

# **NEWFOUNDLAND AND LABRADOR HYDRO**

Strategic Plan 2026-2028  
Transparency and Accountability

March 2026



## Message from the Boards of Directors

Honourable Lloyd Parrott  
Minister of Energy and Mines  
Government of Newfoundland and Labrador  
50 Elizabeth Avenue  
P.O. Box 8700  
St. John's, NL  
A1B 4J6

Dear Minister Parrott:

In accordance with the **Hydro Corporation Act, 2024** and the **Transparency and Accountability Act**, I am pleased to provide the 2026-2028 Strategic Plan for Newfoundland and Labrador Hydro.

The strategic issues, goals, objectives, and indicators outlined within this 2026-2028 Strategic Plan align with Hydro's 2026-2030 Corporate Strategy released in March 2026. They outline how Newfoundland and Labrador Hydro, as a Category 1 public body and Crown utility, intends to fulfil its mandate and support the provincial government in executing its priorities during this timeframe and beyond.

As Newfoundland and Labrador Hydro's Board of Directors, we are accountable for the preparation of this 2026-2028 Strategic Plan and the achievement of the specific priorities and objectives contained herein.



John Green, K.C.

Chair, Board of Directors of  
Newfoundland and Labrador  
Hydro

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# 1 Background

## Amalgamation

Effective January 1, 2025, Newfoundland and Labrador Hydro and Nalcor Energy (Nalcor) were legislatively amalgamated into a new legal corporation that continues under the name “Newfoundland and Labrador Hydro” (Hydro).<sup>1</sup>

The amalgamated corporation holds the combined assets and liabilities of the former Hydro and Nalcor entities and is bound by any previously existing contracts and agreements. The legislation also confirms the continuation of any security or guarantees provided by the provincial government to Nalcor with Hydro.

Hydro continues to be a Crown corporation that exists as a Category 1 public body and is therefore required to submit a three-year strategic plan in accordance with the **Transparency and Accountability Act**.

## Hydro’s 2026-2030 Corporate Strategy

### 1.1.1 Corporate Strategy Timeframe

On March 13, 2026, Hydro’s Board of Directors approved Hydro’s 2026-2030 Corporate Strategy (Corporate Strategy).<sup>2</sup> Hydro’s strategic planning timeframe extends beyond the three-year timeframe required by the **Transparency and Accountability Act** due to: (i) the long-term nature of utility planning, and (ii) the timelines associated with accomplishing many of Hydro’s specific goals and objectives.

In compliance with the **Transparency and Accountability Act**, this document (the Strategic Plan) is prepared for the three-year timeframe 2026-2028, inclusive. The strategic issues, goals, and objectives outlined herein align with Hydro’s Corporate Strategy, and the indicators reflect planned activities for the first three years of its five-year Corporate Strategy. The remaining two years of the five-year Corporate Strategy will be incorporated in Hydro’s 2029-2031 Strategic Plan.

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<sup>1</sup> **Hydro Corporation Act, 2024**

<sup>2</sup> To be released publicly in May 2026.

## 1.1.2 Corporate Strategy Overview

Building on the 2023-2025 Strategic Plan, Hydro's Corporate Strategy endeavours to drive Hydro to a future state where its operations are further harmonized, stakeholder trust is increased, and the organization is generating lasting value for Newfoundland and Labrador. The Corporate Strategy provides a roadmap that will guide the organization in delivering its mandate while simultaneously navigating the evolving energy landscape and advancing the organization toward its desired future state.

The Corporate Strategy is based on three strategic priorities that directly support Hydro's mandate, provincial energy policy, and the strategic directions of the provincial government (e.g., economic development, development of provincial resources for the benefit of Newfoundlanders and Labradorians, and putting the people of the province first).<sup>3</sup> These three strategies are:

**Safety, Health and Engagement:** Hydro is focused on a holistic approach to safety, health and engagement as these mutually reinforcing priorities are central to a strong organizational culture. When employees feel safe, supported, valued, and recognized, they are better able to maintain focus, reduce distractions, and apply safe work practices consistently. This, in turn, improves both safety and operational outcomes.

**Reliability and Readiness:** During a period of transformation in the electricity sector, Hydro will prioritize reliability while preparing its people and electrical system for the future. Given the long planning horizons of electric utilities, this dual focus supports dependable service today and positions Hydro to meet future system requirements and capitalize on future opportunities for the province.

**Sustainable Value Generation:** As a Crown corporation, Hydro has a responsibility to manage provincial electrical assets in a way that serves customers and delivers broad value to the people of Newfoundland and Labrador. Working with the provincial government, Hydro enables economic development through the provision of electricity, contributes to sincere and meaningful relationships with Indigenous Peoples, and supports long-term socio-economic benefits.

