



Énergie NB Power



**THE UTILITY COMPANY
PUSHING FOR HIGHER COSTS
FOR ITS CUSTOMERS:
NEW BRUNSWICK POWER**

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BRIEFING NOTE



**FRONTIER CENTRE
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Executive Summary

NB Power is a Crown corporation wholly owned by the province of New Brunswick and is run by a board of directors. It was officially formed by the New Brunswick legislature in 1920, but its roots trace back as far as the 1880's. Recently, the Energy and Utilities Board (EUB) has rejected NB Power's application to obtain funding to provide its customers with smart metering. However, NB Power is still trying to find a way to justify the high cost of implementing smart meters.

Historical Overview

NB Power used to be known as "the hydro"¹, which came from the first settlers in New Brunswick who constructed dams and mills that turned water into power.² NB Power's roots trace back as far as the late 1880's when the first power companies were supplying power to Fredericton, Moncton and Saint John's. The New Brunswick Electric Power Commission was officially formed by the New Brunswick legislature in 1920.³ Shortly after The Edison system was created, there were private interests in New Brunswick that realized the benefits this new technology was providing. Not even two years after Edison brought electricity to New York, Saint John became the first place in New Brunswick to provide commercial electric power. Soon after, more electric and gas companies began to appear in New Brunswick. By 1918, there were 20 organizations in New Brunswick that were in the business of producing electricity.

NB Power is a Crown corporation owned by the province of New Brunswick officially established on April 20, 1920. It is run by a board of directors who are responsible for administering the business and affairs of the corporation on a commercial basis taking into consideration government policy.⁴

Today, NB Power claims it is making history again by providing its customers with clean and sustainable energy options.⁵

Quick Statistics

As of 2018:

- Number of customers: 394,000 +;⁶
- Number of street lights: 68,000 +;⁷
- Number of generating stations: 12;⁸
- Net capacity: 2,853 MW.⁹

Current Issues

Recently, the Energy and Utilities Board (EUB) has rejected NB Power's application to provide its customers with smart meters, ruling that it does not have a solid enough case to justify a \$100 M project.¹⁰ Smart meters are devices used to record electric energy consumption which is then communicated back to the electricity supplier. The costs outweigh the benefits for ratepayers, according to the EUB.¹¹ Not only did the EUB deny NB Power's request for smart metering, but they also disallowed \$8.7 M in costs that NB Power had sought approval

for in its application such as \$1.3 M to expand electric vehicle (EV) charging stations across the province. The Board concluded there was not enough evidence to justify the spending.¹² Despite the EUB's rejection, NB Power is still looking for a way to justify the costs to the rate-payers, because ultimately, they will be paying for them.

Endnotes

1. NB Power. "Forward and Preface". Pg. 3. https://www.nbpower.com/media/1652/d-ht-ml-en-about-publications-history_pdfs-historyforeword.pdf
2. Ibid.
3. NB Power. "History". <https://www.nbpower.com/en/about-us/history>
4. NB Power. "Board of Directors". <https://www.nbpower.com/en/about-us/who-we-are/board-of-directors>
5. NB Power. "History". <https://www.nbpower.com/en/about-us/history>
6. Elizabeth Fraser. "Despite EUB rejection, smart meter project could still go ahead, says public intervener". CBC News, July 23, 2018. <https://www.cbc.ca/news/canada/new-brunswick/nb-power-smart-meters-1.4757725>
7. Ibid.
8. Ibid.
9. NB Power. "Customer Service". <https://www.nbpower.com/en/about-us/divisions/customer-service/>
10. Ibid.
11. NB Power. "Generation". <https://www.nbpower.com/en/about-us/divisions/generation/>
12. Ibid.

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