ADVANCED METERING INFRASTRUCTURE (AMI) PROJECT

Project Status Report to NBEUB

For the Quarterly Period ending March 31, 2026

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Background

New Brunswick Power Corporation (NB Power) is continuing to leverage technology advancements that will improve its ability to respond to changing customer expectations, address climate change, modernize the grid, and focus on continuous process improvement. New technologies such as Advanced Metering Infrastructure (AMI) will enable NB Power to improve its service to customers and help them better understand their electricity usage and use energy more wisely. AMI will help NB Power better manage the rising demand on the electricity system well into the future, while laying the groundwork for a wide range of new customer benefits.

The many benefits of AMI include providing tools and programs to give customers more control over their electricity consumption and costs and laying the groundwork for new customer-focused programs and services. Within NB Power's day-to-day operations, AMI will also increase efficiency of meter data collection, billing, and disconnects/reconnects. Power restoration will be improved as a result of quicker notification of outages which could reduce response time.

NB Power filed an application for AMI with the New Brunswick Energy and Utilities Board (NBEUB) on August 1, 2019, and the matter was heard by the NBEUB January 13-22, 2020. As a result of the requested and Board-approved delay due to the COVID-19 pandemic, on September 4, 2020, the NBEUB approved NB Power's AMI capital project application, and work progressed with the project team and third-party vendors through the completion of mass deployment activities.

The NBEUB decision directed NB Power "to propose, at the next general rate application, a set of metrics or progress indicators to track the project. It stated that it should include progress indicators to track the rollout of the project, as well as timeline, costs, and the realization of its quantified and non-quantified benefits. The proposal should also include a reporting and review schedule, and a communication plan for stakeholders and ratepayers."

NB Power proposed a reporting format in response to the directive. The format was reviewed and approved by the NBEUB on May 27, 2021 on a preliminary basis with specific conditions. This report complies with the approved format and conditions, which requires NB Power to provide this report electronically on a quarterly basis to the NBEUB and share it on www.nbpower.com for public access in both official languages.

Objective

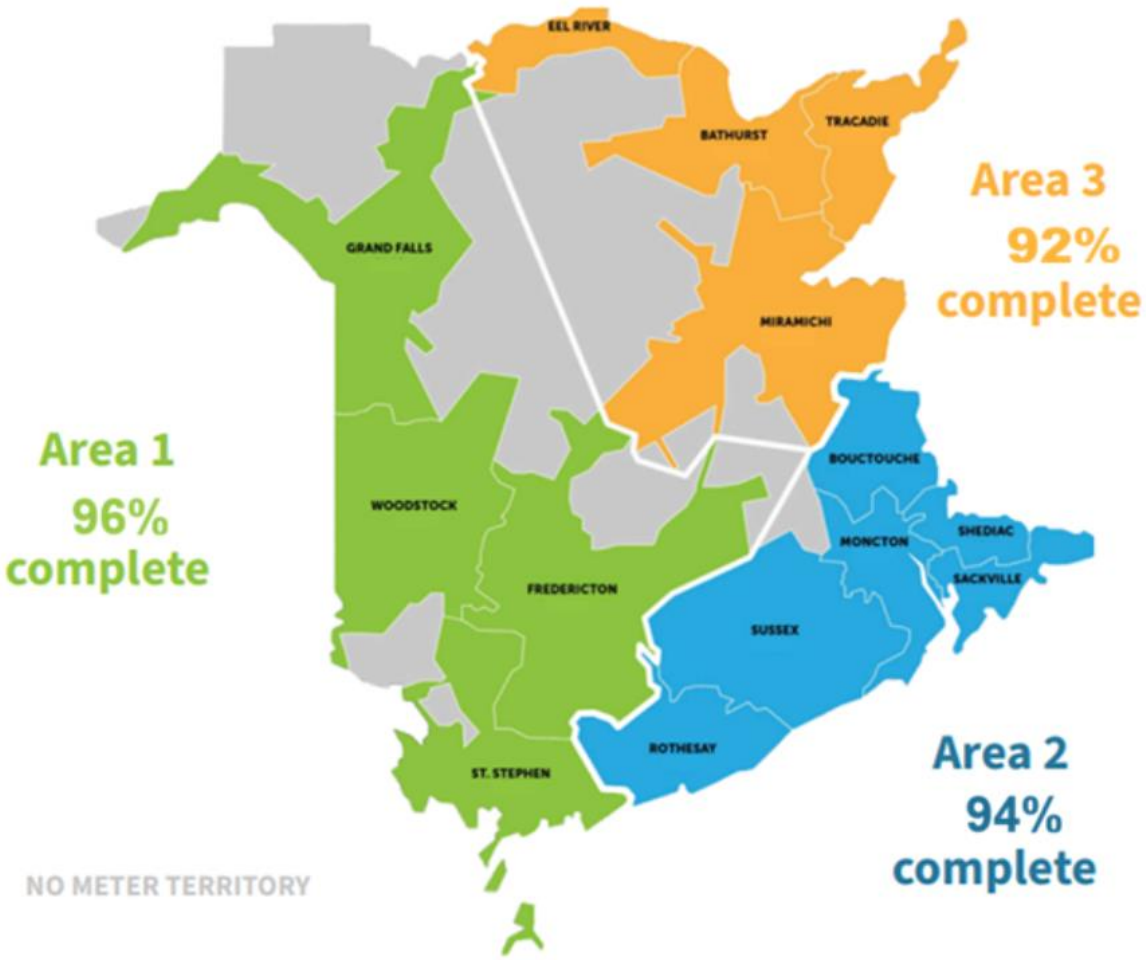
The objective of this report is to provide a quarterly status update to the NBEUB on the AMI Project. This includes progress indicators tracking the project rollout, as well as its timeline, costs, and the realization of its quantified and non-quantified benefits, as compared to the AMI business case filed with the NBEUB in Matter 452 of September 4, 2020.

