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# **EXHIBIT 7: COST ALLOCATION**

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#### **Exhibit 7: Cost Allocation Overview**

#### 2.7.1 Cost Allocation Study Requirements

- 3 In this application, PUC Distribution has used the 2018 version of the cost allocation model
- 4 released by the OEB on July 14, 2017. The model has been loaded with 2018 test year costs,
- 5 customer numbers and demand values for PUC Distribution. The 2018 demand values were
- 6 based on the 2018 weather normalized load forecast used to design rates. The various weighting
- 7 factors used in the 2018 study have been updated and explained below.

#### 8 Weighting Factors

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- 9 PUC Distribution has developed weighting factors as outlined below based on discussions with
- staff experienced in the subject area. Labour, materials and outside costs required to perform the
- specific tasks below were estimated to determine each rate class factor. PUC Distribution
- assigned a weighting factor of 1 to the Residential rate class and further calculated the associated
- weighting factors for the remaining rate classes.

#### 14 Services (Account 1855)

#### **Table 7-1: Service Weighting Factors**

Rate Class	Factor
Residential	1.0
General Service < 50 kW	0.7
General Service 50 to 4,999 kW	0.4
Sentinel Lighting	0.05
Street Lights	0.05
Unmetered Scattered Load	0.05

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1 Billing and Collection (Accounts 5315 – 5340, except 5335)

#### **Table 7-2: Billing Weighting Factors**

Rate Class	Factor
Residential	1.0
General Service < 50 kW	1.1
General Service 50 to 4,999 kW	4.0
Sentinel Lighting	0.8
Street Lights	0.8
Unmetered Scattered Load	0.8

4 Meter Capital (Sheet I7.1)

#### **Table 7-3: Meter Capital Installation Costs**

Meter Type	Installation Cost per Meter
Smart Meter - Residential	\$205
Smart Meter - General Service < 50 kW	\$587
Smart Meter - General Service 50 to 4,999 kW	\$1,006

7 Meter Reading (Sheet 17.2)

#### **Table 7-4: Meter Reading Weighting Factor**

Meter Type	Factor
Smart Meter - Residential	1.0
Smart Meter - General Service	
< 50 kW	1.0
Smart Meter - General Service	
50 to 4,999 kW	19.81

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#### Summary of Results and Proposed Changes

- 2 The data used in the updated cost allocation study is consistent with PUC Distribution's cost data
- 3 that supports the proposed 2018 revenue requirement outlined in this application. PUC
- 4 Distribution's assets were broken out into primary and secondary distribution functions using
- 5 breakout percentages used in PUC Distribution's 2013 cost of service rate application (EB-2012-
- 6 0162). The breakout of assets, capital contributions, depreciation, accumulated depreciation,
- 7 customer data and load data by primary, line transformer and secondary categories were
- 8 developed from the best data available to PUC Distribution, its engineering records, and its
- 9 customer and financial information systems. An Excel version of the updated cost allocation
- study has been included with the filed application material. In addition, Appendix 1 outlines
- Input Sheets I-6 & I-8 and Output Sheets O-1 & O-2 (first page only).
- 12 Capital contributions, depreciation and accumulated depreciation by USoA are consistent with
- the information provided in the 2018 continuity statement shown in Exhibit 2. The rate class
- customer data used in the updated cost allocation study is consistent with the 2018 customer
- 15 forecast outlined in Exhibit 3.
- 16 The load profiles for each rate class are the same as those used in the 2013 study but have been
- scaled to match the 2018 load forecast. In a letter, dated June 12, 2015, the OEB stated that it
- 18 expected distributors to be mindful of material changes to load profiles and to propose updates in
- 19 their respective cost of service applications when warranted. PUC Distribution is not aware of
- any reason for the load profiles to have materially changed between the classes. As a result, PUC
- 21 Distribution has not updated its load profiles at this time. PUC Distribution intends to put plans
- in place to update its load profiles prior to its next cost of service application.
- 23 PUC Distribution proposes to use the same method as was used in the 2013 Cost of Service
- 24 application for PUC Distribution to determine the demand data for the 2018 cost allocation
- 25 model. This method involves applying a scaling factor to the 2013 demand data in the 2013 cost
- 26 allocation model to determine the 2018 demand data for cost allocation. The scaling factor
- 27 represents by class the percentage of 2018 weather normalized volumes compared to the 2013

- 1 weather normalized volumes. The scaling factors used to estimate the 2018 demand data for the
- 2 2018 cost allocation model are shown below in Table 7-5.

