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April 15, 2026

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

Attention: Mike McNiven
Board Secretary

Re: Monthly Energy Supply Report for the Island Interconnected System for March 2026

Enclosed please find Newfoundland and Labrador Hydro's Monthly Energy Supply Report for the Island Interconnected System as directed by the Board of Commissioners of Public Utilities.

Should you have any questions, please contact the undersigned.

Yours truly,

NEWFOUNDLAND AND LABRADOR HYDRO

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

Encl.

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Monthly Energy Supply Report for the Island Interconnected System for March 2026

April 15, 2026

A report to the Board of Commissioners of Public Utilities



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1.0 Introduction

On February 8, 2016, the Board of Commissioners of Public Utilities (“Board”) requested Newfoundland and Labrador Hydro (“Hydro”) file a biweekly report containing, but not limited to, the following:

- 1) System Hydrology Report;
- 2) The thermal plant operated in support of hydrology;
- 3) Production by plant/unit; and
- 4) Details of any current or anticipated long-term derating.

In July 2016, the Board indicated that a monthly report would thereafter be sufficient. This report provides data for March 2026.

Ownership of the Water Management function resides within Hydro in the Resource and Production Planning department and is at all times guided by Hydro’s operating instructions and environmental standards. This group works in consultation with Energy Marketing to optimize the use of Hydro’s hydrologic resources through imports/exports and to ensure that the security of supply for domestic load for Hydro’s customers remains paramount in all decisions, ensuring the delivery of least-cost, reliable service in an environmentally responsible manner.

2.0 System Hydrology

Reservoir inflows in March 2026 were 128% above the month’s historical average.¹ Table 1 summarizes the aggregate storage position of Hydro’s reservoirs at the end of the reporting period.

Table 1: System Hydrology Storage Levels

	2026	2025	20-Year	Minimum	Maximum	Maximum
Date	(GWh)	(GWh)	Average	Storage Limit	Operating	Operating
			(GWh)	(GWh)	Level	Level
					(GWh)	(%)
31-March-2026	1,384	1,874	1,456	331	2,452	56

¹ Calculated in terms of energy [gigawatt hour (“GWh”)].

1 The aggregate reservoir storage level on March 31, 2026 was 1,384 GWh, which is 44% below the
2 seasonal maximum operating level and 318% above the minimum storage limit.² Total system energy for
3 the month increased by 181 GWh overall, resulting in a total system energy storage 72 GWh below the
4 20-year average. Inflows to the reservoirs of the Bay d’Espoir Hydroelectric Generating Station (“Bay
5 d’Espoir”) were 230% of average in March 2026. Inflows to the Hinds Lake Reservoir were 201% of
6 average and inflows to the Cat Arm Reservoir were 238% of average during the month.

7 Total precipitation throughout the month of March across Hydro’s reservoir system was 189 mm at
8 Burnt Dam, 196 mm at Long Pond, and 149 mm at Hinds Lake. There were two significant rainfall events
9 throughout the month that contributed to high inflows and significant snow melt. The first event was on
10 March 12 to 13, 2026, when 62 mm of rainfall was recorded at Burnt Dam and 68 mm recorded at Long
11 Pond over the two-day period. The second event was on March 17 to 18, 2026, when 51 mm of rainfall
12 was recorded at Burnt Dam, 55 mm at Long Pond and 43 mm at Hinds Lake over the two-day period. The
13 rain events combined with runoff from snow melt led to elevated water levels in Burnt Pond and Granite
14 Reservoir, eventually resulting in the requirement to spill from Burnt Spillway and bypass at the Granite
15 Canal Bypass Structure. Additional information on spill activity is provided in Section 2.2.

16 The March snow survey of the island hydroelectric system took place from March 16 to 19, 2026. This
17 survey covered the Bay d’Espoir system, Hinds Lake and Cat Arm watersheds. All snow survey sites were
18 visited; however, some sites along the Bay d’Espoir system had insufficient snow to measure as the
19 timing of the survey followed the rainfall events noted above. This year’s March snow survey found that
20 measured snow water equivalents at all island reservoirs were below the long-term historical average
21 and had a combined weighted average of 39%. When compared with the long-term historical averages
22 at each location, Long Pond snowpack was found to be 7% of average, Upper Salmon snowpack was 13%
23 of average, Meelpaeg was 37% of average, Granite was 22% of average, Burnt Pond was 30% of average,
24 Victoria Lake was 41% of average, Hinds Lake was 83% of average and Cat Arm was 70% of average.

