User Instructions for Completion of 2011 IRM3 Rate Generator for Electricity Distributors

Chapter 1 Getting Started

Objective of Rate Generator

Mechanism to calculate an electricity distributor's IRM3 rate adjustment.

Glossary

Billing Determinants – Are retail components applied against applicable tariffs to determine an end user customer's energy bill.

Scope and Purpose of Instructions

This document is designed to help the user complete the 2011 IRM3 Rate Generator.

Tools to Complete Rate Generator

- 2011 Models (2011 IRM3 Shared Tax Savings Workform, 2011 IRM3 Revenue Cost Ratio Adjustment Workform, 2011 IRM3 Incremental Capital Workform, 2011 IRM Deferral and Variance Account Workform, & Smart Meter Rate Calculation Model)
- 2010 Board Decision and Order
- Chapter 3 of the Filing Requirements for Transmission and Distribution Applications, version 2.0, July 9, 2010
- Report of the Board on Electricity Distributors' Deferral and Variance Account Review Initiative (EDDVAR), July 31, 2009.

Chapter 2 Using the 2011 IRM3 Rate Generator

Format of the Rate Generator

The rate generator consists of various worksheets, which are password protected. The naming convention for the worksheets is a letter, then a number, and then a title. The input worksheets, where the user is expected to input data, are indicated by green worksheet tabs and cells. Yellow cells indicate a drop down menu, where the user selects their applicable information. The formulaic worksheets, where inputted results are calculated, are indicated by blue worksheet tabs and cells.

Contact Board staff if any problems are to occur.

Completing the Rate Generator

Sheet: A1.1. LDC Information	*User Input Required:* Yes
Purpose: Identify applicant's name, application number, and licence number.	
Instructions: User will select their LDC from yellow drop down menu in cell D20. User will also input user contact information for Board staff to contact in case of any Board staff questions or concerns.	
Sheet: A2.1 Table of Contents	*User Input Required:* No
Purpose: Summarize all the worksheets in the rate generator.	
Instructions: User does not input any data into this worksheet.	
Sheet: A3.1 Sheet Selection	*User Input Required:* Yes
Purpose: Customize the rate generator to specific distributor's situation.	
Instructions: User will select from the yellow drop down menu "Show" if that particular worksheet is applicable to their LDC. User will select from the same drop down menu "Hide" if that particular worksheet is not applicable to their LDC. Note: The rate generator will change (once the user moves off the current worksheet) according to what the user has selected to "Show" and "Hide".	
Sheet: B1.1. Current and Applied for Rate Classes	*User Input Required:* Yes
Purpose: Indicates which rate classes are currently affected and will be affected by any rate adjustments.	
Instructions: User will select from the yellow drop down menu the rate group and rate class that are	

currently affected by rates. Note: The order of the rate groups and rate classes should be in the same order as in other Board work forms and worksheets.	
Sheet: C1.1 Current Smart Meter Funding Adder	*User Input Required:* Yes (if applicable)
Purpose: Summarize fixed current smart meter rate adder by rate class.	
Instructions: User will input current Board approved smart meter rate adder (from current Tariff of Rates and Charges schedule) into cell D28.	
Sheet: C2.1 Deferral Variance Account Disposition (2008)	*User Input Required:* Yes (if applicable)j
Purpose: Summarize breakdown of 2008 approved volumetric deferral and variance account rate rider by rate class.	
Instructions User will input sunset date of 2008 approved volumetric deferral and variance account rate rider (from current Tariff of Rates and Charges schedule) into cell D22. User will also input volumetric deferral and variance account rate rider into column "G" for applicable rate classes.	
Sheet: C2.2 Deferral Variance Account Disposition (2009)	*User Input Required:* Yes (if applicable)
Purpose: Summarize breakdown of 2009 approved volumetric deferral and variance account rate rider by rate class.	
Instructions: User will input sunset date of 2009 approved volumetric deferral and variance account rate rider (from current Tariff of Rates and Charges schedule) into cell D22. User will also input volumetric deferral and variance account rate rider into column "G" for applicable rate classes.	