#### **Table 7-5 Load Profiling Scaling Factors**

Rate Class		2018 Weather Normal Values (kWh)	Scaling Factor
Residential	340,561,449	296,393,596	87.0%
General Service < 50 kW	102,179,766	94,320,130	92.3%
General Service 50 to 4,999 kW	251,632,820	248,349,153	98.7%
Sentinel Lighting	254,165	218,403	85.9%
Street Lights	7,907,160	2,415,793	30.6%
Unmetered Scattered Load	872,889	1,176,822	134.8%
Total	703,408,249	642,873,897	91.4%

- 5 The allocated cost by rate class for the 2013 Cost of Service filing and the 2018 updated study
- 6 are provided in the following Table 7-6.

# <u>Table 7-6: Allocated Cost –</u> (Consistent with RRWF, Tab 11 Cost Allocation, Allocated Costs)

Rate Class	2013 Board Approved Cost Allocation Study	%	2018 Cost Allocation Study	%
Residential	\$11,580,870	61.5%	\$14,193,143	64.3%
General Service < 50 kW	\$2,673,048	14.2%	\$3,048,990	13.8%
General Service 50 to 4,999 kW	\$3,475,269	18.4%	\$4,543,021	20.6%
Sentinel Lighting	\$45,301	0.2%	\$46,411	0.2%
Street Lights	\$1,033,492	5.5%	\$204,002	0.9%
Unmetered Scattered Load	\$33,369	0.2%	\$45,677	0.2%
Total	\$18,841,349	100.0%	\$22,081,245	100.0%

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- 1 PUC Distribution is not proposing an Embedded Distributor rate class (PUC Distribution is not a
- 2 host to any other distributor), Standby Rates (PUC Distribution will await the OEB's new rate
- 3 policy for commercial customers, once implemented), or a Large Use Class (no customers are
- 4 forecasted for this class in the test year).
- 5 Unmetered Loads
- 6 PUC Distribution communicates with unmetered load customers, including Street Lighting
- 7 customers, to assist them in understanding the regulatory context in which distributors operate
- 8 and how it affects unmetered load customers. This communication takes place on an on-going
- 9 basis and is not driven by the rate application process.
- 10 microFIT Class
- PUC Distribution is not proposing to include microFIT as a separate class in the cost allocation
- model in 2018. PUC Distribution understands that the cost allocation model will produce a
- calculation of unit costs which the OEB will use to update the uniform microFIT rate at a future
- 14 date.
- 15 2.7.1.1 New Customer Class
- 16 PUC Distribution is not proposing to include a new customer class.
- 17 2.7.1.2 Eliminated Customer Class
- 18 PUC Distribution is not proposing to eliminate a rate class.

#### 2.7.2 Class Revenue Requirements

- 2 The following Table 7-7 provides information on calculated class revenue. The resulting 2018
- 3 proposed base revenue will be the amount used in Exhibit 8 to design the proposed distribution
- 4 charges in this application.

