

## **SCHEDULE O. PROPOSED PROCEDURE IN CONVERTING THE MAP TO RATES FOR INDIVIDUAL CUSTOMER CLASS**

CEPALCO proposed to adopt the following procedure to convert the ERC-approved MAP into rates for individual customer classes:

1. Derive Functionalization and Allocation Factors using the UFR/Rate Unbundling Template
2. Compute the Revenue Requirement using the ERC-approved MAP and the Forecasted Energy
3. Functionalize the resulting MAP-based revenue requirement into Distribution, Supply, and Metering Functions using the derived Functionalization Factors.
4. Allocate the functionalized MAP-based revenue requirement to different customer classes using the derived Allocation Factors.
5. Convert allocated revenue requirement to rates using the forecasted billing determinants. Initially, CEPALCO intends to use the following rate design:
  - Distribution Charge:
    - i. P/kWh for Rate Schedule 16-46 (Streetlights to Commercial)
    - ii. Combination of P/kWh and P/kW for Rate Schedule 56 (Industrial)
    - iii. P/kW Charge for Rate Schedule 66 to 96 (Big Industrial to Bulk Power)
  - Supply Charge
    - i. P/kWh for Rate Schedule 16-46
    - ii. Combination of P/kWh and P/Customer Charges for Rate Schedule 56-96
  - Metering Charge
    - i. Combination of P/kWh and P/Customer Charges for Rate Schedule 26
    - ii. P/Customer Charge for Rate Schedule 36-96