

# **COS / Rate Design Task Force Meeting**

**Docket No. 20-057-11**

**April 14, 2021**

# Administrative Charge

# Administrative Charge

- Applies to TBF, MT, TSF, and TSI customers
- Each end-use site (primary)  
    \$3,000 annual, \$250 monthly
- Other end-use sites at the primary customer site (secondary)  
    \$1,500 annual, \$125 monthly

# Departments associated with Administration of Transportation Accounts



Key Accounts  
(previously Account Management)



Gas Supply



Commercial Support



Nominations &  
Scheduling



Measurement &  
Allocation



Billing

# Department Costs Determined by Survey

Estimate of time spent on customer classes

Calculate estimated department time with Actual Annual Labor and Labor Overhead



Key Accounts

**84%**



Gas Supply

**35%**



Commercial Support

**96%**



Nominations &  
Scheduling

**10%**



Software expense

**39%**

# Billing Department - Estimate of Hours

Calculate estimated hours with average hourly rate and labor overhead for 12 months



Billing

**233 hrs/month**

# Measurement & Allocation - Estimate of Hours & Materials

Estimate of travel and time spent fixing telemetry equipment. (Investigate equipment for no reads received, replacement of stolen items.)



Measurement &  
Allocation  
**3 hrs/year**

Calculate estimated hours with average hourly rate, labor overhead times number of customers

Calculate data charges on modem multiplied by number of customers.



**\$180/year**

Corrector unit replacement cost of \$3,800 every 10 years. Estimate of annual depreciation times number of customers.



**\$380/year**

# Calculation of Admin Fee (current, based on 2018 actual costs)

Department	Labor	Labor OH	Materials / Software	Total
Key Accounts	\$603,990	\$384,968		\$988,958
Gas Supply	\$310,398	\$196,651	\$185,958	\$693,007
Commercial Support	\$184,093	\$118,272		\$302,365
Nominations & Scheduling	\$70,594	\$28,003		\$98,597
Measurement & Allocation	\$147,222	\$85,514	\$610,960	\$843,696
Billing	\$77,714	\$50,608		<u>\$128,322</u>
<b>Total</b>				<b>\$3,054,944</b>
Primary Count				959
Secondary Count				<u>132</u>
<b>Total Primary &amp; Secondary</b>				<b>1,091</b>
<b>Annual Admin Fee Primary (rounded)</b>				<b>\$3,000</b>
<b>Annual Admin Fee Secondary (rounded)</b>				<b>\$1,500</b>



# TS Class Enrollment

# Open Enrollment for Transportation Customers

- Enrollment begins March 7
- Contract signed March 21
- Meet with DEU Telemetry by April 15
- Any necessary facilities installed by May 15
- Service becomes effective July 1
  
- Gas Supply Planning (IRP)
  - Gas procured for all customers during IRP process would be paid by remaining sales customers if any switch mid-year
- Easier to manage the process once each year
- Wexpro production planning

# Next Steps

- Anything new for the group to discuss?
- Final Report Due to PSC July 1, 2021
  - What does it look like?
  - Who is writing it?

# Questions