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<sup>3</sup> As described in Premier Wakeham's [mandate letter to Cabinet](#), December 8, 2025.

## 2 Overview of the Organization

### Physical Location and Employee Statistics

#### 2.1.1 Physical Location

Hydro’s headquarters is located in St. John’s, Newfoundland and Labrador. Hydro’s energy portfolio includes generation, transmission, and distribution assets located throughout the province.

#### 2.1.2 Employee Statistics

Table 1 provides an overview of the composition of Hydro’s employees as of December 31, 2025.

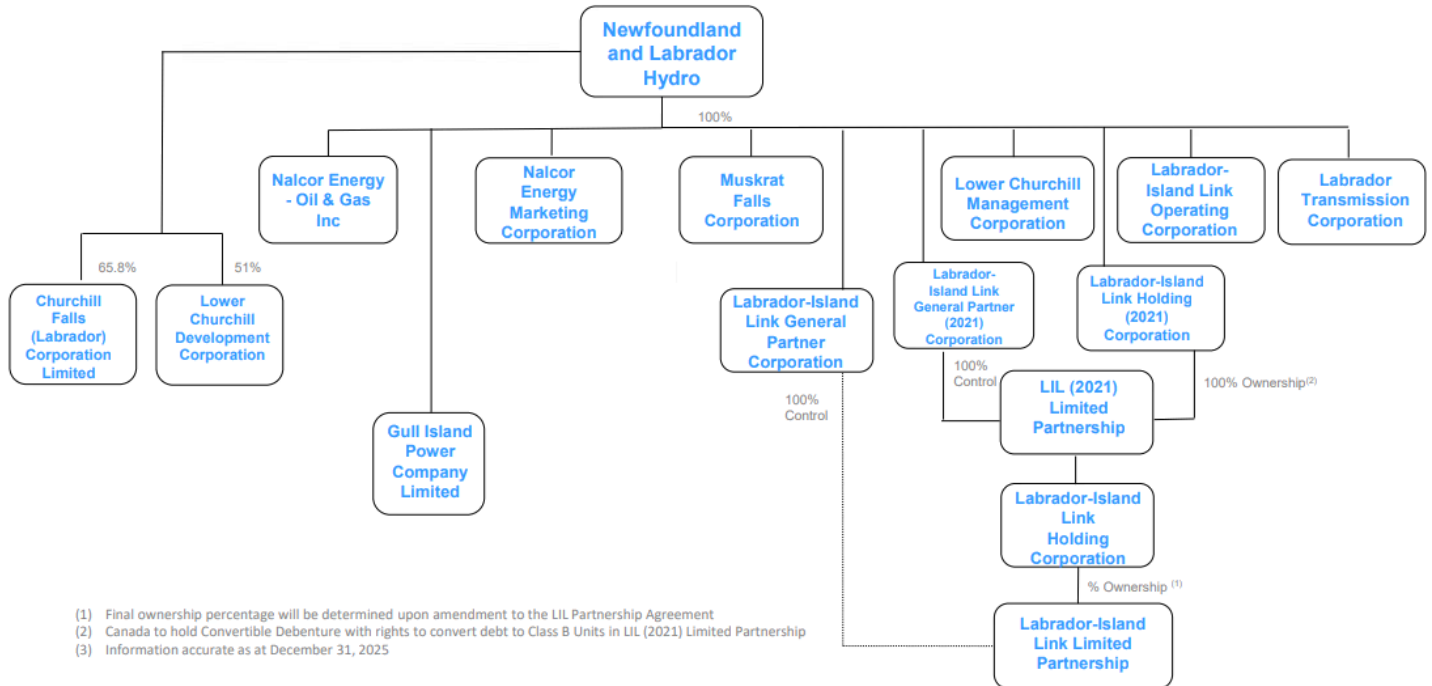
**Table 1: Employee Composition by Gender and Location as of December 31, 2025**

<b>Gender</b>	<b>Rural</b>	<b>Urban</b>	<b>Total</b>	<b>Per cent</b>
<b>Female</b>	190	295	<b>485</b>	<b>29</b>
<b>Male</b>	820	340	<b>1,160</b>	<b>71</b>
<b>Total</b>	<b>1,010</b>	<b>635</b>	<b>1,645</b>	
<b>Per cent</b>	<b>61</b>	<b>39</b>		

Hydro is executing multi-year plans to support inclusion, diversity, equity, and accessibility (IDEA). Additionally, Hydro continues to pursue strategies to attract, recruit, develop and retain members of designated groups including Indigenous Peoples, persons with disabilities and members of visible minorities. Hydro has also reviewed its recruitment and talent management processes through the lens of IDEA.

## Legal Structure

Hydro's legal structure as of December 31, 2025<sup>4</sup> is shown in Figure 1.



