
| November | | | | | | | |
| December | | | | | | | |
| **YTD** | - | - | - | 22,714 | (633,153) | - | (610,439) |
| Hydraulic Allocation **(from page 2)** | - | - | - | - | - | - | - |
| **Total** | **-** | **-** | **-** | **22,714** | **(633,153)** | **-** | **1,302,784** |

[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**
**March 31, 2024**

| | A | B | C | D |
|---|---|---|---|---|
| | **Hydraulic Balance ($)** | **Utility Balance ($)** | **Industrial Balance ($)** | **Total To Date ($)** |
| | | | | **(A + B + C )** |
| | **(from page 2)** | **(from page 3)** | **(from page 4)** | |
| 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 | | | | |
| May | | | | |
| June | | | | |
| July | | | | |
| August | | | | |
| September | | | | |
| October | | | | |
| November | | | | |
| December | | | | |

# Attachment 2

## Supply Cost Variance Deferral Account Report

Quarter Ended March 31, 2024

**Newfoundland and Labrador Hydro**
**Supply Cost Variance Deferral Account**
**March 31, 2024**

**Summary of Key Facts**

In Board Order No. P.U. 33(2021), the Board of Commissioners of Public Utilities ("Board") approved Hydro's proposal to establish an account to defer payments under the Muskrat Falls Project agreements, rate mitigation funding, project cost recovery from customers, and supply cost variances.

In Board Order No. P.U. 4(2022), the Board approved the Supply Cost Deferral Account definition with an effective date of November 1, 2021.

The Cost Variance Threshold of +/- $500,000 on the Other Island Interconnected System Supply Cost Variance component commenced January 1, 2022. This avoided duplication of the Cost Variance Threshold already applied to the Revised Energy Supply Cost Variance Deferral Account as of October 31, 2021.

Financing charges accrued at the 2023 short-term cost of borrowing of 5.72% for the period of January to November 2024. In December, financing costs will be trued up to reflect the actual short-term cost of borrowing for 2024.

**Supply Cost Variance Deferral Account**
**Summary**
**March 31, 2024**

| | Supply Cost Variance Deferral Account Balance ($) (from page 3) | Utility Balance ($) (from page 4) | Industrial Balance ($) (from page 5) | Total to Date ($) |
|---|---|---|---|---|
| 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 | 342,046,431 | (14,578,410) | - | **327,468,021** |
| March | 398,032,521 | (15,412,310) | - | **382,620,211** |
| April | | | | |
| May | | | | |
| June | | | | |
| July | | | | |
| August | | | | |
| September | | | | |
| October | | | | |
| November | | | | |
| December | | | | |

**Supply Cost Variance Deferral Account**
**Section A: Summary**
**March 31, 2024**

| | Muskrat Falls Project Cost Variance ($) | Rate Mitigation Fund ($) | Project Cost Recovery Rider | | Holyrood TGS[3] Fuel Cost Variance[4] ($) | Other IIS[5] Supply Cost Variance[4] ($) | Net Revenue From Exports Variance ($) | Transmission Tariff Revenue Variance ($) | Load Variation | | Greenhouse Gas Credit Revenue Variance ($) | Subtotal Monthly Variances ($) | Financing Charges | | | Transfers ($) | Cumulative Net Balance ($) |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | Utility[1] ($) | Industrial[2] ($) | | | | | Utility ($) | Industrial ($) | | | Utility ($) | Industrial ($) | Other ($) | | |
| | (from page 6) | (from page 15) | | | (from page 7) | (from page 8) | (from page 9) | (from page 10) | (from page 11) | (from page 12) | (from page 14) | | | | | | (to page 2) |
| 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 |
| Adjustment | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| **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) | (21,078,220) | (3,580,930) | (407,397) | (1,498,023) | (410,190) | 925,931 | (29,082) | 28,491,964 | (332,708) | (1,407) | 1,784,179 | - | 342,046,431 |
| March[6] | 61,108,742 | - | (4,865,806) | (321,551) | 863,538 | (7,862,356) | (558,056) | (1,498,023) | 6,584,788 | 1,199,512 | (253,875) | 54,396,913 | (356,836) | (2,941) | 1,948,954 | - | 398,032,521 |
| April | | | | | | | | | | | | | | | | - | |
| May | | | | | | | | | | | | | | | | - | |
| June | | | | | | | | | | | | | | | | - | |
| July | | | | | | | | | | | | | | | | - | |
| August | | | | | | | | | | | | | | | | - | |
| September | | | | | | | | | | | | | | | | - | |
| October | | | | | | | | | | | | | | | | - | |
| November | | | | | | | | | | | | | | | | - | |
| December[11] | | | | | | | | | | | | | | | | - | |
| **YTD** | **181,717,991** | **-** | **(15,978,372)** | **(954,567)** | **(42,225,841)** | **(11,179,174)** | **(1,411,847)** | **(4,494,069)** | **1,380,142** | **3,405,297** | **(300,516)** | **109,959,044** | **(994,750)** | **(4,348)** | **5,356,508** | **-** | **114,316,454** |
| **Total** | **1,036,755,008** | **(335,104,321)** | **(81,669,319)** | **(954,567)** | **(156,418,909)** | **(59,747,329)** | **(49,982,763)** | **(31,275,165)** | **54,476,291** | **39,820,993** | **(35,794,962)** | **380,104,957** | **(3,469,674)** | **(4,348)** | **21,401,586** | **-** | **398,032,521** |

