Newfoundland and Labrador Hydro
Hydro Place. 500 Columbus Drive
P.O. Box 12400. St. John's. NL
Canada A1B 4K7
t. 709.737.1400 I f. 709.737.1800
nlhydro.com

June 17, 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 May 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.

ecc:

Board of Commissioners of Public Utilities
Jacqui H. Glynn
Ryan Oake
Board General

Consumer Advocate
Adrienne H.Y. Ding, O'Dea Earle
Justin W. King, O'Dea Earle
Consumer Advocate General

Linde Canada Inc.
Sheryl E. Nisenbaum
Tina Lahey

Newfoundland Power Inc.
Dominic J. Foley
Douglas W. Wright
Regulatory Email

Teck Resources Limited
Darren Hennessey

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

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

June 17, 2026

A report to the Board of Commissioners of Public Utilities

newfoundland labrador hydro

Contents

List of Appendices

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 May 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 May 2026 were 19% 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

Date	2026 (GWh)	2025 (GWh)	20-Year Average (GWh)	Minimum Storage Limit (GWh)	Maximum Operating Level (GWh)	Maximum Operating Level (%)
31-May-2026	2,089	2,014	2,109	1,392	2,586	81

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

The aggregate reservoir storage level on May 31, 2026 was 2,089 GWh, which is 19% below the seasonal maximum operating level and 50% above the minimum storage limit.[2] Total system energy for the month increased by 636 GWh overall, resulting in a total system energy storage just 20 GWh below the 20-year average. Inflows to the reservoirs of the Bay d'Espoir Hydroelectric Generating Station ("Bay d'Espoir") were 112% of average in May 2026. Inflows to the Hinds Lake Reservoir were 147% of average and inflows to the Cat Arm Reservoir were 129% of average during the month.

Total precipitation for the month of May across Hydro's reservoir system was 82 mm at Burnt Dam, 133 mm at Long Pond, and 19 mm at Hinds Lake.

The precipitation, combined with warmer weather, resulted in the loss of all remaining snow in the Bay d'Espoir System, most of the snow in the Hinds Lake watershed and a large amount of the snow in the Cat Arm watershed. Inflows for the month were well above average as a result. At the start of the month, most of the snow had already melted near Long Pond. The amount of snow remaining on the ground increased when travelling northwest. By the end of the month, Cat Arm was the only reservoir with any notable snow remaining via satellite imagery.

High inflows throughout the month resulted in the requirement to bypass the Granite Canal Plant at the Granite Canal Bypass Structure from May 9 to 15, 2026. The forced outage at the Upper Salmon Plant resulted in the requirement to bypass at the North Salmon Dam Spillway from May 15 to 18, 2026. Additional information on spill activity is provided in Section 2.2.

[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.

Table 2 summarizes the unit outages experienced during May 2026.

Table 2: May 2026 Unit Outage Summary

Unit Name	Date Offline	Return to Service	Outage type	Notes
Bay d'Espoir Unit 5	April 6, 2026	May 5, 2026	Planned	Forced extension to planned outage from May 1 to May 5, 2026 due to issue with B3T6-1 disconnect.
Bay d'Espoir Unit 6	April 6, 2026	May 5, 2026	Planned	Forced extension to planned outage from May 1 to May 5, 2026 due to issue with B3T6-1 disconnect.
Upper Salmon	May 5, 2026	May 5, 2026	Unplanned	Unit tripped on startup due to an issue with the governor for the generator.
Bay d'Espoir Unit 1	May 6, 2026	n/a	Planned	n/a
Bay d'Espoir Unit 2	May 6, 2026	n/a	Planned	n/a
Upper Salmon	May 9, 2026	May 18, 2026	Unplanned	Outage to replace a damaged flex lead on the A-Phase IPB
Hinds Lake	May 24, 2026	n/a	Planned	n/a

Figure 1 plots the 2025 and 2026 storage levels, minimum storage limits, maximum operating level storage, and 20-year average aggregate storage for comparison. In addition to the 2025–2026 minimum storage limits presented in Figure 1, Hydro has established the minimum storage limits to April 30, 2027. The 2026–2027 minimum storage limits were developed considering maximized delivery of power from the Muskrat Falls Hydroeletric Facility, supplemented by available Recapture Energy from the Churchill Falls Generating Station over the LIL, utilizing the transmission limits associated with the full under-frequency load shedding limit of 57.7 Hz.[3]

