

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

AN ORDER OF THE BOARD

NO. P.U. 33(2025)

IN THE MATTER OF the **Electrical Power Control Act, 1994**, SNL 1994, Chapter E-5.1 (the “**EPCA**”) and the **Public Utilities Act**, RSNL 1990, Chapter P-47 (the “**Act**”), as amended, and regulations thereunder; and

IN THE MATTER OF an application by Newfoundland and Labrador Hydro for approval to issue debt pursuant to section 91 of the **Act**.

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

WHEREAS pursuant to subsection 91(1) of the **Act** a public utility may not issue evidence of indebtedness payable more than one year from the date of issue until it has obtained approval from the Board for the proposed issue; and

WHEREAS on October 7, 2025 the Board received an application from Hydro for approval of the issuance of up to \$300 million of indebtedness to the Province of Newfoundland and Labrador (the “Application”); and

WHEREAS the Application proposed that, to ensure least cost borrowing, the Province of Newfoundland and Labrador borrow on Hydro’s behalf and lend the proceeds to Hydro on identical terms and conditions, consistent with the debt issuances approved by the Board in Order Nos. P.U. 40(2020) and P.U. 42(2017); and

WHEREAS the Application stated that the funds borrowed will be used to refinance the balance of the Series Y debt issue and the remainder will be applied against Hydro’s short-term borrowings which were used to finance the capital program, along with normal expenditures relating to items such as debt service, supply costs, and operating and maintenance costs; and

1 **WHEREAS** the following general terms and conditions of the indebtedness were set out in the
 2 Application:

Term:	up to 40 years
Amount:	up to \$300 million
Coupon rate:	up to 6%
Issue date:	on or before February 27, 2026
Cost to Hydro:	up to 0.700% of face value plus incidentals
Sinking fund:	Yes

3 **WHEREAS** the Application was copied to Newfoundland Power Inc. ("Newfoundland Power"), the
 4 Consumer Advocate, Dennis Browne, KC; a group of Island Industrial Customers: Corner Brook
 5 Pulp and Paper Limited, Braya Renewable Fuels (Newfoundland) GP Inc. and Vale Newfoundland
 6 and Labrador Limited (the "Island Industrial Customer Group"); Teck Resources Limited; and
 7 Linde Canada Inc.; and
 8

9 **WHEREAS** on October 20, 2025 Newfoundland Power and the Island Industrial Customer Group
 10 confirmed that they did not have any comments in relation to the Application; and
 11

12 **WHEREAS** the Board did not receive any other comments in relation to the Application; and
 13

14 **WHEREAS** pursuant to section 38 and 46 of the **Hydro Corporation Act**, SNL 2024, Chapter H-18,
 15 authorization for the indebtedness is required from the Lieutenant Governor in Council; and
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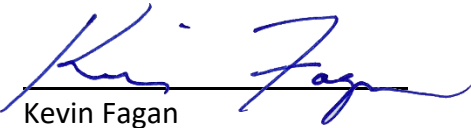
17 **WHEREAS** on October 22, 2025 Hydro filed a reply which requested the Application be approved
 18 as filed and provided a copy of Order in Council OC2025-247 dated August 26, 2025, authorizing
 19 the Government of Newfoundland and Labrador to provide long-term funding of up to \$300
 20 million to Hydro on such terms as conditions as the Minister of Finance may determine, on a cost
 21 recovery basis, and to require the payment of a fee in respect of all such monies advanced to
 22 Hydro; and
 23

24 **WHEREAS** the Board has reviewed the Application and supporting material and finds that
 25 approval of the proposed issue of indebtedness of up to \$300 million is in accordance with law
 26 and for a purpose approved by the Board.

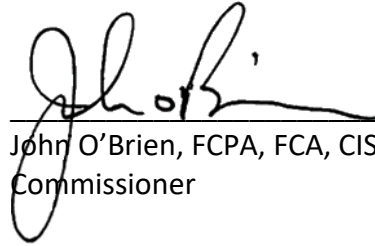
IT IS THEREFORE ORDERED THAT:

1. The proposal by Hydro to borrow from the Province of Newfoundland and Labrador in an amount of up to \$300,000,000 to refinance the balance of the Series Y debt issue and to retire outstanding short-term debt is approved subject to the following conditions:
 - a) The debt shall be issued on or before February 27, 2026.
 - b) Hydro shall file with the Board an affidavit specifying the terms and conditions of the debt issue within five (5) days after terms and conditions have been successfully negotiated, setting out the following where applicable:
 - (i) date of issue;
 - (ii) term;
 - (iii) maturity date;
 - (iv) principal amount;
 - (v) interest rate;
 - (vi) price to the public and to the underwriters;
 - (vii) yield to the public;
 - (viii) underwriting fee;
 - (ix) actual cost to Hydro; and
 - (x) any other material terms or conditions.
 - c) Hydro shall file with the Board a copy of the Loan Agreement relating to the debt issue within five (5) days after the conditions have been accepted by Hydro.
 - d) Hydro shall file with the Board a report on the disposition of the proceeds no later than six months from the date of the closing.
2. Hydro shall pay all expenses of the Board arising from this Application.

DATED at St. John's, Newfoundland and Labrador, this 28th day of October 2025.



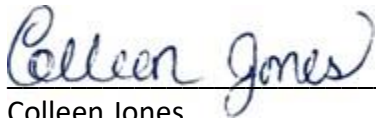
Kevin Fagan
Chair and Chief Executive Officer



John O'Brien, FCPA, FCA, CISA
Commissioner



Christopher Pike, LL.B., FCIP
Commissioner



Colleen Jones
Assistant Board Secretary