Q. [Account 366.1] – Please provide a detailed narrative explanation of what caused the magnitude of retirements that occurred at age brackets 11.5 and 12.5 years of age for Account 366.1 – Distribution Watt-Hour Meters as set forth on page A-91 of the Gannett Fleming study. The response should specifically explain and justify why retirements of such magnitude at the equivalent age brackets in the future would be expected to reoccur.

A. See Attachment A to this response, which provides the amounts retired from plant records for account 366.10 (Distribution - Watt-Hour Meters) at the age brackets specified above.

The attached retirements listing shows that approximately 79% of the retirements at these age intervals occurred between 2001 and 2009. Newfoundland Power attributes the majority of these transactions to be the result of Measurement Canada regulations under the *Electricity and Gas Inspection Act (Canada)* related to Government Retest Orders ("GROs") and Compliance Sampling Orders ("CSOs").

Attachment B provides the Meter Requirements history from 2001 – 2010. As the table shows, approximately 80% of the meter replacements (i.e. not related to new customer connections) were due to GROs/CSOs. The remaining 20% related to a combination of AMR meters installed for safety or winter accessibility purposes, other specific AMR projects, or replacements for defective or broken meters.

Attachment B shows a significant increase in GRO/CSO replacements in 2004 and 2005, which is the result of compliance sampling results. For example, the Company was required to replace nearly 8,000 meters in 2005, related to the failure of two specific groups of meters that were purchased and installed in 1993. Attachment B also shows a significant increase in the Other category in 2010. This is mainly attributed to an increased focus on employee safety for meter reading, which resulted in an increased number of AMR installations in that year.

The Company's Automated Meter Reading ("AMR") initiatives are detailed in the 2006 Metering Strategy, as filed in the 2006 Newfoundland Power Capital Budget Application, *Section 4.1*.

Refer also to the Company's 2013 Metering Strategy, as filed in the 2013 Newfoundland Power Capital Budget Application, *Section 4.3* included here as Attachment A of response to Request for Information CA-NP-141. This document explains that the trends noted above in the 2001 to 2009 time period, are expected to continue into the future.

Plant Account 366.1 Retirements Detail

AccountNumber	TransactionYear	InstallationYear	Amount ($)	Age at Begin of Interval
36610	1961	1949	(17.00)	11.5
36610	1964	1952	(384.00)	11.5
36610	1965	1953	(51.00)	11.5
36610	1979	1967	(216.00)	11.5
36610	1980	1968	(682.00)	11.5
36610	1981	1969	(1,874.00)	11.5
36610	1982	1970	(915.00)	11.5
36610	1983	1971	(679.00)	11.5
36610	1984	1972	(939.00)	11.5
36610	1985	1973	(2,637.00)	11.5
36610	1986	1974	(3,713.00)	11.5
36610	1987	1975	(4,056.00)	11.5
36610	1988	1976	(37,087.00)	11.5
36610	1989	1977	(17,291.00)	11.5
36610	1990	1978	(6,808.00)	11.5
36610	1991	1979	(2,978.00)	11.5
36610	1992	1980	(5,925.00)	11.5
36610	1993	1981	(583.00)	11.5
36610	1994	1982	(13,483.00)	11.5
36610	1995	1983	(2,270.00)	11.5
36610	1996	1984	(3,804.00)	11.5
36610	1997	1985	(3,187.00)	11.5
36610	1998	1986	(2,185.00)	11.5
36610	1999	1987	(161,371.00)	11.5
36610	2000	1988	(7,600.00)	11.5
36610	2001	1989	(9,444.00)	11.5
36610	2002	1990	(21,096.23)	11.5
36610	2003	1991	(27,794.13)	11.5
36610	2004	1992	(38,536.00)	11.5
36610	2005	1993	(371,005.00)	11.5
36610	2006	1994	(112,172.00)	11.5
36610	2007	1995	(150,733.00)	11.5
36610	2008	1996	(125,507.50)	11.5
36610	2009	1997	(217,845.78)	11.5
36610	1962	1949	(8.00)	12.5
36610	1964	1951	(276.00)	12.5
36610	1965	1952	(517.00)	12.5
36610	1980	1967	(180.00)	12.5
36610	1981	1968	(1,208.00)	12.5
36610	1982	1969	(1,585.00)	12.5
36610	1983	1970	(528.00)	12.5
36610	1984	1971	(441.00)	12.5
36610	1985	1972	(704.00)	12.5
36610	1986	1973	(6,032.00)	12.5
36610	1987	1974	(1,510.00)	12.5
36610	1988	1975	(3,710.00)	12.5
36610	1989	1976	(22,817.00)	12.5
36610	1990	1977	(3,574.00)	12.5

AccountNumber	TransactionYear	InstallationYear	Amount ($)	Age at Begin of Interval
36610	1991	1978	(12,881.00)	12.5
36610	1992	1979	(1,117.00)	12.5
36610	1993	1980	(4,093.00)	12.5
36610	1994	1981	(1,556.00)	12.5
36610	1995	1982	(5,480.00)	12.5
36610	1996	1983	(5,009.00)	12.5
36610	1997	1984	(2,061.00)	12.5
36610	1998	1985	(2,718.00)	12.5
36610	1999	1986	(5,799.00)	12.5
36610	2000	1987	(121,422.00)	12.5
36610	2001	1988	(9,600.00)	12.5
36610	2002	1989	(18,622.86)	12.5
36610	2003	1990	(23,656.46)	12.5
36610	2004	1991	(5,299.00)	12.5
36610	2005	1992	(170,270.00)	12.5
36610	2006	1993	(40,876.00)	12.5
36610	2007	1994	34,678.00	12.5
36610	2007	1994	(393,018.00)	12.5
36610	2008	1995	(55,676.94)	12.5
36610	2009	1996	(65,266.62)	12.5

Meter Requirements History

Meter Requirements

Year	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	Total
New Connections	2,906	3,485	3,833	4,294	4,149	3,952	4,038	4,625	5,051	5,300	**41,633**
Replacement Meters											
GROs/CSOs	1,904	2,270	1,455	8,544	12,399	13,371	3,546	13,691	14,188	10,284	**81,652**
Other	916	540	1,055	1,064	2,175	1,677	1,667	2,156	1,097	7,494	**19,841**
Total	**5,726**	**6,295**	**6,343**	**13,902**	**18,723**	**19,000**	**9,251**	**20,472**	**20,336**	**23,078**	**143,126**