[1] As per Board Order No. P.U. 19(2022), the 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 Board Order No. P.U. 4(2024), the 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 Energy ("Nalcor") commenced delivery of the Nova Scotia Block that, combined with limited Labrador-Island Link ("LIL") 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 2024, the actual settlement value for net export sales for 2023 was finalized. The 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**
**March 31, 2024**

| | Allocation Rural Rate Alteration[1] ($) | Financing Charges ($) | Transfers ($) | Cumulative Net Balance ($) |
|---|---|---|---|---|
| | (from page 13) | | | (to page 2) |
| 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 | | | | |
| May | | | | |
| June | | | | |
| July | | | | |
| August | | | | |
| September | | | | |
| October | | | | |
| November | | | | |
| December | | | | |
| **YTD** | **(2,779,148)** | **(188,854)** | **-** | **(2,968,002)** |
| **Total** | **(14,567,301)** | **(845,009)** | **-** | **(15,412,310)** |

[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).

Monthly balances reflect immaterial adjustments.

The only transactions posted to the Utility's Customer Balance are Newfoundland Power Inc.'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 Balance[1]**
**March 31, 2024**

| | Financing Charges ($) | Transfers ($) | Cumulative Net Balance ($) (to page 2) |
|---|---|---|---|
| Opening Balance | - | - | - |
| January | - | - | - |
| February | - | - | - |
| March | - | - | - |
| April | | - | |
| May | | - | |
| June | | - | |
| July | | - | |
| August | | - | |
| September | | - | |
| October | | | |
| November | | | |
| December | | | |
| **YTD** | - | - | - |
| **Total** | - | - | - |

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

**Supply Cost Deferral Account**
**Muskrat Falls Project Cost Variances**
**March 31, 2024**

| | Muskrat Falls PPA Charges Actual ($) (A) | Muskrat Falls PPA Charges Test Year ($) ($A_T$) | TFA[1] Charges Actual ($) (B) | TFA Charges Test Year ($) ($B_T$) | Total Variation ($) $(A - A_T) + (B - B_T)$ (to page 3) |
|---|---|---|---|---|---|
| January | 22,030,358 | - | 38,485,726 | - | **60,516,084** |
| February | 21,820,676 | - | 38,272,488 | - | **60,093,165** |
| March | 23,933,510 | - | 37,175,232 | - | **61,108,742** |
| April | | | | | |
| May | | | | | |
| June | | | | | |
| July | | | | | |
| August | | | | | |
| September | | | | | |
| October | | | | | |
| November | | | | | |
| December | | | | | |
| **Total** | **67,784,544** | **-** | **113,933,446** | **-** | **181,717,991** |

[1] Transmission Funding Agreement ("TFA").

**Supply Cost Deferral Account**
**Holyrood TGS Fuel Cost Variance**
**March 31, 2024**

| | Actual Quantity No. 6 Fuel (bbl.) | Actual Quantity No. 6 Fuel for Non-Firm Sales[1] (bbl.) | Net Quantity No. 6 Fuel (bbl.) | Actual Average No. 6 Fuel Cost ($Can./bbl) | Actual ($) C | Test Year Quantity No. 6 Fuel (bbl.) | Test Year No. 6 Fuel Cost ($Can./bbl) | Test Year ($) $C_T$ | Total Variation ($) $(C - C_T)$ (to page 3) |
|---|---|---|---|---|---|---|---|---|---|
| January | 190,758 | 139 | 190,619 | 118.63 | 22,586,720 | 421,132 | 105.90 | 44,597,879 | **(22,011,159)** |
| February | 149,552 | 4,252 | 145,299 | 119.56 | 17,372,693 | 363,087 | 105.90 | 38,450,913 | **(21,078,220)** |
| March | 167,165 | 1,463 | 165,702 | 119.39 | 19,783,844 | 178,662 | 105.90 | 18,920,306 | **863,538** |
| April | | | | | | | | | |
| May | | | | | | | | | |
| June | | | | | | | | | |
| July | | | | | | | | | |
| August | | | | | | | | | |
| September | | | | | | | | | |
| October | | | | | | | | | |
| November | | | | | | | | | |
| December | | | | | | | | | |
| **Total** | **507,475** | **5,854** | **501,621** | **119.10** | **59,743,257** | **962,881** | **105.90** | **101,969,098** | **(42,225,841)** |

[1] Includes non-firm sales to Island Industrial Customers, supply of emergency energy to Nova Scotia and the reimbursement of fuel costs by Nalcor under the Indemnity Agreement.

**Supply Cost Deferral Account**
**Other IIS Supply Cost Variance Summary**
**March 31, 2024**

| | Thermal Variation[1] ($) | Off-Island Power Purchase Variation[1] ($) | On-Island Power Purchase Variation[1] ($) | CBPP[2] Firm Energy Variation[1] ($) | Current Month Variation ($) | Year-to-Date Variation ($) | Cost Variance Threshold[3] ($) | Other IIS Supply Cost Variance ($) |
|---|---|---|---|---|---|---|---|---|
| | (D) | (E) | (F) | (G) | (D + E + F + G) | | | |
| January | 621,604 | (477,034) | 619,542 | - | 764,112 | 764,112 | 500,000 | 264,112 |
| February | (854,054) | (2,610,139) | (1,116,737) | - | (4,580,930) | (3,816,818) | (500,000) | (3,316,818) |
| March | (710,355) | (5,919,829) | (1,232,172) | - | (7,862,356) | (11,679,174) | (500,000) | (11,179,174) |
| April | | | | | | | | |
| May | | | | | | | | |
| June | | | | | | | | |
| July | | | | | | | | |
| August | | | | | | | | |
| September | | | | | | | | |
| October | | | | | | | | |
| November | | | | | | | | |
| December | | | | | | | | |
| **Total** | **(942,805)** | **(9,007,002)** | **(1,729,367)** | **-** | **(11,679,174)** | | | |

[1] The calculation of the variation by source is provided in Appendix A.