² Minimum storage limits are developed annually to provide guidance in the reliable operation of Hydro’s major reservoirs—Victoria, Meelpaeg, Long Pond, Cat Arm, and Hinds Lake. The minimum storage limit is designed to indicate the minimum level of aggregate storage required such that if there was a repeat of Hydro’s critical dry sequence, or other less severe sequence, Hydro’s load can still be met through the use of the available hydraulic storage supplemented with maximized deliveries of power from the Muskrat Falls Hydroelectric Generating Facility (“Muskrat Falls”) over the Labrador-Island Link (“LIL”). Hydro’s long-term critical dry sequence is defined as January 1959 to March 1962. Other dry periods are also considered during this analysis to ensure that no other shorter-term historic dry sequence could result in insufficient storage.

1 Table 2 summarizes the unit outages experienced during March 2026.

Table 2: March 2026 Unit Outage Summary

Unit Name	Date Offline	Return to Service	Outage type	Notes
Hinds Lake	March 5, 2026	March 5, 2026	Planned	n/a
Hinds Lake	March 6, 2026	March 6, 2026	Planned	n/a
Hinds Lake	March 7, 2026	March 7, 2026	Planned	n/a
Hinds Lake	March 17, 2026	March 18, 2026	Planned	n/a
Paradise River	March 22, 2026	April 2, 2026	Planned	n/a
Granite Canal	March 25, 2026	March 25, 2026	Forced	Unit tripped offline due to over-frequency event.
Upper Salmon	March 26, 2026	March 26, 2026	Forced	Unit failed during start-up while cycling.
Bay d’Espoir Unit 5	March 30, 2026	March 30, 2026	Planned	n/a
Bay d’Espoir Unit 6	March 30, 2026	March 30, 2026	Planned	n/a
Bay d’Espoir Unit 5	March 31, 2026	March 31, 2026	Planned	n/a

2 Figure 1 plots the 2025 and 2026 storage levels, minimum storage limits, maximum operating level
 3 storage, and 20-year average aggregate storage for comparison. Hydro has established the minimum
 4 storage limits to April 30, 2026.^{3,4}

³ The minimum storage limits for 2025–2026 have been updated as of September 30, 2025 utilizing the LIL transmission limits associated with the full or final under-frequency load shedding (“UFLS”) scheme as opposed to the previously presented and interim UFLS scheme. The final UFLS scheme was implemented on November 24, 2025. The LIL final UFLS scheme allows for incrementally more LIL energy to be brought to the Island without the need to export more energy over the ML export path. This resulted in a small adjustment downwards of the monthly minimum storage limits.

⁴ The minimum storage methodology was updated to ensure Hydro’s reservoirs could continue to provide reliable service to customers at the lowest possible cost, in an environmentally responsible manner. The 2025–2026 analysis assumed that only two units at the Holyrood Thermal Generating Station (“Holyrood TGS”) would be online and operating at minimum load during the winter 2025–2026 period.

