



Newfoundland and Labrador Hydro
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June 5, 2025

Board of Commissioners of Public Utilities
Prince Charles Building
120 Torbay Road, P.O. Box 21040
St. John's, NL A1A 5B2

Attention: Jo-Anne Galarneau
Executive Director and Board Secretary

Re: Application for Approval of the Island Industrial Customer Rate Adjustments Effective July 1, 2025

Please find enclosed Newfoundland and Labrador Hydro's ("Hydro") application for approval of the 2025 Island Industrial Customer Rate Adjustments including updates to the Island Industrial Customer Conservation and Demand Management ("CDM") Cost Recovery Adjustment and Island Industrial Customer Project Cost Recovery Rider to become effective July 1, 2025.

In Hydro's application for approval of the Island Industrial Customer Rate Adjustment effective January 1, 2025, Hydro stated that it would propose further updates to the Project Cost Recovery Rider for Island Industrial Customers, in accordance with the Government of Newfoundland and Labrador's rate mitigation plan, within Hydro's application for the July 1, 2025 Island Industrial Customer CDM Cost Recovery Adjustment. The Project Cost Recovery Rider has been updated to reflect a rate increase of 3.3% for July 1, 2025, which is consistent with the rate increase proposed for the Wholesale rate in the application for July 1, 2025 Utility Rate Adjustments.

Hydro is not proposing any change to the existing CDM Cost Recovery Adjustment of 0.006 cents per kwh based on the updated calculation of the rider.

Should you have any questions, please contact the undersigned.

Yours truly,

NEWFOUNDLAND AND LABRADOR HYDRO

A handwritten signature in blue ink, appearing to read "Shirley A. Walsh", written over a horizontal line.

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

Encl.

ecc:

Board of Commissioners of Public Utilities

Jacqui H. Glynn
Board General

Consumer Advocate

Dennis M. Browne, KC, Browne Fitzgerald Morgan & Avis
Stephen F. Fitzgerald, KC, Browne Fitzgerald Morgan & Avis
Sarah G. Fitzgerald, Browne Fitzgerald Morgan & Avis
Bernice Bailey, Browne Fitzgerald Morgan & Avis

Linde Canada Inc.

Sheryl E. Nisenbaum
Peter Strong

Newfoundland Power Inc.

Dominic J. Foley
Douglas W. Wright
Regulatory Email

Teck Resources Limited

Shawn Kinsella

Island Industrial Customer Group

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

Island Industrial Customer Rate Adjustments

Effective July 1, 2025

June 5, 2025

An application to the Board of Commissioners of Public Utilities



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

IN THE MATTER OF an application by Newfoundland and Labrador Hydro (“*Hydro*”), pursuant to Subsection 70(1) of the *Act*, for the approval of a change in the Conservation and Demand Management (“*CDM*”) Cost Recovery Adjustment and Project Cost Recovery Rider to be charged to Island Industrial Customers effective July 1, 2025.

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

THE APPLICATION OF HYDRO STATES THAT:

A. Background

1. Hydro, a corporation continued and existing under the *Hydro Corporation Act, 2024*, is a public utility within the meaning of the *Act*, and is subject to the provisions of the *EPCA*.
2. Under the *Act*, the Board has the general supervision of public utilities and requires that a public utility submits for the approval of the Board the rates, tolls, and charges for the service provided by the public utility and the rules and regulations that relate to that service.
3. Subsection 70(1) of the *Act* provides that a public utility shall not charge, demand, collect or receive compensation for a service performed by it until the Board has approved a schedule of rates, tolls, and charges for the services provided by the public utility.

CDM Cost Recovery

4. In Board Order No. P.U. 22(2017), the Board approved Hydro’s Rules and Regulations for CDM Cost Recovery, which require the CDM Cost Recovery Adjustment to be updated annually reflecting the ongoing amortizations and the deferred CDM program costs for the previous year.

