

The indicators of local distribution in the Commission's seven-factor test are:

- (1) Local distribution facilities are normally in close proximity to retail customers;
- (2) Local distribution facilities are primarily radial in character;
- (3) Power flows into local distribution systems, and rarely, if ever flows out;
- (4) When power enters a local distribution system, it is not reconsigned or transported on to some other market;
- (5) Power entering a local distribution system is consumed in a comparatively restricted geographic area;
- (6) Meters are based at the transmission/local distribution interface to measure flow into the local distribution system; and
- (7) Local distribution systems will be of reduced voltage.