<table>
<tr><td>Sheet: C2.3 Deferral Variance Account Disposition (2010)</td><td>User Input Required: Yes (if applicable)</td></tr>
<tr><td colspan="2">Purpose:

Summarize breakdown of 2010 approved volumetric deferral and variance account rate rider by rate class.</td></tr>
<tr><td colspan="2">Instructions

User will input sunset date of 2010 approved volumetric deferral and variance account rate rider (from current Tariff of Rates and Charges schedule) into cell D22. User will also input volumetric deferral and variance account rate rider into column “G” for applicable rate classes.</td></tr>
<tr><td>Sheet: C2.4 Lost Revenue Adjustment Mechanism (LRAM)/Shared Savings Mechanism (SSM) Recovery Rate Rider</td><td>User Input Required: Yes (if applicable)</td></tr>
<tr><td colspan="2">Purpose:

Summarize breakdown of current LRAM/SSM rate rider by rate class.</td></tr>
<tr><td colspan="2">Instructions:

User will input sunset date of current LRAM/SSM rate rider (from current Tariff of Rates and Charges schedule) into cell D22. User will also input volumetric LRAM/SSM rate rider into column “G” for applicable rate classes.</td></tr>
<tr><td>Sheet: C2.5 Foregone Distribution Revenue Rate Rider</td><td>User Input Required: Yes (if applicable)</td></tr>
<tr><td colspan="2">Purpose:

Summarize breakdown of fixed and volumetric foregone distribution revenue rate rider by rate class.</td></tr>
<tr><td colspan="2">Instructions:

User will input sunset date of current foregone distribution revenue rate rider (from current Tariff of Rates and Charges schedule) into cell D22. User will input fixed foregone distribution revenue rate rider into column “E” for all applicable rate classes. User will also input volumetric foregone distribution revenue rate rider into column “G” for applicable rate classes.</td></tr>
<tr><td>Sheet: C2.6 Tax Change Rate Rider</td><td>User Input Required: Yes (if applicable)</td></tr>
</table>

Purpose: Summarize breakdown of current volumetric tax change rate rider by rate class.	
Instructions: User will input sunset date of current tax change rate rider (from current Tariff of Rates and Charges schedule) into cell D22. User will also input volumetric tax change rate rider into column "G" for applicable rate classes. Note: Please disregard "Applied to Class" column.	
Sheet: C3.1 Current Low Voltage Volumetric Rate	*User Input Required:* Yes (if applicable)
Purpose: Summarize breakdown of current low voltage volumetric rate rider by rate class.	
Instructions: User will select from the yellow drop down menu (cell D22) "Yes – Show on Tariff Sheet" if current volumetric low voltage rate rider is a separate line on the current tariff sheet. User will select from the same drop down menu "No – Embedded in Vol Rate" if current volumetric low voltage rate rider is included in volumetric distribution rate. User will then click on "Update Sheet" button and input either current low voltage rate rider or re-based low voltage rate rider into column "F".	
Sheet: C3.2 Current Rate Rider for Global Adjustment Sub-Account Disposition – Electricity Component	*User Input Required:* Yes (if applicable)
Purpose: Summarize breakdown of current volumetric rate rider for global adjustment sub-account (included as an electricity component) by rate class.	
Instructions: User will input sunset date for global adjustment sub-account rate rider into cell D22. User will also input volumetric global adjustment sub-account rate rider amount (from current Tariff of Rates and Charges schedule) into column "G" for each applicable rate class.	
Sheet: C3.3 Current Rate Rider for Global Adjustment Sub-Account Disposition – Delivery Component	*User Input Required:* Yes (if applicable)

