

GENERAL INFORMATION

A Capacity Allocation Model (CAM) may be used for a large, multi-year expansion in a defined development area. The purpose of this model compared to the standard evaluation, is that “first movers” do not bear the cost of the entire expansion.

Each developer who connects to capacity built under the CAM contributes its share of the entire upstream infrastructure expansion based on their requested load.

Capital contributions are forecasted and recovered over a period that cannot exceed 15 years.

Customers who connect to the CAM area after Year 1 will also pay a financing charge to keep earlier contributors and the electricity ratepayers whole.

Electricity distributors will require binding financial commitments (e.g., letters of credit) for any agreed (i.e. committed) capacity.

CAM QUALIFICATIONS– all 5 are necessary to become a CAM project

1. A large, primarily residential area (*i.e. there may be schools, plaza's, parks, commercial on the bottom floor of a condo – all to serve the residential development, and the majority of the load is from the residential customers*) is commencing development that is a new development, i.e. the LDC has not entered into a final agreement and the expansion plan is not finalized; and
2. More than one developer can be expected to connect in the area over more than a single year, and not up to 15 years in the future, and will include additional development and expansion requirements based on municipal official plans and secondary plans; and
3. A level of maturity of the development plans has been reached, so that the LDC can begin planning the infrastructure build; i.e. a site plan is at minimum in development, (*i.e. it is known where roads and civil infrastructure will be in order to design the electricity infrastructure, and the LDC has enough decided information from the develop(s) to run a model*); and
4. Significant system expansion investments are needed to bring capacity to the area such as development / expansion of transformer or distribution stations, or long distribution feeders, and
5. A significant portion of the agreed committed and paid committed security is submitted, i.e. credit (i.e. LOC).

It is expected that there will be a discussion between the LDC and the developers on the load required, which will be used in the calculation for capital, etc.