[2] Corner Brook Pulp and Paper Limited ("CBPP").

[3] In the Supply Cost Accounting Compliance Application filed on January 21, 2022, it was proposed the cost variance threshold would commence on January 1, 2022, and the cost variance of +/- $500,000 would apply to the Revised Energy Supply Cost Variance Deferral Account balance as of October 31, 2021.

**Supply Cost Deferral Account**
**Net Revenue from Exports Variance**
**March 31, 2024**

| | Test Year ($) ($H_T$) | Net Revenue from Exports Excluding Non-Firm Sales Revenue | Non-Firm Sales Revenue[1] | Actual[2] ($) (H) | Total Variation ($) ($H_T$ - H) (to page 3) |
|---|---|---|---|---|---|
| January | - | 446,394 | - | 446,394 | **(446,394)** |
| February | - | 407,397 | - | 407,397 | **(407,397)** |
| March | - | 448,461 | 109,595 | 558,056 | **(558,056)** |
| April | | | | | |
| May | | | | | |
| June | | | | | |
| July | | | | | |
| August | | | | | |
| September | | | | | |
| October | | | | | |
| November | | | | | |
| December | | | | | |
| **Total** | **-** | **1,302,252** | **109,595** | **1,411,847** | **(1,411,847)** |

[1] Hydro's application to implement a non-firm rate for the Labrador Interconnected System and for Island Industrial customers to be calculated based on export market prices was approved in Board Order No. P.U. 34(2023). The Board Order also approved a revision to the Supply Cost Variance Deferral Account so that revenues from non-firm sales on the Island Interconnected System, supplied by hydraulic generation and revenues from Rate No. 5.1L – Non-Firm Energy, will be credited to the Net Revenue from Exports Variance component.

[2] Muskrat Falls and Hydro entered into a Purchase Power Agreement ("Agreement") for the purchase and sale of residual block energy. Under this Agreement, Labrador Rural and Industrial customer load, previously serviced with Recapture Energy from Churchill Falls, is now serviced with energy from the Muskrat Falls Hydroelectric Generating Facility. Entering into this Agreement has allowed additional Recapture Energy exports to external markets helping to ensure maximum value from the organization's hydrological resources.

In March 2024, the actual settlement value for net export sales for 2023 was finalized. The settlement did not change the revenue that was accrued in December 2023, therefore no true-up was required.

**Supply Cost Deferral Account**
**Tariff Revenue**
**March 31, 2024**

| | Test Year ($) ($I_T$) | Actual[1] ($) (I) | Total Variation ($) ($I_T$ - I) (to page 3) |
|---|---|---|---|
| January | - | 1,498,023 | **(1,498,023)** |
| February | - | 1,498,023 | **(1,498,023)** |
| March | - | 1,498,023 | **(1,498,023)** |
| April | | | |
| May | | | |
| June | | | |
| July | | | |
| August | | | |
| September | | | |
| October | | | |
| November | | | |
| December | | | |
| **Total** | **-** | **4,494,069** | **(4,494,069)** |

**Supply Cost Deferral Account**
**Load Variation - Utility**
**March 31, 2024**

| | Test Year Cost of Service Firm Sales (kWh) ($J_T$) | Actual Firm Sales (kWh) ($J_A$) | Sales Variance (kWh) ($J_T - J_A$) | Firm Energy Rate ($/kWh) ($K_R$) | Load Variation ($) ($J_T - J_A$) x $K_R$ (to page 3) |
|---|---|---|---|---|---|
| January | 715,400,000 | 741,793,925 | (26,393,925) | 0.18165 | (4,794,456) |
| February | 648,500,000 | 650,758,136 | (2,258,136) | 0.18165 | (410,190) |
| March | 646,000,000 | 609,750,133 | 36,249,867 | 0.18165 | 6,584,788 |
| April | | | | | |
| May | | | | | |
| June | | | | | |
| July | | | | | |
| August | | | | | |
| September | | | | | |
| October | | | | | |
| November | | | | | |
| December | | | | | |
| **Total** | **2,009,900,000** | **2,002,302,194** | **7,597,806** | | **1,380,142** |

**Supply Cost Deferral Account**
**Load Variation - Industrial**
**March 31, 2024**

| | Test Year Cost of Service Firm Sales (kWh) ($J_T$) | Actual Firm Sales (kWh) ($J_A$) | Sales Variance (kWh) ($J_T - J_A$) | Firm Energy Rate ($/kWh) ($K_R$) | Load Variation ($) ($J_T - J_A$) x $K_R$ (to page 3) |
|---|---|---|---|---|---|
| January | 63,000,000 | 34,096,350 | 28,903,650 | 0.04428 | 1,279,854 |
| February | 58,100,000 | 37,189,193 | 20,910,807 | 0.04428 | 925,931 |
| March | 63,300,000 | 36,210,744 | 27,089,256 | 0.04428 | 1,199,512 |
| April | | | | | |
| May | | | | | |
| June | | | | | |
| July | | | | | |
| August | | | | | |
| September | | | | | |
| October | | | | | |
| November | | | | | |
| December | | | | | |
| **Total** | **184,400,000** | **107,496,287** | **76,903,713** | | **3,405,297** |