Purpose: Summarize breakdown of current volumetric rate rider for global adjustment sub-account (included as a delivery component) by rate class.	
Instructions: User will input sunset date for global adjustment sub-account rate rider into cell D22. User will also input volumetric global adjustment sub-account rate rider amount (from current Tariff of Rates and Charges schedule) into column "G" for each applicable rate class.	
Sheet: C4.1 Current Rates and Charges General	*User Input Required:* Yes
Purpose: Summarize all current rates and charges by rate class.	
Instructions: User will input monthly service charges for all rate classes. User will input current distribution volumetric rate for all rate classes. User will input current retail transmission rate – network service rates for all classes. User will also input current retail transmission rate – line and transformation connection service rates for all classes. Note: Global adjustment references do not show up on this worksheet, however, once the button is clicked the generated tariff sheet will show the global adjustment.	
Sheet: C7.1 Base Distribution Rates	*User Input Required:* No
Purpose: Summarizes breakdown of service charge and volumetric charge base rates by rate class.	
Instructions: User does not input any data into this worksheet.	
Sheet: D1.2 Revenue to Cost Ratio Adjustment	*User Input Required:* Yes (if applicable)
Purpose: Summarize breakdown of revenue to cost ratio adjustment between fixed and variable charge by rate class.	

Instructions: User will select from the yellow drop down menu in column "F" if revenue to cost ratio adjustment applies to that particular rate class. User will also input revenue to cost ratio adjustment ($) into column "G" for all applicable rate classes.	
Sheet: E1.1 Rate Rebalanced Base Distribution Rates	*User Input Required:* No
Purpose: Calculate rebalanced rates after revenue to cost ratio adjustment.	
Instructions: User does not input any data into this worksheet.	
Sheet: F1.1 GDP-IPI Price Cap Adjustment Worksheet	*User Input Required:* No
Purpose: Calculate GDP-IPI price cap index. Note: Current GDP-IPI calculation is using 2010 figures as a proxy. Once 2011 figures are updated Board staff will update GDP-IPI adjustment.	
Instructions: User does not input any data into this worksheet.	
Sheet: F1.2 GDP-IPI Price Cap Adjustment to Rates	*User Input Required:* No
Purpose: Summarize breakdown of GDP-IPI price cap adjustment to fixed and variable rates by rate class.	
Instructions: User does not input any data into this worksheet.	
Sheet: G1.1 After Price Cap Base Distribution Rates General	*User Input Required:* No
Purpose: Calculate rebalanced rates after price cap adjustement.	

Instructions: User does not input any data into this worksheet.	
Sheet: J1.1 Applied For Smart Meter Funding Adder	*User Input Required:* Yes (if applicable)
Purpose: Summarize applied for fixed smart meter funding rate adder by rate class.	
Instructions: User will input applied for fixed smart meter funding rate adder into cell D28.	
Sheet: J1.2 Applied for Smart Grid/Renewable Generation Rate Adder	*User Input Required:* Yes (if applicable)
Purpose: Summarize applied for fixed and/or volumetric smart grid/renewable generation rate adder by rate class.	
Instructions: User will input applied for fixed and/or volumetric smart grid/renewable generation rate adder into columns "E" and "G".	
Sheet: J2.1 Deferral Variance Account Disposition (2008)	*User Input Required:* Yes (if applicable)
Purpose: Summarize breakdown of 2008 volumetric deferral and variance account disposition rate rider by rate class.	
Instructions: User will input sunset date of 2008 volumetric deferral and variance account rate rider into cell D22. User will also input volumetric deferral and variance account rate rider for each applicable rate class into column "G".	
Sheet: J2.2 Deferral Variance Account Disposition (2009)	*User Input Required:* Yes (if applicable)
Purpose: Summarize breakdown of 2009 volumetric deferral and variance account disposition	

