1	Q.	Reference: CA-NLH-058.

2			a)	Please provide the breakdown summarized in Table 1 of the cost and each benefit
3				associated with the AMT Drive By System and the Mesh AMI System alternatives.
4			b)	Table 1 shows a difference in net present value of about \$2.1 million in favour of the
5				AMT Drive By System over the Mesh AMI System. How much is this in percentage terms
6				relative to the total net present value of costs of the AMT Drive By System, and the total
7				capital cost of the AMT Drive By System?
8			c)	Did Newfoundland Power participate in this analysis, or did Hydro rely on information
9				produced by, or on behalf of, NP? If so, please provide the information.
10			d)	Is Hydro aware of any collaborating studies of AMI undertaken by, or on behalf of,
11				Newfoundland Power?
12				
13				
14	Α.	a)	Ne	wfoundland and Labrador Hydro ("Hydro") notes that Table 1 submitted in response to
15			CA	-NLH-058 of this proceeding contained erroneous data; Hydro has provided the correct
16			Tak	ole 1 in CA-NLH-058, Revision 1. The figures in Table 1 of Hydro's response to CA-NLH-058
17			we	re derived from the analysis of upfront capital project costs and the reduction in
18			ор	erating and maintenance costs each year for the drive-by automatic meter reading
19			("A	MR") system. These costs were then netted from the Total Costs, as shown in Table 1. As
20			pre	eviously noted, while Hydro anticipated that the capital costs of each alternative would
21			like	ely increase due to the same factors driving the cost increase for the drive-by AMR
22			sys	tem, Hydro updated the drive-by AMR system costs only.

Year	Total Net Costs – Mesh AMI ³ System	Total Net Costs – Drive- By AMR System
2025	10,729,688	7,227,527
2026	146,558	277,032
2027	156,113	277,214
2028	138,344	261,506
2029	147,364	261,678
2030	130,591	246,850
2031	139,105	247,012
2032	123,272	233,015
2033	265,220	349,414
2034	289,139	337,921
2035	321,721	343,838
2036	227,367	300,044
2037	210,457	280,347
2038	137,037	226,194
2039	110,005	201,585
2040	211,495	263,639
2041	213,812	281,482
2042	204,592	269,539
Total	13,901,879	11,885,838

Table 1: Total Net Costs by Year (\$000)^{1,2}

b) The cumulative present worth of the drive-by AMR system (\$11.9 million) is approximately 15% below that of the mesh AMI system (\$13.9 million). The total up-front capital cost of the drive-by AMR system is approximately \$8.1 million - 34% below that of the mesh AMI system, which is \$12.3 million.

c) Hydro did not rely on information produced by, or on behalf of, Newfoundland Power Inc.
("Newfoundland Power"); studies of AMI undertaken by Newfoundland Power would not be
applicable due to the differences in metering landscapes between the two utilities. Hydro's
metering landscape is much more remote and dispersed, which results in more challenges

1 2

3 4

¹ 2022 \$CDN.

² Numbers may not add due to rounding.

³ Advanced metering infrastructure ("AMI").

1		and expenses to implement an AMI system. Newfoundland Power did not participate in
2		Hydro's analysis.
3	d)	Hydro is not aware of any collaborating studies of AMI undertaken by, or on behalf of,
4		Newfoundland Power.