**Supply Cost Deferral Account**
**Rural Rate Alteration**
**March 31, 2024**

| | Price ($) | Volume ($) | Total[1] ($) | Utility Allocation[1] ($) (to page 4) | Labrador Interconnected Allocation[1] ($) | Balance ($) |
|---|---|---|---|---|---|---|
| January | (976,546) | (192,163) | (1,168,709) | (1,123,129) | (45,580) | - |
| February | (881,999) | (43,966) | (925,965) | (889,852) | (36,113) | - |
| March | (891,205) | 93,945 | (797,260) | (766,167) | (31,093) | - |
| April | | | | | | |
| May | | | | | | |
| June | | | | | | |
| July | | | | | | |
| August | | | | | | |
| September | | | | | | |
| October | | | | | | |
| November | | | | | | |
| December | | | | | | |
| **Total** | **(2,749,750)** | **(142,184)** | **(2,891,934)** | **(2,779,148)** | **(112,786)** | **-** |

[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).

**Supply Cost Deferral Account**
**Greenhouse Gas Credits**
**March 31, 2024**

| | Test Year ($) ($T_T$) | Actual ($) (T) | Total Variation ($) ($T_T$ - T) (to page 3) |
|---|---|---|---|
| January | - | 17,559 | **(17,559)** |
| February | - | 29,082 | **(29,082)** |
| March | - | 253,875 | **(253,875)** |
| April | | | |
| May | | | |
| June | | | |
| July | | | |
| August | | | |
| September | | | |
| October | | | |
| November | | | |
| December | | | |
| **Total** | **-** | **300,516** | **(300,516)** |

**Supply Cost Deferral Account**
**Rate Mitigation**
**March 31, 2024**

| | Test Year ($) | Actual ($) | Total Variation ($) (to page 3) |
|---|---|---|---|
| January | - | - | - |
| February | - | - | - |
| March | - | - | - |
| April | | | |
| May | | | |
| June | | | |
| July | | | |
| August | | | |
| September | | | |
| October | | | |
| November | | | |
| December | | | |
| | - | - | - |

## 2024 Short-Term Interest Calculation[1]

| | ($000's) |
|---|---|
| Promissory Note Interest | 5,429 |
| Operating Line Interest | - |
| Standby and Upfront Fee | 699 |
| Brokerage Fee | 112 |
| Debt Guarantee Fee – Recoverable Portion Only | 164 |
| **Total Short-Term Borrowing Costs** | **6,404** |
| **Weighted Average Short-Term Debt Balance[2]** | **111,934** |
| **Short-Term Cost of Borrowing 2023** | **5.72%** |

[1] Financing charges accrued at the 2024 short-term cost of borrowing of 4.32% for the period of January to November 2024. In December, financing costs was trued up to reflect the actual short-term cost of borrowing for 2024.

[2] The weighted average of the short-term debt balance is calculated using the 365-day average of the credit facility debt and the promissory note debt balances.

# Appendix A

## Other Island Interconnected System

### Supply Cost Variance Summary

**Other Island Interconnected System Supply Cost Variance**
**Thermal Generation Cost Variance**
**March 31, 2024**

| Holyrood Combustion Turbine | Actual Cost ($) (A) | Fuel for Non-Firm Sales ($)[1,2] (B) | Net Cost ($) (C = A - B) | Test Year Cost ($) (D) | Thermal Variation ($) (C - D) |
|---|---|---|---|---|---|
| January | 1,974,198 | - | 1,974,198 | 1,258,888 | **715,310** |
| February | 397,140 | 366,432 | 30,708 | 767,288 | **(736,580)** |
| March | 99,093 | - | 99,093 | 661,531 | **(562,438)** |
| April | | | | | |
| May | | | | | |
| June | | | | | |
| July | | | | | |
| August | | | | | |
| September | | | | | |
| October | | | | | |
| November | | | | | |
| December | | | | | |
| **Subtotal** | **2,470,431** | **366,432** | **2,103,999** | **2,687,707** | **(583,708)** |

**Other Island Interconnected System Supply Cost Variance**
**Thermal Generation Cost Variance**
**March 31, 2024**

| **Hardwoods Gas Turbine** | **Actual Cost ($)** | **Fuel for Non-Firm Sales ($)** | **Net Cost ($)** | **Test Year Cost ($)** | **Thermal Variation ($)** |
|---|---|---|---|---|---|
| | **(A)** | **(B)** | **(C = A - B)** | **(D)** | **(C - D)** |
| January | 102,671 | - | 102,671 | 122,478 | **(19,807)** |
| February | 55,800 | - | 55,800 | 123,884 | **(68,084)** |
| March | 156 | - | 156 | 117,271 | **(117,115)** |
| April | | | | | |
| May | | | | | |
| June | | | | | |
| July | | | | | |
| August | | | | | |
| September | | | | | |
| October | | | | | |
| November | | | | | |
| December | | | | | |
| **Subtotal** | **158,627** | **-** | **158,627** | **363,633** | **(205,006)** |

