

April 29, 2025

Board of Commissioners
of Public Utilities
P.O. Box 21040
120 Torbay Road
St. John's, NL A1A 5B2

Attention: Jo-Anne Galarneau
Executive Director and Board Secretary

Dear Ms. Galarneau:

Re: Newfoundland Power Inc.- Customer Concerns with Accuracy of Electricity Billings

On March 21, 2025, Newfoundland Power Inc. ("Newfoundland Power" or the "Company") filed its 2025 Customer Billing Review with the Board. On April 3, 2025, the Board accepted the report's findings in relation to meters and weather and agreed with Newfoundland Power's plan to review its practices with respect to billing days. The Board asked the Company to provide the results of its review, including:

- 1. an explanation as to Newfoundland Power's current practices with respect to billing days, including an explanation as to the factors which influenced the number of billing days for January and February 2025, and a summary of practices in other jurisdictions with respect to minimizing billing day variability during periods of high energy usage;*
- 2. an analysis of the distribution of the billing day variances in January and February and its impact on customer bills between January and February, 2025; and*
- 3. any changes which may be made.*

The enclosed response addresses these points in detail. Newfoundland Power prepares a meter reading schedule each year to ensure customer billing periods are as close to 30 days as possible. The schedule is designed to minimize fluctuations from month to month. However, some variation in billing period days is necessary due to changes in calendar days, weekends, statutory holidays, and the need to balance cost efficiency.

As requested by the Board, Newfoundland Power completed a jurisdictional scan of other Canadian utilities which is included in the enclosed response. The jurisdictional scan demonstrates that Newfoundland Power's approach to meter reading and billing is consistent with industry practice. Nevertheless, the Company will implement changes ahead of the upcoming 2025/2026 winter season.

Newfoundland Power Inc.

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The 2025 meter reading schedule planned for approximately 80,000 customers to have a three or four billing day increase in February 2025, which was a contributing factor to customer concerns about higher bills.

For the upcoming 2025/2026 winter period, Newfoundland Power will increase the number of meter readings completed on weekends, including three weekends in November, one in December and one in January. This change will result in no planned bill period fluctuations of greater than two days in January, February and March, 2026.

In addition to an increase in weekend reads to be completed next winter, the Company is committed to supporting customers who have difficulty paying higher winter bills. As noted in the 2025 Customer Billing Report, the Company will also increase promotion of its Equal Payment Plan for customers.

We trust the foregoing and enclosed are in order. If you have any questions, please contact the undersigned.

Yours truly,



Dominic Foley

Legal Counsel

Enclosures

cc. Shirley Walsh
Newfoundland and Labrador Hydro

Dennis Browne, K.C.
Browne Fitzgerald Morgan & Avis

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Billing Days Info

Introduction

On March 21, 2025, Newfoundland Power Inc. (“Newfoundland Power” or the “Company”) filed its 2025 Customer Billing Review with the Board of Commissioners of Public Utilities (the “Board”). On April 3, 2025, the Board accepted the report’s findings in relation to meters and weather and agreed with Newfoundland Power’s plan to review its practices with respect to billing days. The Board asked the Company to provide the results of its review, including:

1. an explanation as to Newfoundland Power’s current practices with respect to billing days, including an explanation as to the factors which influenced the number of billing days for January and February 2025, and a summary of practices in other jurisdictions with respect to minimizing billing day variability during periods of high energy usage;
2. an analysis of the distribution of the billing day variances in January and February and its impact on customer bills between January and February, 2025;
3. and any changes which may be made.

Current Practice

Each year in the first quarter, a meter reading schedule is prepared for the following year. The planned schedule is designed such that all customer billing periods are as close to 30 days as possible to limit fluctuations in billing period days from month to month. The schedule is designed to minimize meter reading costs, while balancing consistency in billing periods for customers.

Newfoundland Power has seven Meter Readers across its service territory that read 19 billing cycles, which are used to schedule meter reading and billing each month. All customers are included in one of these 19 billing cycles. Throughout each month, there are 19 scheduled meter reading days – one for each billing cycle – at which time Meter Readers across the Company’s service territory collect meter readings to bill customers for their usage. On average, each Meter Reader obtains readings from approximately 40,000 customer meters every month.