**Figure 1: Legal Structure as of December 31, 2025**

## Board Of Directors

Hydro's Board of Directors is accountable for providing oversight of Hydro's policies, plans, performance, risks, and ensuring consistency with Hydro's mandate. Members of the Board of Directors are appointed by Government upon recommendation by the Independent Appointments Commission, an independent body established by the provincial government to provide merit-based recommendations for appointments.

<sup>4</sup> Nalcor Energy and Newfoundland and Labrador Hydro were legislatively amalgamated and continued as a corporation under the name Newfoundland and Labrador Hydro effective January 1, 2025.

The composition of the Hydro Board of Directors as of December 31, 2025 is as follows:

- John Green, K.C., Chair
- Bob Barnes
- Donna Brewer
- Geoff Goodyear
- Jim Haynes
- Chris Loomis
- John Mallam
- Debbie Molloy
- David Oake
- Trina Troke
- Dr. Edna Turpin
- Brian Walsh
- Jennifer Williams

## 2025 Revenues and Expenses

**Table 5: Consolidated Revenue and Expenses 2025**

For the year ended December 31, 2025 (millions of dollars)	\$	Per cent
Energy sales	1,420	96
Other revenue	57	4
<b>Revenue</b>	<b>1,477</b>	<b>100</b>
Fuels	171	7
Power purchased	107	5
Operating costs	356	16
Production, marketing and transportation costs	31	1
Transmission rental	25	1
Depreciation, depletion, amortization and impairment	438	19
Net finance expense	417	18
Rate mitigation expense	704	31
Other expense	48	2
<b>Expenses</b>	<b>2,297</b>	<b>100</b>
Loss for the year before regulatory adjustments	(820)	
Regulatory adjustments	(935)	
<b>Profit for the year</b>	<b>115</b>	

### 3 Mandate

In accordance with the Hydro Corporation Act, 2024,<sup>5</sup> Hydro is responsible for:

- i. Developing and purchasing power on an economic and efficient basis;
- ii. Supplying power at rates consistent with sound financial administration; and
- iii. Manufacturing, producing, distributing, and selling energy-related products and services.

Additionally, as Hydro is a public utility as defined in the Public Utilities Act,<sup>6</sup> it must execute and uphold provincial power policy as defined in the Electrical Power Control Act, 1994. This requires, among other things, that Hydro operates in a manner that results in power being delivered at the lowest possible cost, in an environmentally responsible manner, consistent with reliable service.<sup>7</sup>

### 4 Vision

Hydro is the people's utility that you can count on – providing safe, cost-conscious, reliable electricity while harnessing sustainable energy opportunities to benefit the people of Newfoundland and Labrador.

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<sup>5</sup> **Hydro Corporation Act, 2024**, Section 14(1).

<sup>6</sup> **Public Utilities Act**, Section 2(1)(h).

<sup>7</sup> **Electrical Power Control Act, 1994**, Section (3).

## 5 Lines of Business

Consistent with its mandate,<sup>8</sup> Hydro's primary lines of business are:

- i. Developing and purchasing power;
- ii. Supplying power at rates consistent with sound financial administration; and
- iii. Manufacturing, producing, distributing, and selling energy-related products and services.

### 5.1.1 Developing and Purchasing Power

Hydro is the primary generator of electricity in Newfoundland and Labrador, operating and maintaining 13 hydroelectric plants, one oil-fired plant, four gas/combustion turbines, and 23 remote diesel plants.<sup>9</sup> Hydro also enters into power purchase agreements with non-utility generators to supplement its generating capacity.

Hydro's transmission system includes over 10,000 km of transmission and distribution lines and dozens of high-voltage terminal stations and lower-voltage distribution stations. It connects almost 40,000 utility, industrial, commercial, and residential customers province-wide to reliable Hydro-generated and purchased power.

### 5.1.2 Supplying Power at Rates Consistent with Sound Financial Administration

To ensure the electrical system remains capable of reliably meeting increasing customer needs into the future, Hydro undertakes long-term system planning to identify any new infrastructure requirements and the most cost-effective resources to satisfy identified needs. This process is overseen by the province's electricity regulator, the Board of Commissioners of Public Utilities (Public Utilities Board).

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<sup>8</sup> Prior to its amalgamation, Hydro reported its lines of business as regulated (primarily representing the previous Newfoundland and Labrador Hydro) and non-regulated (primarily representing the previous Nalcor). However, following amalgamation, Hydro is a regulated utility whose assets and operations are regulated by the Newfoundland and Labrador Board of Commissioners of Public Utilities unless there is a legislative exemption indicating otherwise.

<sup>9</sup> Further detail on the generation facilities owned and/or operated by Hydro can be found at <https://nlhydro.com/about-us/our-electricity-system/our-generation-assets/>.

