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OEB Cost Allocation Model Inputs

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Inputs to the Model

The following are the input sheets to the model

- I1 – Introduction
- I2 – LDC Classes
- I3 – Trial Balance
- I4 – Breakout of Assets
- I5 – Approved Rates and Density
- I6 – Customer Data
- 17.1 and I7.3 – Metering Data
- I9 – Direct Allocation

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I1 - Introduction

- Distributor's Name and Contact Information

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I2 - LDC Classes

- Assign the rate classifications for your LDC – pick from 11 standard and 9 optional

- Indicate if this is Run 1, 2 or 3 – details on each run will be discussed later

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I3 – Trial Balance

- Copy and paste your adjusted trail balance from sheet 2-4 of your <u>approved</u> 2006 EDR model.

- Include your approved PILs, Return on Debt and Return on Equity - $ amount.

- Include your approved revenue from specific service charges from your approved 2006 EDR model.

- Include transformation ownership allowance from the approved 2006 EDR model.

- Have an opportunity to reclassify approved $ from one account to another for better cost allocation.

- Define direct allocation amount by account.

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I4 – Breakout of Assets

Breakout assets by function

- >50kV assets: perform a transmission function that is deemed to be distribution

- Bulk: definition and tests to be discussed later

- Secondary: <750V assets

- Primary: assets not identified as bulk or secondary

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I4 – Breakout of Assets (Cont'd)

- Allocate Capital Contribution, Accumulated Depreciation and Depreciation to each asset account
- Capital Contribution allocated by asset class or rate classification
- If asset class, done in I4
- If rate classification, tbd

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I5 – Approved Rate and Density

- Density – Distance along the road of your distribution system/number of customer
- Approved Rates

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I6 – Customer Data

By Rate Classification for the test year:

- kWh and kW from 2006 EDR
- kWh from load data provider assuming 30 year normal weather.
- kW and kWh (if applicable) for those customer with transformer allowance

Number of customers/connections in General Service < 50 kW classification without meters

By Rate Classification for the test year:

- Approved distribution revenue
- Total revenue (Commodity, Wholesale Market, Tx & Dx).
- Bad Debt History
- Number of Bills
- Number of Customers/Connections
- Number of Customer using each function (i.e. bulk, primary, secondary)

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I6 – Customer Data – Definitions

- Customer – generally a meter point that measures energy consumed over a period of time.

- Connection – generally applies to unmetered loads, actual number of devices.

- Bills - an invoice sent to a customer that includes the charges for distribution services.

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I6 – Customer Data by Function

By Rate Classification

- Bulk – number of customers that use the bulk system
- Primary – number customers using the primary system
- Secondary – number of customers that use the secondary system

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I6 – Customer Data by Function (Example)

Rate Classification	Number of Customers
Residential	1,000
General Service < 50 kW	500
General Service > 50 kW	100
Large Use	7

	Bulk	Primary	Secondary
Residential	500	1,000	1,000
General Service <50 kW	250	500	500
General Service >50 kW	50	100	50
Large Use	4	5	

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I7.1 & I7.2 – Metering Data

- Number of customers by rate classification that use the various types of meters within your service area.

- Used to allocate meter costs related to capital and metering reading costs.

- Distributor has the option to enter distributor specific information here.

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I9 - Direct Allocation

- $ amount define as direct allocation will need to allocated to each rate classification outside the model and input at this point.