rate rider by rate class.	
Instructions: User will input sunset date of 2009 volumetric deferral and variance account rate rider into cell D22. User will also input volumetric deferral and variance account rate rider for each applicable rate class into column "G".	
Sheet: J2.3 Deferral Variance Account Disposition (2010)	*User Input Required:* Yes (if applicable)
Purpose: Summarize breakdown of 2010 volumetric deferral and variance account disposition rate rider by rate class.	
Instructions: User will input sunset date of 2010 volumetric deferral and variance account rate rider into cell D22. User will also input volumetric deferral and variance account rate rider for each applicable rate class into column "G".	
Sheet: J2.4 Deferral Variance Account Disposition (2011)	*User Input Required:* Yes (if applicable)
Purpose: Summarize breakdown of applied for 2011 volumetric deferral and variance account disposition rate rider by rate class.	
Instructions: User will input proposed sunset date of 2011 volumetric deferral and variance account rate rider into cell D22. User will also input applied for volumetric deferral and variance account rate rider for reach applicable rate class into column "G".	
Sheet: J2.5 Lost Revenue Adjustment Mechanism (LRAM) Recovery/Shared Savings Mechanism (SSM) Recovery Rate Rider	*User Input Required:* Yes (if applicable)
Purpose: Summarize breakdown of applied for or currently existing LRAM/SSM rate rider by rate class.	
Instructions:	

User will input sunset date of applied for or currently existing LRAM/SSM rate rider into cell D22. User will also input volumetric applied for or currently existing LRAM/SSM rate rider into column "G" for applicable rate classes.	
Sheet: J2.6 Foregone Distribution Revenue Rate Rider	*User Input Required:* Yes (if applicable)
Purpose: Summarize breakdown of continuing fixed and volumetric foregone distribution revenue rate rider by rate class.	
Instructions: User will input sunset date of current foregone distribution revenue rate rider (from current Tariff of Rates and Charges schedule) into cell D22. User will input fixed foregone distribution revenue rate rider into column "E" for all applicable rate classes. User will also input volumetric foregone distribution revenue rate rider into column "G" for applicable rate classes.	
Sheet: J2.7 Tax Change Rate Rider	*User Input Required:* Yes (if applicable)
Purpose: Summarize breakdown of applied for volumetric tax change rate rider by rate class.	
Instructions: User will input sunset date of applied for tax change rate rider into cell D22. User will also input volumetric tax change rate rider into column "G" for applicable rate classes.	
Sheet: J2.8 Incremental Capital Rate Rider	*User Input Required:* Yes (if applicable)
Purpose: Summarize breakdown of applied for incremental capital rate rider by rate class	
Instructions: User will input sunset date of applied for incremental capital rate rider into cell D22. User will also input rate riders into columns "F" and "G" found in worksheet F1.1 or F1.2 from 2011 IRM3 Incremental Capital Workform.	
Sheet: J3.1 Applied For Low Voltage Volumetric Rate	*User Input Required:* No

Purpose: Summarize breakdown of applied for low voltage volumetric rate by rate class.	
Instructions: User will input sunset date of 2010 volumetric deferral and variance account rate rider into cell D22. User will also input volumetric deferral and variance account rate rider for each applicable rate class into column "G".	
Sheet: J3.2 Applied for Rate Rider for Global Adjustment Sub-Account Disposition – Electricity Component (2010)	*User Input Required:* Yes (if applicable)
Purpose: Summarize breakdown of applied for 2010 volumetric global adjustment sub-account disposition – electricity component rate rider by rate class.	
Instructions: User will input proposed sunset date of 2010 volumetric global adjustment sub-account disposition – electricity component rate rider into cell D22. User will also input applied for volumetric global adjustment sub-account disposition – electricity component rate rider for each applicable rate class into column "G".	
Sheet: J3.21 Applied for Rate Rider for Global Adjustment Sub-Account Disposition – Electricity Component (2011)	*User Input Required:* Yes (if applicable)
Purpose: Summarize breakdown of applied for 2011 volumetric global adjustment sub-account disposition – electricity component rate rider by rate class.	
Instructions: User will input proposed sunset date of 2011 volumetric global adjustment sub-account disposition - electricity component rate rider into cell D22. User will also input applied for volumetric global adjustment sub-account disposition – electricity component rate rider for each applicable rate class into column "G".	
Sheet: J3.3 Applied for Rate Rider for Global Adjustment Sub-Account Disposition – Delivery Component (2010)	*User Input Required:* Yes (if applicable)
Purpose:	