5. In Board Order No. P.U. 37(2022), the Board approved a Revised CDM Cost Recovery Adjustment Definition effective as of January 1, 2023. The Revised CDM Cost Recovery Adjustment Definition increased the amortization period of annual CDM costs from seven to ten years for both historical balances and annual charges.
6. In Board Order No. P.U. 17(2024), the Board approved an Island Industrial Customer CDM Cost Recovery Adjustment of 0.006 cents per kWh effective July 1, 2024.

Project Cost Recovery Rider

7. On July 1, 2022, Hydro implemented a Project Cost Recovery Rider for its Utility customer to begin recovery of the Muskrat Falls Project cost payments being made by Hydro under the Muskrat Falls Power Purchase Agreement.
8. As Hydro noted in its application for the 2023 Island Industrial Customer Rate Stabilization Plan (“RSP”) Adjustments, Hydro did not propose the implementation of a Project Cost Recovery Rider for Island Industrial Customers in 2023 to enable rate stability during that period. Instead, Hydro planned to implement the Project Cost Recovery Rider for Island Industrial Customers in 2024, after the RSP balance owing had declined. This approach avoided a rate increase relating to the Project Cost Recovery Rider for Island Industrial Customers in 2023 and provided for rate stability in 2024.
9. On January 30, 2024, in Board Order No. P.U. 4(2024), the Board approved the implementation of a Project Cost Recovery Rider for the Island Industrial Customers of 0.888 cents per kWh. The combined effect of a decrease in the RSP Adjustment and the implementation of the Project Cost Recovery Rider resulted in no change to the rates for Island Industrial Customers as of January 1, 2024.
10. In Hydro’s application for the Island Industrial Customer Rate Adjustments effective January 1, 2025, approved in Board Order No. P.U. 7(2025), Hydro requested an Island Industrial Customer RSP Current Plan Adjustment of 0.093 cents per kWh, a decrease in the RSP Adjustment that was offset by the updated Project Cost Recovery Rider of 1.384 cents per kWh. The combined effect of the RSP change and the Project Cost Recovery Rider maintained rates at 2024 levels.

11. In that same application, Hydro stated its intention to propose any further updates to the Project Cost Recovery Rider in the Island Industrial Customer CDM Cost Recovery Adjustment application, to be filed in June of each year.
12. On April 15, 2025, Hydro filed its application for the July 1, 2025 Utility Rate Adjustments. The Proposed Project Cost Recovery Rider for Utility customers was designed to achieve the target average Domestic customer rate increase attributable to Hydro of 2.25%, (3.3% wholesale increase) effective July 1, 2025.

B. Application

13. Schedule 1 to this application provides the calculation of the proposed CDM Cost Recovery Adjustment of 0.006 cents per kWh to be effective as of July 1, 2025. There is no change to the existing CDM Cost Recovery Adjustment.
14. Order in Council OC2024-062, Hydro's Board of Directors were directed to "*structure any application for utility rate increases such that retail rate increases to domestic rate class customers attributable to Newfoundland and Labrador Hydro shall be targeted at 2.25 per cent per year (the "Hydro Target Increase")*" for each rate application filed with the Board relating to the period up to and including the year 2030. Government further directed that rate increases be structured "*for other customers subject to Island Interconnected rates in a manner that is compatible with the Hydro Target Rate Increase.*"¹
15. Hydro's present application seeks approval of an updated Project Cost Recovery Rider of 1.652 cents per kWh, effective July 1, 2025. This proposal would increase customer billings by 3.3%, thereby allowing Hydro to collect Muskrat Falls Project related costs in accordance with the Government's rate mitigation plan as directed through the Order in Council. The 3.3% increase is consistent with the increase to the Wholesale rate proposed in Hydro's application for July 1, 2025 Utility Rate Adjustments. Schedule 2 of this application provides the calculation for the projected billing increase.

¹ Order in Council OC2024-062 <<https://www.exec-oic.gov.nl.ca/public/oic/details?order-id=21851>>.

16. Schedule 3 to this application provides an updated Island Industrial Customer Rate Sheet, reflecting the revised Island Industrial Customer CDM Cost Recovery Adjustment and Project Cost Recovery Rider.