Subject to approval of the Public Utilities Board,<sup>10</sup> Hydro constructs the necessary new system resources and integrates them into the electrical grid and Hydro's day-to-day operations. The costs associated with these investments are included in Hydro's rate base and are recovered through customer rates.

For most of Hydro's customers,<sup>11</sup> the Public Utilities Board typically<sup>12</sup> establishes the rates Hydro charges through a General Rate Application proceeding. This process tests Hydro's costs and operational practices to ensure that Hydro's business is operated in a manner that results in power being delivered at the lowest possible cost, in an environmentally responsible manner, consistent with reliable service.<sup>13</sup>

### **5.1.3 Manufacturing, Producing, Distributing, and Selling Energy-Related Products and Services**

Hydro is responsible for obtaining fair value for energy products and services. This includes:

- i. Development of provincial resources for the benefit of the people of the province;
- ii. Entering commercial arrangements for the sale of electricity and renewable attributes (e.g., carbon credits);
- iii. Holding the provincial government's oil and gas interests; and
- iv. Executing short-term exports to neighbouring jurisdictions.

These activities not only support the provincial economy directly through generation of additional revenue but provide many indirect benefits. Development of provincial energy resources provides meaningful employment, local procurement opportunities, and other spin-off benefits for Indigenous Peoples, businesses, and communities and across the province.

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<sup>10</sup> Unless the project or assets have been excluded from regulation of the Public Utilities Board by the provincial government.

<sup>11</sup> The rates charged to Labrador Industrial customers are not set by the Public Utilities Board; rather, they are calculated in accordance with the Labrador Industrial Rates Policy established by the provincial government.

<sup>12</sup> In accordance with the Muskrat Falls Rate Mitigation Plan, Hydro's annual rate increase will be limited to 2.25 per cent from July 2024 through 2030.

## 6 Primary Clients

Hydro's primary clients include:

- Newfoundland Power, an investor-owned utility that distributes electrical power (primarily generated by Hydro) to over 276,000 customers on the island portion of the province;
- Industrial customers across Newfoundland and Labrador;
- Approximately 39,400 residential and commercial customers in Newfoundland and Labrador;
- Commercial partners, including Emera Energy and oil and gas partners (Hebron, White Rose, Hibernia Southern Extension);
- Hydro Quebec, the primary customer of Churchill Falls (Labrador) Corporation; and
- Supply and service companies in the energy sector and construction sector.

## 7 Strategic Issues

The transition to net-zero emissions and compliance with Canada's Clean Electricity Regulations is driving unprecedented growth in demand for clean electricity. Demand for electricity is outpacing traditional utility timelines for the approval and construction of new developments that are necessary to meet this demand. Hydro is committed to working closely with provincial and federal stakeholders and industry partners to support efficient, rigorous regulatory and permitting processes.

Newfoundland and Labrador is in an enviable position. Its electricity system is already largely renewable, and the province has significant undeveloped renewable resources. Alongside the planned phased retirement of the Holyrood Thermal Generating Station and Hydro's existing interconnections with Nova Scotia and Québec, this positions Hydro to support new and growing industries at home and supply renewable electricity to markets across Canada and the northeastern United States.

At the same time, external pressures are shaping Hydro's operating environment. Climate change, cybersecurity risks, geopolitical uncertainty, supply-chain disruptions, tight labour markets, and increasing system complexity presents opportunities to strengthen Hydro's resilience, build local capacity, modernize its operations, and improve long-term planning.

These dynamics underscore the importance of clear priorities and disciplined execution. Hydro is committed to developing the province's energy resources in a way that is customer-focused and delivers long-term value to Newfoundland and Labrador.

The Strategic Issues outlined herein were selected as they are the matters that most affect Hydro's ability to achieve its mandate, deliver lasting value to the people of the province, and support Hydro's commitment to building a clean, resilient, and prosperous energy future for generations to come.

Consistent with the underlying philosophy of the multi-year performance-based planning required under the provisions of the **Transparency and Accountability Act**, these issues are at a governance level and reflect the priorities of Hydro's Board of Directors and support the provincial government's strategic direction.

- Issue 1: Safety, Health and Engagement
- Issue 2: Reliability and Readiness
- Issue 3: Sustainable Value Generation

## 8 Goals and Objectives

### Issue 1: Safety, Health, and Engagement

Safety, health, and engagement are fundamental to delivery of reliable electricity service. In preparing for the exciting opportunities and challenges ahead, it is essential that Hydro's people are prepared, supported, and fully equipped to work safely and effectively.

There is a strong and mutually reinforcing relationship between these priorities. A safety-first culture is fostered when employees feel respected, heard, and empowered to raise concerns, while engagement is strengthened when employees have clear understanding of the impact of their work, trust that their well-being is genuinely prioritized and safety is embedded in everyday decisions. In short, engaged employees create safer workplaces and safer workplaces support stronger engagement.

