

## **Ontario Energy Board**

#### Commission de l'énergie de l'Ontario

# Options for Treatment of Line Losses in Filings

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#### Background

- A standard approach to treatment of line losses is currently applied to most LDCs
  - includes partial recognition of differing line losses for certain rate classes
  - some distributors have their own Board-approved line losses
  - incentive aspects of line losses scheduled to be reviewed in separate 2007 consultations

#### Line Losses and Cost Allocation Filings

 Line losses are taken into account in the load data information preparation required by the load data service provider

#### Options

- 1) Model to use approved 2006 line losses
  - assumed in current load data instructions
- 2) Additional filing questions to gather information for future use
  - draft questions have been prepared with Working Group;
    some prefer more detailed questions
- Develop more accurate but still easy to complete methodology – see Handout suggestions Load data information will need to reflect different loss factors for bulk, primary and secondary
- 4) Detailed line loss studies not being considered

### Final Staff Proposal

To consider pros and cons of:

Using 2006 EDR results, along with questions to gather additional information

versus

Modeling new method that aims to be simple but more reflective of cost causality