

Energy

ANNUAL REPORT

2025 – 2026

New Nouveau Brunswick

Energy

ANNUAL REPORT 2025-2026

Province of New Brunswick
P.O. Box 6000, Fredericton NB E3B 5H1 CANADA

ISBN 978-1-4605-4705-2 (bilingual print edition)
ISBN 978-1-4605-4706-9 (PDF: English edition)
ISBN 978-1-4605-4707-6 (PDF: French edition)
ISSN 3111-4075 (PDF: English edition)
ISSN 3111-4083 (PDF: French edition)

TRANSMITTAL LETTERS

From the Minister to the Lieutenant-Governor

Her Honour The Honourable Louise Imbeault

Lieutenant-Governor of New Brunswick

May it please your Honour:

It is my privilege to submit the annual report of the Department of Energy, Province of New Brunswick, for the fiscal year April 1, 2025, to March 31, 2026.

Respectfully submitted,



Honourable René Legacy
Minister of Energy

From the Deputy Minister to the Minister

Honourable René Legacy
Minister of Energy

Sir:

I am pleased to be able to present the annual report describing operations of the Department of Energy for the fiscal year April 1, 2025, to March 31, 2026.

Respectfully submitted,



Jeff Hoyt
Deputy Minister

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MINISTER'S MESSAGE

As the Minister of Energy, I am proud to present this annual report that highlights our department's dedication and numerous achievements.

This year was dominated by the comprehensive review of NB Power. It was a major undertaking; however, it was necessary to ensure safe, affordable, and reliable electricity for all New Brunswickers.

While the independent review earned the lion's share of the spotlight, there was important work completed by the department.

The energy landscape in this province is rapidly evolving, and the department is here to make sure the needs of New Brunswickers are met today and well into the future.

In that vein, we amended regulations under the *Petroleum Products Pricing Act* so that E10 – a fuel blend of ethanol and gasoline – will now be used to determine the benchmark price for regular gasoline in New Brunswick. That amendment resulted in significant savings at the pump for gasoline consumers, just in time for Christmas.

We also signed an agreement with several other provinces to increase collaboration on electricity transmission interties, which are high-voltage power lines that connect two separate electric grids, allowing them to share and exchange electricity in real time. By strengthening our ability to share power, we can create a more resilient electrical system that supports the swell in demand in New Brunswick and across Canada.

And to help with the rising cost of electricity, we removed the target date of 2029 for NB Power to reach its legislated goal of 80 per cent debt to 20 per cent equity which was the single biggest factor driving potential double-digit rate increases over the next few years.

Those examples are just a sample of the tremendous work staff in the department do day after day. It's clear to me that they care deeply about their work, and I sincerely thank them for all they do to ensure a sustainable and energy-efficient future for our province.



Honourable René Legacy
Minister of Energy

DEPUTY MINISTER'S MESSAGE

The Department of Energy exists to enable and empower the energy sector to operate and thrive within the province of New Brunswick. Energy plays a key role in economic development, and energy costs represent very real concerns for New Brunswickers. I want to acknowledge the important role our stakeholders, including industry leaders, communities, and Indigenous partners, play in advancing our efforts to ensure electricity rates remain competitive and service continues to be reliable.

This year marks our first annual report as a stand-alone department, following separation from Natural Resources. We recognize the magnitude of this separation as we stand at the forefront of a significant energy transition.

We've accomplished a lot over the last year. As we've established our department, we've built capacity to increase accountability and energy policy to better support the future of energy in our province. In collaboration with NB Power, the Government of Canada and the Canadian Infrastructure Bank, we've announced over 450 megawatts of Indigenous majority-owned renewable wind-energy projects. We supported investments in energy efficiency programming, reductions in gas prices and reached our electric vehicle targets for 2025.

We also launched an independent comprehensive review of NB Power Corporation which resulted in the release of a final report (Fit for the Future). This report provided 50 recommendations to improve our Crown corporation which will shape much of our work in the future.

While we've grown, our team remains small and dedicated to serving New Brunswick. I look forward to sharing our department's advancements this year.