Supporting employee health and wellness is central to sustaining this culture and managing operational risk, particularly given the demanding and high-risk nature of Hydro's work. Together, safety, health, and engagement form the foundation of a strong organizational culture and a reliable utility, strengthening employee commitment and Hydro's operational success.

To support safety and engagement, Hydro has defined three goals in its Corporate Strategy.

- i. **Reinforce Hydro's safety-first culture** – Hydro will foster a safety-first culture where employees consistently apply safety fundamentals, identify and mitigate risk early, and hold themselves and others accountable.
- ii. **Support employee health and wellness** – Hydro will build and sustain an environment where employees feel safe speaking up, can access help early, and are healthy and present at work.
- iii. **Foster a culture where employees feel engaged, valued, and recognized** – Hydro will create a welcoming and inclusive workplace where employees are connected to Hydro's purpose, their contributions are recognized, and their voices are heard.

The objectives and strategies that support each of these goals are further detailed in the sections that follow.

### 8.1.1 Goal 1: Reinforce Hydro’s safety-first culture

Issue 1: Safety, Health and Engagement	
<p><b>Goal 1</b> By December 31, 2028, Hydro will have advanced its efforts to reinforce its safety-first culture.</p>	
Indicators	<ul style="list-style-type: none"> <li>▪ Completed a comprehensive review of Hydro’s Occupational Health and Safety Management System to ensure it supports clear and meaningful application of Hydro’s safety fundamentals.</li> <li>▪ Executed initiatives to support employees in living their safety and health obligations (e.g., a company-wide safety campaign, clear definition of safety-specific accountabilities in job descriptions of Front-Line Leaders, delivery of safety training).</li> <li>▪ Completed Hydro’s Safety Culture Action Plan addressing feedback received in the 2024 Safety Culture Survey.</li> <li>▪ Completed an updated Safety Culture Survey that demonstrates maintenance or improvement of Hydro’s safety culture.</li> </ul>
<p><b>Objective</b> By December 31, 2026, Hydro will have undertaken foundational efforts to reinforce its safety-first culture.</p>	
Indicators	<ul style="list-style-type: none"> <li>▪ Issued a Request for Proposals (RFP) and secured a consultant to support the review of Hydro’s Occupational Health and Safety Management System.</li> <li>▪ Completed 2026 actions outlined in Hydro’s Safety Culture Action Plan.</li> <li>▪ Rolled out the first phase of a new internal safety campaign.</li> <li>▪ Revised the job descriptions of Front-Line leaders to more clearly define safety accountability for those roles. Offered critical safety and health training (e.g., Occupational Health and Safety training for lead hands, employee training for Hydro’s Alcohol and Drug Program).</li> </ul>
<p><b>Objective</b> By December 31, 2027, Hydro will have further progressed its efforts to reinforce its safety-first culture.</p>	
<p><b>Objective</b> By December 31, 2028, Hydro will have advanced reinforcement of its safety-first culture.</p>	

**8.1.2 Goal 2: Support employee health and wellness**

<b>Issue 1: Safety, Health and Engagement</b>	
<b>Goal 2</b>	
By December 31, 2028, Hydro will have supported employee health and wellness.	
Indicators	<ul style="list-style-type: none"> <li>▪ Developed and implemented a multi-year mental health and psychological safety strategy.</li> <li>▪ Supported employee presence and health at work through attendance support initiatives.</li> <li>▪ Provided company-sponsored events and resources to promote wellness in and outside of the workplace.</li> <li>▪ Advanced the use of data analytics to identify specific areas of the business that require additional supports and implement accordingly.</li> </ul>
<b>Objective</b>	
By December 31, 2026, Hydro will have developed and promoted initiatives in support of employee health and wellness.	
Indicators	<ul style="list-style-type: none"> <li>▪ Developed multi-year mental health and psychological safety strategy.</li> <li>▪ Promoted corporate health and wellness activities and resources (e.g., Health and Wellness Committee, Employee Family Assistance Program, education sessions).</li> </ul>
<b>Objective</b>	
By December 31, 2027, Hydro will have further developed, promoted, and commenced implementation of initiatives in support of employee health and wellness.	
<b>Objective</b>	
By December 31, 2028, Hydro will have supported employee health and wellness.	

