

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. CA-NLH-012 pertaining to NL Hydro's 2025**
 5 **CBA, Attachment 1 includes a June 15, 2020 report by Util-Assist Inc. entitled**
 6 **"Business Case Report for Next Generation Metering (NGM) - Newfoundland**
 7 **and Labrador Hydro". Attachment 1, page 8 of 64 states "The third case,**
 8 **Option 3 (Appendix D) – Full-scale Drive-by AMR "lite" with NL Power's Itron**
 9 **Drive-by solution over a 21- year system lifecycle was reviewed next. While a**
 10 **viable solution financially (\$17.6M NPV), like that with Option 1, the**
 11 **technological limitations to a drive-by solution are too great. As noted in**
 12 **Section 2: Technology and Trends, the trend amongst utilities in Canada and**
 13 **really across North America is toward the deployment of AMI. Drive-by AMR**
 14 **meter reading is something that electric utilities are moving away from and**
 15 **not towards. As the utility industry is searching for ways in which to improve**
 16 **Customer Experience, drive-by metering does the opposite in that it improves**
 17 **the utility's experience while preventing any meaningful impact to the**
 18 **customer. Regardless of technology solution selected, the most significant**
 19 **cost by far to the utility is the replacement of meters, at upwards of 75% of**
 20 **the capital cost. With this in mind, understanding that money is going to have**
 21 **to be spent, NLH must consider what the best investment is for their**
 22 **customers and their utility. Drive-by metering is enticing due to relative cost**
 23 **in comparison to AMI, but when viewed in the current climate of where the**
 24 **industry is with more advanced AMI solutions and the fact that this will be a**
 25 **20-year investment, the risk to move forward with Drive-by metering is too**
 26 **great and is not recommended."**

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- 28 **a) Did NP participate in, or was it made aware of, this study? Were the**
 29 **results of this study incorporated in NP's own studies of smart meters, or**
 30 **the Dunsky NL study completed in 2019?**
- 31 **b) Why is NP continuing with AMR metering when "the technological**
 32 **limitations to a drive-by solution are too great", it "is something that**
 33 **electric utilities are moving away from and not towards." and "As the**
 34 **utility industry is searching for ways in which to improve Customer**
 35 **Experience, drive-by metering does the opposite in that it improves the**
 36 **utility's experience while preventing any meaningful impact to the**
 37 **customer"?**
- 38 **c) CA-NLH-012 pertaining to NL Hydro's 2025 CBA (Attachment 1, page 20 of**
 39 **64, Table 6) quantifies three AMI-Lite benefits including: avoided costs of**
 40 **meter replacements (\$13.7 million), reduced manual meter reading (\$84**
 41 **million) and avoided cost of meter reading vehicles (\$1.0 million). Would**
 42 **NP likewise experience such benefits if it were to embark on an AMI**
 43 **program, and if so, what would be the net present value of such benefits?**
- 44 **d) Please confirm that there are numerous other benefits of AMI beyond**
 45 **those identified in part (c) such as real-time information concerning**
 46 **usage, remote disconnect/reconnect or power limiting, an improved**
 47 **knowledge of the distribution system bettering responses to outages, and**

1 **the ability to implement dynamic rate structures such as time-of-use rates**
2 **or critical peak pricing, monitoring power quality, enablement of**
3 **distributed energy generation, the ability to provide customers**
4 **personalized energy-saving tips and recommendations and the ability to**
5 **provide outage and power restoration notifications to customers.**

6 **e) What is the probability that the AMR meters being installed under the New**
7 **Meters and Replacement Meters programs becoming stranded?**

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- 9 A. a) Newfoundland Power did not participate in the preparation of the Util-Assist Inc.
10 report titled *Business Case Report for Next Generation Metering (NGM) –*
11 *Newfoundland and Labrador Hydro* (the "Report"). The Company was made aware
12 of the Report at the time of its filing as part of Newfoundland and Labrador Hydro's
13 *2025 Capital Budget Application*.
- 14
- 15 b) At this time, it cannot be demonstrated that a departure from utilizing Advanced
16 Meter Reading ("AMR") technology is least-cost for Newfoundland Power's
17 customers. As such, the Company continues to use AMR technology.
- 18
- 19 c) There are no capital expenditures associated with Advanced Metering Infrastructure
20 ("AMI") proposed in the Company's *2025 Capital Budget Application*. As a result,
21 Newfoundland Power has not conducted a more detailed assessment of various AMI
22 technology options and is therefore unable to provide commentary on potential AMI-
23 Lite benefits.
- 24
- 25 d) It is confirmed. See part c) of the response to Request for Information CA-NP-070.
26 The benefits of AMI can vary by jurisdiction.
- 27
- 28 e) Newfoundland Power is unable to quantify the probability of assets becoming
29 stranded.