This report, covering the period ending March 31, 2026, will be the last AMI Quarterly Report to reference mass deployment activities. Subsequent reports will focus on the realization of AMI benefits and on ongoing operational activities. These operational activities include return to utility (RTU) installs[1], network mitigation initiatives, and customer opt out management.

Summary of Results as of Quarter ending March 31, 2026

- Approximately 368,488 meters (94 percent) have been upgraded to AMI.
- As of the end of 2025, mass meter deployment was completed across the province. Remaining work to be completed by NB Power is now focused on complex installations (RTU) and customer opt outs.
- Network mitigation activities in areas 1, 2, and 3 are ongoing. Network hardware continues to be installed to improve the consistency of meter data communications. This work could only be fully assessed once meters were installed, as the deployed meters enable identification of coverage gaps and performance issues requiring mitigation. Solutions are being implemented with a forecasted timeline for the fiscal year 2026/27 to complete this activity.
- Provincially there is, on average, over 95 percent remote read connectivity, resulting in a reduction of manual meter reads and truck rolls for reconnects and disconnects. These efficiencies will continue to improve as network mitigation progresses.
- As part of deployment of the three-phase transformer rated meter upgrades, NB Power has 5,558 meters installed out of approximately 6,049. These upgrades are taking place separately from mass deployment due to the complexity of installation requiring unique coordination.
- A meter choice campaign has been developed to address customers that have opted out in an effort to exchange their legacy meter for an AMI meter. This work will ramp up beginning in the first quarter of fiscal year 2026/27 and is tentatively targeted to start on June 15, progressing through the summer period.

[1] Return to utility meters are meters that were not installed during mass deployment due to site, customer, or technical constraints.


EEL RIVER
BATHURST
TRACADIE
Area 3
92%
complete
GRAND FALLS
MIRAMICHI
Area 1
96%
complete
BOUCTOUCHE
WOODSTOCK
SHEDIAC
MONCTON
SACKVILLE
FREDERICTON
SUSSEX
ROTHESAY
Area 2
94%
complete
ST. STEPHEN
NO METER TERRITORY

Financial Results

The business case detailed the net present value of the lifecycle costs and benefits of AMI. NB Power is reporting on AMI project costs presented in Matter 452 evidence, Table 2.3.1, lines 4-8. The sunk costs to the end of fiscal year 2018/19 are not included because they were not part of the business case or Table 3.2. Table 2.3.1 has been restated below to break out the costs into the categories presented in Matter 452 evidence Table 3.2. This includes all costs incurred in fiscal year 2019/20 to the completion of system-wide coverage of AMI.