[3] 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 2026–2027 analysis assumed that only one unit at the Holyrood Thermal Generating Station ("Holyrood TGS") would be online and operating at minimum load during the winter 2026–2027 period. This assumption was made to de-risk island system energy storage based on global market uncertainty associated with fuel prices and supply. Hydro plans to have all three units at the Holyrood TGS available at full capability, if needed. However, Hydro expects Island reservoirs to be supported with Muskrat Falls energy instead of thermal energy from the Holyrood TGS.

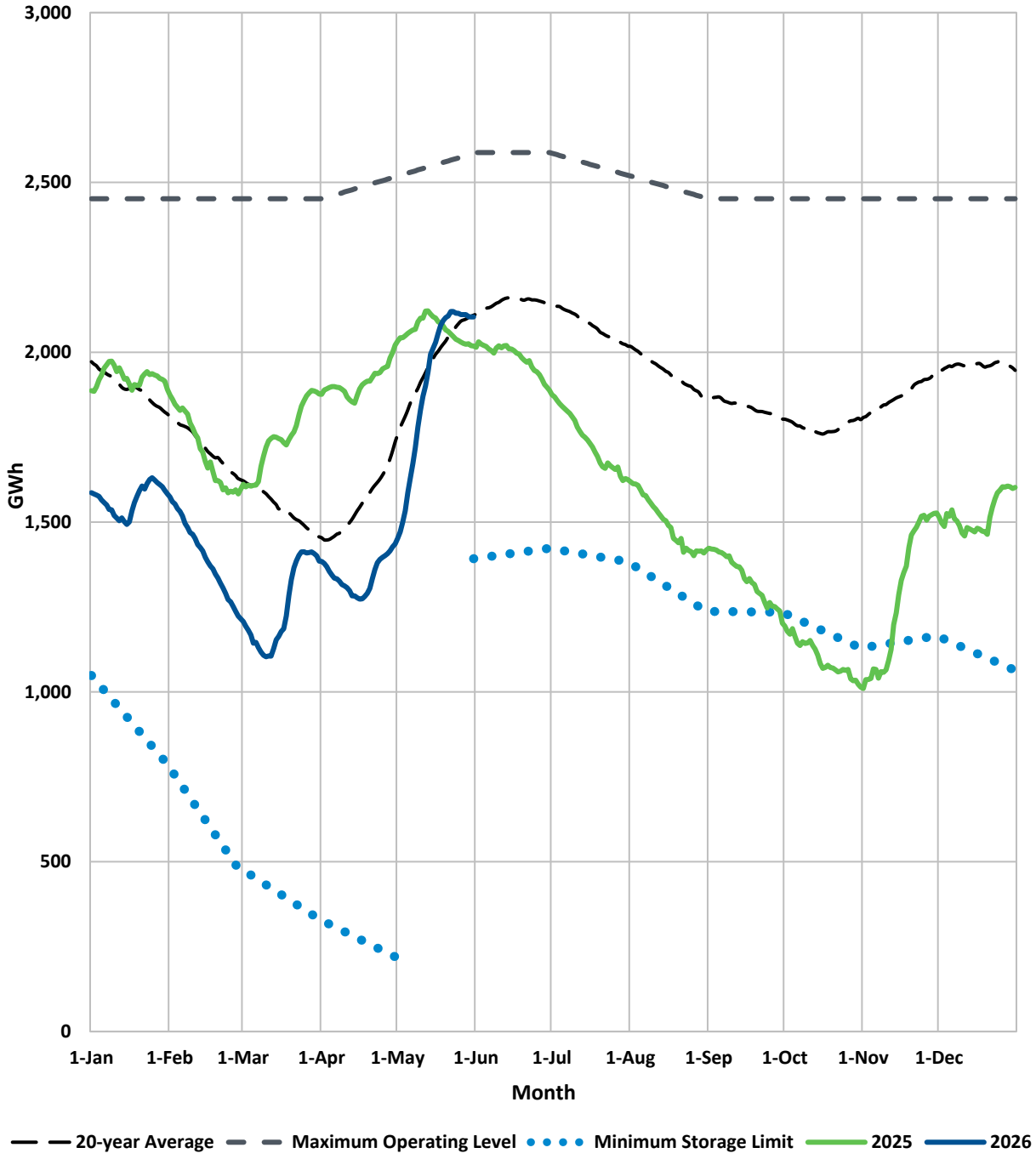

Figure 1: Total System Energy Storage[4]

[4] 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").[5] 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. Ponding imports were placed on hold in April due to high inflows and increasing reservoir levels to reduce risk of spill. No ponding exports or imports occurred over the Maritime Link ("ML") during May 2026.

2.2 Spill Activity

Appendix A provides information regarding spill avoidance export transactions undertaken.[6] On May 12, 2026, a standing instruction was issued to Energy Marketing to seek spill avoidance exports for Hinds Lake and Cat Arm due to the projected risk of spill and inability to maintain maximized generation at the facilities based on native load alone. Releases of water were required on the Island Interconnected System in May 2026, and are outlined in Table 3. A summary of the year-to-date ("YTD") total volumes spilled or bypassed in both MCM[7] and GWh can be found in Table 3. Avoided spill energy is shown in Table A-2.

Table 3: Spill Activity

	Granite Canal Bypass		Burnt Dam Spillway		North Salmon Bypass	
	MCM	**GWh**	**MCM**	**GWh**	**MCM**	**GWh**
31-May-2026	18.8	1.8	-	-	17.5	2.3
YTD Total	**42.4**	**4.0**	**9.9**	**6.5**	**17.5**	**2.3**

[5] 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).

[6] 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.

[7] 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 May 2026.[8] There was 6.7 GWh of energy repaid from Corner Brook Pulp and Paper ("CBPP") to Energy Marketing under the Temporary Energy Exchange Agreement in May 2026. This energy was exported over the ML. No emergency energy was supplied to Nova Scotia over the ML during May 2026.