C. Newfoundland and Labrador Hydro's Request

17. Hydro requests the Board approve:

- (i) An Island Industrial Customer CDM Cost Recovery Adjustment continued as 0.006 cents per kWh, as set out in Schedule 1 of this application, to be effective as of July 1, 2025;
- (ii) A revised Project Cost Recovery Rider of 1.652 cents per kWh, as set out in Schedule 2 of this application, to become effective July 1, 2025; and
- (iii) The Industrial-Firm Rate Sheet, attached as Schedule 3 of this application.

D. Reasons for Approval

18. Approval by the Board of the proposed Island Industrial Customer CDM Cost Recovery Adjustment and Project Cost Recovery Rider will permit for recovery of deferred customer energy conservation program costs, as provided for, and intended by, Board Orders No. P.U. 22(2017) and P.U. 37(2022) and provide for reasonable recovery of Muskrat Falls Project costs from the Island Industrial Customers in accordance with the rate mitigation plan.

E. Communications

19. Communications with respect to this application should be forwarded to Shirley A. Walsh, Senior Legal Counsel, Regulatory for Hydro.

DATED at St. John's in the province of Newfoundland and Labrador on this 5th day of June 2025.

NEWFOUNDLAND AND LABRADOR HYDRO



Shirley A. Walsh
 Counsel for the Applicant
 Newfoundland and Labrador Hydro,
 500 Columbus Drive, P.O. Box 12400
 St. John's, NL A1B 4K7
 Telephone: (709) 685-4973

Schedule 1

Calculation of the Proposed Island Industrial Customer
Conservation and Demand Management Cost Recovery
Adjustment



Newfoundland and Labrador Hydro
Calculation of Conservation and Demand Management ("CDM") Cost Recovery Adjustment - Island Industrial Customers

Line No		2024 Energy Sales (kWh)	Percent of Total kWh	Allocation of Recoverable Amount (\$000)	
1	A) Island Interconnected Recoverable Allocation¹				
2	Newfoundland Power Inc.	5,701,619,749	86.6%	338	
3	Island Industrial Firm	444,804,711	6.8%	26	
4	Rural Island Interconnected	434,926,546	6.6%	26	
5	Total	6,581,351,006	100.0%	390	From Page 2, Line 22
6	B) Calculation of Island Industrial Customer CDM Cost Recovery Adjustment				
7	Island Industrial Current Year Allocation (\$000)		3	Line 4/10 years	
8	2024 Energy Sales - Island Industrial Customers (kWh)		444,804,711	From Line 4	
9	2025 CDM Cost Recovery Adjustment (cents per kWh)		0.0006	[(Line 10 x 1,000)/Line 11] x 100	
10	2024 CDM Cost Recovery Adjustment (cents per kWh)		0.0006		
11	2023 CDM Cost Recovery Adjustment (cents per kWh)		0.0003		
12	2022 CDM Cost Recovery Adjustment (cents per kWh)		0.0005		
13	2021 CDM Cost Recovery Adjustment (cents per kWh)		0.0003		
14	2020 CDM Cost Recovery Adjustment (cents per kWh)		0.0010		
15	2019 CDM Cost Recovery Adjustment (cents per kWh)		0.0005		
16	2018 CDM Cost Recovery Adjustment (cents per kWh)		0.0004		
17	2017 CDM Cost Recovery Adjustment (cents per kWh)		0.0020		
18	Total CDM Cost Recovery Adjustment (cents per kWh)		0.006		Line 12 + Line 13 + Line 14 + Line 15 + Line 16 + Line 17 + Line 18 + Line 19 + Line 20

¹ Totals may not add due to rounding.