Summarize breakdown of applied for 2010 volumetric global adjustment sub-account disposition – delivery component rate rider by rate class.	
Instructions: User will input proposed sunset date of 2010 volumetric global adjustment sub-account disposition – delivery component rate rider into cell D22. User will also input applied for volumetric global adjustment sub-account disposition –delivery component rate rider for each applicable rate class into column "G".	
Sheet: J3.31 Applied for Rate Rider for Global Adjustment Sub-Account Disposition – Delivery Component (2011)	*User Input Required:* Yes (if applicable)
Purpose: Summarize breakdown of applied for 2011 volumetric global adjustment sub-account disposition – delivery component rate rider by rate class.	
Instructions: User will input proposed sunset date of 2011 volumetric global adjustment sub-account disposition – delivery component rate rider into cell D22. User will also input applied for volumetric global adjustment sub-account disposition –delivery component rate rider for each applicable rate class into column "G".	
Sheet: L1.1 Applied for RTSR – Network	*User Input Required:* Yes (if applicable)
Purpose: Calculate applied for Retail Transmission Service Rate – Network by rate class.	
Instructions: User will input applied for Retail Transmission Service Rate – Network adjustment (from 2011 RTSR Workform) for each applicable rate class into column "G".	
Sheet: L2.1 Applied for RTSR – Connection	*User Input Required:* Yes (if applicable)
Purpose: Calculate applied for Retail Transmission Service Rate – Connection by rate class.	
Instructions: User will input applied for Retail Transmission Service Rate –Connection adjustment	

(from 2011 RTSR Workform) for each applicable rate class into column "G".	
Sheet: M4.1 microFIT Generator	*User Input Required:* No
Purpose: Summarize monthly service charge for microFIT Generators.	
Instructions: User does not input any data into this worksheet.	
Sheet: N1.1 Applied for Monthly Rates and Charges	*User Input Required:* No
Purpose: Summarize applied for rates by rate class.	
Instructions: User does not input any data into this worksheet.	
Sheet: N3.1 Current and Applied for Loss Factors	*User Input Required:* Yes
Purpose: Summarize current and applied for loss factors.	
Instructions: User will input current and applied for loss factors into column "D".	
Sheet: O1.1 Summary of Changes to Service Charge and Distribution Volumetric Charge	*User Input Required:* No
Purpose: Summarize changes to fixed and variable service charges by rate class.	
Instructions: User does not input any data into this worksheet.	
Sheet: O1.2 Summary of Changes to Tariff Rate Adders	*User Input Required:* No

Purpose: Summarize changes to fixed and variable rate adders by rate class	
Instructions: User does not input any data into this worksheet.	
Sheet: O1.3 Summary of Changes to Tariff Rate Riders	*User Input Required:* No
Purpose: Summarize changes to fixed and variable rate riders by rate class.	
Instructions: User does not input any data into this worksheet.	
Sheet: O2.1 Calculation of Bill Impacts	*User Input Required:* Yes (if applicable)
Purpose: Calculate the estimated bill impacts with respect to applied rates.	
Instructions: User will select from yellow drop down menu (cell C20) and select specific rate class to view estimated bill impact for that rate class.	
Sheet: P1.1 Current and Applied for Allowances	*User Input Required:* Yes (if applicable)
Purpose: Summarize current and applied for allowances.	
Instructions: User will input Transformer Allowance for Ownership into cell E22. User will also enter Primary Metering Allowance for transformer losses into cell E23.	
Sheet: P2.1 Current and Applied for Specific Service Charges	*User Input Required:* Yes
Purpose: Summarize all current and applied for specific service charges.	

Instructions: User will select from yellow drop down menu all applicable current and applied for specific service charges under each category: Customer administration; Non-Payment of Account and Other. User will also input corresponding charge ($) into column “E”.	
Sheet: P3.1 Current and Applied for Retail Service Charges	*User Input Required:* No
Purpose: Summarize all current and applied for retail service charges.	
Instructions: User does not input any data into this worksheet.	

Submitting the Completed Rate Generator

User should save completed rate generator and submit electronic version and hard copy print out through the Board’s online e-Filing services and with the Board Secretary’s Office.