Newfoundland and Labrador
Board of Commissioners of Public Utilities

2026–29 Activity Plan

March 31, 2026

Public Utilities Board
NEWFOUNDLAND & LABRADOR

Table of Contents

Message from the Chair

I am pleased to present the Board of Commissioners of Public Utilities (the Board) 2026-29 Activity Plan (the Plan). The Plan has been prepared in accordance with the **Transparency and Accountability Act** and Guidelines for Multi-Year Performance-Based Planning for Category 3 entities.

The Board expects this next cycle to be demanding, with a number of major electric utility filings to address, including concluding Newfoundland and Labrador Hydro's (Hydro) $2 billion Build Application, plus the development of a new resource plan to supply load growth, primarily resulting from electrification initiatives of the provincial and federal governments. In this cycle, Hydro and Newfoundland Power Inc. will also be filing General Rate Applications, in addition to their annual capital budget filings and other standard filings. Many of these proceedings will be lengthy and complex, and are expected to attract significant public interest, given the potential impact on reliability, available supply, and future electricity prices.

The Board's mandate is broad, and its work has significant impacts for stakeholders, who include electricity, automobile insurance and petroleum products customers and industry participants. The Board's strategic priorities are focused on: improving communications and public trust; streamlining its regulatory processes to improve timeliness of Board decisions and establishing effective reporting requirements for the utilities on the management of cybersecurity risks and the associated protections in place for critical infrastructure and customer reliability.

Effective communication is essential to ensure that stakeholders and the public understand and trust the Board's decisions. The Board has identified communication as a continued area of focus with particular emphasis on user-friendly enhancements to the Board's website.

Given the Board's broad mandate and its relatively small staffing complement, it is critical for the Board to establish thorough and efficient regulatory processes, recognizing the necessity of timely decisions while providing ample opportunity for effective stakeholder participation. To improve efficiency, the Board will be updating its filing guidelines for both the utility and insurance industries as well as standardizing its process for updating the markups reflected in petroleum pricing.

The Plan outlines the Board's priorities, goals and objectives for the next three fiscal years from April 1, 2026, to March 31, 2029. During this period the Board will:

- continue its focus on effective communications and update its processes to enhance regulatory efficiency;
- modernize the reporting requirements to the Board; and
- evaluate and monitor the risk management being employed by the utilities to avoid negative system or customer impacts from cybersecurity attacks.

The Plan is aligned with the Board's legislative responsibilities and aims to foster trust and confidence in the Board among stakeholders and the public.

I am accountable for the preparation of this plan, as well as for the achievement of its objectives.

Kevin Fagan
Chair and Chief Executive Officer

Overview

Created by statute in 1949 the Board is comprised of five full-time commissioners, appointed by the Lieutenant-Governor in Council, including the Chair and Chief Executive Officer and the Vice Chair. The **Public Utilities Act** gives the Chair and Chief Executive Officer the full authority for the overall operation, management and financial administration of the Board and the Vice Chair the authority to exercise the powers of the Chair in their absence. In addition to the five commissioners, the Board has a professional and permanent staff of 14 located in St. John's.

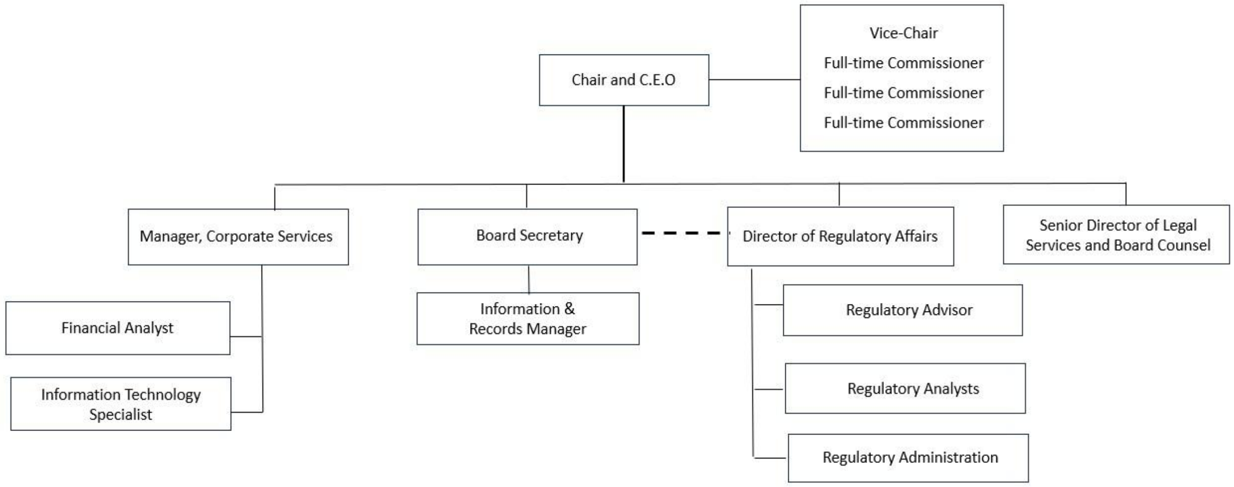
The Board's functional organizational structure consists of Regulatory, the Board Secretary, Legal Services and Corporate Services.