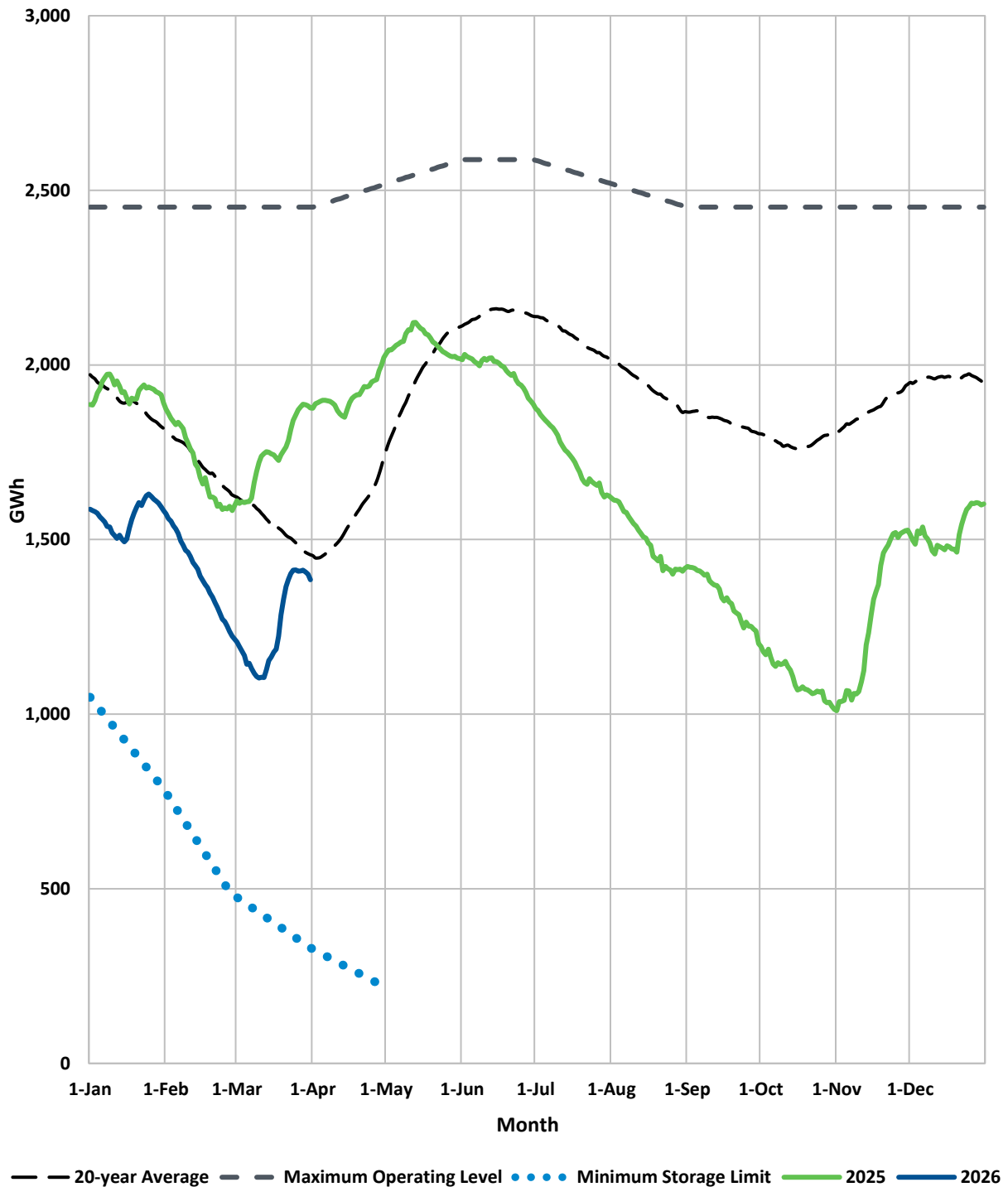


Figure 1: Total System Energy Storage⁵

⁵ Data points in Figure 1 represent storage at the beginning of each day. Table 1 reports the end-of-day storage values, which results in a small difference between the storage data presented in Table 1 and Figure 1.

2.1 Ponding

In Board Order No. P.U. 49(2018), the Board approved Hydro’s application for approval of a Pilot Agreement for the Optimization of Hydraulic Resources (“Pilot Agreement”).⁶ The intent of the Pilot Agreement is to optimize Hydro’s hydraulic resources through the strategic use of its storage capabilities, taking advantage of the variability of energy pricing in external markets over time.

Appendix A provides information regarding imported and exported energy transactions under the Pilot Agreement during the month. No ponding exports or imports occurred over the Maritime Link (“ML”) during March 2026. Exports from Island sources have been placed on hold since July 2025.

2.2 Spill Activity

Appendix A provides information regarding spill avoidance export transactions undertaken.⁷ Releases from Burnt Spillway occurred from March 19 to 21, 2026 due to elevated reservoir levels from high inflows as a result of runoff from rainfall and snowmelt. Bypassing occurred from the Granite Canal Bypass Structure from March 18 to 23, 2026 for the same reason. Granite Canal operated to its full rated capacity due to native load prior to, and during, bypassing to reduce the amount of spill required. No spill avoidance exports were required during the month. A summary of the year-to-date (“YTD”) total volumes spilled or bypassed in both MCM⁸ and GWh can be found in Table 3.

Table 3: Spill Activity

	Granite Canal Bypass		Upper Salmon Bypass		Burnt Dam Spillway	
	MCM	GWh	MCM	GWh	MCM	GWh
31-March-2026	23.6	2.2	-	-	9.9	6.5
YTD Total	23.6	2.2	0.0	0.0	9.9	6.5

⁶ The Third Amended and Restated Pilot Agreement for the Optimization of Hydraulic Resources was approved as per Board Order No. P.U. 35(2022), and was extended as per Board Order No. P.U. 30(2023), Board Order No. P.U. 29(2024), and again in Board Order No. P.U. 37(2025).

