

- 1 **Q. (Reference CA-NP-083)**
2 **Please explain why the costs of the new meter and replacement meter**
3 **programs are forecast to increase so much over the 2025-2029 period.**
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- 5 A. The annual budget forecasts for New Meters and Replacement Meters programs are
6 based on average historical expenditures. The Company uses its internal weighted
7 labour inflation rates to inflation-adjust its labour costs and the GDP Deflator for Canada
8 provided by the Conference Board of Canada for its non-labour costs to estimate future
9 year budget amounts.
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11 The New Meters and Replacement Meters programs budget forecast for the 2025-2029
12 period was determined using the methodology described above. In the years 2027-2029
13 there is additional expenditure incorporated into the inflation-adjusted average to
14 account for the potential transition to Advanced Metering Infrastructure.