Regulatory, Legal Services and the Board Secretary work with the commissioners to achieve the Board's regulatory mandate and to effectively coordinate and manage:

i) applications;
ii) research;
iii) investigations;
iv) compliance monitoring;
v) financial/technical reviews;
vi) records management;
vii) public communications; and
viii) customer complaints.

Corporate Services are responsible for management of the internal administrative functions of the Board, including finance, information technology and human resources.

Organizational Chart



Mandate and Lines of Business

The Board is an independent, quasi-judicial regulatory body constituted under the **Public Utilities Act**.

The Board is responsible for the regulation of electric utilities in the province to ensure that the rates charged are just and reasonable and that the service provided is safe and reliable. The Board is also responsible for the setting of rates charged by automobile insurers in the province. Since 2004, the Board has been responsible for petroleum products pricing in the province. The Board's responsibilities under the **Expropriation Act** are related to the resolution of compensation disputes. The Board's responsibilities with respect to the motor carrier industry under the **Motor Carrier Act** are related to the issuing of certificates authorizing ambulance operations and certificates authorizing the busing of passengers on the Trans-Canada Highway corridor.

The Board's jurisdiction is defined by the following legislation:

- **i) Public Utilities Act**
- **ii) Electrical Power Control Act, 1994**
- **iii) Petroleum Products Act**
- **iv) Automobile Insurance Act**
- **v) Insurance Companies Act**
- **vi) Motor Carrier Act**
- **vii) Expropriation Act**
- **viii) Public Utilities Acquisition of Lands Act**

These acts fall under the responsibility of various departments of Government, including Justice and Public Safety, Government Services, Transportation & Infrastructure and Energy & Mines.

In fulfilling its regulatory responsibilities, the Board conducts public hearings, technical conferences, stakeholder meetings, compliance monitoring, audits, technical/financial reviews and investigations. Hearings held by the Board in the execution of its mandate are quasi-judicial in nature and are conducted in accordance with the provisions of the **Public Utilities Act, Public Inquiries Act** and **Newfoundland Regulation 39/96**. Orders issued by the Board have the force of law and can only be appealed to the Supreme Court of Newfoundland and Labrador and/or the Court of Appeal.

Values

The Board takes significant pride in the regulatory work it performs for the Province of Newfoundland and Labrador. The Board must not only be open, transparent, and accountable, but also carry out its mandate in a way that reflects the standards of excellence, competence and responsiveness required to engender public trust and confidence.

Excellence and Professionalism

The Board strives for excellence in the performance of its duties. Its reports, decisions and orders must be well-reasoned and understandable. The Board is comprised of a team of experts who follow rigorous and thorough processes to regulate essential public services. The Board also engages recognized external expertise to support its decision-making processes in more complex matters. This combination of access to internal and external expertise ensures the Board has the knowledge, training, experience, and capacity to provide effective and efficient regulation.

Integrity and Independence

The Board is committed to adhering to the highest ethical and professional standards in the performance of its duties and responsibilities. The Board is independent and unbiased. It has no political or financial interests. The Board's role is to make fair, evidence-based decisions that balance industry and consumer interests in accordance with legislative requirements.

Transparency and Objectivity

Openness and transparency are essential elements in regulation. The Board strives to ensure that its activities comply with applicable legislation and regulations by applying legal and regulatory standards objectively and fairly. Both industry and the public can access reports, hearings, decisions, as well as, participate in regulatory processes. The Board explains the reasons for its decisions to help stakeholders and the public understand regulatory processes and matters.

Public Trust and Confidence

The Board takes ownership and responsibility for its actions and decisions. The organization is managed responsibly and cost-effectively to maintain the confidence, respect, and trust of the public, stakeholders, and the Government.

Primary Clients

In serving its clients the Board strives to achieve an equitable balance between the interests of consumers and service providers in the electric utility, automobile insurance, petroleum product and motor carrier industries. These clients include but not limited to:

i) Electrical Utilities
ii) Electricity Consumers
iii) Consumer Advocate
iv) Petroleum Products Wholesalers and Retailers
v) Petroleum Products Customers
vi) Automobile Insurance Companies
vii) Automobile Insurance Customers

Vision

The vision of the Board is excellence in regulation, which engenders the trust and confidence of the people of the province.

Strategic Directions

As required by the **Transparency and Accountability Act,** the Board takes strategic directions into account in preparing its multi-year performance-based plans.

Strategic Issue One: Communications Strategy

The Board has a broad mandate that can have significant impacts on all consumers and industry providers of electricity, automobile insurance, and petroleum products in the province. Effective communication is essential so that stakeholders understand and trust the work of the Board. Clear and understandable communication can be challenging due to the technical and complex nature of the issues.