The table below represents project costs incurred to date.

Costs	Actuals to date ($M)	AMI Project Costs Budget ($M)	% of Total
3.2.1 AMI Capital	$57.0	$53.3	107.1%
3.2.2 AMI Operating	3.3	5.9	56.0%
3.2.3 MDM Operating	2.3	2.9	79.0%
3.2.4 Meter Installation Capital	10.3	11.5	90.0%
3.2.5 CIS/WFM/ESB Capital	7.1	8.8	80.2%
3.2.6 MDM Capital and AMI Project Team	13.7	8.0	171.5%
3.2.7 CIS/WFM/ESB Operating	3.8	3.5	108.5%
3.2.8 Corp Services & Other Capital	4.5	3.1	144.5%
3.2.9 Utility Tax	0.0	0.0	0.0%
3.2.10 Corp Services & Other Ops	1.6	0.3	625.6%
3.2.11 Pre-Engineering Capital	0.1	0.1	81.7%
Total	**$103.6**	**$97.2**	**106.6%**

Note to Reader: Financial tables reflect differences due to rounding

Variance explanation

- 3.2.1 AMI Capital – spending in this category is for the installation of the network hardware and 368,488 AMI meters. The bulk of spending in this category is complete. Remaining work includes network mitigation activities towards sector acceptance.
- 3.2.2 AMI Operating – meter base repairs and initial software costs related to the Head End system are included in this category. Spending on this category is complete.
- 3.2.3 MDM[2] Operating – this category includes costs related to annual operating costs of the MDM. Spending in this category is complete.
- 3.2.4 Meter Installation Capital – spending in this category is related to the installation costs of meters. Spending on this category is complete.
- 3.2.5 CIS/WFM/ESB[3] Capital – the work in this category is related to system integration, specifically the contract with Utegration. This portion of the project is complete.
- 3.2.6 MDM Capital and AMI Project Team – covers the work to implement the MDM as well as the budget for the project team for the duration of the project. This cost category was almost completely spent at the end of December 2022. Of the $8.0 million budget in this cost category, $2.3 million (inclusive of contingency) was for the MDM contract that was not signed at the time that the business case was prepared. The final contract value was $2.8 million, putting this item $0.5 million over budget from the onset. The MDM has been implemented within the contract amount. The remaining $5.7 million that was budgeted for the project team has been fully exhausted. Two of the main drivers of the increased cost of the project team were: the initial delay in starting mass meter deployment and the reliance on hired services as key project team members were not anticipated when the business case was prepared. NB Power does not see an opportunity to mitigate these costs at this time.
- 3.2.7 CIS/WFM/ESB Operating – the implementation of the customer portal falls within this cost category. When the AMI business case was being developed it was assumed that NB Power would work with the contracted vendor who was hosting the portal for the Home Energy report to also offer the AMI portal and high bill alert program. When the work started on the AMI portal, procurement rules required NB Power to issue a request for proposal (RFP) for the service. This resulted in significantly higher implementation costs as well as annual hosting costs that are $1.2 million higher than what was budgeted. Although the costs are higher, the portal provides customers with access to their consumption information as well as high usage alerts that will allow them to better manage their energy usage and lower their bills. There is no opportunity for NB Power to mitigate the additional costs related to the portal. The portal is live and spending in this category is now complete.
- 3.2.8 Corp Services & Other Capital – higher than budgeted due to the delays in the project that were out of NB Power's control, resulting in increased interest and

[2] Meter Data Management (MDM)

[3] Customer Information System (CIS), Workforce Management System (WFM), Enterprise Service Bus (ESB)

overhead carrying cost. NB Power is forecasting to be $1.5 million over budget in this cost category with no opportunities to reduce them.

- 3.2.10 Corp Services & Other Ops – higher than budgeted due to an unforeseen escalation in the price of non-meter materials such as rings and seals.

All other project expenditures are on schedule and are in line with the planned work.

Risks

NB Power's Enterprise Risk Management framework and process take a strategic view of risk in all aspects of business management and is applied consistently at the strategic, business unit, program, and project level. NB Power manages risks, within its risk tolerance, consistently and comprehensively through a continuous, proactive, and dynamic process that identifies, understands, manages and communicates risks that may impact NB Power's strategic goals.

