Q. **Tab D; Volume 1: Capital Projects over $200,000 and less than $500,000 (Purchase Meters and Metering Equipment)**

Hydro states on page D-47, line 16, that it will purchase 120 demand meters and 908 residential meters in 2020.

Please provide an update on Hydro's automated meter reading ("AMR") program including the current percentage of AMR residential customers. Within that update please include any plans Hydro may have to move to advanced metering infrastructure ("AMI") technology as well as any discussions concerning collaboration with Newfoundland Power in future deployments.

A. Newfoundland and Labrador Hydro ("Hydro") currently has approximately 50% advanced metering infrastructure ("AMI") metering in its service territory which are meters primarily used in billing residential services. However, a large percentage of Hydro's AMI meters are obsolete and require replacement. In 2019, Hydro engaged the services of a consultant to review the performance of its existing AMI technology and other meter reading technologies used in the industry. The primary conclusion from the review is that Hydro requires a new meter reading system.

One of the benefits of AMI technology being employed on a large scale is the ability to bill all customers on time of use rates. However, based on the preliminary work completed by Dunsky Energy Consulting[1] in evaluating conservation and demand management and electrification initiatives, there is uncertainty regarding the timeline in which large-scale implementation of time-of-use rates can be justified given the material capital investment required. Given that Newfoundland Power serves most of the customers and designs the retail rates for the Island Interconnected System, Hydro believes that if a transition to AMI metering occurs, it should happen in collaboration with Newfoundland Power.

[1] *Rate Mitigation Options and Impacts* proceeding, PUB-NP-104, Attachment A.

Hydro is in the process of assessing the cost and the effectiveness of the Newfoundland Power metering system in Hydro's service area though a pilot project. Hydro plans to file an application in 2021 to begin transition to a new meter reading system.