



Ontario Energy Board

Commission de l'énergie de l'Ontario

**Functionalization into Sub-accounts
Implementation: Key Issues**

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Functional Approach to Identifying “Bulk” Assets

Factors:

- Bulk assets are designed to support the distribution system’s peak (e.g. feeders supplying substations)
- Assets designed to meet customer’s peak are considered primary or secondary
- If have bulk assets, then assets used to deliver power to Distribution Station(s) are also bulk



Functional Approach to Bulk Assets

Other factors suggesting bulk assets exist:

- 44 kV line with larger user attached usually bulk
- Embedded distributors often connected to bulk
- Large customers in separate rate classification often connected to bulk

NB: There are exceptions to above, so utility judgement required



Factors Suggesting No Bulk Delivery Assets

- 1) Assets have delivery voltage of less than 13kV
- 2) Circuits below 3 phase
- 3) Distribution system designed and operated in fully-integrated manner (explanation required)



Other Potential Factors

General Considerations?

- Operational considerations
- Industry practice

Other Potential Bulk Identifiers?

- No or very little direct connections
- Connection between wholesale market and LDC substations



Each LDC must decide whether any bulk assets exist

- filing must explain reasoning
- filing must include single line diagram or distribution system schematic



Breaking out Costs

Default Methodology:

- 1) Determine kilometres of line for bulk, primary or secondary assets
- 2) Use portion of each to the total to determine the percentage of costs by asset type

Must explain and justify in filing if use another method
- any suggestions regarding demand or energy?