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## <u>Table 7-7 Calculated Class Revenue –</u> (Consistent with RRWF, Tab 11 Cost Allocation, Calculated Class Revenues)

Rate Class	2018 Base Revenue at Existing Rates	2018 Proposed Base Revenue Allocated at Existing Rates Proportion	2018 Proposed Base Revenue	Miscellaneous Revenue
Residential	\$9,084,381	\$11,172,059	\$11,487,469	\$1,567,716
General Service < 50 kW	\$2,640,479	\$3,247,287	\$3,247,287	\$323,010
General Service 50 to 4,999 kW	\$3,797,584	\$4,670,305	\$4,670,305	\$441,680
Sentinel Lighting	\$29,086	\$35,771	\$35,771	\$8,392
Street Lights	\$420,382	\$516,990	\$203,298	\$41,505
Unmetered Scattered Load	\$39,984	\$49,173	\$47,454	\$7,358
Total	\$16,011,897	\$19,691,584	\$19,691,584	\$2,389,661

### 9 2.7.3 Revenue-to-Cost Ratios

- 10 The results of a cost allocation study are typically presented in the form of revenue to cost ratios.
- 11 The ratio is shown by rate classification and is the percentage of distribution revenue collected
- 12 by rate classification compared to the costs allocated to the classification. The percentage
- identifies the rate classifications that are being subsidized and those that are over-contributing. A
- 14 percentage of less than 100% means the rate classification is under-contributing and is being
- subsidized by other classes of customers. A percentage of greater than 100% indicates the rate
- 16 classification is over-contributing and is subsidizing other classes of customers.
- 17 In the March Board Report, the Board established what it considered to be the appropriate ranges
- of revenue to cost ratios which are summarized in Table 7-8 below. In addition, Table 7-8

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- 1 provides PUC Distribution's revenue to cost ratios from the 2013 application, the updated 2018
- 2 cost allocation study and the proposed 2018 to 2020 ratios.

#### <u>Table 7-8 Revenue to Cost Ratios – </u>

#### (Consistent with RRWF, Tab 11 Cost Allocation, Proposed & Rebalancing

#### **Revenue to Cost Ratios**)

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Rate Class	2013 Board Approved Cost Allocation Study	2018 Cost Allocation Study	2018 Proposed Ratios	2019 & 2020 Ratios	OEB Targets Min to Max
Residential	92.7%	89.8%	92.0%	92.0%	85.0% 115.0%
General Service < 50 kW	113.4%	117.1%	117.1%	117.1%	80.0% 120.0%
General Service 50 to 4,999 kW	119.5%	112.5%	112.5%	112.5%	80.0% 120.0%
Sentinel Lighting	83.0%	95.2%	95.2%	95.2%	80.0% 120.0%
Street Lights	82.3%	273.8%	120.0%	120.0%	80.0% 120.0%
Unmetered Scattered Load	100.1%	123.8%	120.0%	120.0%	80.0% 120.0%

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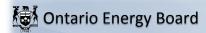
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The 2018 cost allocation study indicates the revenue to cost ratios for the Street Lighting and Unmetered Scattered Load rate classes are outside the OEB's range. For 2018 and onward, it is proposed the ratios for the Street Lighting and Unmetered Scattered Load rate classes be brought within the OEB's range. The Residential class will be adjusted upward to maintain revenue neutrality.

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#### **APPENDIX 1**

Input Sheets I-6 & I-8 Output Sheets O-1 & O-2 (first page only).



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#### **Sheet I6.1 Revenue Worksheet -**

Total kWhs from Load Forecast	642,873,897
Total kWs from Load Forecast	632,192
Deficiency/sufficiency ( RRWF 8. cell F52)	- 3,679,687

Miscellaneous Revenue (RRWF 5.	0.000.001
cell F48)	2,389,661

			1	2	3	7	8	9
	ID	Total	Residential	GS <50	GS>50-Regular	Street Light	Sentinel	Unmetered Scattered Load
Billing Data								
Forecast kWh	CEN	642,873,897	296,393,596	94,320,130	248,349,153	2,415,793	218,403	1,176,822
Forecast kW	CDEM	632,192			624,500	7,076	616	
Forecast kW, included in CDEM, of customers receiving line transformer allowance		138,000			138,000			
Optional - Forecast kWh, included in CEN, from customers that receive a line transformation allowance on a kWh basis. In most cases this will not be applicable and will be left blank.		_						
KWh excluding KWh from Wholesale Market Participants	CEN EWMP	642,873,897	296,393,596	94,320,130	248,349,153	2,415,793	218,403	1,176,822
						`		