Jeff Hoyt
Deputy Minister

GOVERNMENT PRIORITIES

Delivering for New Brunswickers

The priorities the Government of New Brunswick (GNB) has focused on represent the stories and solutions we hear from residents across the province. Our goal is to make a difference and enhance the quality of life for everyone in the province we proudly call home. Together, we are learning, growing, adapting, and discovering new and transformative ways of doing business. GNB is focused on taking the necessary steps to move our priorities forward, and work is being done more efficiently and effectively every day. New Brunswickers are resilient, creative and compassionate people, and by working collaboratively, we can create the brighter future we all deserve. GNB is prioritizing partnerships and trusting and empowering the people and organizations on the ground working most closely with New Brunswickers to achieve results.

Priorities

GNB is focused on creating a brighter future for all New Brunswickers. To make progress towards this vision, several priorities have been identified within the following areas:

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

We invite you to explore the commitments we have made within each priority area, as well as updates on our achievements and the metrics we use to measure success. For more information, visit: gnb.ca/accountability.

HIGHLIGHTS

During the 2025-2026 fiscal year, the Department of Energy focused on these government priorities through:

- Establishing a new Department of Energy, building the capacity and expertise needed to meet New Brunswick's evolving energy needs.
- Launching a comprehensive review of NB Power to identify opportunities to deliver competitive and stable rates, improve reliability, and position the utility to support economic growth and the clean energy transition in an affordable, competitive, and financially sustainable manner.
- Supporting a Government of New Brunswick investment of $73.9 million in the Enhanced Energy Savings Program to support low- and moderate-income New Brunswickers facing energy affordability challenges, including contributions of $56.1 million from the department, $15.8 million from the Climate Change Fund, and $2 million from the New Brunswick Housing Corporation.
- Collaborating with NB Power, the Government of Canada and the Canadian Infrastructure Bank to advance more than 450 megawatts of Indigenous majority-owned renewable wind energy projects.
- Delivering consumer savings on gasoline prices through effective regulatory oversight and market monitoring.
- In 2025-2026, all departments worked together to develop the Government of New Brunswick's first three-year Accessibility Plan. This plan will outline how government departments will work to identify, remove and prevent barriers to accessibility from April 1, 2026, to March 31, 2029.
- The Accessibility Plan was built with input from New Brunswickers who have experienced barriers and has five goals:
    - Make government spaces more accessible
    - Ensure New Brunswickers can receive information and communicate with government in accessible ways
    - Build capacity for government to identify, prevent and remove barriers
    - Make it easier for people to apply for and interact with government services
    - Introduce changes to reduce barriers people have experienced

PERFORMANCE OUTCOMES

Outcome #1: Increase the Number of Electric Vehicles on New Brunswick Roads

The Department of Energy has a commitment to work to have six per cent of new light-duty vehicles (e.g. passenger cars, sport utility vehicles, pickup trucks) sales to be electric vehicles (EV) by 2025 and 50 per cent by 2030, using incentives and programs to promote electric vehicles and support charging infrastructure in New Brunswick.

Why is it important?

Transportation is the second-largest source of greenhouse gas (GHG) emissions in New Brunswick and supporting the adoption of EVs can significantly reduce those emissions.

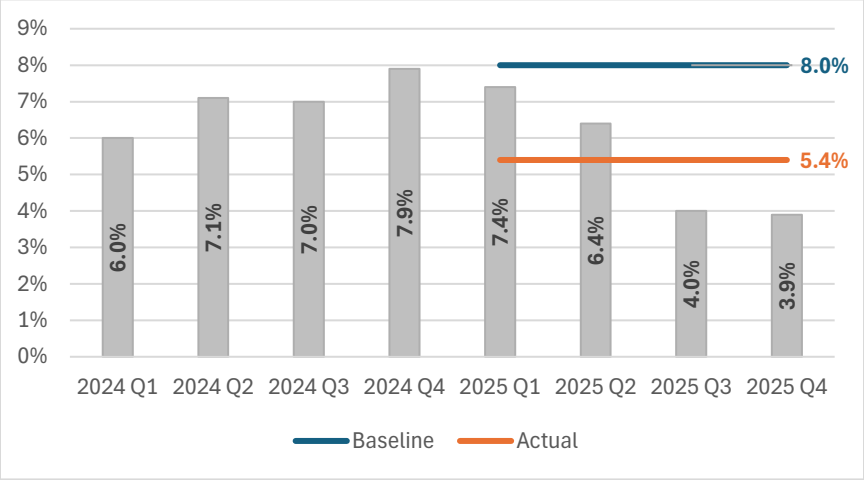
Overall Performance

At the end of 2024, New Brunswick had surpassed the six per cent target, achieving almost eight per cent sales. However, the province ended 2025 at 5.4 per cent sales. The province is now targeting 50 per cent sales by 2030. The overall number of EVs in the province has grown from 6,700 at the end of 2024 to over 9,000 at the end of 2025. The decrease in EV sales is likely due to both the provincial and federal governments ending their respective EV Incentive programs in 2025. The Federal Government has brought back their program, and we expect that to increase sales for 2026.

