Public Utilities Board
NEWFOUNDLAND & LABRADOR
120 Torbay Road • Prince Charles Building, Suite E210 • St. John's, Newfoundland and Labrador • A1A 2G8

2026-11-16

Newfoundland and Labrador Hydro
Shirley Walsh
Email: shirleywalsh@nlh.nl.ca

Dear Ms. Walsh:

Re: Newfoundland and Labrador Hydro - Regulation 17 - Request for Update

Recent applications from Newfoundland and Labrador Hydro in relation to service exemptions to Regulation 17 have raised concerns about the continued restriction on customer load growth on the Labrador Interconnected System.

Regulation 17 was initially approved by the Board to limit load additions in the short term until necessary studies and analysis could be completed and a comprehensive plan developed for serving new customer loads on the Labrador Interconnected system.[1] At that time, Hydro was facing a transmission capacity constraint in Labrador East as well as numerous requests for service from the blockchain industry. There have been significant changes since the implementation of Regulation 17, including: additional transmission capacity in Labrador East, the approval of a Network Addition Policy for the Labrador Interconnected system, and Government direction limiting service availability to crypto customers.[2]

In its approval of Regulation 17, the Board stated that the circumstances surrounding the moratorium on service should be clear and any decision to refuse service or to request an exemption to the restriction should be made in a fair and open manner considering all of the circumstances. The Board has approved exemptions to Regulation 17 for services that meet a defined need and provide substantial benefit to the community. In recent applications, Hydro has expanded the reasons for requesting an exemption and has proposed to serve new customer load when it believes it would not pose concerns for the continued delivery of reliable service in the region. Hydro also advised that once there was reduced concern regarding capacity and generation constraints it would be feasible to remove the regulation.[3]

[1] Order Nos. P.U. 32(2018) and P.U. 36(2018).
[2] Order in Council 2022-266.
[3] Response to PUB-NLH-004, Application for Exemption to Regulation 17 – Labrador East and West, April 19, 2024.

The Board requests that Hydro provide support for the continuation of Regulation 17 addressing the noted changes since the regulation was implemented and the expansion of the scope of appropriate exemptions. The Board also requests that Hydro provide a more definitive timeline for the removal of the restriction.

If you have any questions, please do not hesitate to contact the Board's Legal Counsel, Ms. Jacqui Glynn, by email, jglynn@pub.nl.ca or by telephone 709-726-6781.

Sincerely,



Mike McNiven
Board Secretary

MM/cj

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