

1 **Q. (Reference CA-NP-016)**

2 **It is understood that NP is proposing New Meters and Replacement Meters**
 3 **programs in the 2025 CBA that will use AMR metering technology rather than**
 4 **AMI (smart meter) technology.**

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 6 **In CA-NP-093d it is stated “*the implementation of Advanced Metering***
 7 ***Infrastructure (“AMI”) technology is not least cost for customers at this***
 8 ***time.”* Footnote 1 references the 2019 Dunsky study as support for this**
 9 **statement.**

10
 11 **In CA-NP-070b it is stated “*As part of the 2019 market potential study,***
 12 ***Dunsky Energy Consulting assessed the load shifting potential of dynamic***
 13 ***rate structures, including an estimate of the cost of AMI implementation. The***
 14 ***consultant did not complete an overall assessment of smart meters.”***

15
 16 **In CA-NP-016d it is stated “*As a result of the studies referenced in part a) of***
 17 ***this response, Newfoundland Power is aware that system cost savings***
 18 ***resulting from the demand response potential of AMI technologies are not***
 19 ***sufficient to offset implementation costs at this time. As a result, the***
 20 ***Company has not conducted a more detailed assessment of various AMI***
 21 ***technology options or their individual expected useful service lives.”***

22
 23 **In CA-NP-070c it is stated “*The benefits of smart meter technology can***
 24 ***include: the ability to remotely read meters, automatic outage detection and***
 25 ***management; the ability to remotely connect or disconnect service to***
 26 ***customers; monitoring power quality; implementation of demand response***
 27 ***programs such as Time-Of-Use rates; enablement of distributed energy***
 28 ***generation; and the ability to provide customers personalized energy-saving***
 29 ***tips and recommendations.”***

30
 31 **a) Please confirm that NP has not undertaken an assessment of AMI in the**
 32 **past 5 years because the demand response potential of AMI was judged**
 33 **insufficient to offset implementation costs at the time of the Dunsky study**
 34 **completed in 2019.**

35 **b) Please confirm that NP bases its opinion that AMI is not least cost on the**
 36 **2019 Dunsky study that quantified only the benefits of load shifting while**
 37 **ignoring the numerous other benefits of smart meters.**

38
 39 **A. a) It is not confirmed. Newfoundland Power continues to refine its plans for Advanced**
 40 **Metering Infrastructure (“AMI”) based on the technology’s ability to contribute to the**
 41 **provision of least-cost, reliable service delivered in an environmentally responsible**
 42 **manner.¹ Over the last decade, the Company has completed periodic analyses to**
 43 **determine when AMI technology may become cost effective for customers.² The**
 44 **Company uses the data provided by third-party consultants from these periodic**

¹ See Newfoundland Power’s *2025/2026 General Rate Application*, Newfoundland Power Rebuttal Evidence, May 28, 2024, Section 4.6.

² See the responses to Requests for Information CA-NP-016, CA-NP-070 and CA-NP-201.

1 reviews, as well as internal data, to model the costs and benefits associated with the
2 implementation of AMI, including net present value analyses and payback periods.³
3 The Company has monitored government funding opportunities and twice applied for
4 government funding for AMI-related projects.⁴
5

6 The currently ongoing potential study by the Posterity Group (the “Potential Study”)
7 is the Company’s most recent analysis that will inform the economics of AMI.⁵ The
8 Potential Study will include an examination of opportunities for electrification, energy
9 efficiency and demand response, including dynamic rate design. The Potential Study
10 will provide an updated estimate of the potential demand response benefits of rate
11 design, and the results of this updated estimate will be used as an input in the
12 Company’s model to produce a revised cost benefit analysis. Further information on
13 the Potential Study scope of work can be found in response to Request for
14 Information CA-NP-201.
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16 The next steps taken by the Company will be guided by the output of the revised
17 cost benefit analysis. If the analysis suggests that AMI implementation may be
18 feasible in the near term, the Company may proceed to complete a comprehensive
19 analysis with the end goal of submitting the analysis to the Board as justification for
20 the proposed AMI capital project. If the analysis suggests that AMI implementation is
21 not feasible in the near term, the Company will continue to revisit and update its
22 cost benefit analysis from time to time and as new information becomes available,
23 such as advancements in AMI technology or changes to costs.
24

25 b) See part a).

³ The Company has engaged Capgemini to assist with its AMI cost benefit analysis. Capgemini has consulted on AMI projects for Canadian utilities such as Manitoba Hydro, BC Hydro, Hydro One and Hydro Quebec.

⁴ See the response to Requests for Information CA-NP-250 filed as part of Newfoundland Power’s *2025/2026 General Rate Application*.

⁵ A copy of the Potential Study will be filed with the next *Conservation, Demand Management and Electrification Plan*, expected in 2025.