Churchill Falls Agreement

Transmission and Market Access

Newfoundland and Labrador has negotiated multiple choices for market pricing for its Churchill Falls and Gull Island power including Ontario, New England, and New York. Newfoundland and Labrador makes the **choice.**

Current

- Power sold to Hydro-Quebec at a very low contract price
- Hydro-Quebec captured most of the benefits from selling into other markets
- Limited access to external markets

2026 Agreement

- Newfoundland and Labrador can choose from multiple market pricing options
- Same market price as Hydro-Quebec in key export markets (Transmission costs apply)

985 Megawatt Transmission Portfolio

- **720 Megawatts** Market Pricing Access
- **265 Megawatts** Direct Transmission Through Quebec

What this Means for Newfoundland and Labrador

- More market choice
- Access to premium export market pricing
- Expanded transmission portfolio
- Greater value from Churchill Falls and Gull Island power
- Pricing in premium New York and Boston markets consistent with Quebec

Compared with both the existing contract and the 2024 MOU, the 2026 agreement provides Newfoundland and Labrador with multiple choices for market pricing, and a greater opportunity to benefit from the value of Churchill Falls and Gull Island power.

Five Options for Our Power

1 Use it in Newfoundland and Labrador

- Economic development
- Industrial growth
- Future energy needs

2 Sell our Churchill Falls Power to Hydro-Quebec

- Receive 150 per cent of the current contract price for Churchill Falls

3 Choose the New York Market via the CHPE line

- Receive the same market price as Hydro-Quebec
- Access premium electricity market pricing
- Higher-value pricing than average spot market sales

4 Choose the Boston Market via NECEC line

- Receive the same market price as Hydro-Quebec
- Access to a premium New England market pricing
- Higher-value pricing than average spot market sales

5 Synthetic Transmission Pricing Arrangements

- Pricing linked to multiple markets
- Three pricing opportunities
- Greater revenue flexibility

a better deal for all of us

Newfoundland & Labrador

newfoundland labrador hydro