



3RD Generation Incentive Regulation Revenue to Cost Ratio Adjustment Model for 2013 Filers

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While this model has been provided in Excel format and is required to be filed with the applications, the onus remains on the applicant to ensure the accuracy of the data and the results.



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The purpose of this sheet is to set up the rate classes, enter the re-based billing determinants from your last cost of service application and enter the current service charge and volumetric distribution rates as found on your May 1, 2012 (or subsequent) Tariff of rates and charges.

Rate Group	Rate Class	Fixed Metric	Vol Metric	Re-based Billed Customers or Connections A	Re-based Billed kWh B	Re-based Billed kW C	Current Tariff Service Charge D	Current Tariff Distribution Volumetric Rate kWh E	Current Tariff Distribution Volumetric Rate kW F
RES	Residential	Customer	kWh	9,703	94,590,900		15.11	0.0116	
GSLT50	General Service Less Than 50 kW	Customer	kWh	683	18,707,282		25.56	0.0125	
GSGT50	General Service 50 to 4,999 kW	Customer	kW	100	69,874,994	191,455	165.08		1.6936
SL	Street Lighting	Connection	kW	2,548	1,578,145	4,403	1.75		4.3469
USL	Unmetered Scattered Load	Connection	kWh	80	355,293		17.62	0.0111	
NA	Rate Class 6	NA	NA						
NA	Rate Class 7	NA	NA						
NA	Rate Class 8	NA	NA						
NA	Rate Class 9	NA	NA						
NA	Rate Class 10	NA	NA						
NA	Rate Class 11	NA	NA						
NA	Rate Class 12	NA	NA						
NA	Rate Class 13	NA	NA						
NA	Rate Class 14	NA	NA						
NA	Rate Class 15	NA	NA						
NA	Rate Class 16	NA	NA						
NA	Rate Class 17	NA	NA						
NA	Rate Class 18	NA	NA						
NA	Rate Class 19	NA	NA						
NA	Rate Class 20	NA	NA						
NA	Rate Class 21	NA	NA						
NA	Rate Class 22	NA	NA						
NA	Rate Class 23	NA	NA						
NA	Rate Class 24	NA	NA						
NA	Rate Class 25	NA	NA						



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The purpose of this sheet is to remove any rate adders included in current rates. Most applicants will not need to make an entry on this sheet.

Rate Class	Current Tariff Service Charge A	Current Tariff Distribution Volumetric Rate kWh B	Current Tariff Distribution Volumetric Rate kW C	Service Charge Rate Adders D	Distribution Volumetric kWh Rate Adders E	Distribution Volumetric kW Rate Adders F	Base Service Charge H = A - D	Base Distribution Volumetric Rate kWh I = B - E	Base Distribution Volumetric Rate kW J = C - F
Residential	15.11	0.0116	0.0000	0.00	0.0000	0.0000	15.11	0.0116	0.0000
General Service Less Than 50 kW	25.56	0.0125	0.0000	0.00	0.0000	0.0000	25.56	0.0125	0.0000
General Service 50 to 4,999 kW	165.08	0.0000	1.6936	0.00	0.0000	0.0000	165.08	0.0000	1.6936
Street Lighting	1.75	0.0000	4.3469	0.00	0.0000	0.0000	1.75	0.0000	4.3469
Unmetered Scattered Load	17.62	0.0111	0.0000	0.00	0.0000	0.0000	17.62	0.0111	0.0000



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The purpose of this sheet is to calculate current revenue from rate classes.

