

WAC 480-85-030 Definitions. (1) "Allocation factor" means a mathematical expression of the specific cost relationship among revenue requirement and customer classes.

(2) "Common function" means costs that can be functionalized to both electric and natural gas operations.

(3) "Cost of service study" means a study that identifies and calculates, using regulatory accounting rules and principles, the extent to which customers in various customer classes cause costs to a utility. This study correlates a utility's costs and revenues with the service provided to customers in each customer class.

(4) "Electric distribution system peak" means the maximum load of the Washington portion of a utility's distribution system within an identified time frame.

(5) "Load study" means a statistical analysis of load data collected from sampled customers to estimate the load profiles of customer classes over a minimum twelve-month period. Load profile estimates of customer classes shall be hourly (or subhourly) for electric, and daily for natural gas. A load forecast or load projection model is not a substitute for a load study.

(6) "Parity ratio" means a customer class's revenue-to-cost ratio divided by the system's revenue-to-cost ratio. This ratio shall only be presented to the commission as either a percentage or a decimal.

(7) "Revenue-to-cost ratio" means revenue at current rates divided by the revenue requirement. This ratio shall only be presented to the commission as either a percentage or a decimal.

(8) "Special contract" means a negotiated service agreement between a utility and a customer approved pursuant to WAC 480-80-143.

[Statutory Authority: RCW 80.01.040, 80.04.160 and chapter 80.28 RCW. WSR 20-15-024 (Docket UE-170002 and UG-170003, General Order R-599), § 480-85-030, filed 7/7/20, effective 8/7/20.]