⁷ Pursuant to the Pilot Agreement, exporting when system load is low allows for increased generation from Island hydraulic facilities and the utilization of water (energy) that would have otherwise been spilled, while not increasing the risk of spill elsewhere in the system.

⁸ Million cubic metres (“MCM”).

3.0 Production and Purchases

Appendix B provides a breakdown of power purchases, including the import and export activity over the LIL and ML as well as production by plant during March 2026.⁹ There was no energy repaid from Corner Brook Pulp and Paper (“CBPP”) to Energy Marketing under the Temporary Energy Exchange Agreement in March 2026. There was 0.06 GWh of emergency energy, including losses, supplied to Nova Scotia over the ML during March 2026.¹⁰

4.0 Thermal Production

Holyrood TGS Units 1, 2 and 3 were online during the month of March 2026 for system requirements. Holyrood TGS Unit 3 was placed in standby on March 21, 2026, as it was no longer required to support system demand. The unit was taken offline on March 29, 2026 for its planned annual outage. Total energy production from Holyrood TGS for the month was 107.9 GWh. Standby generation was not used to support reservoir storage. The operating hours for the Holyrood TGS, Holyrood Combustion Turbine (“CT”), and the Hardwoods and Stephenville Gas Turbines (“GT”) are summarized in Table 4.

Table 4: Holyrood TGS and Combustion Turbines Operating Hours

	Operating Hours	Sync Condense Hours	Available Hours
Holyrood TGS			
Unit 1	415.8	0	415.8
Unit 2	744.0	0	744.0
Unit 3	494.6	0	680.0
Combustion Turbines			
Hardwoods GT	1.5	737.0	744.0
Stephenville GT	5.0	52.2	744.0
Holyrood CT	26.1	0.0	744.0

⁹ In January 2026, Hydro entered into a fourth power purchase agreement (“PPA”) with CBPP as directed by Government. The power purchase agreement with CBPP provides Hydro with 140 GWh of non-firm energy from the expiry of the October 2025 PPA to June 30, 2026, inclusive. The October 2025 PPA was delivered in full in January 2026.

¹⁰ Supplemental Block deliveries terminated in full on March 31, 2026.

5.0 Unit Deratings

As previously reported,¹¹ Holyrood TGS Unit 1 was operating under a derate to 166 MW through March 2026 due to an ongoing issue with high condenser back pressure. Hydro has determined through investigation and testing that the high back pressure is due to deteriorated vacuum pump performance. Despite efforts to improve the vacuum pump performance, the unit remains de-rated and may remain de-rated until the annual outage, when vacuum pump issues will be fully addressed. Also, at the beginning of March 2026, an issue with the left intercept valve on the turbine was identified.¹² A brief outage was requested to replace and test the servo valve on March 7, 2026; however, upon testing, the issue was not corrected, indicating a problem internal to the intercept valve. With support from the turbine contractor and the Original Equipment Manufacturer, the issue was addressed and the valve was restored, reassembled, and recalibrated,¹³ with the unit returning to service on March 20, 2026. Testing on March 21, 2026, confirmed the unit's capacity of 166 MW.

Holyrood TGS Unit 2 was online and available for full load of 170 MW for the entire month of March 2026.

Holyrood TGS Unit 3 was available for full load of 150 MW on March 1, 2026, following the return to service of the west forced draft fan. The fan had been isolated since February 26, 2026, to allow replacement of the fan bearings. On March 15, 2026, high vibration was again detected in the fan, and it was removed from service for further investigation. As a result, the unit was temporarily de-rated to 40 MW. Operational adjustments to the air system enabled an increase of the unit capability to 50 MW on March 16, 2026. The unit remained online de-rated to 50 MW until March 21, 2026, when it was placed in standby at the request of the Newfoundland and Labrador System Operator, as it was no longer required to support system demand. It was determined that the fan will require balancing, which is being planned for the annual maintenance outage. On March 29, 2026, the unit began its planned annual maintenance outage.