The meter reading schedule is designed to minimize fluctuations from month to month. However, some variation in billing period days is necessary due to changes in calendar days, weekends, statutory holidays, and the need to balance cost efficiency.¹ Taking this into account, all planned customer billing periods are between 28 and 33 days. This is in line with standard practice in the industry as outlined in the jurisdictional scan included in this report.

¹ Weekend meter reading days, which result in overtime expenses, are sometimes required to reduce fluctuations in billing days.

January and February 2025

Table 1 below provides a summary of the bill day fluctuations from the prior month in the planned meter reading schedule for January and February 2025, and an approximate count of the number of customers in each category. Every year, statutory holidays in the Christmas period contribute to the fluctuations experienced in January and February.

Table 1: January & February 2025 Planned Bill Day Changes		
	Customer Count by Month	
Change in days from previous month	Jan 2025	Feb 2025
Decrease	35,800	80,100
No change	41,500	-
+1	-	87,300
+2	76,200	16,900
+3	31,600	62,000
+4	80,100	18,900
Total	265,200	265,200

The 2025 meter reading schedule planned for approximately 80,000 customers to have a three or four billing day increase in February 2025, which was a contributing factor to customer concerns about higher bills. The net impact of delayed routes in January and February resulted in slightly fewer customers experiencing an increase in billing days in February than planned.² Often, a longer billing period is followed by a shorter billing period.

In winter 2024/2025, all planned reading days were weekdays, except for Saturday January 11, which was planned to prevent an increase of five billing days for customers on that billing cycle.

Limiting Bill Period Fluctuations Going Forward

For the upcoming 2025/2026 winter period, Newfoundland Power will increase the number of meter readings completed on weekends, including three weekends in November, one in December and one in January. This will result in no planned bill period increases of greater than two days in January, February and March, 2026.³

² Delayed routes due to factors such as weather can cause changes in the number of planned billing days and fluctuations from month to month, as well as result in bill periods outside the planned 28-33 days. However, the overall impact is typically low and most instances of route delays are just one day. Delays will result in a longer billing period than planned in the month in which it occurs, followed by a shorter billing period than planned the following month. The net impact of delays on the planned schedule resulted in slightly fewer customers experiencing an increase in billing period days in February compared to the previous month.

³ Newfoundland Power will take a similar approach for future winter periods to limit planned billing period increases to no more than two days from January to March each year.

The increase in weekend reads will reduce the impact of colder temperatures from one winter billing period to the next, when customers' usage is typically highest and they are most impacted by fluctuations in billing days. It will avoid over 100,000 customer bills having three or four day increases in the January and February billing periods. In addition, from January 2026 to March 2026, almost twice as many bills will see a decrease in billing days or no change, rather than an increase from the previous month.

Table 2 below provides a summary of the bill day fluctuations from prior month in the planned meter reading schedule for the January 2026 to March 2026 billing periods, and an approximate count of number of customers in each category based on current customer distribution.

Table 2: Jan to Mar 2026 – Planned Bill Day Changes			
Change in days from previous month	Customer Count by Month		
	Jan 2026	Feb 2026	Mar 2026
Decrease	72,500	101,000	161,500
No change	21,200	83,200	74,600
+1	93,300	35,800	20,500
+2	78,200	45,200	8,600
+3	-	-	-
Total	265,200	265,200	265,200

Table 3 below provides a breakdown of the number of billing days by month for each billing cycle from December 2025 to March 2026.

Table 3: Dec 2025 to Mar 2026 – Planned Billing Days				
Number of Billing Days by Month				
Cycle	Dec 2025	Jan 2026	Feb 2026	Mar 2026
1	31	31	31	29
2	31	33	29	29
3	31	33	29	29
4	31	33	29	29
5	32	31	29	31
6	32	31	31	29
7	30	31	31	29
8	30	31	30	29
9	30	32	30	29
10	31	30	30	31
11	29	30	32	29
12	29	30	32	29
13	30	31	30	29
14	30	31	30	29
15	28	30	30	31
16	28	30	32	29
17	32	28	29	29
18	32	28	29	29
19	31	28	29	29

The average number of billing days for all cycles across this four-month period is 30 days.