4.0 Thermal Production

Holyrood TGS Unit 1 was online for the month of April for system requirements, then taken offline and placed on standby on May 1, 2026.[9] Holyrood TGS Unit 2 was online briefly on May 1, 2026, as part of commissioning activities associated with a planned outage. Unit 2 was then taken offline and placed on standby. Both units were offline for the remainder of the month. Total energy production from Holyrood TGS for the month was 0.08 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	16.2	0.0	561.0
Unit 2	12.6	0.0	128.0
Unit 3	0.0	727.8	727.8
Combustion Turbines			
Hardwoods GT	14.0	721.9	735.9
Stephenville GT	0.0	6.2	743.1
Holyrood CT	2.4	0.0	686.3

[8] On April 1, 2021, Hydro entered into an agreement with CBPP to send energy to supplement low reservoir levels. This energy is to be exported and not used to supply the Island Interconnected System.
[9] On May 1, 2026, the unit was taken offline and placed in standby as it was no longer required to support system energy requirements.

5.0 Unit Deratings

Holyrood TGS Unit 1 operated under a derate to 166 MW until May 1, 2026 when the unit was taken offline and placed in standby as it was no longer required to support system requirements. The derate was due to an ongoing issue with high condenser back pressure. Hydro has determined through investigation and testing that the high back pressure was due to deteriorated vacuum pump performance, which will be addressed during the unit's planned annual outage. On May 24, 2026, the unit began its planned annual outage, which is scheduled to continue until October 3, 2026.

Holyrood TGS Unit 2 was on a planned outage from April 21 to 30, 2026. The outage was required in order to complete capital work to upgrade the boiler flame scanners. The unit was online on April 30, 2026 for commissioning of the flame scanners which was completed on May 1, 2026. The unit was then taken offline and placed in standby as it was not required for system support. The west forced draft fan failed during startup on April 27, 2026. The inboard bearing will require replacement during the unit's planned annual outage. This failure derated the unit to 40 MW during commissioning of the flame scanners. The unit began its planned annual outage on May 6, 2026, which is scheduled to continue until September 26, 2026.