**Other Island Interconnected System Supply Cost Variance**
**Thermal Generation Cost Variance**
**March 31, 2024**

| Stephenville Gas Turbine | Actual Cost ($) (A) | Fuel for Non-Firm Sales ($) (B) | Net Cost ($) (C = A - B) | Test Year Cost ($) (D) | Thermal Variation ($) (C - D) |
|---|---|---|---|---|---|
| January | (773) | - | (773) | 68,116 | **(68,889)** |
| February | 1,576 | - | 1,576 | 46,923 | **(45,347)** |
| March | 74 | - | 74 | 40,867 | **(40,793)** |
| April | | | | | |
| May | | | | | |
| June | | | | | |
| July | | | | | |
| August | | | | | |
| September | | | | | |
| October | | | | | |
| November | | | | | |
| December | | | | | |
| **Subtotal** | **877** | **-** | **877** | **155,906** | **(155,029)** |

**Other Island Interconnected System Supply Cost Variance**
**Thermal Generation Cost Variance**
**March 31, 2024**

| St. Anthony Diesel Generating Station | Actual Cost ($) (A) | Fuel for Non-Firm Sales ($) (B) | Net Cost ($) (C = A - B) | Test Year Cost ($) (D) | Thermal Variation ($) (C - D) |
|---|---|---|---|---|---|
| January | (1,180) | - | (1,180) | 3,147 | **(4,327)** |
| February | 563 | - | 563 | 3,089 | **(2,526)** |
| March | 15,098 | - | 15,098 | 3,299 | **11,799** |
| April | | | | | |
| May | | | | | |
| June | | | | | |
| July | | | | | |
| August | | | | | |
| September | | | | | |
| October | | | | | |
| November | | | | | |
| December | | | | | |
| **Subtotal** | **14,482** | **-** | **14,482** | **9,535** | **4,946** |

**Other Island Interconnected System Supply Cost Variance**
**Thermal Generation Cost Variance**
**March 31, 2024**

| Hawkes Bay Diesel Generating Station | Actual Cost ($) (A) | Fuel for Non-Firm Sales ($) (B) | Net Cost ($) (C = A - B) | Test Year Cost ($) (D) | Thermal Variation ($) (C - D) |
|---|---|---|---|---|---|
| January | 892 | - | 892 | 1,575 | **(683)** |
| February | 30 | - | 30 | 1,547 | **(1,517)** |
| March | (156) | - | (156) | 1,652 | **(1,808)** |
| April | | | | | |
| May | | | | | |
| June | | | | | |
| July | | | | | |
| August | | | | | |
| September | | | | | |
| October | | | | | |
| November | | | | | |
| December | | | | | |
| **Subtotal** | **765** | **-** | **765** | **4,774** | **(4,008)** |
| **Total** | | | | | **(942,805)** |

**Supply Cost Variance Deferral Account**
**Off-Island Power Purchase**
**March 31, 2024**

| Maritime Link | Actual Cost ($) (A) | Test Year Cost ($) (B) | Off-Island Power Purchase Variation ($) (A - B) |
|---|---|---|---|
| January | - | 325,148 | (325,148) |
| February | - | 2,548,040 | (2,548,040) |
| March | - | 5,799,459 | (5,799,459) |
| April | | | |
| May | | | |
| June | | | |
| July | | | |
| August | | | |
| September | | | |
| October | | | |
| November | | | |
| December | | | |
| **Subtotal** | **-** | **8,672,647** | **(8,672,647)** |

**Supply Cost Variance Deferral Account**
**Off-Island Power Purchase**
**March 31, 2024**

| Labrador-Island Link | Actual Cost ($) (A) | Test Year Cost ($) (B) | Off-Island Power Purchase Variation ($) (A - B) |
|---|---|---|---|
| January | - | 151,886 | (151,886) |
| February | - | 62,099 | (62,099) |
| March | - | 120,370 | (120,370) |
| April | | | |
| May | | | |
| June | | | |
| July | | | |
| August | | | |
| September | | | |
| October | | | |
| November | | | |
| December | | | |
| **Subtotal** | **-** | **334,356** | **(334,355)** |
| **Total** | | | **(9,007,002)** |

**Supply Cost Deferral Account**
**On-Island Purchases Variation**
**March 31, 2024**

| Nalcor Exploits | Actual Production (kWh) (A) | Cost of Service Production (kWh) (B) | Monthly Production Variance (kWh) (C ) = (A - B) | Cost of Service Cost (¢/kWh) (D) | Power Purchase Variation ($) (E) = (C x D) |
|---|---|---|---|---|---|
| January | 51,291,600 | 54,196,680 | (2,905,080) | 0.0400 | (116,203) |
| February | 49,407,684 | 48,703,200 | 704,484 | 0.0400 | 28,179 |
| March | 53,073,168 | 53,794,920 | (721,752) | 0.0400 | (28,870) |
| April | | | | | |
| May | | | | | |
| June | | | | | |
| July | | | | | |
| August | | | | | |
| September | | | | | |
| October | | | | | |
| November | | | | | |
| December | | | | | |
| **Subtotal** | **153,772,452** | **156,694,800** | **(2,922,348)** | | **(116,894)** |