Initiatives or projects undertaken to achieve the outcome

The department ended the EV Incentive Program on July 1, 2025, after delivering over 6,000 EV rebates and 1,400 home charging rebates. The department has shifted its focus to EV charging and has provided funding to NB Power to develop the eCharge Network and deploy fast chargers across the province.

Percent of Vehicle Sales



Baseline: 8% of new light-duty vehicle sales at the end of 2024

Target: 50% of new light-duty vehicle sales by 2030

Actual: 5.4% average for 2025; 3.9% in the fourth quarter

Outcome #2: Increase Energy Efficiency Savings

This measure tracks the amount of energy saved through efficiency programs and initiatives, reported in gigajoules (GJ). It helps show how actions such as home upgrades, business and industrial efficiency projects, product incentives, and other demand-side management activities reduce energy use across the province.

Why is it important?

Energy efficiency is critical to reducing overall energy consumption, mitigating climate change impacts, and contributing to lower GHG emissions. It also assists in reducing energy costs for customers, improving affordability during a period when rising energy costs are a significant concern.

Overall Performance

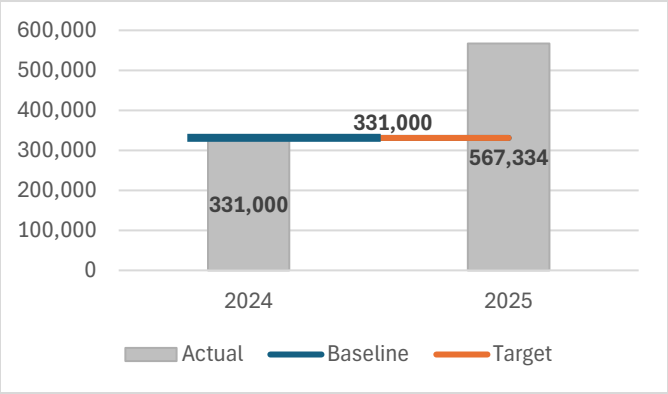
Energy efficiency savings exceeded the 2025 target of 331,000 GJ, with actual savings of 567,334 GJ. The result reflects stronger-than-expected industrial energy savings, expanded participation in the Products Program, and additional fuel transportation savings supported through the Climate Change Fund. While these results demonstrate strong progress in reducing energy consumption, NB Power has noted that higher efficiency targets can contribute to upward pressure on rates at a time when affordability remains a concern for customers.

Initiatives or projects undertaken to achieve the outcome

Savings exceeded the target primarily because of three drivers:

- **Industrial Program results:** Industrial Program completions produced higher average energy savings than expected, contributing to performance above the target. It is not yet clear whether this reflects a one-time result or an emerging trend.
- **Products Program expansion:** The Products Program was approximately doubled compared with the original plan, increasing participation and adding net-new energy savings beyond the initial target.
- **Climate Change Fund fuel transportation savings:** Fuel transportation measures funded through the Climate Change Fund were not included in the original Demand-Side Management plan or target setting. These savings were therefore additive and contributed directly to the over-target result.

Energy Efficiency Savings (gigajoules)



Baseline: 331,000 GJ (2024)

