

- 1 **Q. (Schedule B, clause 7 (n)) What is the basis for the 1.5% adjustment? What is the**
2 **typical cost of metering at the primary versus the secondary distribution voltage**
3 **level? What are the typical losses of a transformer?**
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- 5 A. Newfoundland Power's regulation 7(n) states that metering shall normally be at the
6 secondary distribution voltage level but may, at the option of the Company, be at the
7 primary distribution voltage level. Metering at the primary distribution voltage level
8 records both the energy used at the secondary distribution voltage level plus the energy
9 losses inherent in the transformer used to convert electricity from primary to secondary
10 voltages. The use of an adjustment to reduce metering from one distribution voltage
11 level to another is a common utility practice.¹
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- 13 The typical cost of metering at the primary distribution voltage level is approximately
14 \$14,500 while metering at the secondary distribution voltage level is \$1,300.
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- 16 Transformers typically have losses between 0.6% and 1.1%.²

¹ FortisBC, BC Hydro, NB Power, and Nova Scotia Power use adjustment factors for metering between different voltage levels. The adjustment factors for these utilities are 1.5%, 1.5%, 1.5% and 1.75% respectively.

² This range applies to transformers rated between 25 kVA and 5 MVA operating at their rated capacity.