

1 **B-71 Automatic Meter Reading, \$695,000**

2 Q. Does the existence of a Service Agreement for the AMR system address the
3 replacement cost of failing/failed meters?

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6 A. The service agreement provided by the equipment supplier covers technical
7 assistance, software upgrades, training, documentation and a limited
8 transmitter and transceiver warranty. The supplier will repair or replace any
9 defective end point transmitters or transceivers at no charge to the Customer
10 if such units fail to perform according to the supplier's specifications due to a
11 manufacturing defect within eighteen months of the shipment date. Any
12 failures beyond 18 months would have to be repaired or replaced at Hydro's
13 cost. These subsequent failure costs are included in the NPV analysis.