

News Release

Decision - Advanced Meter Infrastructure Project (AMI) M08349

Nova Scotia Utility and Review Board June 12, 2018 8:30 AM

The Utility and Review Board has approved the application by Nova Scotia Power to install new Smart Meters throughout the Province at a cost of up to \$133.2 million. Project costs include all computers systems, installation costs, communications, administration and financing as well as new meters. Costs also include a \$13.4 million contingency, although NS Power must provide the Board with details if it is spent.

Approval of the new meters does not increase power rates. The cost of the program is expected to be offset by savings over their 20 year life.

Savings of about \$56.8 million over 20 years will come from lower costs to read meters. The number of staff who read meters will reduce by about 72 people.

For homes, old meters are replaced about every 20 years. Roughly half of the old meters installed now are due for replacement. About \$24.1 million will be saved over 20 years by using smart meters.

NS Power estimated other savings over 20 years as:

- \$27 million by offering lower power rates for customers who use power at times when demand is low (allows better use of power plants)
- \$18.7 million through better balancing the load on the power system which reduces power losses;
- \$13.6 million from Bill Alerts to customers to help reduce their use (allows better use of power plants)
- \$14.6 million from avoiding installation of other equipment;
- \$11.5 million by more efficient recovery from power outages caused by storms;
- \$10.1 million from reducing tampering and theft;
- \$7.3 million by reducing write-offs of customer accounts;
- \$4.7 million avoided sending repair crews when the problem is the customer's equipment;
- \$4.4 million avoided for future cellular costs for customers with "net" meters who sell power to the company
- \$4.4 million from better efficiency in billing and customer care
- \$4.6 million from daily meter reading
- \$1 million from avoiding costs related to old meter reading equipment and systems

Installation of new meters is expected to start in January 2019 and be complete by the end of 2020.

Customers who do not wish to have the new meters installed will be able to continue with their current meters. There may be a fee for opting out. The Board directed NS Power to provide details on opting out, and how it will inform customers, by not later than August 31. NS Power is also to provide information on health and safety standards relating to the new meters to any customer who asks.

Participating parties in the process were the Affordable Energy Coalition, the Consumer Advocate, the Ecology Action Centre, EfficiencyOne, a group of industrial customers, the municipal electric utilities, the Nova Scotia Department of Energy, Roswall Inc., the Planetary Association for Clean Energy, and the Small Business Advocate.

The *Public Utilities Act* requires utilities to get Board approval for capital expenditures over \$250,000.

A copy of the decision is available on the Board's website at: <u>https://nsuarb.novascotia.ca/hearings/new-decisions</u> or by contacting the Board at 902-424-4448.

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