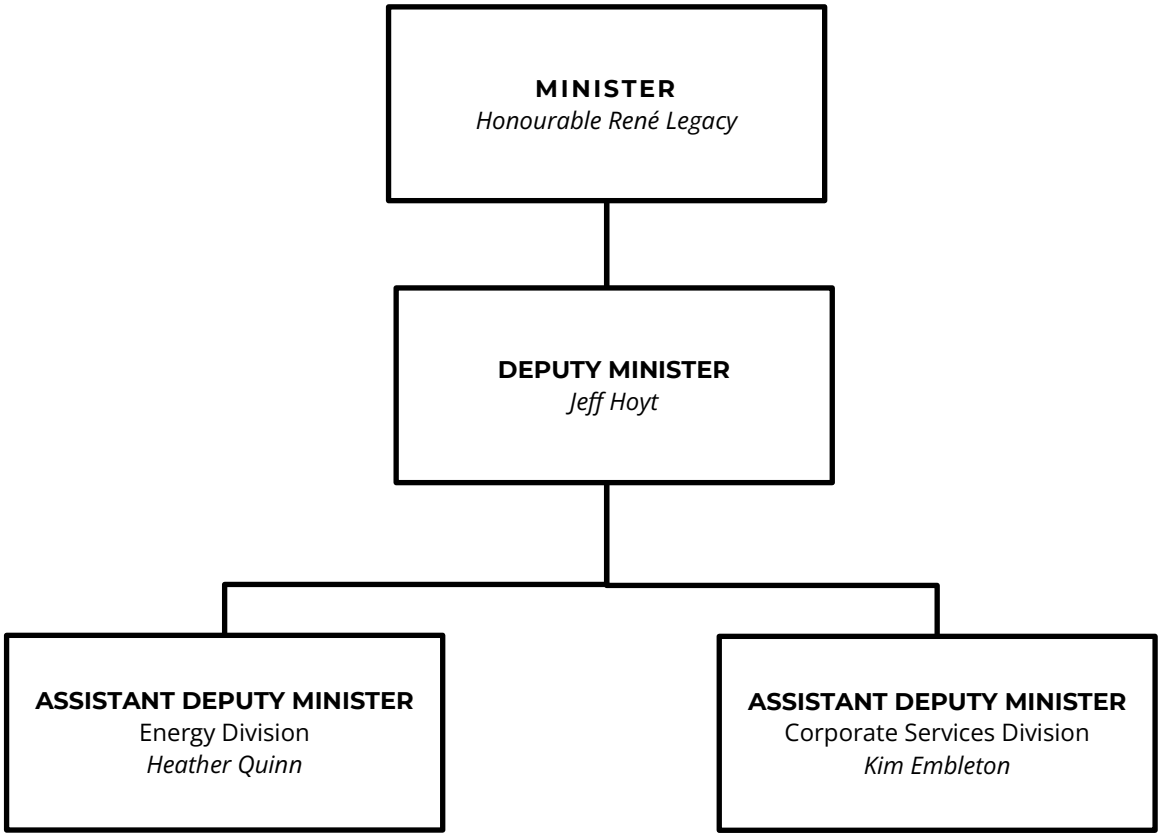
Target: 331,000 GJ (2025)

Actual: 567,334 GJ

OVERVIEW OF DEPARTMENTAL OPERATIONS

The mandate of the Department of Energy is to develop and manage the province's energy resources.

High-Level Organizational Chart



DIVISION OVERVIEW

The budget and expenses for the common administration of the departments of Energy, Natural Resources, and Agriculture, Aquaculture and Fisheries are recorded in the 2025 – 2026 annual report for the Department of Natural Resources. The common administration applies to the Corporate Services Division.

ENERGY DIVISION

The Energy Division provides the regulatory, policy, and accountability structures needed to support the managed development of the province's energy sector. The division consists of the Energy Policy Branch and the Strategic Initiatives and Accountability Branch.

The **Energy Policy Branch** is responsible for developing and maintaining the policies, legislation, and regulatory frameworks that support New Brunswick's energy sector and help ensure New Brunswickers have access to safe, reliable, and affordable energy while maintaining the continuity and security of supply.

The branch works with industry partners, utilities, government departments, and regulatory agencies to advance energy initiatives that support affordability, system reliability, economic development, and long-term energy planning. This includes work related to electricity, natural gas, renewable energy, energy efficiency, demand-side management, and the development of new and emerging energy opportunities, including nuclear energy.

The branch monitors developments in federal energy and environmental policy, assesses potential impacts and opportunities for New Brunswick, and supports the province's response to emerging energy issues. The branch also monitors proceedings before the New Brunswick Energy and Utilities Board to help ensure provincial legislation and regulations continue to operate effectively and support the province's energy objectives.

The **Strategic Initiatives and Accountability Branch** provides strategic oversight, accountability, performance reporting, and organizational transformation support for the department. The branch helps ensure government priorities, strategic projects, and departmental commitments are effectively implemented, risks are proactively managed, and results are achieved.

A key part of the branch's mandate is supporting the province's shareholder oversight role for NB Power by monitoring performance, tracking implementation of government commitments, assessing strategic and operational risks, and supporting executive decision-making related to governance, major initiatives, and long-term planning.