Existing Monthly Charge			\$16.79	\$17.11	\$114.46	\$2.94	\$2.93	\$12.69
Existing Distribution kWh Rate			\$0.0104	\$0.0205				\$0.0310
Existing Distribution kW Rate					\$5.4372	\$19.1736	\$27.3551	
Existing TOA Rate					\$0.60			
Additional Charges								
Distribution Revenue from Rates		\$16,094,697	\$9,084,381	\$2,640,479	\$3,880,384	\$420,382	\$29,086	\$39,984
Transformer Ownership Allowance		\$82,800	\$0	\$0	\$82,800	\$0	\$0	\$0
Net Class Revenue	CREV	\$16,011,897	\$9,084,381	\$2,640,479	\$3,797,584	\$420,382	\$29,086	\$39,984



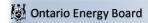
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#### **Sheet I6.2 Customer Data Worksheet** -

		[	1	2	3	7	8	9
	ID	Total	Residential	GS <50	GS>50-Regular	Street Light	Sentinel	Unmetered Scattered Load
Billing Data		•						
Bad Debt 3 Year Historical Average	BDHA	\$303,205	\$229,262	\$43,267	\$30,676	\$0	\$0	\$0
Late Payment 3 Year Historical Average	LPHA	\$257,333	\$189,877	\$36,868	\$30,588			
Number of Bills	CNB	1,475,760	357,468	41,316	4,236	48	12	276
Number of Devices	CDEV					9,314		
Number of Connections (Unmetered)	CCON	8,713				8,070	348	295
Total Number of Customers	CCA	33,613	29,789	3,443	353	4	1	23
Bulk Customer Base	ССВ	-						
Primary Customer Base	CCP	33,878	29,789	3,443	353	269	1	23
Line Transformer Customer Base	CCLT	33,833	29,789	3,438	313	269	1	23
Secondary Customer Base	ccs	32,856	29,789	2,906	133	4	1	23
Weighted - Services	CWCS	32,257	29,789	1,976	56	404	17	15
Weighted Meter -Capital	CWMC	8,482,904	6,106,745	2,021,041	355,118	-	-	-
Weighted Meter Reading	CWMR	40,225	29,789	3,443	6,993	-	-	-
Weighted Bills	CWNB	420,701	357,468	45,861	17,113	37	9	213

#### **Bad Debt Data**

Historic Year:	2015	181,140	136,965	25,848	18,327			
Historic Year:	2016	378,475	286,175	54,008	38,291			
Bridge Year:	2017	350,000	264,645	49,944	35,411			
Three-vear average		303.205	229.262	43.267	30.676	-	-	-



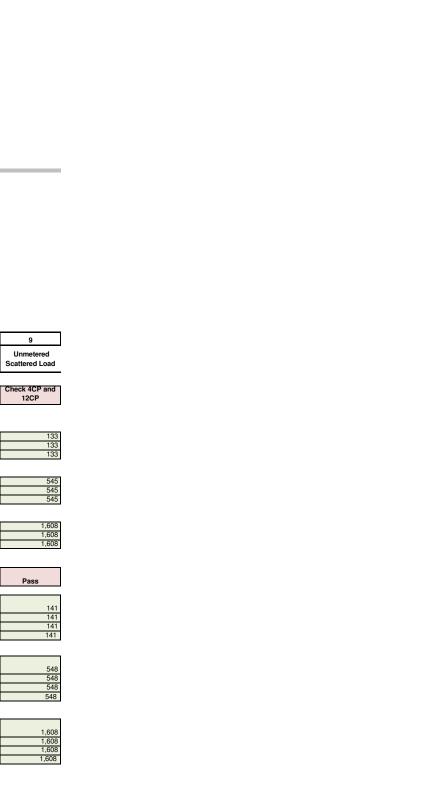
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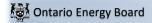
#### Sheet IS Demand Data Worksheet -

This is an input sheet for demand allocators.

