Q. (Reference Application Schedule B, Replacement Meters, page 68) It is stated 1 2 "A forecast increase in expenditures in 2027 is due to an expected transition 3 to Advanced Metering Infrastructure ("AMI") technology, with the installation 4 of meters that are compatible with both AMR and AMI meter reading systems." 5 6 a) Why is Newfoundland Power not replacing meters with AMI technology 7 now in order to reduce the possibility of stranding and open the door to the introduction of more advanced rate designs in light of the significant 8 9 changes going on in the industry? Please provide for the record Newfoundland Power's plans/business 10 b) case with respect to AMI including rationale, cost and schedule. 11 12 13 For an explanation of why Newfoundland Power is not replacing meters with AMI Α. a) technology now see the response to Request for Information PUB-NP-016. 14 15 16 b) Newfoundland Power has not completed a business case for implementing AMI. 17 Ongoing rate design and load research studies will inform the business case 18 when it is developed. The Company's 2023-2027 Capital Plan has identified 19 costs in 2027 associated with replacement meters that are compatible with both 20 AMR and AMI technology, in anticipation of the need for dynamic rate structures 21 in the next decade.¹ A business case will be completed at the appropriate time prior to incurring any capital cost associated with AMI. 22

¹ The *Conservation Potential Study* completed by Dunsky Energy Consulting determined that dynamic rates may become cost-effective for customers between 2030 and 2034. The implementation of dynamic rates requires the use of AMI technology, which is expected to take between three and five years to implement.