CORPORATE SERVICES DIVISION

The Corporate Services Division provides direction and support in matters of human resources, financial services, policy, strategy, information and technology, and facilities management. The division consists of the Financial Services Branch, the Human Resource Services Branch, the Information Systems and Departmental Services Branch, the Strategic Planning and Intergovernmental Relations Branch, and the Regulatory Affairs Branch.

The **Financial Services Branch** is responsible for the department's financial resources, including expenditure and revenue management, budgeting, accounting and financial reporting services, and supports departmental procurement.

The **Human Resource Services Branch** is responsible for providing human resource management services, including recruitment and retention, classification, labour relations, human resource policies, employee engagement, organizational development, succession planning, and administration of programs such as health and safety.

The **Information Systems and Departmental Services Branch** provides provincewide services to the department, including information technology, records management, information security, and intranet management.

The **Strategic Planning and Intergovernmental Relations Branch** provides strategy development, strategic planning, and support for federal-provincial-territorial activities. The branch is also responsible for trade policy analysis, economic forecasting, monitoring, research, statistical analysis and reporting. Additionally, the branch is responsible for the management of ministerial correspondence.

The **Regulatory Affairs Branch** provides leadership, coordination, and supports the development of legislation, policy initiatives and proposals, and the minister's legislative business. The branch also manages Agencies, Boards and Commissions, requests under the *Right to Information and Protection of Privacy Act* and provides support on privacy matters. The branch, in conjunction with the Strategic Planning and Intergovernmental Relations Branch, provides policy administrative support to the department's Policy Management Committee.

FINANCIAL INFORMATION

EXPENDITURES IN DETAIL 2025-2026 ($)

Ordinary Program	Main Estimates	Appropriation Transfers	Final Budget	Actual	Difference
Energy	78,444,000	2,653,800	81,097,800	77,836,100	(3,261,700)
Total 2025-2026	**78,444,000**	**2,653,800**	**81,097,800**	**77,836,100**	**(3,261,700)**

REVENUE IN DETAIL 2025-2026 ($)

Revenue	Main Estimates	Appropriation Transfers	Final Budget	Actual	Difference
Licences and Permits	3,000,000	-	3,000,000	2,649,700	(350,300)
Total 2025-2026	**3,000,000**	**-**	**3,000,000**	**2,649,700**	**(350,300)**

SUMMARY OF STAFFING ACTIVITY

Pursuant to section 4 of the *Civil Service Act*, the secretary to Treasury Board delegates staffing to each deputy head for his or her respective department(s). Please find below a summary of the staffing activity for 2025-2026 for the Department of Energy.

NUMBER OF PERMANENT AND TEMPORARY EMPLOYEES AS OF DEC. 31 OF EACH YEAR		
EMPLOYEE TYPE	**2025**	**2024**
Permanent	9	N/A
Temporary	2	N/A
TOTAL	**11**	**N/A**

The department advertised 1 competition, including 1 open (public) competition and 0 closed (internal) competition.

Pursuant to sections 15 and 16 of the *Civil Service Act*, the department made the following appointments using processes to establish merit other than the competitive process:

APPOINTMENT TYPE	APPOINTMENT DESCRIPTION	SECTION OF THE *CIVIL SERVICE ACT*	NUMBER
Specialized Professional, Scientific or Technical	An appointment may be made without competition when a position requires: • a high degree of expertise and training • a high degree of technical skill • recognized experts in their field	15(1)	0
Equal Employment Opportunity Program	Provides Indigenous peoples, persons with disabilities and members of a visible minority group with equal access to employment, training and advancement opportunities.	16(1)(a)	0
Department Talent Management Program	Permanent employees identified in corporate and departmental talent pools, who meet the four-point criteria for assessing talent, namely performance, readiness, willingness and criticalness.	16(1)(b)	1
Lateral transfer	The GNB transfer process facilitates the transfer of employees from within	16(1) or 16(1)(c)	0

APPOINTMENT TYPE	APPOINTMENT DESCRIPTION	SECTION OF THE *CIVIL SERVICE ACT*	NUMBER
	Part 1, 2 (school districts) and 3 (hospital authorities) of the public service.		
Regular appointment of casual/temporary	An individual hired on a casual or temporary basis under section 17 may be appointed without competition to a regular properly classified position within the civil service.	16(1)(d)(i)	1
Regular appointment of students/ apprentices	Summer students, university or community college co-op students or apprentices may be appointed without competition to an entry level position within the civil service.	16(1)(d)(ii)	0

Pursuant to section 33 of the *Civil Service Act*, no complaints alleging favouritism were made to the deputy head of the Department of Energy and no complaints were submitted to the ombud.

