

2011/2012 Electricity Transmission Cost of Service Application
Discussion Points for Stakeholder Session
Monday, November 16, 2009

It is proposed that the following questions be considered for the Terms of Reference (RFP) for the third party study of the AMPCO Network Charge Determinants (High Five) rate design proposal. Please take some time to consider the following points before the session.

1. Identify the likely effects, costs and benefits of implementing a High Five rate design:
 - Predicted load shift
 - Shift in transmission cost
 - Reduction in commodity cost
 - Who pays?
 - Who benefits?
 - What unintended consequences or side effects might such a rate structure incur, e.g. additional rate burdens on consumers with low elasticity of demand, not enough shifts in local load where capacity constraints are an issue, shifts in load that may create new capacity constraints, etc?
2. Recommend a methodology to monitor the results of implementing AMPCO's proposal and its effect on commodity prices.
3. What has been the experience with this rate design since its implementation in New Jersey and Texas?
4. Address the various criticism made by intervenors about AMPCO's analysis. (Will AMPCO produce Dr. Sen's report and all underlying data and calculations for peer review?).
5. What are the implications of a High Five rate design for existing (and proposed) OPA load management programs?