

# Office of the Consumer Advocate

May 28, 2026

**The Board of Commissioners of Public Utilities**

Prince Charles Building  
120 Torbay Road, P.O. Box 21040  
St. John's, NL  
A1A 5B2 Canada

**Attention: Mike McNiven, Board Secretary**

Dear Mr. McNiven:

**Re: Newfoundland Power Inc. - Application for July 1, 2026 Customer Rates**

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On May 14, 2026 Newfoundland Power Inc. (“Newfoundland Power”) submitted to the Public Utilities Board (the “Board”) an Application for July 1, 2026 Customer Rates (the “Application”). On May 19, 2026 the Board established a schedule for the Application requesting the parties to submit comments by May 27, 2026. This document conveys the comments of the Consumer Advocate.

As noted in the Application (Clauses 5 and 6):

*“On April 24, 2026, Newfoundland and Labrador Hydro (“Hydro”) filed an application proposing to increase the utility rate effective July 1, 2026, targeting a 2.25% customer rate increase to the domestic rate class, consistent with Order in Council OC2024-062.”*

*“Hydro’s application also proposes to dispose of the balance owing to Newfoundland Power in Hydro’s Rural Rate Alteration (“RRA”) account at February 28, 2026 of \$45,034,736. Hydro proposes to dispose of the \$45,034,736 RRA account balance by providing a bill credit to Newfoundland Power on the May 2026 wholesale electricity bill. Newfoundland Power is to apply the \$45,034,736 bill credit to its RSA and limit the customer rate impacts effective July 1, 2026 to those resulting from Hydro’s application. Hydro’s proposal is consistent with the direction provided by the Government of Newfoundland and Labrador in its correspondence to Hydro dated April 22, 2026.”*

As stated in the Application (Clause 7) *“The Rate Stabilization Adjustment is to be recalculated on July 1st of each year to reflect the accumulated balance in the RSA as of March 31st of the current year and any*

*change in the utility rate charged by Hydro to Newfoundland Power as a result of revisions to Hydro's Wholesale Rate Adjustments."*

Consistent with Hydro's application (Clause 10) Newfoundland Power calculates rates that will maintain the target 2.25% rate increase for residential customers resulting from Hydro's application. The proposed rate increase will not recover the entire balance owed by customers to Newfoundland Power. It is understood that the remaining amount will be recovered beginning with the next July 1 rate adjustment.

Newfoundland Power requests that the Board approve (Application Clause 18):

- (i) *the Rate Stabilization Adjustment of 2.283 ¢/kWh and the MTA factor of 1.02365 as set out in Schedules 2 and 3 to the Application, to be applied to all bills based on electrical consumption on and after July 1, 2026;*
- (ii) *an unrecovered RSA balance of \$34,750,000 be maintained in the RSA until it is fully recovered by June 30, 2028 as contemplated by Order No. P.U. 23 (2025) and in accordance with the normal operation of the Rate Stabilization Clause.*

As the proposed rate increase is consistent with the government rate mitigation initiatives and direct government communication, the Consumer Advocate does not oppose the Application.

Please contact the undersigned if you have any questions relating to this submission.



**Adrienne Ding**

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