Rate Class	Re-based Billed Customers or Connections A	Re-based Billed kWh B	Re-based Billed kW C	Current Base Service Charge D	Current Base Distribution Volumetric Rate kWh E	Current Base Distribution Volumetric Rate kW F	Service Charge Revenue *12 G	Distribution Volumetric Rate Revenue kWh H = B * E	Distribution Volumetric Rate Revenue kW I = C * F	Revenue Requireme nt from Rates J	Service Charge % Revenue K = G / J	Distribution Volumetric Rate % Revenue kWh L = H / J	Distribution Volumetric Rate % Revenue kW M = I / J	Total % Revenue N = J / R
Residential	9,703	94,590,900	0	15.11	0.0116	0.0000	1,759,404	1,099,745	0	2,859,149	61.5%	38.5%	0.0%	73.0%
General Service Less Than 50 kW	683	18,707,282	0	25.56	0.0125	0.0000	209,472	233,472	0	442,945	47.3%	52.7%	0.0%	11.3%
General Service 50 to 4,999 kW	100	69,874,994	191,455	165.08	0.0000	1.6936	198,491	0	324,248	522,739	38.0%	0.0%	62.0%	13.3%
Street Lighting	2,548	1,578,145	4,403	1.75	0.0000	4.3469	53,383	0	19,140	72,523	73.6%	0.0%	26.4%	1.9%
Unmetered Scattered Load	80	355,293	0	17.62	0.0111	0.0000	16,911	3,929	0	20,840	81.1%	18.9%	0.0%	0.5%
							2,237,661	1,337,146	343,388	3,918,195				100.0%
							O	P	Q	R				



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The purpose of this sheet is to enter the Revenue Cost Ratios as determined from column G on Sheet "10. Proposed R C Ratio Adj" of the applicant's 2012 IRM3 Supplemental Filing Module or 2012 COS Decision and Order.

Under the column labeled "Direction", the applicant can choose "No Change" (i.e: no change in that rate class ratio), "Change" (i.e: Board ordered change from COS decision) or "Rebalance" (i.e: to apply any offset adjustments required).


Rate Class	Direction	Current Year 2012	Transition Year 1 2013	Transition Year 2 2014	Transition Year 3 2015	Transition Year 4 2016	Transition Year 5 2017
Residential	Change	106.09%	105.88%	105.68%	105.68%	105.68%	105.68%
General Service Less Than 50 kW	No Change	101.92%	101.92%	101.92%	101.92%	101.92%	101.92%
General Service 50 to 4,999 kW	No Change	80.00%	80.00%	80.00%	80.00%	80.00%	80.00%
Street Lighting	Change	61.13%	65.60%	70.00%	70.00%	70.00%	70.00%
Unmetered Scattered Load	No Change	103.56%	103.56%	103.56%	103.56%	103.56%	103.56%



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The purpose of this sheet is to allocate the Revenue Offsets (miscellaneous revenue, cell F47) found in the last COS to the various rate classes in proportion to the allocation from the Cost Allocation informational filing.

Rate Class	Informational Filing	Percentage Split	Allocated Revenue
	Revenue Offsets		Offsets
	A	C= A / B	E = D * C
Residential	249,184	71.84%	249,184
General Service Less Than 50 kW	33,797	9.74%	33,797
General Service 50 to 4,999 kW	49,472	14.26%	49,472
Street Lighting	11,648	3.36%	11,648
Unmetered Scattered Load	2,740	0.79%	2,740
	346,841	100.00%	346,841
	B		D



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The purpose of this sheet is to remove the transformer allowance from volumetric rates. In Cell E47, enter your Transformer Allowance as per your 2012 IRM3 Supplemental Filing Module or your last CoS Decision. Under the column labeled "Transformer Allowance in Rates" select "Yes" if included in that rate class or "No" if not included. Once selected, apply the update button to reveal input cells in which you can enter the number of kW's and the transformer rate for each rate class.

Rate Class	Transformer Allowance In Rate	Transformer Allowance A	Transformer Allowance kW's C	Transformer Allowance Rate E	Volumetric Distribution Rate F	Billed kW's G	Adjusted Volumetric Distribution Rate $I = (F * (G - C) + (F - E) * C) / G$
Residential	No						
General Service Less Than 50 kW	No						
General Service 50 to 4,999 kW	Yes	33,000	55,000	0.6000	1.6936	191,455	1.5212
Street Lighting	No						
Unmetered Scattered Load	No						
		33,000 B	55,000 D			191,455 H	



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The purpose of this sheet is to calculate revenue by rate class that includes Revenue Offsets and excludes Transformer Allowance prior to Revenue Cost Ratio Adjustment re-allocation.


