



Proposed Electricity Cost Recovery Options

Definitions:

Option: the means or mechanisms used to achieve the desired end result.

Concept: One or a combination of mechanisms, including details such as the formulas for how each mechanism will be applied.

Proposed Options to amend the Electricity Cost Recovery Regulations

New international transmission power line (IPL) application fee / Greenfield fees:

- Pay actual estimated costs for each hearing (based on number of staff hours).
- Pay flat fee for category 1, 2, 3 (category relates to the length or complexity of the hearing and would be decided at the end of the hearing with input from the company).
- Greenfield fees: form of application fee. Fees could be based on the following potential parameters:
 - Facility (e.g. single phase or 3 phases)
 - voltage level
 - name plate capacity of the line
 - capital cost to construct the line

Export authorization fee

- Flat application fee for export permits.

Non-application costs (all other costs)

- Transmission companies to pay based on installed capacity.
- Transmission companies to pay based on the volume of exports or on exports plus imports (the total utilization of the line).
- Transmission companies to pay based on existing IPL rated megawatts or megawatts/hour
- NEB services (monthly export returns, market monitoring, etc) to be paid by those who benefit from them.
- Straight ratio (% for transmission companies and % for exporters).
- Increase the annual charge to small and intermediate electricity exporters.