

## BC Hydro F2008 RDA Rate Design Model Instructions

The Rate Design model can be used to run various sensitivities. The key input cells have been highlighted in a blue font. There are no locked or hidden cells in the model, so users can reprogram any part of the model. However, users are cautioned that there are several links in the model, and changing cells other than the input cells highlighted in blue may have unintended consequences.

Sensitivity analyses can be run as follows:

1. **Rate Rebalancing:** The rate rebalancing for F2008 can be changed on Schedule 4.2, rows 71-76. When changing the rate rebalancing for F2008, the percentage changes in rows 71-76 should be adjusted, by trial and error, until the “Increase in Revenue” shown in row 78 is as close to zero as possible. Due to the fixed number of decimal places inherent in the actual rates, it may not be possible to achieve an “Increase in Revenue” of exactly zero.
2. **E-Plus Attrition:** The mid-year attrition rate for F2008 for the four E-Plus rates can be changed on Schedule 3.2, rows 74-77.
3. **E-Plus Phase-Out:** The phase-out of discounts for the E-Plus rates can be changed on Schedule 7.0, rows 27-30 (F2008), 36-39 (F2009), 45-48 (F2010) and 54-57 (F2011). The discounts entered for F2008 are used in the model to determine the rates and revenues for E-Plus customers in F2008.
4. **Restructuring of GS > 35 kW Rate:** The restructuring of the GS > 35 kW rate can be changed on Schedule 8.0, rows 9-11 (demand charges) and row 15 (second block energy charge). The first block energy charge is automatically calculated to maintain a revenue-neutral restructuring of the rate. The structure of the rate entered for F2008 is used in the model to determine the revenues for GS > 35 kW customers in F2008. To determine the cumulative impact of the restructuring of the rate, the final rate can be entered as the F2008 rate (effectively eliminating the phase-in of the restructuring). In addition, the load factors highlighted in blue in row 22 and the loads highlighted in blue in rows 23-32 can be modified to examine the impact of the restructuring for any combination of load and load factor.