Approval of the Island Industrial Customer Rate Adjustments Effective July 1, 2025
Schedule 1, Page 2 of 2

Newfoundland and Labrador Hydro
Conservation and Demand Management Account Amortization (\$000)¹

			As Filed - Seven-Year Amortization										As of June 30, 2023		Revised - Ten-Year Amortization									
Line No	Year	System Balance	2017	2018	2019	2020	2021	2022	Amount Amortized	Remaining Account Balance	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034		
1		Island Interconnected	646	646	646	646	646	646	3,878	646	162	162	162	162	-	-	-	-	-	-	-	-		
2	2016	Hydro Rural Isolated	549	549	549	549	549	549	3,297	549	137	137	137	137	-	-	-	-	-	-	-	-		
3		Total ²	1,196	1,196	1,196	1,196	1,196	1,196	7,175	1,196	299	299	299	299	-	-	-	-	-	-	-	-		
4		Island Interconnected	-	68	68	68	68	68	342	137	27	27	27	27	27	-	-	-	-	-	-	-		
5	2017	Hydro Rural Isolated	-	142	142	142	142	142	710	284	57	57	57	57	57	-	-	-	-	-	-	-		
6		Total ²	-	211	211	211	211	211	1,053	421	84	84	84	84	84	-	-	-	-	-	-	-		
7		Island Interconnected	-	-	63	63	63	63	253	190	32	32	32	32	32	-	-	-	-	-	-	-		
8	2018	Hydro Rural Isolated	-	-	155	155	155	155	620	465	78	78	78	78	78	-	-	-	-	-	-	-		
9		Total ²	-	-	218	218	218	218	873	655	109	109	109	109	109	-	-	-	-	-	-	-		
10		Island Interconnected ³	-	-	-	6	6	6	18	24	3	3	3	3	3	-	-	-	-	-	-	-		
11	2019	Hydro Rural Isolated	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
12		Total ³	-	-	-	6	6	6	18	24	3	3	3	3	3	-	-	-	-	-	-	-		
13		Island Interconnected	-	-	-	-	97	97	195	487	61	61	61	61	61	-	-	61	-	-	-	-		
14	2020	Hydro Rural Isolated	-	-	-	-	192	192	384	959	120	120	120	120	120	120	120	120	-	-	-	-		
15		Total ⁴	-	-	-	-	289	289	578	1,446	181	181	181	181	181	181	181	181	-	-	-	-		
16		Island Interconnected	-	-	-	-	-	45	45	268	30	30	30	30	30	30	30	30	-	-	-	-		
17	2021	Hydro Rural Isolated	-	-	-	-	-	167	167	1,000	111	111	111	111	111	111	111	111	111	111	-	-		
18		Total ²	-	-	-	-	-	211	211	1,268	141	141	141	141	141	141	141	141	141	141	-	-		
19		Island Interconnected	-	-	-	-	-	-	-	211	21	21	21	21	21	21	21	21	21	-	-	-		
20	2022	Hydro Rural Isolated	-	-	-	-	-	-	-	885	88	88	88	88	88	88	88	88	88	-	-	-		
21		Total ⁴	-	-	-	-	-	-	-	1,095	110	110	110	110	110	110	110	110	110	-	-	-		
22		Island Interconnected	-	-	-	-	410	-	-	-	-	41	41	41	41	41	41	41	41	41	-	-		
23		Hydro Rural Isolated	-	-	-	-	955	-	-	-	-	96	96	96	96	96	96	96	96	96	-	-		
24		Labrador Interconnected	-	-	-	-	27	-	-	-	-	-	-	-	-	-	-	-	-	-	-			
25		Total ⁵	-	-	-	-	1,392	-	-	-	137	137	137	137	137	137	137	137	137	137	-	-		
26		Island Interconnected	-	-	-	-	-	-	-	-	-	-	39	39	39	39	39	39	39	39	-	-		
27		Hydro Rural Isolated	-	-	-	-	-	-	-	-	-	-	99	99	99	99	99	99	99	99	-	-		
28		Labrador Interconnected	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
29		Total ⁶	-	-	-	-	-	-	-	-	-	-	138	138	138	138	138	138	138	138	-	-		
30		Island Interconnected	646	715	778	784	881	926	4,731	1,962	336	377	416	416	254	227	195	192	131	101	80	39		
31		Hydro Rural Isolated	549	691	846	846	1,038	1,205	5,177	5,098	591	687	786	786	649	592	514	514	395	283	195	99		
32		Labrador Interconnected	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
33		Grand Total	1,196	1,406	1,625	1,631	1,920	2,131	9,908	6,105	927	1,064	1,202	1,202	903	819	710	706	525	384	275	138		