SUMMARY OF LEGISLATION AND LEGISLATIVE ACTIVITY

BILL #	NAME OF LEGISLATION	DATE OF ROYAL ASSENT	SUMMARY OF CHANGES
4	*An Act Respecting Petroleum Products Pricing* Chap-1.pdf	June 6, 2025	Amended to: • Allow the Cost of Carbon Adjustor to be removed from New Brunswick's regulated price formula.
18	*Mactaquac Life Achievement Project Act* Chap-48.pdf	December 12, 2025	Legislation to support the unique characteristics of the Mactaquac Life Achievement Project and provide flexibility where needed to adapt to market conditions and provide clarity and certainty to allow proponents to properly bid the project, and for NB Power to execute the project.

NAME OF REGULATION	EFFECTIVE DATE	SUMMARY OF CHANGES
Amendments to General Regulation (2025-48) under the *Petroleum Pricing Products Act*	December 11, 2025	Amendment to: • Ensure the maximum pricing formula for gasoline set by the Energy and Utilities Board reflects the fact E10 fuel (ethanol at 10 per cent gasoline) is the only fuel being sold in the region.

The acts for which the department was responsible in 2025-2026 may be found at: Energy.

SUMMARY OF OFFICIAL LANGUAGES ACTIVITIES

Introduction

The Department of Energy has continued to respect its official languages obligations by focussing on four sectors of activity. The following outlines the actions taken during 2025 – 2026 in each of the four areas of focus.

Strategic Objective 1

Ensure high-quality, equal bilingual services to all New Brunswickers:

- Employees were provided with the tools enabling them to be successful in respecting their legal obligation to offer service of equal quality in English and French in all locations.
- Linguistic profiles were respected through the recruitment process to make certain that the department is able to provide services in both English and French throughout the province.

Strategic Objective 2

Provincial government employees are able to work and pursue a career in the official language of their choice:

- Communication, correspondence, and interactions with employees such as performance appraisals, were delivered in the employee's official language of choice.
- The department continued to encourage the use of both official languages for small meetings. For all large meetings, the department promoted bilingual presentations, or separate English and French sessions.
- As part of the ongoing process for employee orientation and performance management, employees were required to read the policies related to official languages.
- Employees are able to attend training and development in the official language of their choice.

Strategic Objective 3

New Brunswickers understand the socio-economic benefits of bilingualism through improved and effective communication and better support:

- Correspondence and information were provided to the public in the official language of their choice.

Strategic Objective 4

Positive measures are implemented to promote the development of both official linguistic communities:

- The deputy minister, and other management team members, reminded employees of their legal obligation to offer services in the official language of choice of the client.

- Employees were also reminded of the Language of Service Policy and Guidelines and the Official Languages Toolkit.
- Employees are able to attend training and development in the official language of their choice.

Conclusion

The department understands, promotes, and honours its obligations under the *Official Languages Act* and related policies. It strives to provide quality services to clients in both official languages. The department encourages and supports the use of both official languages in the workplace and invests in employee development through second language training.

SUMMARY OF RECOMMENDATIONS FROM THE OFFICE OF THE AUDITOR GENERAL

Section 1 – Includes the current reporting year and the previous year.

The department did not receive any recommendations from the Auditor General's reports in 2024 and 2025.

Section 2 – Includes the reporting periods for years three, four and five.

NAME AND YEAR OF AUDIT AREA WITH LINK TO ONLINE DOCUMENT	RECOMMENDATIONS	
	TOTAL	IMPLEMENTED
2021 V2 Chapter 2: Residential Energy Efficiency Programs – Department of Natural Resources and Energy Development, NB Chap2e.pdf	2	2

REPORT ON THE *PUBLIC INTEREST DISCLOSURE ACT*

As provided under section 18(1) of the *Public Interest Disclosure Act*, the chief executive shall prepare a report of any disclosures of wrongdoing that have been made to a supervisor or designated officer of the portion of the public service for which the chief executive officer is responsible. The Department of Energy received no disclosure of wrongdoing in the 2025-2026 fiscal year.