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Ontario Energy Board Commission de l'Énergie
de l'Ontario



EB-2005-0317

COST ALLOCATION REVIEW

**Board Directions on Cost Allocation
Methodology For Electricity Distributors**

September 29, 2006

3.6.3 Filing Questions

- 1) Indicate the number of customers in the distributor's service territory that have load displacement generation equipment above 500 kW.
- 2) To the extent the distributor has the information available, categorize the above load displacement facilities by size and type of generation (wind, gas-fired, cogeneration, etc.) and the associated LDG requirement.
- 3) As the load data is based on only one year's experience, indicate whether the load data developed for the load displacement generator customers is considered to be representative of the ongoing performance of the associated generation facilities.
- 4) In Run 3, if a separate load displacement generation rate classification has been modeled using actual or estimated metered generator load displacement, the distributor should explain in its Filing Summary a) what steps were taken to gather relevant data to assess the existence of diversity, and b) what steps were taken to reflect any diversity of generation in its filing. The Filing Summary must provide an explanation if the distributor believes diversity does not exist or if suitable data cannot reasonably be obtained to assess the question.

3.7 Load Profile for Separate Unmetered Scattered Load Class

Where USL⁹ is to be treated as a separate rate classification in the model (e.g. Run 2), the combined load profile must be calculated as follows:

Step 1) Non-Photo-sensitive Loads

Non-photo-sensitive loads must use a deemed load profile, constructed from the combined load shapes of the various types of non-photo-sensitive loads that make up the classification.

The total kWh consumption of each type of unmetered scattered load for purpose of development of the utility-specific load shape and demand allocators will be the kWh consumption estimate used by the distributor for billing purposes in the test year (and weather-normalized where applicable). For most types of non-photo-sensitive unmetered loads, a flat load profile will be used.

⁹ Photo-sensitive and non-photo-sensitive users are to be treated as part of the same single USL rate classification.

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Step 2) CATV Battery Mats

For CATV power supplies (excluding any battery mat component), a flat load shape must be used for the present filings.

A separate load shape must be applied to the weather-normalized consumption of CATV power supply battery mats where they are in service in the distributor's test year.

Distributors that filed their 2006 rate applications on a forward test year basis and whose test year load includes CATV power supply battery mats, must obtain information on the number and installed capacity of battery mats (e.g. from the local cable company). If there is a concern about the information available, this should be noted in the Filing Summary.

If CATV power supply battery mats were not taken into account in a future test year filer's 2006 EDR application, then the approved revenue requirement figures may need to be corrected for present filing purposes. Stakeholder written comments provided differing views on the matter. A flexible approach will be adopted in the filings as follows: the Filing Summary of each of the affected distributors should discuss the issue and explain why or why not an adjustment is reasonable in its specific circumstances. If an adjustment is implemented, a justification of the amount should be provided.

As no battery mats were in place in Ontario prior to 2005, the bulk of the distributors that based their 2006 rate applications on historic year data (2004) will not need to make an adjustment for battery mats.

Step 3) Photo-sensitive Loads

The total kWh consumption of each type of unmetered scattered load for purpose of development of the utility-specific load shape and demand allocators will be the kWh consumption estimate used by the distributor for billing purposes in the test year (and weather-normalized where applicable). For most types of non-photo-sensitive unmetered loads, a flat load profile will be used.

For photo-sensitive loads, the distributor's Board-approved load profile for street lighting must be used.

Step 4) Combining Results

The resulting load shapes under steps 1), 2) and 3) will be combined to create a single separate USL load profile.