¹ Totals may not add due to rounding.
² Consistent with the "2022 Conservation and Demand Management Report," Newfoundland and Labrador Hydro, March 31, 2023, p. 13, Table 5.
³ Utility Rider was Deferred as per OC2020-081, not for industrisk.
⁴ The total for 2019 and 2020 include activity for 2019 of \$1.5 million and 2020 of \$0.6 million.
⁵ Consistent with the "2023 Electrification, Conservation and Demand Management Report," Newfoundland and Labrador Hydro, April 10, 2024, p. 5, Table 2, Board Order No. P.U. 37(2022) approved recovery of Labrador Interconnected program costs effective January 1, 2023, which will be dealt with through Hydro's General Rate Applications.
⁶ Consistent with the "2024 Electrification, Conservation and Demand Management Report," Newfoundland and Labrador Hydro, April 10, 2025, p. 5, Table 2, The difference between the \$1,408 and \$1,385 reflects additional transfers to be made to the deferral account in 2025.

Schedule 2

Island Industrial Customer Project Cost Recovery Rider and Billing Impacts



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

	Billing Units ¹	Unit	Current		Billings at Existing Rates		Proposed Rates		Revised Billings		Change (\$)	Change (%)
			Rates		(\$)		Rates		(\$)			
Demand (kW)	932,178	\$/kW/mo	10.73		10,002,270		10.73		10,002,270			
Energy - Firm (MWhs)	444,805	¢/kWh	4.428		19,695,953		4.428		19,695,953			
Specifically Assigned		\$	318,130		318,130		318,130		318,130			
Total Base Rate					30,016,353				30,016,353		-	0.0%
RSP Current Plan Adjustment	444,805	¢/kWh	0.093		413,668		0.093		413,668		-	0.0%
Project Cost Recovery Rider	444,805	¢/kWh	1.384		6,156,097		1.652		7,348,174		1,192,077	3.3%
CDM Recovery Adjustment	444,805	¢/kWh	0.006		26,688		0.006		26,688		-	0.0%
Total					36,612,806				37,804,883		1,192,077	3.3%

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

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

	Billing Units ¹	Unit	Current		Billings at Existing Rates		Revised Rates		Revised Billings (\$)	Change (\$)	Change (%)
			Rates		(\$)		Rates				
Demand (kW/s)	72,000	\$/kW/mo	10.73		772,560		10.73		772,560		
Energy - Firm (MWhs)	43,684	¢/kWh	4.428		1,934,348		4.428		1,934,348		
Specifically Assigned		\$	-		-		-		-		
Total Base Rate					2,706,908				2,706,908	-	0.0%
RSP Current Plan Adjustment	43,684	¢/kWh	0.093		40,627		0.093		40,627	-	0.0%
Project Cost Recovery Rider	43,684	¢/kWh	1.384		604,593		1.652		721,667	117,074	3.5%
CDM Recovery Adjustment	43,684	¢/kWh	0.006		2,621		0.006		2,621	-	0.0%
Total					3,354,748				3,471,823	117,074	3.5%

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

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

	Billing Units ¹	Unit	Current Rates	Billings at Existing Rates (\$)	Revised Rates	Revised Billings (\$)	Change (\$)	Change (%)
Demand (kW/s)	576,000	\$/kW/mo	10.73	6,180,480	10.73	6,180,480		
Energy - Firm (MW/s)	283,421	¢/kWh	4.428	12,549,890	4.428	12,549,890		
Specifically Assigned		\$	145,352	145,352	145,352	145,352		
Total Base Rate				18,875,722		18,875,722	-	0.0%
RSP Current Plan Adjustment	283,421	¢/kWh	0.093	263,582	0.093	263,582	-	0.0%
Project Cost Recovery Rider	283,421	¢/kWh	1.384	3,922,549	1.652	4,682,118	759,569	3.3%
CDM Recovery Adjustment	283,421	¢/kWh	0.006	17,005	0.006	17,005	-	0.0%
Total				23,078,858		23,838,426	759,569	3.3%