CP TEST RESULTS	4 CP
NCP TEST RESULTS	4 NCP
Co-incident Peak	Indicator
1 CP	CP 1
4 CP	CP 4
12 CP	CP 12
Non-co-incident Peak	Indicator
1 NCP	NCP 1
4 NCP	NCP 4
12 NCD	NCD 10

			1	2	3	7	8	9
Customer Classes		Total	Residential	GS <50	GS>50-Regular	Street Light	Sentinel	Unmetered Scattered Load
		CP Sanity Check	Pass	Pass	Check 4CP	Check 4CP and 12CP	Check 4CP and 12CP	Check 4CP and 12CP
CO-INCIDENT	PEAK	Curry Cricon	. 400	. 200	0.1001. 101	0.	.20.	.20.
1 CP								
Transformation CP	TCP1	130,045	71,461	20,180	38,271			133
Bulk Delivery CP	BCP1	130,045	71,461	20,180	38,271			133
Total Sytem CP	DCP1	130,045	71,461	20,180	38,271			133
4 CP								
Transformation CP	TCP4	497,642	267,266	67,776	160,347	1,577	131	545
Bulk Delivery CP	BCP4	497,642	267,266	67,776	160,347	1,577	131	545
Total Sytem CP	DCP4	497,642	267,266	67,776	160,347	1,577	131	545
			. ,					
12 CP								
Transformation CP	TCP12	1,228,789	610,928	175,873	437,014	3,087	278	1,608
Bulk Delivery CP	BCP12	1,228,789	610,928	175,873	437,014	3,087	278	1,608
Total Sytem CP	DCP12	1,228,789	610,928	175,873	437,014	3,087	278	1,608
NON CO_INCIDE	NT PEAK							
		NCP Sanity Check	Pass	Pass	Pass	Pass	Pass	Pass
1 NCP		•						
Classification NCP from								
Load Data Provider	DNCP1	140,280	74,085	22,170	43,132	653	98	141
Primary NCP	PNCP1	140,280	74,085	22,170	43,132	653	98	141
Line Transformer NCP	LTNCP1	135,921	74,085	22,126	38,819	653	98	141
Secondary NCP	SNCP1	400 570						
4 NCP	0.10	108,576	74,085	18,933	14,665	653	98	141
	0.101	108,576	74,085	18,933	14,665	653	98	141
	0.10.1	108,576	74,085	18,933	14,665	653	98	141
Classification NCP from			·	·				
Classification NCP from Load Data Provider	DNCP4	536,073	280,089	83,525	169,029	2,525	357	548
Classification NCP from Load Data Provider Primary NCP	DNCP4 PNCP4	536,073 536,073	280,089 280,089	83,525 83,525	169,029 169,029	2,525 2,525	357 357	548 548
Classification NCP from Load Data Provider Primary NCP Line Transformer NCP	DNCP4	536,073 536,073 519,003	280,089 280,089 280,089	83,525 83,525 83,357	169,029 169,029 152,126	2,525 2,525 2,525	357 357 357	548 548 548
Classification NCP from Load Data Provider Primary NCP Line Transformer NCP Secondary NCP	DNCP4 PNCP4 LTNCP4	536,073 536,073	280,089 280,089	83,525 83,525	169,029 169,029	2,525 2,525	357 357	548 548
Classification NCP from Load Data Provider Primary NCP Line Transformer NCP Secondary NCP	DNCP4 PNCP4 LTNCP4	536,073 536,073 519,003	280,089 280,089 280,089	83,525 83,525 83,357	169,029 169,029 152,126	2,525 2,525 2,525	357 357 357 357	548 548 548
Classification NCP from Load Data Provider Primary NCP Line Transformer NCP Secondary NCP 12 NCP Classification NCP from	DNCP4 PNCP4 LTNCP4 SNCP4	536,073 536,073 519,003 412,319	280,089 280,089 280,089 280,089	83,525 83,525 83,357 71,330	169,029 169,029 152,126 57,470	2,525 2,525 2,525 2,525 2,525	357 357 357 357 357 357	548 548 548 548
Classification NCP from Load Data Provider Primary NCP Line Transformer NCP Secondary NCP 12 NCP Classification NCP from Load Data Provider	DNCP4 PNCP4 LTNCP4 SNCP4 DNCP12	536,073 536,073 519,003 412,319	280,089 280,089 280,089 280,089	83,525 83,525 83,357 71,330	169,029 169,029 152,126 57,470 469,459	2,525 2,525 2,525 2,525 2,525	357 357 357 357 357 357	548 548 548 548 1,608
Classification NCP from Load Data Provider Primary NCP Line Transformer NCP Secondary NCP 12 NCP Classification NCP from Load Data Provider Primary NCP	DNCP4 PNCP4 LTNCP4 SNCP4 DNCP12 PNCP12	536,073 536,073 519,003 412,319 1,337,868 1,337,868	280,089 280,089 280,089 280,089 643,526 643,526	83,525 83,525 83,357 71,330 215,097 215,097	169,029 169,029 152,126 57,470 469,459 469,459	2,525 2,525 2,525 2,525 2,525 7,357 7,357	357 357 357 357 357 357	548 548 548 548 1,608
Classification NCP from Load Data Provider Primary NCP Line Transformer NCP Secondary NCP 12 NCP Classification NCP from Load Data Provider	DNCP4 PNCP4 LTNCP4 SNCP4 DNCP12	536,073 536,073 519,003 412,319	280,089 280,089 280,089 280,089	83,525 83,525 83,357 71,330	169,029 169,029 152,126 57,470 469,459	2,525 2,525 2,525 2,525 2,525	357 357 357 357 357 357	548 548 548 548 1,608





