1 **Q.**   **(page 2-36, lines 5 to 9) How do the savings in labor costs owing to the deployment**
2   **of AMR compare to savings predicted when the AMR program was approved?**
3
4 A.   The AMR program was initially approved in Newfoundland Power's *2013 Capital*
5   *Budget Application*.[1] A strategy for the accelerated deployment of AMR meters was
6   approved as part of the Company's *2016 Capital Budget Application*.[2] As a result of the
7   accelerated deployment, virtually all meters in Newfoundland Power's service territory
8   were automated by year-end 2017.
9
10   Table 1 compares forecast and actual labour savings resulting from the AMR program for
11   the period 2013 to 2017.[3]

Table 1:
AMR Program Labour Savings
2013 to 2017
($000s)

	2013	2014	2015	2016	2017
Forecast Labour Savings	163	150	125	290	500
Actual Labour Savings	127	211	248	489	706

12   Actual labour savings in 2017 as a result of the AMR program were approximately 41%
13   greater than forecast savings.[4] This reflects additional operational efficiencies gained
14   through accelerated route optimization.[5]

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[1]   Approved in Order No. P.U. 031 (2012).
[2]   Approved in Order No. P.U. 028 (2015).
[3]   Forecast labour savings for 2013 to 2015 reflect the *2013 Metering Strategy.* Forecast labour savings for 2016 and 2017 reflect the *2016 Metering Strategy*, which accelerated the Company's deployment of AMR meters.
[4]   ($706,000 - $500,000) / $500,000 = 0.41, or 41%.
[5]   In 2016, Newfoundland Power forecasted it would have 299 meter reading routes at the beginning of 2017. Following route optimization efforts, the Company reduced the number of routes to 255 at the beginning of 2017. The lower than forecast number of meter reading routes resulted in additional labour savings associated with meter reading.