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

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

	Billing Units ¹	Unit	Current		Billings at		Revised		Change (\$)	Change (%)
			Rates	(\$)	Existing Rates	(\$)	Rates	Billings (\$)		
Demand (kW/s)	6,000	\$/kW/mo	10.73		64,380		10.73	64,380		
Energy - Firm (MWhs)	255	¢/kWh	4.428		11,310		4.428	11,310		
Specifically Assigned		\$	13,311		13,311		13,311	13,311		
Total Base Rate					89,001			89,001	-	0.0%
RSP Current Plan Adjustment	255	¢/kWh	0.093		238		0.093	238	-	0.0%
Project Cost Recovery Rider	255	¢/kWh	1.384		3,535		1.652	4,219	685	0.7%
CDM Recovery Adjustment	255	¢/kWh	0.006		15		0.006	15	-	0.0%
Total					92,788			93,473	685	0.7%

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

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

	Billing Units ¹	Unit	Current		Billings at Existing Rates		Revised Rates		Revised Billings (\$)	Change (\$)	Change (%)
			Rates		(\$)		Rates				
Demand (kW/s)	268,000	\$/kW/mo	10.73		2,875,640		10.73		2,875,640		
Energy - Firm (MWhs)	113,863	¢/kWh	4.428		5,041,842		4.428		5,041,842		
Specifically Assigned		\$	107,678		107,678		107,678		107,678		
Total Base Rate					8,025,160				8,025,160	-	0.0%
RSP Current Plan Adjustment	113,863	¢/kWh	0.093		105,892		0.093		105,892	-	0.0%
Project Cost Recovery Rider	113,863	¢/kWh	1.384		1,575,860		1.652		1,881,013	305,152	3.1%
CDM Recovery Adjustment	113,863	¢/kWh	0.006		6,832		0.006		6,832	-	0.0%
Total					9,713,745				10,018,897	305,152	3.1%

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

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

	Billing Units ¹	Unit	Current		Billings at Existing Rates		Revised Rates		Revised Billings (\$)	Change (\$)	Change (%)
			Rates		(\$)		Rates				
Demand (kW/s)	3,000	\$/kW/mo	10.73		32,190		10.73		32,190		
Energy - Firm (MWhs)	1,041	¢/kWh	4.428		46,108		4.428		46,108		
Specifically Assigned		\$	51,789		51,789		51,789		51,789		
Total Base Rate					130,087				130,087	-	0.0%
RSP Current Plan Adjustment	1,041	¢/kWh	0.093		968		0.093		968	-	0.0%
Project Cost Recovery Rider	1,041	¢/kWh	1.384		14,411		1.652		17,202	2,791	1.9%
CDM Recovery Adjustment	1,041	¢/kWh	0.006		62		0.006		62	-	0.0%
Total					145,529				148,319	2,791	1.9%

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

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

	Billing Units ¹	Unit	Current		Billings at		Revised		Change (\$)	Change (%)
			Rates	Existing Rates (\$)	Rates	Revised (\$)	Rates	Revised (\$)		
Demand (kW/s)	7,178	\$/kW/mo	10.73	77,020	10.73	77,020				
Energy - Firm (MWhs)	2,540	¢/kWh	4.428	112,456	4.428	112,456				
Specifically Assigned		\$	-	-	-	-				
Total Base Rate				189,476		189,476		189,476	-	0.0%
RSP Current Plan Adjustment	2,540	¢/kWh	0.093		0.093	2,362		2,362	-	0.0%
Project Cost Recovery Rider	2,540	¢/kWh	1.384		1.384	35,149		41,955	6,806	3.0%
CDM Recovery Adjustment	2,540	¢/kWh	0.006		0.006	152		152	-	0.0%
Total				227,139		233,945		233,945	6,806	3.0%

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

Schedule 3

Island Industrial Customer Rate Sheets

July 1, 2025



INDUSTRIAL – FIRM**Availability**

Any person purchasing power, other than a retailer, supplied from the Interconnected Island bulk transmission grid at voltages of 66 kV or greater on the primary side of any transformation equipment directly supplying the person and who has entered into a contract with Hydro for the purchase of firm power and energy.

