

1 Q. Reference: CA-NLH-068.

2 Please identify each benefit attributable to AMI and show the savings owing to each benefit that
3 has been included in the cost benefit analysis.

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6 A. Newfoundland and Labrador Hydro's ("Hydro") cost-benefit analysis for the Replace Metering
7 System Project in the 2022 Capital Budget Application reflected the capital cost and anticipated
8 operations and maintenance cost savings associated with the technology.¹ This analysis was
9 refreshed in 2024 as shown in Hydro's response to CA-NLH-068 of this proceeding and continues
10 to demonstrate that automated meter reading is the least-cost option, consistent with Hydro's
11 obligations under section 3(b)(iii) of the *Electrical Power Control Act, 1994*.

12 Hydro recognizes that there are benefits associated with the implementation of Advanced
13 Metering Infrastructure ("AMI" or "Smart Meters") including the ability to implement dynamic
14 rate structures such as time-of-use rates ("TOU") or critical peak pricing ("CPP"), and other
15 benefits such as real-time information concerning usage, remote disconnect/reconnect or
16 power limiting, an improved knowledge of the distribution system bettering responses to
17 outages. As with all utility investments, these benefits must be weighed against the cost of
18 implementation.

19 The 2025 Energy Solutions Potential Study assessed the forecast cost and benefits associated
20 with dynamic rates (which requires capital investment in smart meters).² This analysis concluded
21 that "... TOU and CPP electricity rate design measures are not cost-effective, due to the high
22 program costs associated with the installation and operation of the AMI infrastructure required
23 to administer them."

¹ Please refer to Hydro's response to PUB-NLH-016 from the 2022 Capital Budget Application proceeding.

² "2025 Capital Budget Supplemental Application, Application for Capital Expenditures for the Purchase and Installation of Bay d'Espoir Unit 8 and Avalon Combustion Turbine, Additional Information, 2025 Energy Solutions Potential Study," Newfoundland and Labrador Hydro, Executive Summary, p. xxxiii, November 5, 2025.