The Holyrood CT and Stephenville GT were available for the entire month of March 2026. The Hardwoods GT was available at full capacity for the entire month of March 2026, with the exception of

¹¹ Monthly Energy Supply Report for the Island Interconnected System for February 2026

¹² The issue was identified through on-line testing of the valve, where the valve would not fully open. This did not result in a de-rating of the unit as the intercept valves are designed for turbine speed control, and testing confirmed that it would close if required on a trip.

¹³ Upon disassembly of the valve, the issue was determined to be a retaining plate that had broken free inside the valve.

- 1 an unplanned derating to 50% capacity on March 15, 2026. End A became unavailable for approximately
- 2 three hours due to an issue with the air inlet differential pressure switch wiring. This issue was corrected
- 3 and the unit was returned to full capacity that same day.

Appendix A

Ponding and Spill Transactions



Table A-1: Ponding Transactions

Date	Ponding Imports (MWh)	Ponding Exports (MWh)	Ponding Imports Purchased by Hydro (MWh)	Transfer of Pond Balance to Spill Avoidance (MWh)	Energy Losses to Export (MWh)	Cumulative Pondered Energy (MWh)
Opening Balance	-	-	-	-	-	(5,097)
Total ¹	-	-	-	-	-	-

Table A-2: Avoided Spill Energy

Date	Avoided Spill Exports (MWh)	Energy Losses to Export (MWh)	Transfer of Pond Balance to Spill Avoidance (MWh)	YTD Avoided Spill Energy (MWh)
Opening Balance	-	-	-	-
Total ²	-	-	-	-

¹ Total transactions for March 2026.

² Total transactions for March 2026.

Appendix B

Production and Purchases



Table B-1: Generation and Purchases (GWh)^{1,2}

	<u>Mar-26</u>	<u>YTD Mar 2026</u>
Hydro Generation (Hydro)		
Bay d'Espoir		
Unit 1	35.2	95.3
Unit 2	20.8	63.7
Unit 3	39.3	99.6
Unit 4	19.8	55.4
Unit 5	41.0	117.5
Unit 6	41.1	117.7
Unit 7	95.6	243.8
Subtotal Bay d'Espoir	<u>292.9</u>	<u>793.2</u>
Upper Salmon	47.9	145.4
Granite Canal	21.9	61.8
Hinds Lake	35.9	118.9
Cat Arm		
Unit 1	48.8	124.6
Unit 2	39.6	105.0
Subtotal Cat Arm	<u>88.4</u>	<u>229.6</u>
Paradise River	3.0	8.0
Star Lake	12.5	35.3
Rattle Brook	1.2	2.7
Exploits	51.5	143.8
Mini Hydro	0.0	0.0
Total Hydro Generation (Hydro)	<u>555.3</u>	<u>1,538.8</u>
Thermal Generation (Hydro)		
Holyrood TGS		
Unit 1	27.6	137.2
Unit 2	49.9	137.9
Unit 3	30.4	56.0
Subtotal Holyrood TGS Units	<u>107.9</u>	<u>331.1</u>
Holyrood Combustion Turbine and Diesels	0.1	6.6
Hardwoods Gas Turbine	0.0	0.9
Stephenville Gas Turbine	0.1	1.0
Other Thermal	0.0	0.2
Total Thermal Generation (Hydro)	<u>108.2</u>	<u>339.7</u>
Purchases		
Requested Newfoundland Power and Vale CBPP	0.0	0.2
Capacity Assistance	0.0	0.0
Power Purchase Agreement	37.1	118.4
Secondary	0.0	0.0
Co-Generation	0.0	0.0
Subtotal CBPP	<u>37.1</u>	<u>118.4</u>
Wind Purchases	21.3	59.8
Maritime Link Imports ³	0.0	1.2
New World Dairy	0.3	0.9
Labrador Island Link Delivery to IIS ^{4,5}	93.8	377.3
Total Purchases	<u>152.5</u>	<u>557.8</u>
Total	<u>815.9</u>	<u>2,436.3</u>

¹ Gross generation.

² Actuals reflect rounded values to the nearest tenth of a GWh. Differences between total versus addition of individual components due to rounding.

³ Includes energy flows as a result of purchases and inadvertent energy.

⁴ LIL deliveries to the Island Interconnected System are calculated as LIL imports of 273.5 GWh less ML exports of 179.7 GWh.

⁵ Net energy delivered to the Island Interconnected System is less than the total energy delivery to Hydro under the Muskrat Falls Power Purchase Agreement because of transmission losses on the LIL.