### 8.1.3 Goal 3: Foster a culture where employees feel engaged, valued, and recognized

Issue 1: Safety, Health and Engagement	
<p><b>Goal 3</b> By December 31, 2028, Hydro will have demonstrated efforts to foster a culture where employees feel engaged, valued, and recognized.</p>	
Indicators	<ul style="list-style-type: none"> <li>▪ Championed an employee-first environment where employees are valued and recognized (e.g., purposeful, values-based and culture-driven onboarding, recognized and celebrated employees).</li> <li>▪ Developed and executed strategies and plans that support a culture of engagement and IDEA (e.g., Hydro’s Employee Engagement Strategy, IDEA Strategy, and Accessibility Plan).</li> <li>▪ Measured effectiveness of engagement strategies.</li> <li>▪ Delivered the Energy from the Heart program to connect with, and give back to, communities and charitable organizations.</li> <li>▪ Educated employees and promoted respect for Indigenous culture, history, values, and traditional knowledge.</li> </ul>
<p><b>Objective</b> By December 31, 2026, Hydro will have advanced initiatives to foster a culture where employees feel engaged, valued, and recognized.</p>	
Indicators	<ul style="list-style-type: none"> <li>▪ Strengthened culture from the outset of employment through purposeful, values-based, and culture-driven onboarding.</li> <li>▪ Promoted recognition programs (e.g., President’s Awards).</li> <li>▪ Executed 2026 activities as described in Hydro’s Employee Engagement Strategy, IDEA Strategy, Accessibility Plan, and Front-Line Leadership Strategy.</li> <li>▪ Completed initiatives to give back to the communities in which Hydro operates (e.g., volunteerism, Energy from the Heart).</li> </ul>
<p><b>Objective</b> By December 31, 2027, Hydro will have further advanced initiatives to foster a culture where employees feel engaged, valued, and recognized.</p>	
<p><b>Objective</b> By December 31, 2028, Hydro will have demonstrated efforts to foster a culture where employees feel engaged, valued, and recognized.</p>	

## Issue 2: Reliability and Readiness

During this transformative period in the electricity sector, Hydro's utility expertise is critical to ensuring steady, reliable service for the people of the province and supporting strong public energy policy. By advancing reliability and readiness together, Hydro is positioning its operations to deliver reliable, resilient service today while prudently preparing for future system and workforce needs, recognizing the long planning horizons inherent to electric utilities.

Reliability focuses on operating, maintaining and investing in the existing system to ensure transparent, cost-conscious, and dependable performance, including the ability to withstand and recover from disruptions. Readiness ensures that Hydro's people and systems are prepared for future requirements through long-term system and workforce planning. Together, this dual focus supports dependable service today and positions Hydro to meet future system requirements and capitalize on future opportunities for the province.

To advance reliability and readiness, Hydro has defined three goals in its Corporate Strategy.

- i. **Maintain reliable service** – Hydro will deliver dependable and resilient electricity service that can withstand and recover from extreme weather events and other external disruptions.
- ii. **Effectively steward the expansion of Hydro's electrical system** – Hydro will deliver well-planned and responsibly executed system expansion that meets increasing customer demand and positions the province to capitalize on future growth opportunities.
- iii. **Ready Hydro's workforce for future operational requirements** – Hydro will ensure it has a skilled, adaptable, and agile workforce to meet evolving operational and system requirements.

The objectives and strategies that support each of these goals are detailed in the sections that follow.

### 8.1.4 Goal 1: Maintain reliable service

Issue 2: Reliability and Readiness	
<p><b>Goal 1</b> By December 31, 2028, Hydro will have maintained reliable service.</p>	
Indicators	<ul style="list-style-type: none"> <li>▪ Improved coordination of outage planning with capital and maintenance planning.</li> <li>▪ Improved asset management program.</li> <li>▪ Maintained and evolved cybersecurity processes.</li> <li>▪ Commenced a refresh of business continuity and emergency response plans.</li> <li>▪ Developed and commenced implementation of an updated Climate Change Adaptation Plan.</li> <li>▪ Advanced electrification and Conservation and Demand Management (CDM) initiatives on interconnected and isolated systems.</li> </ul>
<p><b>Objective</b> By December 31, 2026, Hydro will have advanced initiatives to enhance its ability to maintain reliable service.</p>	
Indicators	<ul style="list-style-type: none"> <li>▪ Filed an Isolated Supply Strategy with the Public Utilities Board.</li> <li>▪ Advanced work to implement improvements and comply with orders of the Public Utilities Board in relation to Hydro’s asset management program.</li> <li>▪ Implemented a Cybersecurity Policy.</li> <li>▪ Implemented a shared Information Technology and Operating Technology cybersecurity governance model.</li> <li>▪ Issued an RFP and awarded a contract to support the development of an updated Climate Change Adaptation Plan.</li> <li>▪ Achieved 1,329 MWh energy savings through CDM initiatives.</li> </ul>
<p><b>Objective</b> By December 31, 2027, Hydro will have further advanced initiatives to enhance its ability to maintain reliable service.</p>	
<p><b>Objective</b> By December 31, 2028, Hydro will have maintained reliable service.</p>	

### 8.1.5 Goal 2: Effectively steward the expansion of Hydro’s electrical system

#### Issue 2: Reliability and Readiness

##### Goal 2

By December 31, 2028, Hydro will have advanced efforts to support the expansion of its electrical system.