Rate Class	Billed Customers or Connections		Billed kWh	Billed kW	Base Service Charge	Base Distribution Volumetric Rate kWh	Base Distribution Volumetric Rate kW	Service Charge *12	Distribution Volumetric Rate kWh H = B * E	Distribution Volumetric Rate kW I = C * F	Revenue Requirement from Rates J = G + H + I	Allocated Revenue Offset K	Adjusted Revenue L = J + K
	A	B											
Residential	9,703	94,590,900	0	0	15.11	0.0116	0.0000	1,759,404	1,099,745	0	2,859,149	249,184	3,108,333
General Service Less Than 50 kW	683	18,707,282	0	0	25.56	0.0125	0.0000	209,472	233,472	0	442,945	33,797	476,742
General Service 50 to 4,999 kW	100	69,874,994	191,455	0	165.08	0.0000	1,5212	198,491	0	291,248	489,739	49,472	539,211
Street Lighting	2,548	1,578,145	4,403	0	1.75	0.0000	4.3469	53,383	0	19,140	72,523	11,648	84,171
Unmetered Scattered Load	80	355,293	0	0	17.62	0.0111	0.0000	16,911	3,929	0	20,840	2,740	23,580
								2,237,661	1,337,146	310,388	3,885,195	346,841	4,232,036
								O	P	Q	R		



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Proposed Revenue Cost Ratio Adjustment

Rate Class	Adjusted Revenue A	Current Revenue Cost Ratio B	Re-Allocated Cost C = A / B	Proposed Revenue Cost Ratio D	Final Adjusted Revenue E = C * D	Dollar Change F = E - C	Percentage Change G = (E / C) - 1
Residential	\$ 3,108,333	1.06	\$ 2,929,818	1.06	\$ 3,102,180	-\$ 6,153	-0.2%
General Service Less Than 50 kW	\$ 476,742	1.02	\$ 467,746	1.02	\$ 476,742	-\$ 0	0.0%
General Service 50 to 4,999 kW	\$ 539,211	0.80	\$ 674,014	0.80	\$ 539,211	\$ 0	0.0%
Street Lighting	\$ 84,171	0.61	\$ 137,689	0.66	\$ 90,324	\$ 6,153	7.3%
Unmetered Scattered Load	\$ 23,580	1.04	\$ 22,769	1.04	\$ 23,580	\$ 0	0.0%
	<u>\$ 4,232,036</u>		<u>\$ 4,232,036</u>		<u>\$ 4,232,036</u>	<u>-\$ 0</u>	<u>0.0%</u>
Out of Balance					0		
Final ?					Yes		



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Proposed Revenue from Revenue Cost Ratio Adjustment

Rate Class	Adjusted Revenue By Revenue Cost Ratio A	Allocated Re- Based Revenue Offsets B	Revenue Requirement from Rates Before Transformer Allowance C = A - B	Re-based Transformer Allowance D	Revenue Requirement from Rates E = C + D
Residential	\$ 3,102,180	\$ 249,184	\$ 2,852,996	\$ -	\$ 2,852,996
General Service Less Than 50 kW	\$ 476,742	\$ 33,797	\$ 442,945	\$ -	\$ 442,945
General Service 50 to 4,999 kW	\$ 539,211	\$ 49,472	\$ 489,739	\$ 33,000	\$ 522,739
Street Lighting	\$ 90,324	\$ 11,648	\$ 78,676	\$ -	\$ 78,676
Unmetered Scattered Load	\$ 23,580	\$ 2,740	\$ 20,840	\$ -	\$ 20,840
	<u>\$ 4,232,036</u>	<u>\$ 346,841</u>	<u>\$ 3,885,195</u>	<u>\$ 33,000</u>	<u>\$ 3,918,195</u>



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Proposed fixed and variable revenue allocation

