

FOUNDATION WORKING GROUP SESSION #1

Cost Recovery for Third Party Access

April 22, 2015

Objective

Establish principles, explore considerations, and identify options for recovery of costs to fulfill third party access requests.

Costs – Categories

- Organization registration, authorization and authentication
- Intake and request assessment
- Query design, testing/quality assurance
- Review and approval
- Execution
- Delivery of results, including transportation
- Incremental infrastructure and communication costs
- Incremental software licencing costs
- Costs vary by nature and complexity of query or data retrieval request

Principles

- “Cost allocation policies reasonably allocate the costs of providing service to various classes of consumers and, as such, provide an important reference for establishing rates that are just and reasonable.” *[Board Report, EB-2010-0219, March 31, 2011]*
 - Just and reasonable
 - Cost causality
 - Allocation of benefits

Other Design Principles?

- Should the design of any cost recovery model consider other principles? For example:
 - Does not impede SME and LDCs from meeting obligations
 - Public value
 - Avoid unnecessary barriers
 - Operating and administrative efficiency
 - Future-proof to evolving system, market and policy needs