Indicators	<ul style="list-style-type: none"> <li>▪ Filed a ten-year Reliability and Resource Adequacy Study (RRA) with the Public Utilities Board and complied with the regulatory review process.</li> <li>▪ Conducted stakeholder engagement in relation to planned expansion projects.</li> <li>▪ Advanced planned new construction projects, subject to approval of the Public Utilities Board.</li> <li>▪ Advanced a long-term supply plan for southern Labrador that meets Hydro’s legislated mandate.</li> </ul>
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##### Objective

By December 31, 2026, Hydro will have advanced consultation and work related to generation projects required to maintain reliability and meet increasing customer demand.

Indicators	<ul style="list-style-type: none"> <li>▪ Completed early analysis and modelling in support of 2027 RRA filing.</li> <li>▪ Supported the regulatory proceeding for approval to construct Bay d’Espoir Unit 8 and Avalon Combustion Turbine.</li> <li>▪ Advanced the approved early execution work scopes for the Bay d’Espoir Unit 8 and Avalon Combustion Turbine projects.</li> <li>▪ Completed analysis and evaluation of alternatives for a long-term supply plan for southern Labrador.</li> <li>▪ Consulted with local communities in relation to long-term supply planning for southern Labrador.</li> </ul>
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##### Objective

By December 31, 2027, Hydro will have further advanced consultations and work related to generation projects required to maintain reliability and meet increasing customer demand.

##### Objective

By December 31, 2028, Hydro will have advanced efforts to support the expansion of its electrical system.

### 8.1.6 Goal 3: Ready Hydro’s workforce for future operational requirements

#### Issue 2: Reliability and Readiness

##### Goal 3

By December 31, 2028, Hydro will have progressed preparation of its workforce for future operational requirements.

Indicators	<ul style="list-style-type: none"> <li>▪ Developed an integrated workforce plan and workforce planning strategies.</li> <li>▪ Worked with Government to align with utility competitive compensation and benefits to attract and maintain talent.</li> <li>▪ Maintained and strengthened strategic relationships with the IBEW, industry, government, and labour market partners.</li> <li>▪ Expanded apprenticeship, engineer-in-training, and co-op programs</li> <li>▪ Provided training and experiential learning opportunities.</li> <li>▪ Leveraged technology to support productivity.</li> </ul>
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##### Objective

By December 31, 2026, Hydro will have advanced initiatives to understand future workforce requirements and begin growing and developing its workforce to be prepared for future operational requirements.

Indicators	<ul style="list-style-type: none"> <li>▪ Adopted a workforce planning framework and begun development of regional/functional area workforce plans.</li> <li>▪ Commenced collective bargaining with IBEW local 1615.</li> <li>▪ Issued RFP for a comprehensive workforce training strategy and supported consultant’s analysis.</li> <li>▪ Hired new apprentices, Engineers in Training, and co-op students.</li> <li>▪ Developed a technology strategy and implemented planned 2026 technologies (e.g., Accounts Payable Automation software).</li> <li>▪ Awarded a new contract for replacement of Hydro’s Learning Management System.</li> </ul>
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##### Objective

By December 31, 2027, Hydro will have further advanced initiatives to understand future workforce requirements and begin growing and developing its workforce to be prepared for future operational requirements.

##### Objective

By December 31, 2028, Hydro will have progressed preparation of its workforce for future operational requirements.

### Issue 3: Sustainable Value Generation

As a Crown corporation and as utility professionals, Hydro and its employees have the privilege and responsibility to manage provincial electrical assets in a manner that best serves new and existing customers and, more holistically, the people of Newfoundland and Labrador and beyond.

Hydro plays a role in delivering value to the province as a facilitator of economic development and revenue generation, a contributor to strong relationships with Indigenous Peoples, and a critical support for the realization of socio-economic benefits. Together with the provincial government, Hydro will explore the many opportunities ahead and move forward in a prudent manner that enables and supports the creation of long-term benefits for the people of the province.

To support sustainable value generation, Hydro has defined three goals in its Corporate Strategy:

- i. **Manage costs and optimize the financial value of provincial energy assets** – Hydro will strengthen its financial sustainability while supporting industrial growth and long-term benefits for Newfoundland and Labrador.
- ii. **Demonstrate commitment to Indigenous relationships** – Hydro will build and sustain respectful, collaborative relationships with Indigenous Peoples.
- iii. **Support the Province in the realization of socio-economic benefits** – Hydro will enable community benefits, reduce emissions, and advance sustainable development across Newfoundland and Labrador.

