



April 8, 2025

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

RE: Mandate letter under the ***Accountability and Continuous Improvement Act***

Dear Mr. MacGillivray,

Our government is honoured that the people of New Brunswick have given us a mandate to implement a vision so many of them helped create. We have the privilege of being entrusted with a mandate to focus on New Brunswickers by working with them and listening to them to create a brighter future we all deserve.

Our focus is to deliver on priorities that matter the most to the people of this province. It reflects our shared stories and solutions and is centred on what we can achieve together.

#### GOVERNMENT PRIORITIES

- Health care
- Affordability and housing
- Education
- The economy
- Environment
- Trusted leadership

This mandate letter is intended to communicate government's intentions and expectations. As Chair, you play a vital role in helping the New Brunswick Power Corporation achieve its mandate. It is important that the Corporation's goals, objectives, and strategic direction continue to align with our government's priorities and direction.

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.

Through your leadership as Chairperson, I expect the Board to deliver upon the priority areas outlined in the attached appendix. Never has it been more important that the operations and management of the Corporation deliver affordable, reliable, clean energy for New Brunswickers and New Brunswick businesses. Given the critical impact, this may have on our province and its citizens, the government will hold the Corporation – through its Board and President and Chief Executive Officer – accountable to meet all performance targets that may be set out in this and future mandate letters and in the Corporation's annual plans.

I look forward to working with you and your Board colleagues to meet the high standards set for us by all New Brunswickers.

Sincerely,

A handwritten signature in black ink, appearing to be 'René Legacy', written over a horizontal line. The signature is fluid and cursive, with a large loop at the end.

Honourable René Legacy  
Minister responsible for New Brunswick Power Corporation

c.c. Honourable Premier Susan Holt

## Appendix A

### How we will work together

Our government is focused on implementing transformational change in how we deliver services to all New Brunswickers, including positive client experiences, quality programs and services that meet intended outcomes, and fiscal responsibility. We will work with you to incorporate the following guiding principles into our work, including:

- Ensuring evidence-based decision-making and operating under an 'open by default' principle to improve transparency and trust.
- Engaging authentically with New Brunswickers, communities, stakeholders, and experts.
- Aligning policies and programs with the diverse needs of communities across the province.
- Upholding the *Official Languages Act*, ensuring equality for official languages and linguistic communities.
- Rebuilding relationships with First Nations through a nation-to-nation approach founded on trust and a shared understanding of treaty obligations.
- Promoting a respectful workplace that values diversity, inclusion, courteous conduct, equality, positive communication, and professional relationships.
- Leading with a balanced approach to fiscal responsibility while enhancing essential services.

### Expected Result / Outcome

New Brunswickers have placed their trust in us, and we must work every day to hold that trust. With potential tariff-related disruptions and an uncertain economic climate, we need to adapt to quickly changing circumstances. I expect New Brunswick Power Corporation (NB Power) to always act in the best interests of New Brunswickers. The Board of Directors must serve with the highest personal and professional integrity. As minister, I commit to working with your Board, and you as Chair, to review progress on these areas quarterly or as directed below.

Priority Areas	Expected Result / Outcome	Timeline
NB Power bill audit response.	NB Power is expected to prepare an action plan to respond to the results of the bill audit within 30 days of the filing of the final report with the NB Legislature's Standing Committee on Public Accounts.	Within 30 days of the filing of final report with the NB Legislature's Standing Committee on Public Accounts.
Comprehensive review of NB Power Corporation	NB Power is expected to play an important role in the comprehensive review of the utility. NB Power will participate and provide timely information and advice to the work of the various individuals and committees conducting the review.  NB Power is expected to continue to conduct business as usual during the review process.	Ongoing
20% equity target <i>Make progress towards a capital structure of at least 20% equity through financial planning, cost reductions and</i>	On or before October 1, 2025, present a financial plan for the next three fiscal years (2026/27, 2027/28 and 2028/29) to make progress on the 20% equity target to me. This will include annual targets.	No later than October 1 of each year.

Priority Areas	Expected Result / Outcome	Timeline
<p><i>other appropriate mechanisms that will maintain low and stable rates.</i></p>	<p>This financial plan should not put unnecessary pressure on rates, make meaningful progress on the 20% equity target, provide appropriate earnings for the corporation to absorb uncontrollable risks and ensure necessary investments are made to provide New Brunswickers with safe, reliable service.</p> <p>Once a decision is rendered by the New Brunswick Energy and Utilities Board (NBEUB) regarding rates to be charged by April 1, NB Power will adjust the plan accordingly and file it with me each year.</p> <p>On an annual basis, provide evidence of meeting established fiscal targets towards the 20% equity target and any proposed adjustments to the annual plan with corresponding evidence.</p> <p>This requirement remains in place until the Comprehensive Review is completed and any recommendations from that review are implemented.</p>	<p>On or before April 1 of each year.</p> <p>In the annual report of the Corporation each year, provide the targets as approved by the Energy and Utilities Board in that given year and the progress towards meeting those targets.</p>
<p>Reduce expenditures <i>Affordability remains a major concern for New Brunswickers and the Government is looking for ways to support increased affordability.</i></p>	<p>NB Power's revenue requirement in 2025/2026 includes \$27.5 million in cost savings as approved by the NBEUB. NB Power is expected to increase its cost savings target by four per cent in 2026/2027 that can be carried forward in future years.</p> <p>These will be meaningful reductions in costs that support more affordable electricity rates for New Brunswickers.</p> <p>NB Power will present the outcomes of the planned or implemented cost savings to me no later than October 1, 2025.</p>	<p>October 1, 2025 - Increase cost savings target by four per cent in 2026/27.</p> <p>Include in the Annual Report the savings that were achieved.</p>
<p>Revenue requirement <i>NB Power will share key inputs and assumptions for future revenue requirements prior to making submissions to the New</i></p>	<p>Present to me the financial outlook of the utility for any period covered by a rate application to the New Brunswick Energy and Utilities Board.</p>	<p>Prior to any rate filing with the EUB.</p>

