

CHAPTER 12

FILING REQUIREMENTS

12.1 INTRODUCTION

This chapter summarizes the timelines and filing requirements for the first generation PBR plan, the timeline for the review of the first generation plan, and consideration of the second generation plan.

12.2 FILING TIMELINES

An electricity distribution utility must file or re-file evidence for first generation PBR initial rates by November 30, 2000. The Board will endeavour to approve initial rates as soon as practical following receipt of the application, subject to public notice requirements. If a electricity distribution utility has already filed for unbundled rates and has published its notice, it will not be required to provide additional notice, unless, in the Board's view, the application has been significantly amended. Electricity distribution utilities should indicate their desired effective date for the new rate schedule in their applications. In any case, unbundled rates must be in effect prior to the introduction of market opening.

The applications for initial rates will be for unbundled pre-market opening rates (i.e. exclusive of PILs). Information regarding rate filings for incorporation of PILs will be provided before market opening. The incorporation of PILs will be treated as a pass through. However, the electricity distribution utilities will still be required to inform their customers of the rate changes as they would in the case of any rate adjustment.

**12.2.1 Filing of Evidence for Year 1 of First Generation PBR
November 30, 2000 for All Utilities**

All electricity distribution utilities are required to file or re-file applications for their unbundled rates by November 30, 2000.

The filing requirements for the first year of the first generation PBR plan will include:

1. 1999 Financial data.
2. 1999 Energy and demand data.
3. 1999 PBR related information.

It is required that the utility publish a notice of application if it has not already done so.

**12.2.2 Year 2 and Year 3 Annual Rate Adjustment Process
2002 and 2003**

Subsequent annual rate adjustments will be in accordance with the PBR rate adjustment mechanism. There are a number of steps connected with this process, including:

- the filing of Z factor evidence;
- the filing of data by the utilities;
- the publishing of the IPI by the Board;
- the actual date on which the rates become effective; and
- the filing of the utility's audited financial data.

Annual data filings are for January through December inclusive. These five steps are outlined below.

**12.2.3 Z factor Evidence
By December 1, 2002 and 2003**

The utility's filing for the year 2 and year 3 rate adjustments that includes any amounts in deferral accounts related to a Z factor (extraordinary events) must be filed in support of rates at least three months prior to the effective date of the rates (i.e. December 1).

**12.2.4 Filing of Data for Rate Adjustment
On or Before February 1, 2002 and 2003**

On or before February 1, 2002 and 2003, the utilities will be required to file with the Board certain information. These filing requirements will include, but will not be limited to:

1. Manager's summary.
2. Financial data.
3. Energy and demand data.
4. PBR related information.
5. Service quality data.

**12.2.5 IPI Published by Board
February 15, 2002 and 2003**

On these dates the Board will publish the updated IPI. The utilities will incorporate the published IPI for the year into the price cap formula that they will use to adjust their rates for the year.

**12.2.6 Year 2 and Year 3 Rate Adjustment Dates
March 1, 2002 and 2003**

On March 1, of 2002 and 2003 the utility will implement the resulting rate adjustment for Year 2 and Year 3 respectively, based on the February 15 IPI published by the Board in each of the two years as well as any Z-factor adjustments. While a utility may choose not to implement an allowed rate increase at the time of the annual rate adjustment, it must implement a rate reduction.

**12.2.7 Audited Financial Data to be Filed
June 1, 2001, 2002 and 2003**

Information based on the utility's audited financial statements is to be filed with the Board by June 1 of 2001, 2002, and 2003. Differences between the unaudited information filed in February and the audited information should be highlighted in this filing.

12.2.8 Summary of Events

Table 12-1 summarizes the key milestones and events associated with first generation PBR.

Table 12-1 Summary of Events

Time-line	Event
March, 2000	Issue of Rate Handbook
October, 2000	Issue of Revised Rate Handbook
November 30, 2000	Deadline for filing or re-filing of Year 1 evidence of PBR plan for all utilities, including financial, energy, and PBR related filing.
February 1, 2001	Filing of Year 2000 (January through December) financial, energy, PBR related, and service quality information
June 1, 2001	Filing of audited financial statements (January through December)
December 1, 2001	Deadline for filing Z-factor evidence
February 1, 2002	Filing of evidence for Year 2 of PBR plan (2001, January through December financial, energy, PBR related, and service quality information).
February 15, 2002	Board issue of Year 2 IPI
March 1, 2002	Implementation of Year 2 rates
June 1, 2002	Filing deadline of audited financial statements (January through December)
2002	Review of first generation PBR plan, development of second generation PBR plan
December 1, 2002	Deadline for filing Z factor evidence
February 1, 2003	Filing of evidence for Year 3 of PBR plan (2002, January through December financial, energy, PBR related, and service quality information).
February 15, 2003	Board issue of Year 3 IPI
March 1, 2003	Implementation of Year 3 rates (January through December)
June 1, 2003	Filing deadline of audited financial statements
December 1, 2003	Deadline for filing Z factor evidence
March 1, 2004	Implementation of second generation PBR plan

12.3 STANDARD SUPPLY SERVICE FILINGS

Should the SSS implementation sections of the Handbook be completed before the initial filing deadline, the utility will be expected to make the necessary additions to its filing. Should the portions of the Handbook dealing with SSS not be completed in time for concurrent filing, the Board will issue direction on SSS filings.