Holyrood TGS Unit 3 was on planned annual maintenance outage for the entire month of May 2026. The outage began on schedule on March 29, 2026, and will continue until July 18, 2026. On May 1, 2026 the generator was placed online in synchronous condenser mode.

The Hardwoods GT was available at full capacity for the entire month of May 2026, with the exception of an unplanned outage on May 2, 2026. The unplanned outage was the result of an air leak in the air starting system. The leak was repaired and the unit was returned to service.

The Holyrood CT was available as of May 3, 2026 for the remainder of the month, following its returning to service upon completion of planned work.

Stephenville GT was available at 50% for the entire month of May 2026, as End B was unavailable as a result of Hydro's investigation into the fire on the End B power turbine on April 11, 2026. The investigation determined that an exhaust leak from the End B power turbine was a contributing cause of the fire. As such, repairs were required to mitigate the risk of a fire reoccurring. Stephenville End B was released for service on June 12, 2026.

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 Ponded 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	**-**	**-**	-	**-**
16-May-2026	(211)	(31)	-	(242)
19-May-2026	(150)	(15)	-	(165)
21-May-2026	(150)	(13)	-	(163)
22-May-2026	(271)	(46)	-	(317)
23-May-2026	(306)	(44)	-	(350)
24-May-2026	(220)	(32)	-	(252)
25-May-2026	(78)	(12)	-	(90)
Total[2]	**(1,386)**	**(193)**	**-**	**(1,579)**

[1] Total transactions for May 2026.
[2] Total transactions for May 2026.

Appendix B

Production and Purchase

Table B-1: Generation and Purchases (GWh)[1,2]

	May-26	YTD May 2026
Hydro Generation (Hydro)		
Bay d'Espoir		
Unit 1	4.8	135.7
Unit 2	3.5	91.9
Unit 3	38.6	175.9
Unit 4	29.9	99.8
Unit 5	35.0	159.0
Unit 6	35.4	160.1
Unit 7	82.4	411.6
Subtotal Bay d'Espoir	229.7	1,234.0
Upper Salmon	36.9	230.1
Granite Canal	25.6	109.3
Hinds Lake	28.6	185.4
Cat Arm		
Unit 1	42.7	209.2
Unit 2	35.3	175.8
Subtotal Cat Arm	78.0	385.0
Paradise River	3.5	16.2
Star Lake	12.2	59.6
Rattle Brook	2.6	6.5
Exploits	50.6	242.9
Mini Hydro	0.0	0.0
Total Hydro Generation (Hydro)	**467.8**	**2,469.1**
Thermal Generation (Hydro)		
Holyrood TGS		
Unit 1	0.8	176.1
Unit 2	0.0	151.4
Unit 3	0.0	56.0
Subtotal Holyrood TGS Units	0.8	383.5
Holyrood Combustion Turbine and Diesels	0.2	6.7
Hardwoods Gas Turbine	0.2	1.1
Stephenville Gas Turbine	0.0	1.0
Other Thermal	0.0	0.2
Total Thermal Generation (Hydro)	**1.1**	**392.6**
Purchases		
Requested Newfoundland Power and Vale	0.0	0.2
CBPP		
Capacity Assistance	0.0	0.0
Power Purchase Agreement[3]	6.7	155.5
Secondary	1.0	2.2
Co-Generation	9.1	10.4
Subtotal CBPP	16.8	168.1
Wind Purchases	16.0	89.3
Maritime Link Imports[4]	0.0	1.2
New World Dairy	0.0	1.0
Labrador Island Link Delivery to IIS[5,6]	59.0	574.4
Total Purchases	**91.7**	**834.1**
Total	**560.6**	**3,695.7**

[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] Energy repaid from CBPP to Energy Marketing under the Temporary Energy Exchange Agreement that was exported over the ML.
[4] Includes energy flows as a result of purchases and inadvertent energy.
[5] LIL deliveries to the Island Interconnected System are calculated as LIL imports of 291.3 GWh less ML exports of 232.4 GWh.
[6] 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.