**Supply Cost Deferral Account**
**On-Island Purchases Variation**
**March 31, 2024**

| Star Lake | Actual Production (kWh) (A) | Cost of Service Production (kWh) (B) | Monthly Production Variance (kWh) (C ) = (A - B) | Cost of Service Cost (¢/kWh) (D) | Power Purchase Variation ($) (E) = (C x D) |
|---|---|---|---|---|---|
| January | 12,257,120 | 12,391,320 | (134,200) | 0.0400 | (5,368) |
| February | 11,351,682 | 11,245,920 | 105,762 | 0.0400 | 4,230 |
| March | 12,943,286 | 12,395,040 | 548,246 | 0.0400 | 21,930 |
| April | | | | | |
| May | | | | | |
| June | | | | | |
| July | | | | | |
| August | | | | | |
| September | | | | | |
| October | | | | | |
| November | | | | | |
| December | | | | | |
| **Subtotal** | **36,552,088** | **36,032,280** | **519,808** | | **20,792** |

**Supply Cost Deferral Account**
**On-Island Purchases Variation**
**March 31, 2024**

| Rattle Brook | Actual Production (kWh) (A) | Cost of Service Production (kWh) (B) | Monthly Production Variance (kWh) (C ) = (A - B) | Cost of Service Cost (¢/kWh) (D) | Power Purchase Variation ($) (E) = (C x D) |
|---|---|---|---|---|---|
| January | 387,397 | 680,000 | (292,603) | 0.0851 | (24,904) |
| February | 449,841 | 470,000 | (20,159) | 0.0851 | (1,716) |
| March | 1,275,608 | 630,000 | 645,608 | 0.0851 | 54,949 |
| April | | | | | |
| May | | | | | |
| June | | | | | |
| July | | | | | |
| August | | | | | |
| September | | | | | |
| October | | | | | |
| November | | | | | |
| December | | | | | |
| **Subtotal** | **2,112,846** | **1,780,000** | **332,846** | | **28,329** |

**Supply Cost Deferral Account**
**On-Island Purchases Variation**
**March 31, 2024**

| CBPP[1] Co-Generation | Actual Production (kWh) | Cost of Service Production (kWh) | Monthly Production Variance (kWh) | Cost of Service Cost (¢/kWh) | Power Purchase Variation ($) |
|---|---|---|---|---|---|
| | (A) | (B) | (C ) = (A - B) | (D) | (E) = (C x D) |
| January | 10,627,730 | 6,320,000 | 4,307,730 | 0.1884 | 811,576 |
| February | - | 4,980,000 | (4,980,000) | 0.1884 | (938,232) |
| March | - | 5,840,000 | (5,840,000) | 0.1884 | (1,100,256) |
| April | | | | | |
| May | | | | | |
| June | | | | | |
| July | | | | | |
| August | | | | | |
| September | | | | | |
| October | | | | | |
| November | | | | | |
| December | | | | | |
| **Subtotal** | **10,627,730** | **17,140,000** | **(6,512,270)** | | **(1,226,912)** |

[1] Corner Brook Pulp and Paper Limited ("CBPP").

**Supply Cost Deferral Account**
**On-Island Purchases Variation**
**March 31, 2024**

| St. Lawrence Wind | Actual Production (kWh) | Cost of Service Production (kWh) | Monthly Production Variance (kWh) | Cost of Service Cost (¢/kWh) | Power Purchase Variation ($) |
|---|---|---|---|---|---|
| | (A) | (B) | (C ) = (A - B) | (D) | (E) = (C x D) |
| January | 10,425,787 | 11,200,000 | (774,213) | 0.0722 | (55,898) |
| February | 8,400,371 | 11,200,000 | (2,799,629) | 0.0722 | (202,133) |
| March | 8,450,511 | 10,570,000 | (2,119,489) | 0.0722 | (153,027) |
| April | | | | | |
| May | | | | | |
| June | | | | | |
| July | | | | | |
| August | | | | | |
| September | | | | | |
| October | | | | | |
| November | | | | | |
| December | | | | | |
| **Subtotal** | **27,276,669** | **32,970,000** | **(5,693,331)** | | **(411,058)** |

**Supply Cost Deferral Account**
**On-Island Purchases Variation**
**March 31, 2024**

| **Fermeuse Wind** | **Actual Production (kWh)** | **Cost of Service Production (kWh)** | **Monthly Production Variance (kWh)** | **Cost of Service Cost (¢/kWh)** | **Power Purchase Variation ($)** |
|---|---|---|---|---|---|
| | **(A)** | **(B)** | **(C ) = (A - B)** | **(D)** | **(E) = (C x D)** |
| January | 9,153,976 | 9,020,000 | 133,976 | 0.0772 | 10,339 |
| February | 8,928,454 | 9,020,000 | (91,546) | 0.0772 | (7,065) |
| March | 8,161,448 | 8,510,000 | (348,552) | 0.0772 | (26,898) |
| April | | | | | |
| May | | | | | |
| June | | | | | |
| July | | | | | |
| August | | | | | |
| September | | | | | |
| October | | | | | |
| November | | | | | |
| December | | | | | |
| **Subtotal** | **26,243,878** | **26,550,000** | **(306,122)** | | **(23,624)** |
| **Total** | | | | | **(1,729,367)** |