12.4 FIRST GENERATION PBR PLAN ANNUAL FILING REQUIREMENTS

Information itemized in this section applies to the first generation PBR plan and is the historic information for the most recent calendar year (i.e. 1999 for year 1). Utilities are obligated to file financial information, energy delivery information, PBR related information, and service quality performance information on an annual basis.

For the first year of the plan, the data must be included in the evidence filed by the deadlines specified in section 12.2.1. Distribution utilities that file unaudited financial data in their evidence must file audited data by June 1, 2000. Those utilities who have not filed this data must do so with their initial rates application. Evidence filed in the first year will not include service quality performance data since these data will be recorded for the first time in that year.

For the second and third year of the PBR plan, the data are to be filed by February 1 of each year with audited financial statements filed by June 1 of each year.

Electronic files for the annual filing requirements will be made available through the Board's Web site. These files will include further details on filing requirements.

A check list of the filing requirements is provided in Appendix F to ensure that utilities have met all filing requirements.

12.4.1 Manager's Summary

A manager's summary, including a description of the following, must be filed as part of the evidence:

- the electricity distribution utilities' size (number of customers);
- the customer profile;
- the summary of rate impact resulting from the rate adjustment;
- rate adjustment justification (argument);
- any rate impact mitigation options used;
- any deviation from the procedures and guidelines in the Rate Handbook; and
- any other issues that the Board should be aware of in reviewing the evidence.

12.4.2 Financial Information

The financial information described here is required to allow the Board to review the utility's financial performance including revenue earned, rate of return, and other financial indicators including debt ratio. While the rate base will not be used to set rates within the PBR plan, information on the "wires only" rate base (see Appendix D) is required to determine the utility's rate of return, which is subject to an annual ceiling and requires sharing beyond the ceiling in years 2 and 3.

The financial information to be filed is presented in Table 12-2. In addition, information must be filed on the utility rate base. Account information related to the financial filing is provided in Appendix A.

The rate base is the net fixed assets (year-end) plus a working capital allowance. Details on net fixed assets to be included in the rate base of the utility is presented in Appendix D.

Table 12-2 Financial Data

Revenue	Service Revenue Other Revenue
Expenses	Power Supply Operation, Maintenance, and Other Amortization Financing Foreign Exchange Other Deductions Income Taxes, Payments-in-Lieu of, etc. Extraordinary Items Discontinued Operations
Cash Flows from Operating Activities	Net Income Adjustments to Net Income Changes in Non-cash Working Capital
Cash Flows from Investing Activities	Cash Subject to Restrictions Long term Assets Capital Expenditures
Cash Flows from Financing Activities	Equity Capital Debt Borrowings/ Retirement Other
Working Capital	Change in Working Capital Total Working Capital at end of year Working Capital as % of Net Expenses
Other	Inventory Net Expenses Rate of Return as % of Rate Base Debt Ratio

12.4.3 Energy Delivery Information

The distribution utilities must provide wholesale and retail demand and energy data in order for the Board to review 1999 customer class revenue requirements on which 2000 - 2001 rates will be based. Years 2002 and 2003 information will be reviewed for year 2 and year 3 rates. The information to be filed includes the annual retail kW and kWh sales for each class, applicable rates, and resulting customer class revenue. In addition, the utilities should provide the monthly wholesale kW and kWh billing amounts and annual line losses.

The RUD Model requires energy delivery information for 1999. Therefore, in filing the completed RUD Model in support of initial rates, a utility will have provided the necessary delivery information filing for 2000-2001. Both the electronic version and a hard copy of the RUD Model must be filed. For illustrative purposes, the energy delivery information is described in this section for some of the customer classes.

The retail sales data to be supplied for the residential and general service non-TOU customers, TOU street lighting customers, and large use customers are shown in Tables 12-3 to 12-7.

If the distribution utility has a monthly service charge, this information should be included as a separate line item.

Similar data must be filed for customers on residential and general service TOU rates, non-TOU street lighting rates, sentinel lighting rates and intermediate use rates.

Information must also be provided for any other customer classes that a utility has.