The following risks have been identified as items specific to the success of the overall AMI Project and are monitored and reported on monthly to the Strategic Portfolio Management – Executive Oversight Committee which is comprised of NB Power senior leadership including members of the executive team.

#	Risk		Mitigation Activity
1	Return to Utility (RTU) Meter Work – complex meter installs remaining	Y ↓	The Meter Install RTU rate is higher than what was anticipated at the project onset, resulting in a higher than planned NB Power workload. Due to the complexity of the installations, there is a risk that network mitigation and sector acceptance activities in some areas of the province may be delayed, resulting in small percentage impacts in meter communication, including the consumption graph. In addition, there is a risk that the realization of some AMI benefits could be delayed. A mitigation approach has been established to manage this risk through the transition of remaining activities into the post-AMI mass deployment phase, with defined oversight and ongoing reporting. This approach includes a RTU work plan with prioritized sequencing, confirmed resource requirements, and integration of RTU progress and network mitigation status into regular operational reporting.
2	AMI Network Mitigation and Sector Acceptance Delay	Y ↔	There is a risk of network mitigation and sector acceptance delays impacting a percentage of AMI benefits. The delay is due to technical limitations and dependencies, leading to delay in realizing AMI network optimization, stability, sector acceptance. A technical solution has been identified, however has several dependencies resulting in its availability in later fiscal year 2026/27. The team continues to implement network devices where applicable and addressing performance issues along the way while the technical solution is tested and delivered.

As this report represents the final reporting period that includes mass deployment activities for the AMI Project, the risks will be reassessed and reflected in the reporting framework.

Legend for Risk Indicator Results		
Green	Potential impact and/or probability of the risk occurring is low. Issues that have arisen or may arise are considered manageable in the normal course of operations.	≤ 59% of Key Risk Indicator targets are occurring
Yellow	Potential impact and/or probability of the risk occurring is medium. Issues have surfaced or remain present requiring focus.	≥ 60% of Key Risk Indicator targets are occurring
Orange	Potential impact and/or probability of the risk occurring is high. Serious issues exist which require close senior management attention.	≥ 75% of Key Risk Indicator targets are occurring
Red	Potential impact and/or probability of the risk occurring is very high or critical. Serious issues exist which require immediate senior management attention.	≥ 85% of Key Risk Indicator targets are occurring

Trend Indicator Legend					
↑	Significance is increasing	↔	Remaining the same	↓	Significance is decreasing

Quantified Benefits Realized

The following table represents the benefits of AMI that were accepted by the Board in the decision of Matter 452. The majority of these benefits will be realized post full deployment of AMI.

The benefits are shown in present value and real dollars to provide a correlation between the accepted present value in the decision and the real dollar value that is targeted that NB Power will be tracking against over the life of the AMI meters.

Benefit	(PV $ millions)	Target (Real $ millions)	Actual	% Realized
Reduced Manual Meter Reading and Meter Service Order Benefits	39.9	65.9		
Avoided Cost of Meter Replacements	22.0	35.4		
Conservation Voltage Reduction	16.2	25.7		
Distribution Network Losses	15.0	25		
High Bill Alert	10.3	17.1		
Load Research Meters	5.2	8.5		
Net Metering	4.3	8.0	0.37	4.62%
Meter Services Manager Salary	1.8	3.0	1.02	33.91%
Avoided Cost of Meter Reading vehicles	1.8	2.8		
Outage Restoration (Crew Management)	1.6	2.6		
Reduced Customer Inquiries	1.4	2.4	0.25	10.61%
Avoided Cost of Handheld System	1.4	2.2		
Avoided Cost of Meter Reading Supervisor	1.0	1.6	0.41	25.53%
Reduced Overtime for Meter Service Orders	0.6	1.0		
Total Benefits	**$122.4**	**$201.1**		

Update:

Many of the benefits will be realized post implementation of the smart meters. NB Power will report benefits as they become measurable.

Non-quantified Benefits

Non-quantified benefits will be measured and reported as they are realized throughout the meters' lifetime. Currently there is nothing to report.

AMI PROJECT UPDATE

Period ending March 31, 2026

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