**Indemnity Agreement**
**Fuel Costs Reimbursed by Nalcor[1]**
**March 31, 2024**

| | Actual Production No. 6 Fuel (kWh) | Actual Cost No. 6 Fuel[2] ($) | Actual Production Gas TurbineFuel (kWh) | Actual Cost Gas TurbineFuel[2] ($) | Actual Costs Reimbursed[2] ($) |
|---|---|---|---|---|---|
| January | 81,000 | 16,482 | - | - | 16,482 |
| February | 2,479,000 | 508,418 | 696,000 | 366,432 | 874,850 |
| March | 853,000 | 174,686 | - | - | 174,686 |
| April | | | | | |
| May | | | | | |
| June | | | | | |
| July | | | | | |
| August | | | | | |
| September | | | | | |
| October | | | | | |
| November | | | | | |
| December | | | | | |
| | **3,413,000** | **699,586** | **696,000** | **366,432** | **1,066,018** |

[1] In August 2021, Nalcor commenced delivery of the Nova Scotia Block that, combined with limited LIL capacity, meant Hydro could not be delivered as much energy from the Muskrat Falls Hydroelectric Generating Facility as it would otherwise.

[2] These costs have been eliminated as referenced on Holyrood TGS Fuel Cost Variance (pg. 7) and Thermal Generation Cost Variance (Appendix A).

Tab 2

# Contribution in Aid of Construction

## Quarter Ended March 31, 2024

Table 1 summarizes the CIAC[1] activity for the current quarter. It also provides an overview of the following:

- The type of service for which a CIAC has been calculated, either domestic or general service;
- The number of CIACs quoted during the quarter, as well as the number of CIAC quotes that remain outstanding as of the end of the quarter. This format facilitates a reconciliation of the total number of CIACs that were active during the quarter; and
- Information as to the disposition of the total CIACs quoted. A CIAC is considered accepted when a customer indicates that it wishes to proceed with the construction of the extension and has agreed to pay any charge that may be applicable. A CIAC is considered to expire after six months have elapsed and the customer has not indicated its intention to proceed with the extension. A quoted CIAC is outstanding if it is neither accepted nor expired.

**Table 1: CIAC Report for the Current Quarter**

| Type of Service | CIACs Quoted | CIACs Outstanding from Last Quarter | Total CIACs Quoted | CIACs Accepted | CIACs Expired | CIACs Outstanding |
|---|---|---|---|---|---|---|
| Domestic | | | | | | |
| Within Plan Boundary | 1 | 4 | 5 | 2 | 1 | 2 |
| Outside Plan Boundary | 1 | 5 | 6 | 2 | 0 | 4 |
| **Subtotal** | **2** | **9** | **11** | **4** | **1** | **6** |
| General Service | 2 | 4 | 6 | 2 | 0 | 4 |
| **Total** | **4** | **13** | **17** | **6** | **1** | **10** |

[1] Includes residential, non-residential, and general service CIAC activities for northern, central, and Labrador regions.

The number of CIACs quoted during the current quarter by region is summarized in Table 2, which also identifies the following:

- The service location for the CIAC;
- The CIAC number related to the quote;
- The amount of the CIAC required to be paid by the customer;
- The estimated construction costs to provide the requested service; and
- Whether the CIAC has been accepted by the customer.

**Table 2: CIAC Activity Report for the Current Quarter**

| Date Quoted | Service Location | CIAC Number | CIAC Amount ($) | Estimated Construction Costs ($) | Accepted |
|---|---|---|---|---|---|
| **Domestic: Within Residential Planning Boundaries** | | | | | |
| 15-Jan-2024 | Rocky Harbour | 1895207 | 1,715 | 5,880 | Yes |
| **Domestic: Outside Residential Planning Boundaries** | | | | | |
| 12-Jan-2024 | Springdale Junction | 1874989 | 2,114 | 1,078 | |
| **General Service** | | | | | |
| 26-Jan-2024 | Sop's Arm | 1945894 | 15,535 | 21,485 | |
| 31-Jan-2024 | Happy Valley-Goose Bay | 1867030 | 57,733 | 66,803 | |

**Tab 3**

# Customer Damage Claims

## Quarter Ended March 31, 2024

The Customer Damage Claims report contains a summary of all damage claims activity on a quarterly basis. The information contained in the report is broken down by cause as well as by the operating region where the claims originated.

The report provides an overview of the following:

- The number of claims received during the quarter coupled with claims outstanding from the last quarter;
- The number of claims for which Newfoundland and Labrador Hydro ("Hydro") has accepted responsibility and the amount paid to claimants versus the amount originally claimed;
- The number of claims rejected and the dollar value associated with those claims; and
- Those claims that remain outstanding at the end of the quarter and the dollar value associated with such claims.

Definitions of Causes of Damage Claims:

- **System Operations:** Claims arising from system operations (e.g., normal reclosing or switching).
- **Power Interruptions:** Claims arising from the interruption of power supply (e.g., all scheduled or unscheduled interruptions).
- **Improper Workmanship:** Claims arising from the failure of electrical equipment caused by improper workmanship or methods (e.g., improper crimping of connections, insufficient sealing and taping of connections, improper maintenance, and inadequate clearance or improper operation of equipment).
- **Weather Related:** Claims arising from weather conditions (e.g., wind, rain, ice, lightning or corrosion caused by weather).
- **Equipment Failure:** Claims arising from failure of electrical equipment not caused by improper workmanship (e.g., broken neutrals, broken tie wires, transformer failure, insulator failure or broken service wire).
- **Third Party:** Claims arising from equipment failure caused by acts of third parties (e.g., motor vehicle accidents and vandalism).
- **Miscellaneous:** All claims that are not related to electrical service.
- **Waiting Investigation:** Cause to be determined.

