

1 **Q. (Reference Application, Schedule B, page 37) Please provide a table showing**  
 2 **for each of the past 15 years: the number of distribution transformers**  
 3 **purchased, the total actual cost of the transformers and the adjusted cost of**  
 4 **the new transformers. Further, please provide the calculation that resulted in**  
 5 **the forecast expenditure for the new and replacement transformer programs**  
 6 **in 2025.**

7  
 8 A. Table 1 provides the number, actual cost and adjusted cost of new distribution  
 9 transformers purchased by Newfoundland Power from 2019 to 2023. Data from the five  
 10 previous years has been provided as prior data was for distribution transformers as a  
 11 whole and not split by new and replacement transformers.

Table 1: Quantity and Cost of New Distribution Transformers 2019 to 2023					
	2019	2020	2021	2022	2023
Number of Units <sup>1</sup>	686	645	796	719	676
Actual Cost (\$000s)	2,667	2,645	2,976	3,434	2,999
Adjusted Cost (\$000s) <sup>2</sup>	3,251	3,179	3,321	3,559	3,081

<sup>1</sup> These values represent the quantity of transformers purchased for the *New Transformers* program and are not reflective of actual usage in the year listed.

<sup>2</sup> 2024 Dollars.

- 1 Table 2 provides the calculation of the 2025 capital budget for the *New Transformers*  
 2 program. See the response to Request for Information CA-NP-156 for the calculation for  
 3 *Replacement Transformers* program.

Table 2: <i>New Transformers</i> Program 2025 Budget (\$000s)	
	Amount
Three-Year Average Adjusted Costs (\$2024) <sup>3</sup>	3,928
11% Increase in Material Cost <sup>4</sup>	432
GDP Inflation <sup>5</sup>	71
Additional Inventory <sup>6</sup>	1,192
<b>2025 Budget</b>	<b>5,623</b>

<sup>3</sup> See Newfoundland Power's *2025 Capital Budget Application, Schedule B*, page 37, Table 1.  
 $(\$3,559 + \$3,081 + \$5,145) / 3 = \$3,928$ .

<sup>4</sup>  $(\$3,928 \times 0.11 = \$432)$ . For additional information regarding the approximate 11% increase in material costs, see the response to Request for Information PUB-NP-008.

<sup>5</sup> Based on the forecast GDP Deflator for Canada provided by the Conference Board of Canada in its data release in February 2024.

<sup>6</sup> Additional inventory purchases are required in 2025 to meet minimum inventory levels.