

**Steam  
Operations**

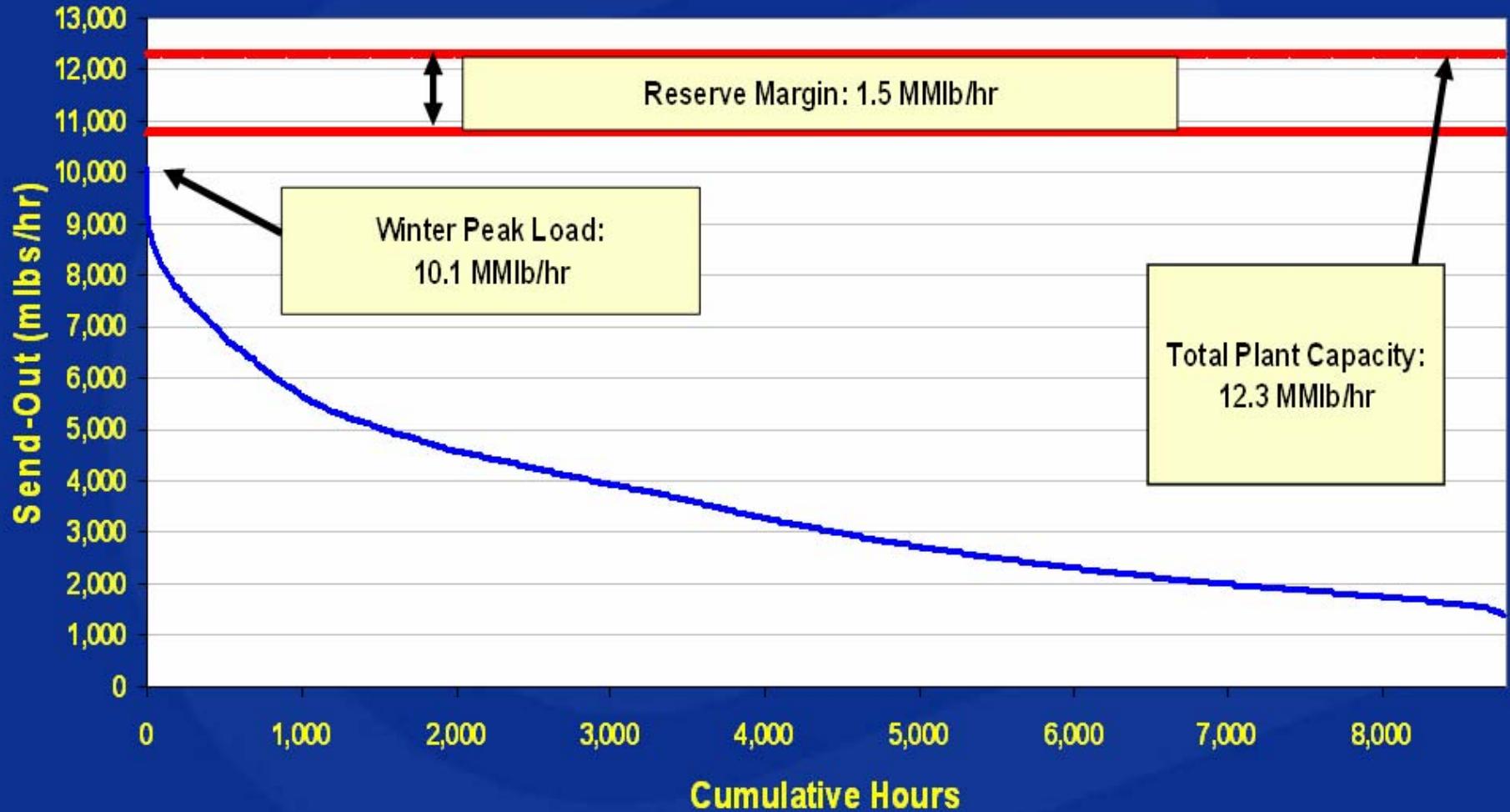


# Implementation of Winter Steam Demand Billing

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# Demand Billing: Reason

## 2004 Load Duration Curve



# Demand Billing: Customers

- **Commercial (SC2) and Residential (SC3) Customers**
  - Annual usage 22,000 Mlbs or greater
  - ~300 Customers
- **Demand calculated by taking the average of the 2 highest consecutive 15 minute intervals**
- **Will provide customers with the opportunity to improve their buildings' winter load factor and reduce costs**
- **Customer meetings along with sample bills are available to explain demand billing and how it will affect customer budgets**

# Demand Billing: Structure

- Demand billing structure changed from originally proposed demand billing structure
  - No demand charges in billing periods ending in November and April
  - Minimizes impact to steam air conditioning customers during shoulder months



# Demand Billing: Structure

- Demand Charge Structure:
  - On Peak Demand Charge (6 a.m. – 11 a.m. weekdays)
  - All Time Peak Demand Charge (any time during the month)
  - **November through April**
- Energy charge reduced
- Sample demand bills issued this winter period
- Actual demand billing will commence with the **November 2007** bills
- *Charges moved from Fuel Adjustment Charge to Usage Charge (formerly base rates)*

# Steam Rates – SC 2

From [Mlbs]	To [Mlbs]		<u>Nov</u>	<u>Dec - Mar</u>	<u>Apr</u>
0	250	\$/Mlb	11.519	10.723	11.519
251	1,500	\$/Mlb	24.024	20.102	24.024
1,501	5,000	\$/Mlb	22.572	19.013	22.572
5,001	25,000	\$/Mlb	21.828	18.455	21.828
25,001		\$/Mlb	20.737	17.673	20.737
<b>Customer Charge</b>		<b>\$/Month</b>	<b>2455.35</b>	<b>2455.35</b>	<b>2455.35</b>
<b>Demand on-peak</b>		<b>\$/Mlb/hr</b>	<b>---</b>	<b>898.58</b>	<b>---</b>
<b>Demand all-time</b>		<b>\$/Mlb/hr</b>	<b>---</b>	<b>94.94</b>	<b>---</b>

