



# OEB COST ALLOCATION REVIEW

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## **GS Intermediate Class Information Survey**

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# Background

- At present, no common intermediate GS between 50-5000 kW
- LDCs that have intermediate GS have boundaries ranging from 500 kW to 3000 kW
- Present consultation attempts to make progress in achieving greater consistency in treatment of larger GS customers across the province
- Pending the outcome of the comprehensive rate design review, OEB does not wish to enter into a full scale review of the GS
  - GS 50 kW boundary will not be re-examined

# Approaches Identified

- Staff's identified possible approaches towards a common rate classification for larger GS customers:
  - Survey of boundaries used elsewhere
  - Break in delivery voltages
  - Former 10% test (10% of utility's load, less than 5,000 kW, and where the customers' load profile significantly affected the rest of the GS customers when included in that class)
  - Load factor

# Comments from Technical Advisory Team

- “Size does not matter”
- Break points by delivery voltage would likely vary across LDCs
- Rather than voltage, may be useful to split GS class based on their use of sub-transmission, primary and secondary facilities
- “Simple rate class differentiation does not exist anymore. This exercise would require fundamental changes to the existing rate classifications”

# Proposed Recommendation

- Cost causation would be a better basis rather than size of load
- Should hold off on GS Intermediate class until the Comprehensive Rate Design Review is completed
- Team should focus on establishing reasonable allowances for customer-owned equipment
- Existing GS Intermediate can be maintained
- Does not preclude a distributor to apply for an Intermediate GS rate classification in a future Rate Application

# Survey Questions in Informational Filings

- Breakdown of number of customers by demand groups and associated energy level
  - 0-50 kW
  - 50-100 kW
  - 100-200 kW
  - 200-500 kW
  - 500-750 kW
  - 750-1000 kW
  - 1000-2000 kW
  - 2000-3000 kW
  - 3000-4000 kW
  - 4000-5000 kW

# Survey Questions (cont'd)

- For each of the groups previously listed, provide the following information:
  - Load factor
  - Delivery voltage or usage of sub-transmission, primary or secondary facilities
  - System coincident factors
  - Difference in services provided to any particular customer group