Rate Class	Revenue Requirement from Rates A	Service Charge % Revenue B	Distribution Volumetric Rate % Revenue kWh C	Distribution Volumetric Rate % Revenue kW D	Service Charge Revenue E = A * B	Distribution Volumetric Rate Revenue kWh F = A * C	Distribution Volumetric Rate Revenue kW G = A * D	Revenue Requirement from Rates by Rate Class H = E + F + G
Residential	\$ 2,852,996	61.5%	38.5%	0.0%	\$ 1,755,618	\$ 1,097,378	\$ -	\$ 2,852,996
General Service Less Than 50 kW	\$ 442,945	47.3%	52.7%	0.0%	\$ 209,472	\$ 233,472	\$ -	\$ 442,945
General Service 50 to 4,999 kW	\$ 522,739	38.0%	0.0%	62.0%	\$ 198,491	\$ -	\$ 324,248	\$ 522,739
Street Lighting	\$ 78,676	73.6%	0.0%	26.4%	\$ 57,912	\$ -	\$ 20,764	\$ 78,676
Unmetered Scattered Load	\$ 20,840	81.1%	18.9%	0.0%	\$ 16,911	\$ 3,929	\$ -	\$ 20,840
	<u>\$ 3,918,195</u>				<u>\$ 2,238,404</u>	<u>\$ 1,334,779</u>	<u>\$ 345,012</u>	<u>\$ 3,918,195</u>



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Proposed fixed and variable rates

Rate Class	Distribution Volumetric			Re-based Billed			Proposed Base Service Charge G = A / D / 12	Proposed Base Distribution Volumetric Rate kWh H = B / E	Proposed Base Distribution Volumetric Rate kW I = C / F
	Service Charge Revenue A	Rate Revenue kWh B	Rate Revenue kW C	Customers or Connections D	Re-based Billed kWh E	Re-based Billed kW F			
Residential	\$ 1,755,618	\$ 1,097,378	\$ -	9,703	94,590,900	0	15.08	0.0116	-
General Service Less Than 50 kW	\$ 209,472	\$ 233,472	\$ -	683	18,707,282	0	25.56	0.0125	-
General Service 50 to 4,999 kW	\$ 198,491	\$ -	\$ 324,248	100	69,874,994	191,455	165.08	-	1.6936
Street Lighting	\$ 57,912	\$ -	\$ 20,764	2,548	1,578,145	4,403	1.89	-	4.7157
Unmetered Scattered Load	\$ 16,911	\$ 3,929	\$ -	80	355,293	0	17.62	0.0111	-



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Proposed adjustments to Base Service Charge and Distribution Volumetric Rate. Enter the adjustments found in column M and N below into Sheet 9 of the 2013 IRM Rate Generator Model.

Rate Class	Proposed Base			Current Base			Adjustment		
	Proposed Base Service Charge	Distribution Volumetric Rate kWh	Distribution Volumetric Rate kW	Current Base Service Charge	Distribution Volumetric Rate kWh	Distribution Volumetric Rate kW	Required Base Service Charge	Base Distribution Volumetric Rate kWh	Required Base Distribution Volumetric Rate kW
	A	B	C	D	E	F	G = A - D	H = B - E	I = C - F
Residential	\$ 15.08	\$ 0.0116	\$ -	\$ 15.11	\$ 0.0116	\$ -	-\$ 0.03	-\$ 0.0000	\$ -
General Service Less Than 50 kW	\$ 25.56	\$ 0.0125	\$ -	\$ 25.56	\$ 0.0125	\$ -	\$ -	\$ -	\$ -
General Service 50 to 4,999 kW	\$ 165.08	\$ -	\$ 1.6936	\$ 165.08	\$ -	\$ 1.6936	\$ -	\$ -	\$ -
Street Lighting	\$ 1.89	\$ -	\$ 4.7157	\$ 1.75	\$ -	\$ 4.3469	\$ 0.15	\$ -	\$ 0.3688
Unmetered Scattered Load	\$ 17.62	\$ 0.0111	\$ -	\$ 17.62	\$ 0.0111	\$ -	\$ -	\$ -	\$ -