Base Rate***Demand Charge**

The rate for Firm Power, as defined and set out in the Industrial Service Agreements, shall be \$10.73 per kilowatt (kW) per month of billing demand.

Firm Energy Charge

Base Rate @ 4.428¢ per kWh

RSP Adjustment - Current Plan@ 0.093¢ per kWh

Project Cost Recovery Rider@ 1.652 ¢ per kWh

CDM Cost Recovery Adjustment.....@ 0.006¢ per kWh

Specifically Assigned Charges

The table below contains the additional annual specifically assigned charges for customer plant in service that is specifically assigned to the Customer.

	Annual Amount
Corner Brook Pulp and Paper Limited	\$13,311
Braya Renewable Fuels (Newfoundland) GP Inc.	\$107,678
Teck Resources Limited	\$51,789
Vale	\$145,352

***Subject to RSP Adjustments and CDM Cost Recovery Adjustment**

RSP Adjustments refers to all applicable adjustments arising from the operation of Hydro's Rate Stabilization Plan, which levelizes variations in hydraulic production, fuel cost, load and rural rates.

The CDM Cost Recovery Adjustment is updated annually to provide recovery over a ten-year period of costs charged annually to the Conservation and Demand Management (CDM) Cost Deferral Account.

Adjustment for Losses

If the metering point is on the load side of the transformer, either owned by the customer or specifically assigned to the customer, an adjustment for losses as determined in consultation with the customer prior to January 31 of each year shall be applied.

General

Details regarding the conditions of Service are outlined in the Industrial Service Agreements.

This rate schedule does not include the Harmonized Sales Tax (HST) that applies to electricity bills.

INDUSTRIAL – NON-FIRM

Availability

Any person purchasing power, other than a retailer, supplied from the Interconnected Island bulk transmission grid at voltages of 66 kV or greater on the primary side of any transformation equipment directly supplying the person and who has entered into a contract with Hydro for the purchase of firm power and energy.

Rate

Non-Firm Energy Charge: Non-Thermal Generation Source (¢ per kWh)

Hydro will inform the Customer of the Non-firm energy charge on the first business day following the 21st day of the month preceding the month for which the rate is being set.

Energy charges shall be the greater of:

- (i) The energy charge applicable to Rate No. 2.4L – General Service 1,000 KVA and Over provided in Hydro's Schedule of Rates, Rules and Regulations; and
- (ii) The applicable On-Peak Energy Rate or Off-Peak Energy Rate

The following formula shall apply to calculate the On-Peak Energy Rate and Off-Peak Energy Rate:

On-Peak Energy Rate:

The non-firm energy charge for the on-peak period for the calendar month shall be calculated monthly based on the weighted average of:

- (iii) the settlement price for NYISO Zone A Day-Ahead Peak Calendar-Month 5 MW Futures after the end of trading on the nineteenth day of the previous month, converted to Canadian dollars using the exchange rate of the same day, and adjusted for losses and other market fees; and
- (iv) the settlement price for ISO New England Mass Hub 5 MW Peak Calendar-Month Day-Ahead LMP Futures after the end of trading on the nineteenth day of the previous month, converted to Canadian dollars using the exchange rate of the same day, and adjusted for losses and other market fees.

