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For Immediate Release// June 1, 2018

Newfoundland Power files 2019-2020 General Rate Application

(St. John's, NL): Newfoundland Power Inc. today filed a 2019-2020 General Rate Application (GRA) as required by the Newfoundland and Labrador Board of Commissioners of Public Utilities. In the application, the Company is proposing an overall average increase to current electricity rates of 1.2% effective March 1, 2019, for both residential and commercial customers. As a regulated utility, Newfoundland Power periodically files GRAs. This process includes a full review of the Company's costs and customer rates.

"Our customers tell us that reliability and price are the two most important factors when it comes to the delivery of their electricity service. We understand any rate increase matters to our customers and we work hard to minimize our impact on electricity rates by effectively managing our costs," said Peter Alteen, President and Chief Executive Officer, Newfoundland Power.

Despite operating in a harsh environment, the Company's reliability record is among the best in the country when compared with utilities of similar size and service territory. Providing safe, reliable electricity service largely depends on maintaining the quality and condition of the electricity system including replacing aging equipment.

"As the primary distributor of electricity in our province, we operate and maintain an electricity system of approximately \$1.1 billion. Over the past five years, we have invested approximately \$500 million in our provincial electricity system," added Alteen. "Establishing a fair and reasonable future return on this investment is a component of this rate increase."

Various other costs associated with the delivery of electricity impact this rate change, including continued investment in the electricity system and energy supply costs.

Newfoundland Power's GRA outlines a number of ways in which the Company is being responsive to customers' changing service expectations, including a proposal to introduce a new energy-efficient LED streetlight service. The adoption of LED streetlights as the standard going forward will provide better lighting quality and improved reliability while reducing overall costs to customers. When approved, all new streetlight installations and replacements will use LED technology.

Newfoundland Power expects that its GRA will be subject to a thorough public review over the coming months. Visit newfoundlandpower.com to review Newfoundland Power's 2019-2020 GRA.

Newfoundland Power is the primary distributor of electricity on the island portion of Newfoundland and Labrador, and purchases 93% of its energy needs from Newfoundland and Labrador Hydro. With a customer base of approximately 267,000 accounts, Newfoundland Power is committed to safety, dedicated to the highest level of customer service and delivers reliable electricity at the lowest possible cost. For more information on Newfoundland Power's programs, services and community partnerships, please visit newfoundlandpower.com.

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