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Table 1

Rate Schedules	TRR Allocator (% EBA costs)	Comp. NPC Allocator (% EBA costs)	Difference (%)
Residential – Sch. 1	39.13%	29.83%	(9.30%)
Sm. Comm. – Sch. 23	6.57%	6.20%	(0.37%)
Lg. Comm. – Sch. 6	24.86%	27.26%	2.41%
GS (> 1 MW) – Sch. 8	8.67%	9.56%	0.90%
Large Ind. - Sch. 9	15.63%	18.78%	3.15%
Irrigation – Sch. 10	0.74%	0.80%	0.06%

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7 Q. DOES USE OF THE COMPOSITE NPC ALLOCATOR REMEDY THE UNFAIR
8 SPREAD RESULTS PRODUCED BY THE TOTAL REVENUE REQUIREMENT
9 ALLOCATOR?

10 A. Yes. By using a cost-based allocator that more appropriately fits the category of
11 costs (NPC) that are included in the EBA, the outcomes for all rate schedules are
12 just and reasonable.

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14 Q. DOES THE USE OF A COMPOSITE NPC ALLOCATOR REQUIRE
15 ADDITIONAL WORK IN FUTURE GRCs?

16 A. Yes. Future GRC outcomes must include a determination of the Composite NPC
17 Allocator to be used in EBA cases. This involves determining how individual
18 NPC adjustments in the revenue requirement phase of a GRC flow through to the
19 cost-of-service phase. The Commission's decisions on NPC or cost of service