*May to October – will remain the same*

# Steam Rates – SC 3

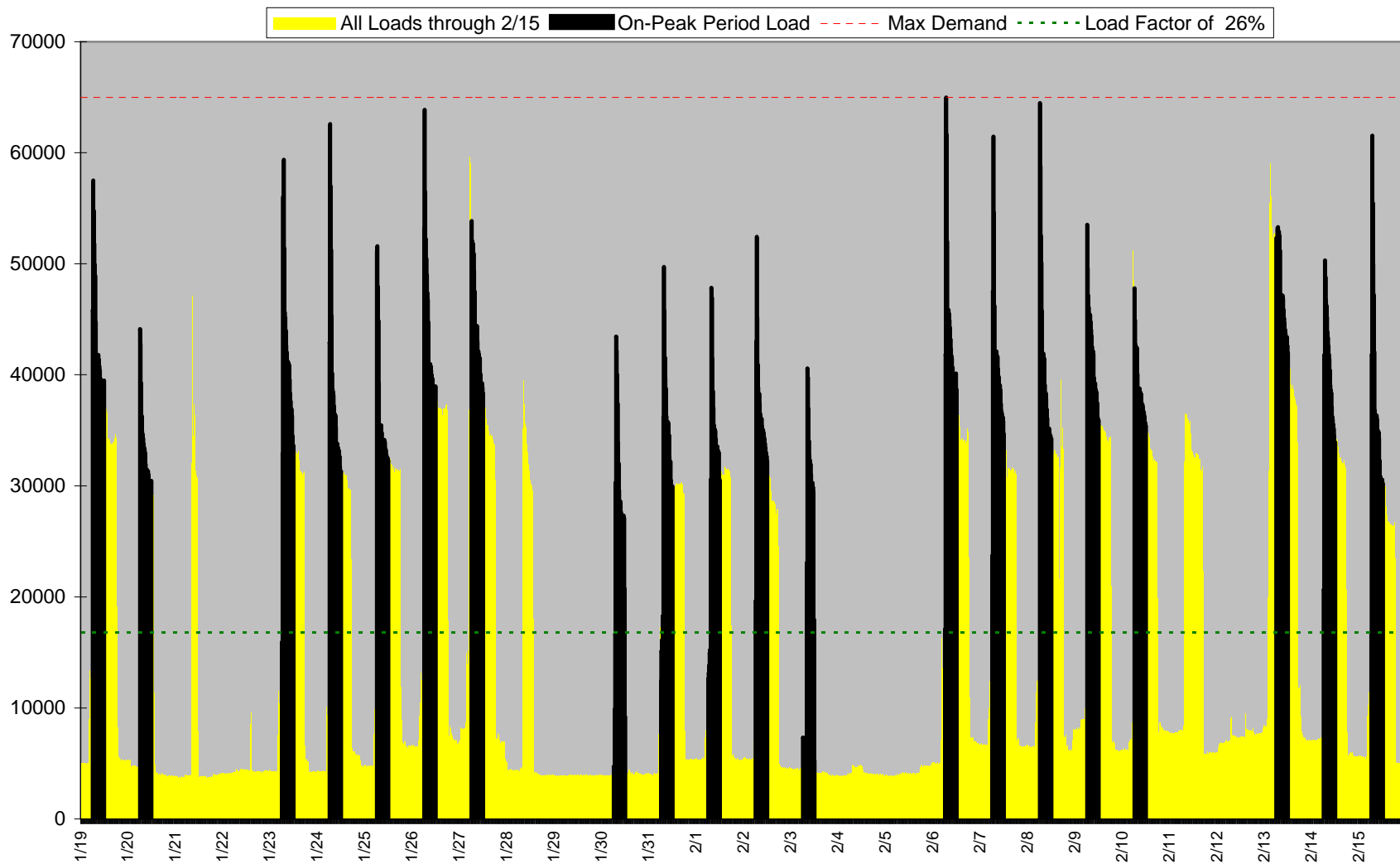
From [Mlbs]	To [Mlbs]		<u>Nov</u>	<u>Dec - Mar</u>	<u>Apr</u>
0	150	\$/Mlb	11.427	10.654	11.427
151	500	\$/Mlb	22.218	18.747	22.218
501	4,000	\$/Mlb	19.487	16.699	19.487
4,001		\$/Mlb	18.823	16.201	18.823
<b>Customer Charge</b>		<b>\$/Month</b>	<b>1,293.12</b>	<b>1,293.12</b>	<b>1,293.12</b>
<b>Demand on-peak</b>		<b>\$/Mlb/hr</b>	<b>---</b>	<b>939.31</b>	<b>---</b>
<b>Demand all-time</b>		<b>\$/Mlb/hr</b>	<b>---</b>	<b>100.86</b>	<b>---</b>

*May to October – will remain the same*

# Demand Billing: The Impact

<b>Sector</b>	<b>Bill Impact</b>
<b>Commercial</b>	Impacts vary, depending on load factor.
<b>Residential</b>	Impacts vary, depending on load factor. Only for very few will impact exceed 1%.
<b>Hospitals</b>	All benefit to varying degrees.
<b>Hotels</b>	Majority benefit. Only for very few will impact exceed 1%.

### Customer: Low Load Factor



# Customer High Load Factor

