

Amended September 27, 2023

Mr. Andrew MacGillivray
Chair, Board of Directors
New Brunswick Power Corporation
515 King Street
Fredericton, NB E3B 4X1

Subject: NB Power Mandate Letter

Mr. MacGillivray:

In our roles, we are entrusted to provide the province with the absolute best service possible. It is a privilege that we each share, and it is at the core of what we do and why we are here.

This letter provides an updated overview of your responsibilities, and I look forward to all that we can accomplish together with our shared vision and purpose.

As a Crown body under the *Accountability and Continuous Improvement Act*, I expect that you and your board will apply sound governance principles guided by effective strategy that delivers on your mandate.

As government, we are dedicated to ensuring the needs of residents are put first. Guiding us in our work is a collective focus on our overall priorities, including:

- energized private sector;
- vibrant and sustainable communities;
- affordable, responsive and high-performing organization;
- dependable public health care;
- world-class education; and
- environment.

It is government's expectation that the Corporation:

- work with the province to reduce greenhouse gas emissions and minimize the impact of the carbon price, considering impacts to electricity rates;
- continue to deliver maximum benefit, highest-value energy efficiency programs for all sectors and for all fuels where funding is provided and with minimal market disruption;
- in addition to the requirements set out in the *Energy Efficiency Regulation*, provide quarterly and annual reports to the Minister on all energy efficiency programs and initiatives as well as greenhouse gas reductions;
- continue to be the delivery agent for the Plug-In NB electric vehicle rebate program and the Enhanced Energy Savings Program and adapt the programs as funding and direction is provided;
- continue to support the Department of Environment and Climate Change Canada in achieving its Climate Change Action Plan goals including creating additional opportunities for clean electricity development. This will include reopening the Embedded Generation Program and creating opportunities for additional community renewable energy projects;
- work through the Department of Aboriginal Affairs for advice and support on the Crown's Duty to Consult obligations throughout all initiatives; and

- continue to work with communities in the province, with a particular focus on First Nations to provide opportunities to collaborate and partner in the electricity sector.

Through your leadership as Chairperson, I expect the New Brunswick Power Corporation to deliver upon the priority areas outlined below:

Priority Areas	Expected Result / Outcome	Timeline
Mandate	<p>September 27, 2023, amendment: The Executive Council directs the Corporation to make plans to achieve the Equity Target by March 31, 2029, through a combination of cost minimization and other appropriate mechanisms that will, consistent with the equity target, maintain rates as low as practicable.</p> <p>September 27, 2023, amendment: The Executive Council directs the Corporation to incorporate the directive to achieve the Equity Target by March 31, 2029, into its forecast operating budgets, capital expenditures and rate forecasts for each of the 2024/25 through 2026/27 fiscal years.</p> <p>Present a plan to improve the reliability of the Point Lepreau Nuclear Generating Station and ensure there are measurable targets and timelines.</p> <p>Continue the ongoing support and advancement of the small modular reactors cluster with the various counterparties and support efforts to acquire federal funding for first-of-a-kind reactors at the Point Lepreau Nuclear Generating Station site.</p> <p>Continue to honour the mandate of the New Brunswick Energy Marketing Corporation to carry out the business of importing and exporting energy.</p>	<p>20% equity in its capital structure ("Equity Target") by March 31, 2029, with targets established for each fiscal</p> <p>For each fiscal year from 2024/25 through 2026/27</p> <p>Before October 1, 2023</p> <p>Establish targets for each fiscal</p> <p>Establish targets for each fiscal</p>
Annual Reports	<p>Ensure Annual Audited Financial Statements are presented to Government. Government will ensure that the Statements are tabled in the Legislative Assembly of New Brunswick if it is then sitting or, if it is not then sitting, with the Clerk of the Legislature within 10 days.</p> <p>NB Power will provide Government a copy of its Annual Report, ensuring it is compliant with the statutory obligations of the <i>Accountability and Continuous Improvement Act</i> and includes an update on the status of Auditor General recommendations provided to the corporation in the past 5 years. NB Power will then publish the Annual Report on its website.</p>	<p>Present Annual Audited Financial Statements to Government no later than June 30, of each year.</p> <p>Present the Annual Report to Government no later than June 30 and publish on NB Power's website no later than July 31, of each year.</p>

Annual Plans	<p>Provide Government with key inputs to NB Power's budget.</p> <p>Ensure Annual Plans presented to Government are compliant with the statutory obligations of the <i>Accountability and Continuous Improvement Act</i> and include key performance measures and concrete initiatives that support government's priorities as applicable.</p>	<p>Before filing revenue requirements with the New Brunswick Energy and Utilities Board.</p> <p>Present to Government No later than April 15 and publish on NB Power's website no later than June 30, of each year.</p>
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I have every confidence that we have a team that is prepared to lead with fairness, focus and to make tough and balanced decisions to keep our province moving forward. It is an honour to serve the people of New Brunswick.

Sincerely,



Honourable Mike Holland
Minister of Natural Resources and Energy Development.

c.c. Blaine M. Higgs, Premier