

APPENDIX G

GLOSSARY

Term	Definitions
Act	<i>The Ontario Energy Board Act, 1998</i>
Actual costs	must include a full recovery of incremental costs and may include a contribution to fixed costs.
APH	Accounting Procedures Handbook
Board	The “Board” refers to the Ontario Energy Board
CAIDI	Customer average interruption duration index
CAP	Electric Distribution Utility Systems Construction Price Index
CER	Common equity ratio
COP	Cost of power
CPI	Consumer Price Index
CTC	Competition Transition Charge
Customer	End-users serviced at the secondary, primary and subtransmission voltages.
Customer-Hours of Interruption	The Customer-hours of interruption is the period from the initiation of an interruption of service to a customer until service has been restored to that customer.
Customer-Interruptions	A customer interruption is the sum of the products of customer service interrupted divided by the number of interruptions that affect those customer services.
Demand	The time rate at which any one, or any group, of customers of a distributor of electrical energy require, or take energy is the demand of the customer, or group of customers. The unit in which demand is measured is the kilowatt (kW), the unit of power.
Distribution System	A distribution system is a system for distributing electricity along with the related facilities and structures.

Term	Definitions
Distribution System Losses (DSL)	The distribution system losses are the differences between the metered loads at the wholesale supply point and the retail supply point.
Distributor	A distributor is a person who owns or operates a distribution system.
DR	Debt rate
DSC	Distribution System Code
DSL	Distribution system losses
DSM	Demand-side Management
Due date	the last day on which a bill is payable without the application of a late payment charge.
Electric service	the connection of the Distributor's distribution system to the customer's facilities to enable the customer to take a supply of electric energy.
Energy	Available heat or work in electricity measured in kilowatt-hour.
Evidence	Evidence is documentation provided in support of an application for an order (e.g. rate order) of the Board.
IMO	Independent Market Operator
Incremental Distribution Cost (IDC)	The incremental distribution cost conceptually represents the cost of providing the next kWh and includes incremental operating and maintenance expenses, incremental capital investments, and incremental financing charges.
Input Price Index (IPI)	The Input Price Index (IPI) is a measure of change in input prices (e.g., capital, labour and materials)
Interruption	An interruption is the loss of service to one or more customers and is the result of one or more component outages. A momentary interruption is defined as an interruption with duration of less than one minute.
Interruption Duration	The interruption duration is the period from the initiation of an interruption of service to a customer until the service is restored to that customer.
Late payment charge	is a 1.5 percent monthly interest charge on outstanding balances to be applied to the amount of the bill outstanding on the due date exclusive of any applicable taxes (eg G.S.T.)
MARR	Market adjusted revenue requirement
MBRR	Market-based rate of return

Term	Definitions
MEU	Municipal Electric Utility
PBR	Performance Based Regulation
PF	Productivity factor
PILS	Payment in lieu of taxes
Price Cap Mechanism	A price cap mechanism adjusts the ceiling for a service price for changes in the unit costs of providing the service
Primary Service	Primary service is service taken at the ingress side of a high voltage transformer.
Productivity Factor	The productivity factor is the potential for improvements in the physical relationship between outputs and inputs.
Rate	Rate means a rate, charge or other consideration and includes a penalty for late payment.
Rate Handbook or Handbook	Electricity Distribution Rate Handbook
Rate Order	A rate order of the Board is an order that brings a rate into force.
Return on Equity (ROE)	The return on equity is the earnings that can be earned on the investment made in the business.
ROR	Rate of return
RR	Revenue requirement
RSC	Retail Settlement Code
RUD	Rate unbundling and design model
SAIDI	System average interruption duration index
SAIFI	System average interruption frequency index
SAR	Standard Application of Rates
Secondary Service	Secondary service is service taken at the egress side of a high voltage transformer.
Service Area	With respect to a distribution utility, service area means the area in which the distributor is authorized by its licence to distribute electricity.
Specific service charges	are charges for services outside of the Distributor's standard of service exclusive of energy and rental rates and excluding services charged at actual costs.
SSS	Standard Supply Service
Standard of service of the Distributor	includes all services with costs that are covered through its electricity rates and for which separate charges are not made directly to individual
Supply	includes the delivery, dealing in, and sale of electricity and

Term	Definitions
TFP	other services. Total Factor Productivity
TOU	Time-of-use
TROE	Target return on equity
Z Factor	The Z factor is an adjustment of an utility's rates that accommodates extraordinary events over which the utility has no control.