Table 12-3 Residential Retail Sales Data

Customer Class	kW	Rate	kWh	Rate	Revenue
First 250 kWh Block			Total kWh in Block	Block Rate	Block Revenue
All Additional kWh			Total kWh in Block	Block Rate	Block Revenue
Monthly Service Charge (as applicable)					Service Charge Revenue
Total Residential Class Revenue					Total Revenue

Table 12-4 General Service < 50 kW Retail Sales Data

Customer Class	kW	Rate	kWh	Rate	Revenue
First 250 kWh Block			Total kWh in Block	Block Rate	Block Revenue
All Additional kWh			Total kWh in Block	Block Rate	Block Revenue
Monthly Service Charge (as applicable)					Service Charge Revenue
Total Residential Class Revenue					Total Revenue

Table 12-5 General Service 50 kW to 5,000 kW Retail Sales Data

	kW	Rate	kWh	Rate	Revenue
First 250 kWh			Total kWh in Block	Block Rate	Block Revenue
Next 12250 kWh			Total kWh in Block	Block Rate	Block Revenue
All Additional kWh			Total kWh in Block	Block Rate	Block Revenue
First 50 kW Block	Total kW sold in Block	No charge			
All Additional kW	Total kW sold in Block	Block Rate			Block Revenue
Transformation Allowance	Total applicable kW	Credit Rate			Total Credit
General Service Class Revenue					Total Revenue

Table 12-6 Street Lighting Retail Sales Data

	KW	Rate	Revenue
Winter kW	Total kW sold	Winter kW Rate	Winter kW Revenue
Summer kW	Total kW sold	Summer kW Rate	Summer kW Revenue
Street Lighting Class Revenue			Total Revenue

Table 12-7 Large Use Retail Sales Data

	kW	Rate	kWh	Rate	Revenue
Winter Peak kWh			Total kWh in Block	Block Rate	Block Revenue
Winter Off-Peak kWh			Total kWh in Block	Block Rate	Block Revenue
Summer Peak kWh			Total kWh in Block	Block Rate	Block Revenue
Summer Off-Peak kWh			Total kWh in Block	Block Rate	Block Revenue
Winter Peak KW	Total kW sold in Block	Block Rate			
Summer Peak kW	Total kW sold in Block	Block Rate			
Large Use Class Revenue					Total Revenue

Wholesale billing data to be filed are presented in Table 12-8. Since utilities take power at different voltages, the appropriate wholesale demand rate(s) must be indicated.

Table 12-8 Wholesale Billing Data

kW		kW		kWh			
Amount	Rate	Amount	Rate	Winter Peak	Winter Off-Peak	Summer Peak	Summer Off-Peak
Monthly Peaks \$/kW		Monthly Peaks	\$/kW	kWh Billed	kWh Billed	kWh Billed	kWh Billed

12.4.4 PBR Related Information

The utilities need to file data to enable the Board to research and monitor industry trends in input prices and productivity.

The information to be filed is presented in Table 12-9. The year-end data of the previous year must be filed with the evidence for initial rates in year 1, and by February 1 of 2002 and 2003 for year 2 and year 3 rates.

Table 12-9
PBR Related Information

Cost Category	Item
Labour	Headcount (Full Time Equivalent)
	Compensation Exclusive of Overhead
	Wages
	Salaries
	Fringe Benefits
	Change in Line Crew Wage Rates
	Capitalized Labour included in (2)
Capital	Gross Fixed Assets
	Accumulated Depreciation
	Amortization
	Capital Additions for Year
	Retirements for Year
Miscellaneous	Line Losses
Functional	Operations and Maintenance
	Total
	Labour Component
	Billing and Collection
	Total
	Labour Component
	Administration
	Total
	Labour Component
Capital Composition	Labour
	Overhead
	Equipment/Material
	Other

12.4.5 Service Quality Information

The first generation PBR plan includes customer service and service reliability performance indicators. The indicators and the data to be filed are described in Chapter 7.

Responses to a survey conducted by the Board PBR Implementation Task Force indicated that not all utilities currently collect data on the performance indicators listed. Those utilities that currently collect data on the performance indicators should file their annual performance for the last five years. Utilities that do not have five-years of data should provide the information for the years in which the data was collected. Utilities that have not to date collected any data on the performance indicators should start collecting the data when their first generation PBR plan comes into effect.

All utilities will need to report their monthly performance annually by February 1, 2002 and February 1, 2003.

12.5 Z FACTOR INFORMATION

Justification according to the prescribed eligibility criteria (Chapter 4) for Z factors must be filed by December 1, 2001 for year 2 and December 1, 2002 for year 3.

12.6 STANDARD SYSTEM SUPPLY FILINGS

To be provided upon completion of the SSS guidelines.