Off-Peak Energy Rate

The non-firm energy charge for the off-peak period for the calendar month shall be calculated monthly based on the weighted average of:

- (v) the settlement price for NYISO Zone A Day-Ahead Off-Peak Calendar-Month 5 MW Futures after the end of trading on the nineteenth day of the previous month, converted to Canadian dollars using the exchange rate of the same day, and adjusted for losses and other market fees; and

- (vi) the settlement price for ISO New England Mass Hub Day-Ahead Off-Peak Calendar-Month 5 MW Futures after the end of trading on the nineteenth day of the previous month, converted to Canadian dollars using the exchange rate of the same day, and adjusted for losses and other market fees.

The weightings applied to each market price to calculate the on-peak and off-peak energy charges will reflect the percentage of kWh exports sold (i.e., including exports from regulated and non-regulated Hydro) based on each market for the previous calendar month.

Peak and Off-Peak Periods

The winter on-peak period is 7 am to 10 pm, Monday to Friday, for the months of December to March and the non-winter peak period is 8 am to 10 pm, Monday to Friday, for the period April to November. The off-peak period will include all other hours.

Non-Firm Energy Charge: Thermal Generation Source (¢ per kWh)

The following formula shall apply to calculate the Non-Firm Energy rate:

$$\{(A \div B) \times (1 \div (1 - C))\} \times 100$$

- A = the monthly average cost of fuel per barrel for the energy source in the current month or, in the month the source was last used
- B = the conversion factor for the source used (kWh/bbl)
- C = the average system losses on the Island Interconnected grid for the last five years ending in 2016 (3.34%).

The energy sources and associated conversion factors are:

- 1) Holyrood, using No. 6 fuel with a conversion factor of 583 kWh/bbl
- 2) Gas turbines using No. 2 fuel with a conversion factor of 475 kWh/bbl
- 3) Diesels using No. 2 fuel with a conversion factor of 556 kWh/bbl

Adjustment for Losses for Thermal Generation Source

If the metering point is on the load side of the transformer, either owned by the customer or specifically assigned to the customer, an adjustment for losses as determined in consultation with the customer prior to January 31 of each year shall be applied.

General

Details regarding the conditions of Service are outlined in the Industrial Service Agreements.

This rate schedule does not include the Harmonized Sales Tax (HST) that applies to electricity bills.

INDUSTRIAL – WHEELING

Availability

Any person purchasing power, other than a retailer, supplied from the Interconnected Island bulk transmission grid at voltages of 66 kV or greater on the primary side of any transformation equipment directly supplying the person and who has entered into a contract with Hydro for the purchase of firm power and energy and whose Industrial Service Agreement so provides.

Rate

Energy Charge

All kWh (net of losses)* @ 0.831¢ per kWh

*For the purpose of this Rate, losses shall be 3.34%, the average system losses on the Island Interconnected Grid for the last five years ending in 2016.

General

Details regarding the conditions of Service are outlined in the Industrial Service Agreements.

This rate schedule does not include the Harmonized Sales Tax (HST) that applies to electricity bills.

Affidavit



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

IN THE MATTER OF an application by Newfoundland and Labrador Hydro ("*Hydro*"), pursuant to Subsection 70(1) of the *Act*, for the approval of a change in the Conservation and Demand Management ("*CDM*") Cost Recovery Adjustment and Project Cost Recovery Rider to be charged to Island Industrial Customers effective July 1, 2025.

AFFIDAVIT

I, Dana Pope, of St. John's in the province of Newfoundland and Labrador, make oath and say as follows:

- 1) I am Vice President, Regulatory Affairs and Stakeholder Relations, Newfoundland and Labrador Hydro, the applicant named in the attached application.
- 2) I have read and understand the foregoing Application.
- 3) To the best of my knowledge, information, and belief, all of the matters, facts, and things set out in this Application are true.

SWORN at St. John's in the province of Newfoundland and Labrador this 5th day of June 2025, before me:



Commissioner for Oaths, Newfoundland and Labrador



Dana Pope, CPA (CA), MBA

RENEE REARDON

A Commissioner for Oaths in and for the Province of Newfoundland and Labrador.
My commission expires on December 31, 2029.