The objectives and strategies that support each of these goals are further detailed in the sections that follow.

### 8.1.7 Goal 1: Manage costs and optimize the financial value of provincial energy assets

Issue 3: Sustainable Value Generation	
<p><b>Goal 1</b> By December 31, 2028, Hydro will have demonstrated continued prudent cost management and efforts to optimize the financial value of provincial energy assets.</p>	
Indicators	<ul style="list-style-type: none"> <li>▪ Worked with the provincial government in evaluating potential commercial arrangements.</li> <li>▪ Promoted economic growth (e.g., through optimization of energy and energy-related products and services, working with industrial customers)</li> <li>▪ Advanced a general rate application that allows for the transparent exploration of Hydro’s operating costs, reinforces operation in line with good utility practice and has a long-term view to sustainability of electricity rates.</li> </ul>
<p><b>Objective</b> By December 31, 2026, Hydro will have advanced initiatives to demonstrate continued prudent cost management and optimization of its commercial relationships.</p>	
Indicators	<ul style="list-style-type: none"> <li>▪ Worked with the provincial government to support its independent review of the Churchill River development projects.</li> <li>▪ Optimized the value received for Hydro’s surplus and renewable energy.</li> <li>▪ Worked with the provincial government and customers (existing and prospective) to support industrial growth within the province.</li> <li>▪ Filed a general rate application that allows for the transparent exploration of Hydro’s operating costs, reinforces operation in line with good utility practice and has a long-term view to sustainability of electricity rates.</li> </ul>
<p><b>Objective</b> By December 31, 2027, Hydro will have further advanced initiatives to demonstrate continued prudent cost management and optimization of its commercial relationships.</p>	
<p><b>Objective</b> By December 31, 2028, Hydro will have demonstrated continued prudent cost management and efforts to optimize its commercial relationships.</p>	

### 8.1.8 Goal 2: Demonstrate commitment to Indigenous relationships

Issue 3: Sustainable Value Generation	
<p><b>Goal 2</b> By December 31, 2028, Hydro will have demonstrated its commitment to Indigenous relationships.</p>	
Indicators	<ul style="list-style-type: none"> <li>▪ Engaged with Indigenous Peoples to: (i) support cultural preservation and land stewardship; and (ii) enable meaningful contribution to their communities.</li> <li>▪ Supported Indigenous-led energy projects.</li> </ul>
<p><b>Objective</b> By December 31, 2026, Hydro will have advanced initiatives that demonstrate its commitment to Indigenous relationships.</p>	
Indicators	<ul style="list-style-type: none"> <li>▪ Engaged and consulted with Indigenous groups in relation to potential new developments.</li> <li>▪ Fulfilled commitments under the Relationship Framework Agreement with the NunatuKavut Community Council.</li> <li>▪ Worked with the Nunatsiavut Government in relation to the Nain wind microgrid project.</li> <li>▪ Supported Indigenous groups with projects, as requested (e.g., rooftop solar projects, feasibility studies for various renewable energy projects).</li> </ul>
<p><b>Objective</b> By December 31, 2027, Hydro will have further advanced initiatives that demonstrate its commitment to Indigenous relationships.</p>	
<p><b>Objective</b> By December 31, 2028, Hydro will have demonstrated its commitment to Indigenous relationships.</p>	

### 8.1.9 Goal 3: Support the province in the realization of socio-economic benefits

Issue 3: Sustainable Value Generation	
<p><b>Goal 3</b> By December 31, 2028, Hydro will have supported the province in the realization of socio-economic benefits.</p>	
Indicators	<ul style="list-style-type: none"> <li>▪ Supported provincial greenhouse gas reduction initiatives.</li> <li>▪ Pursued expansion of electric vehicle charging infrastructure.</li> <li>▪ Supported integration of renewable energy in isolated communities.</li> <li>▪ Met environmental and socio-economic requirements, as required.</li> </ul>
<p><b>Objective</b> By December 31, 2026, Hydro will have advanced initiatives to support the province in the realization of socio-economic benefits.</p>	
Indicators	<ul style="list-style-type: none"> <li>▪ Developed a scope and issued an RFP for a consultant to develop Hydro’s baseline greenhouse gas emissions.</li> <li>▪ Commissioned new electric vehicle charging infrastructure.</li> <li>▪ Pursued federal funding opportunities for electric vehicle charging infrastructure.</li> <li>▪ Progressed development of benefits strategies in compliance with regulatory and environmental requirements.</li> </ul>
<p><b>Objective</b> By December 31, 2027, Hydro will have further advanced initiatives to support the province in the realization of socio-economic benefits.</p>	
<p><b>Objective</b> By December 31, 2028, Hydro will have supported the province in the realization of socio-economic benefits.</p>	