Priority Areas	Expected Result / Outcome	Timeline
<i>Brunswick Energy and Utilities Board.</i>		
<p>Increase energy efficiency savings  <i>We have committed to measuring annual increases in energy efficiency savings. We expect NB Power to provide information to support reporting on our published targets.</i></p>	<p>In the Energy Efficiency Report, include updated information on the total energy efficiency savings achieved for all sectors and fuel types. This will include a comparison to the previous year and any explanation as to why progress towards the 2028 target may not have been met.</p>	<p>Annually - within 3 months after the end of each fiscal year.</p> <p><u>Targets include:</u>  2025-26: 426,000  2026-27: 483,000  2027-28: 500,000</p>
<p>Increase support for home energy retrofits, free heat pump program, and introduce a provincial program for solar retrofits.  <i>The Government has committed to increasing support for the Enhanced Energy Savings Program and developing a program for solar retrofits.</i></p>	<p>Continue to support the Province in delivering the Enhanced Energy Savings Program and working through the current waitlist of customers as funding permits. Provide quarterly and annual updates as required in the Funding Agreement.</p> <p>Support the Province in the development and possible delivery of the solar retrofit program should funding become available. This should be complimentary to existing programs being offered.</p>	<p>Quarterly and annual updates as per the Funding Agreement.</p> <p>Targets will be established and included in the annual plan and annual report for tracking should retrofit program funding become available.</p>
<p>Trusted leadership  <i>This Government is committed to fostering trust, transparency, and collaboration within our communities. This includes advancing evidence-based decision-making, ensuring accountability and enhancing services for all.</i></p>	<p>NB Power is expected to make information more accessible to the public. These efforts will improve energy literacy and give the public a more thorough and transparent view of the activities of the utility.</p> <p>To be more open and transparent, NB Power will provide regular updates through various means like social media, the NB Power and Save Energy websites, etc. on major projects like Smart Meters, the Mactaquac Life Achievement Project, planned maintenance activities at generating stations, unplanned outages, etc.</p>	<p>Ongoing - Establish Key Performance Indicators in the Annual Plan of each year and report on those in the Annual Report of the corporation. This may include statistics like unique visits to the NB Power website, social media posts, etc.</p>
<p>Business plan  <i>NB Power shall prepare an annual business plan. It will set out the goals and objectives considering the strategic direction of the government</i></p>	<p>Ensure that your business plan is presented to me no later than April 15 of each year (assuming an NBEUB decision is rendered for rates to be charged by April 1).</p>	<p>April 15</p>

Priority Areas	Expected Result / Outcome	Timeline
<i>and the mandate and financial resources of the utility. It will identify annual performance measures.</i>	As per the <i>Accountability and Continuous Improvement Act</i> you will ensure that it is published on your website within 3 months.	
<p>Annual report and Financial Statements</p> <p><i>NB Power will provide Government a copy of its Financial Statements and an Annual Report, ensuring it is compliant with statutory obligations and includes an update on the status of Auditor General recommendations provided to the corporation in the past 5 years.</i></p>	<p>Ensure Annual Audited Financial Statements are presented to Government. Government will ensure that the Statements are tabled in the Legislative Assembly 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>
<p>Energy Efficiency Report</p> <p><i>Under the Energy Efficiency Regulations, NB Power is required to provide an information related to energy efficiency to Government no later than June 30 each year.</i></p>	<p>In addition to the reporting requirements of the <i>Energy Efficiency Regulation</i>, NB Power will add the following components:</p> <ul style="list-style-type: none"> <li>• A breakdown of each program delivered by NB Power for the fiscal year being reported on including number of participants, average savings, participant costs, NB Power costs, etc.</li> <li>• An explanation of the increase or decrease in participation from previous years and any efforts made to increase participation.</li> </ul>	<p>Annually - within 3 months after the end of each fiscal year in a format to be determined by the Corporation in cooperation with me.</p>
Duty to consult	<p>Decisions by NB Power may trigger the Crown's duty to consult with First Nation communities. Where there is a potential impact on Aboriginal or treaty rights, NB Power should work with the Department of Indigenous Affairs for guidance on next steps.</p> <p>Material agreements with Indigenous communities may require approval of the Province as shareholder prior to the creation of binding obligations on the Province and to ensure its interests are properly considered.</p> <p>Further, we expect NB Power to seek opportunities and to conduct itself in a manner that support the Crown's efforts in fostering</p>	Ongoing

Priority Areas	Expected Result / Outcome	Timeline
	<p>meaningful relations with First Nation communities, upholding the honour of the Crown, and advancing reconciliation.</p>	
<p>Procurement</p>	<p>Procurement is an important tool for the provincial government to secure quality products and services at the best possible price. Procurement is also a lever for economic development by supporting local businesses in purchasing decisions, where possible.</p> <p>NB Power will work with Service New Brunswick, the Department of Transportation and Infrastructure and Finance and Treasury Board where appropriate to maximize economies of scale and ensure contracts consider the overall public interest.</p>	<p>Ongoing</p>
<p>Diversity representation</p>	<p>Government is committed to ensuring diverse representation on provincial agencies, boards, and commissions (ABCs). In addition to skills and experience, diversity factors such as gender, linguistic, geographic, and cultural backgrounds are considered when making appointments.</p> <p>It is expected that this commitment to diverse representation will be reflected when making nominations for consideration of appointment.</p>	<p>Ongoing</p>