The Board's longstanding communications approach was characterized by formality, technicality, and a strong focus on text-based information, creating potential barriers to public engagement. While the Board's website contains a very thorough record of the Board's past and current proceedings, its presentation is complex, making it difficult to navigate and locate information. The complexity of the Board's website has contributed to its minimal use by the public.

Effective communication is critical to achieving public trust and confidence. In the latter half of the previous planning cycle, the Board began incorporating decision summaries in major orders. This addition has contributed to clearer and more accurate media coverage of Board decisions. Supplemental initiatives are planned to further improve understanding and accessibility to information.

Over the next planning cycle, the Board will update its communications plan and implement new approaches to enhance communication effectiveness in a continuing effort to build trust and confidence in the Board.

The Board will enhance communication effectiveness to build public trust and confidence in its work. Addressing this issue will require modernizing our communication tools.

Objective 1	**By March 31, 2027, the Board will have modernized its approach to public communications, improving understanding of its role, and increasing public trust and confidence in its processes and abilities.**
Indicators:	
○ Engaged communications experts/consultants. ○ Developed and released "How the PUB Works" explainer series (infographics & videos on website). ○ Introduced commissioner profiles and updated frequently asked questions in plain language on Board's website.	

Objective 2	**By March 31, 2028, the Board will have completed a jurisdictional scan and identified website deficiencies requiring design modifications.**

Objective 3	**By March 31, 2029, the Board will have modernized and simplified the presentation of its website.**

Strategic Issue Two: Regulatory Efficiency

The Board is committed to responsiveness to the industries it regulates. Given the Board's broad mandate and relatively small staffing complement, it is critical for the Board to establish efficient and thorough processes that recognize the necessity of timely decisions while providing adequate opportunities for effective stakeholder participation. To expedite regulatory processes while maintaining a high standard of evidentiary support, the Board has established filing guidelines for utility capital budget applications and automobile insurance rate applications.

The capital budget guidelines for the utilities have been provisional since 2022 and require revisions. Changes are required to streamline request for information processes, provide guidance on when information may be maintained as confidential, and update reporting requirements for excess expenditures on capital projects that previously did not require Board approval. For petroleum pricing, there is no established process to update the markups embedded in maximum prices to reflect changing costs. In its recent pricing review, the Board committed to implementing annual updates to address this concern. More frequent and less complex reviews should better capture changing industry costs and lead to more regular but less material fuel price changes. The automobile insurance filing guidelines also require updating to provide additional clarity and address emerging issues in the industry.

The Board will modernize its procedures to improve its responsiveness to the industries it regulates.

Objective 1	**By March 31, 2027, the Board will have reviewed and modernized utility reporting requirements to reflect current regulatory and customer issues.**
Indicators:	
○	Documented the basis for all existing utility reporting requirements reflecting previous Board directions and legislation.
○	Received feedback from the utilities and stakeholders on the new reporting requirements.
○	Implemented revisions to reporting requirements where appropriate.

Objective 2	**By March 31, 2028, the Board will have updated the utility capital budget filing guidelines, the automobile insurance filing guidelines and developed and implemented a process for regular updates to petroleum pricing markups.**

Objective 3	**By March 31, 2029, the Board will have updated its processes for issue declaration and requests for information in dealing with utility applications.**

Strategic Issue Three: Cybersecurity Risk Management

Cybersecurity is an essential part of providing safe and reliable service to customers, as utilities increasingly rely on network technology. Utilities are facing escalating cybersecurity threats. For example, the March 2025 cybersecurity attack on Nova Scotia Power resulted in a breach of confidential information and disrupted meter reading processes and created billing integrity concerns for several hundred thousand customers.

The Board is responsible for ensuring that the utilities in Newfoundland and Labrador have plans in place to protect critical infrastructure and confidential customer information. While the Board has occasional meetings with the utilities with respect to their cybersecurity protocols, there is currently no formalized regulatory reporting process in place for: (i) the occurrence and management of cybersecurity incidents; or (ii) the reliability standards employed by the utilities to minimize the risks of cybersecurity attacks.

Over the next cycle, the Board will implement a formalized reporting and monitoring process to ensure that the utilities comply with industry standards in managing cybersecurity risks.

Objective 1	**By March 31, 2027, the Board will have initiated processes to effectively monitor the utilities' management of cybersecurity risks.**
Indicators:	
○ Regulatory staff will have attended the North American Electricity Reliability Council quarterly meetings on cybersecurity attacks and emerging trends in the utility industry. ○ The Board will have implemented cybersecurity incident reporting by the utilities. ○ The Board will have received the cybersecurity standards followed by the utilities.	

Objective 2	**By March 31, 2028, the Board will have received cybersecurity self-assessments from the utilities.**

Objective 3	**By March 31, 2029, the Board will have implemented annual presentations by the utilities to commissioners on cybersecurity management.**

Contact Information

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