Newfoundland Power's *Schedule of Rates, Rules and Regulations* permit, to some extent, estimated meter readings. It would be possible to rely on estimated readings to further limit bill period fluctuations. However, while reliance on estimates could be increased, customer feedback indicates that estimates are not desirable and increasing their use would be contrary to standard industry practice. In addition, estimates that differ from actual readings, once completed, could result in unnecessary fluctuations in kWh billed.

Customer concerns around estimates have dropped considerably in recent years as Newfoundland Power has been able to significantly limit the number of estimates using Automated Meter Reading ("AMR") technology. Since 2015, concerns about estimates raised by customers calling the Customer Contact Centre have dropped 3500% from almost 800 annually to 21 in 2024.

Increasing reliance on estimates would likely drive new concerns from customers.⁴

Additional Actions Being Taken

In addition to an increase in weekend reads to be completed next winter, the Company is committed to supporting customers who have difficulty paying higher winter bills. As noted in the 2025 Customer Billing Report, one helpful tool available to residential customers is the Equal Payment Plan ("EPP"). Under this plan, monthly bill payments are averaged over 12 months. The Company will increase promotion of the EPP to customers, particularly those struggling with higher winter bills.

Jurisdictional Scan

Newfoundland Power's practices with respect to billing cycles, use and frequency of weekend reads, customer billing days per month, and estimation are generally in line with other jurisdictions who use AMR technology and the practices of utilities prior to moving to Advanced Metering Infrastructure ("AMI"), which allows for consistent reading periods through advanced functionality such as interval data.⁵

⁴ While less than 0.3% of bills were estimated in February, recent public discourse indicates that this continues to be an undesirable billing practice.

⁵ AMR technology, which Newfoundland Power currently uses for customer billing, involves automatically collecting consumption and demand readings when the meter reader is within proximity of the physical meter via radio frequency technology. AMI provides advanced functionality such as interval data which is downloaded into a meter data system through communications infrastructure without the need to visit the customer's geographic location.

The table below summarizes the results of Newfoundland Power’s jurisdictional scan of practices amongst other Canadian utilities. Note, for comparison purposes, respondents who currently have AMI technology were asked to provide details on their practices prior to AMI.

Table 4: Jurisdictional Scan – Billing Days					
Utility	Customer Count	Bill Cycles	Use of Weekend Reads	Bill Days	Use of Estimates
FortisBC (natural gas)	1,150,000	20	Rarely; not scheduled.	28-33	3 following normal read date.
Enmax	580,000	21	Occasionally	27-31	5 days after normal read date.
Maritime Electric	90,000	17-22	No	28-34	After 39 days.
NB Power	334,000	19	Occasionally to avoid estimation.	28-32	3 following normal read date.
Newfoundland Power	277,000	19	Occasionally to limit large bill period fluctuations/estimates.	28-33 ⁶	3 following normal read date.
NL Hydro	30,000	9	Hydro has read on the weekends, but it is not common practice.	28-32	1-2 days following normal read date.
NS Power	500,000	38 bi-monthly	Not as a normal course of business. NS Power has on rare occasions due to extreme weather conditions to minimize estimating large volumes of customer bills.	56-67 bi-monthly	2-3 days after normal read date.
NTPC	11,000	23	No	28-32	After 32 days.
SaskPower	550,000	20	No	29-32	Varies by customer type; most are 6 days following normal read date.

⁶ Newfoundland Power’s meter reading schedule requires billing periods of up 33 days, compared to Hydro’s maximum of 32 days, due to differences such as Newfoundland Power’s larger service territory and higher customer count requiring more reading days, as well as Hydro’s isolated communities being read by local diesel plant operators. Only 7% of billing periods in 2026 will require 33 days.

Conclusion

Newfoundland Power's meter reading schedule is designed to balance cost efficiency and consistency in billing periods for customers. The Company plans to keep billing periods within a standard range of 28 to 33 days, in line with industry practice. The planned increase in weekend meter readings for the 2025/2026 winter period is designed to limit billing period increases to no more than two days from January 2026 to March 2026, ensuring more consistent billing periods and lessening the impact of winter usage on customer bills. Additionally, Newfoundland Power remains committed to supporting customers through initiatives like the Equal Payment Plan, helping them manage their energy costs more effectively.