Q. **Reference: CA-NLH-012.**

The response (part i) states *"Through the development of its 2022 Capital Budget Application "Replace Metering System" ("Metering Application"), Hydro commissioned a study on various metering technology alternatives which was prepared by a third party, Util-Assist.*

New Brunswick Power filed evidence with the New Brunswick Energy and Utilities Board on August 1, 2019 entitled "Advanced Metering Infrastructure Capital Project (https://www.nbpower.com/media/1489724/nbp0103.pdf). The New Brunswick Power study of smart meters quantified the following benefits of smart meters relative to AMR: i) Reduced Manual Meter Reading and Meter Service Orders; ii) Avoided Meter Replacement Costs; iii) Conservation Voltage Reduction; iv) High Bill Alert Service; v) Distribution Network Losses; vi) Meter Accuracy Losses; vii) Avoided Cost of Load Research Program; viii) Avoided Cost of Net Metering Program; ix) Avoided Cost of Meter Services Manager Salary; x) Avoided Cost of Meter Reading Vehicles; xi) Outage Restoration (Crew management); xii) Reduced Customer Inquiries; xiii) Avoided Cost Of Handheld System; xiv) Unbilled/Uncollectable Accounts; xv) Avoided Cost of Meter Reading Supervisor; and xvi) Reduced Overtime for Meter Service Orders. It also identified 12 additional customer and societal benefits of AMI that were not quantified such as (page 32) "*time-varying rates, which can provide significant benefits to customers and NB Power by providing more efficient price signals, and geographically-targeted demand-side management (DSM) programs, which can avoid or defer costly transmission & distribution ("T&D") investments based on AMI-derived visibility into grid needs and patterns.*" The 12 additional benefits that were not quantified were identified by Dunsky (page 32). Dunsky also reviewed the list of quantified benefits (page 32).

a) Does Hydro agree with the list of benefits owing to smart meters relative to AMR identified in the New Brunswick Power study? If not, which of these benefits are not relevant to Hydro's system and why?

b) What was the basis for the load shifting benefits used in the 2019 Dunsky study for NL, and how did the load shifting benefits compare to costs of AMI implementation in the net present value analysis?

c) Why did Hydro not request Dunsky to identify and quantify benefits of smart meters other than load shifting given that Dunsky had participated in a similar study for New Brunswick Power at roughly the same time?

d) Of the 9 other Canadian provinces, do 8 of the provinces have, or are in the process of, installing smart meter programs including British Columbia, Alberta, Saskatchewan, Ontario, Quebec, New Brunswick, Nova Scotia and Prince Edward Island?

e) What is the probability that the AMR meters being installed by Hydro will become stranded before the end of their useful life?

A. Newfoundland and Labrador Hydro ("Hydro") received approval from the Board of Commissioners of Public Utilities to proceed with drive-by automatic meter reading ("AMR") in Order No. P.U. 37(2021), based on the evidence that drive-by AMR was the least-cost solution for customers at that time.

A new Conservation and Demand Management Potential Study is underway, initiated by Hydro along with Newfoundland Power Inc. ("Newfoundland Power"). This study will examine whether or not the capacity-related benefits associated with advanced metering infrastructure ("AMI") are cost-effective and will inform Hydro and Newfoundland Power's potential future next steps with respect to AMI.

Hydro does not have any information at this time that indicates AMR will become stranded before the end of its useful life.