**Table 1: Customer Property Damage Claims Report by Region for the Current Quarter[1]**

| | | | | Claims Accepted | | | Claims Rejected | | Claims Outstanding | |
|---|---|---|---|---|---|---|---|---|---|---|
| Region | # Received | # Outstanding Since Last Quarter | Total | # | Amount Claimed ($) | Amount Paid ($) | # | Amount ($) | # | Amount ($) |
| Central | 7 | 9 | **16** | 1 | 780 | 254 | 10 | 10,712 | 5 | 3,103 |
| Northern | 6 | 12 | **18** | 0 | 0 | 0 | 7 | 10,191 | 11 | 580,214[2] |
| Labrador | 1 | 3 | **4** | 0 | 0 | 0 | 1 | 3,105 | 3 | 5,943 |
| **Total** | **14** | **24** | **38** | **1** | **780** | **254** | **18** | **24,007** | **19** | **589,260** |

**Table 2: Customer Property Damage Claims Report by Region for the Same Quarter, Previous Year[3]**

| | | | | Claims Accepted | | | Claims Rejected | | Claims Outstanding | |
|---|---|---|---|---|---|---|---|---|---|---|
| Region | # Received | # Outstanding Since Last Quarter | Total | # | Amount Claimed ($) | Amount Paid ($) | # | Amount ($) | # | Amount ($) |
| Central | 1 | 6 | **7** | 1 | 1,364 | 1,221 | 4 | 1,521 | 2 | 780 |
| Northern | 10 | 6 | **16** | 1 | 12,375 | 10,791 | 6 | 8,475 | 9 | 20,034 |
| Labrador | 4 | 4 | **8** | 0 | 0 | 0 | 3 | 10,072 | 5 | 14,721 |
| **Total** | **15** | **16** | **31** | **2** | **13,739** | **12,012** | **13** | **20,067** | **16** | **35,535** |

[1] Numbers may not add due to rounding.
[2] The majority of this balance pertains to one damage claim from a general service customer for $551,549. The customer has claimed repairs to equipment as well as for lost business opportunities, lost employment, and equipment damage. As at the date of this report, Hydro has assessed the claim amount at $10,537.
[3] Numbers may not add due to rounding.

**Table 3: Customer Property Damage Claims Report by Cause for the Current Quarter[4]**

| | | | | Claims Accepted | | | Claims Rejected | | Claims Outstanding | |
|---|---|---|---|---|---|---|---|---|---|---|
| **Cause** | **# Received** | **# Outstanding Since Last Quarter** | **Total** | **#** | **Amount Claimed ($)** | **Amount Paid ($)** | **#** | **Amount ($)** | **#** | **Amount ($)** |
| System Operations | 0 | 1 | **1** | 0 | 0 | 0 | 1 | 3,105 | 0 | 0 |
| Power Interruptions | 1 | 1 | **2** | 0 | 0 | 0 | 3 | 4,658 | 1 | 2,300 |
| Improper Workmanship | 0 | 5 | **5** | 0 | 0 | 0 | 2 | 202 | 3 | 554,236 |
| Weather Related | 7 | 4 | **11** | 0 | 0 | 0 | 8 | 12,760 | 4 | 2,400 |
| Equipment Failure | 4 | 9 | **13** | 1 | 780 | 254 | 3 | 2,477 | 9 | 23,039 |
| Third Party | 0 | 0 | **0** | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Miscellaneous | 1 | 0 | **1** | 0 | 0 | 0 | 1 | 805 | 0 | 0 |
| Awaiting Investigation | 1 | 4 | **5** | 0 | 0 | 0 | 0 | 0 | 2 | 7,284 |
| **Total** | **14** | **24** | **38** | **1** | **780** | **254** | **18** | **24,007** | **19** | **589,260** |

**Table 4: Customer Property Damage Claims Report by Cause for the Same Quarter, Previous Year[5]**

| | | | | Claims Accepted | | | Claims Rejected | | Claims Outstanding | |
|---|---|---|---|---|---|---|---|---|---|---|
| **Cause** | **# Received** | **# Outstanding Since Last Quarter** | **Total** | **#** | **Amount Claimed ($)** | **Amount Paid ($)** | **#** | **Amount ($)** | **#** | **Amount ($)** |
| System Operations | 0 | 0 | **0** | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Power Interruptions | 4 | 0 | **4** | 0 | 0 | 0 | 3 | 8,964 | 1 | 948 |
| Improper Workmanship | 0 | 6 | **6** | 2 | 13,739 | 12,012 | 0 | 0 | 4 | 2,111 |
| Weather Related | 5 | 2 | **7** | 0 | 0 | 0 | 7 | 9,292 | 2 | 4,987 |
| Equipment Failure | 3 | 2 | **5** | 0 | 0 | 0 | 1 | 911 | 5 | 15,760 |
| Third Party | 0 | 0 | **0** | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Miscellaneous | 0 | 0 | **0** | 0 | 0 | 0 | 1 | 900 | 0 | 0 |
| Awaiting Investigation | 3 | 6 | **9** | 0 | 0 | 0 | 1 | 0 | 4 | 11,730 |
| **Total** | **15** | **16** | **31** | **2** | **13,739** | **12,012** | **13** | **20,067** | **16** | **35,535** |

[4] Numbers may not add due to rounding.
[5] Numbers may not add due to rounding.