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#### **Sheet O1 Revenue to Cost Summary Worksheet** -

nstructions:

Please see the first tab in this workbook for detailed instructions

Class Revenue, Cost Analysis, and Return on Rate Base

			1	2	3	7	8	9	
Rate Base Assets		Total	Residential	GS <50	GS>50-Regular	Street Light	Sentinel	Unmetered Scattered Load	
crev	Distribution Revenue at Existing Rates	\$16,011,897	\$9,084,381	\$2,640,479	\$3,797,584	\$420,382	\$29,086	\$39,984	
mi	Miscellaneous Revenue (mi)	\$2,389,661	\$1,567,716		\$441,680	\$41,505	\$8,392	\$7,358	
		tput				ļ			
	Total Revenue at Existing Rates	\$18,401,558	\$10,652,097	\$2,963,489	\$4,239,264	\$461,887	\$37,479	\$47,342	
	Factor required to recover deficiency (1 + D)	1.2298							Į.
	Distribution Revenue at Status Quo Rates	\$19,691,584	\$11,172,059	\$3,247,287	\$4,670,305	\$516,990	\$35,771	\$49,173	
	Miscellaneous Revenue (mi)	\$2,389,661	\$1,567,716	\$323,010	\$441,680	\$41,505	\$8,392	\$7,358	
	Total Revenue at Status Quo Rates	\$22,081,245	\$12,739,775	\$3,570,297	\$5,111,985	\$558,494	\$44,163	\$56,531	
	Expenses	4	40 474 504	A754 070	\$4.0 <del>7</del> 4.000	450.040	A.F. 500	A. 4. 707	
di	Distribution Costs (di) Customer Related Costs (cu)	\$5,575,886 \$2,212,119	\$3,471,594 \$1,726,781	\$751,678 \$294,810	\$1,271,699 \$152,883	\$50,649 \$34,424	\$15,538 \$1,501	\$14,727 \$1,720	
cu ad	General and Administration (ad)	\$2,212,119 \$4,167,828	\$2,772,669	\$560,788	\$771,444	\$44,974	\$9,130	\$8,822	
dep	Depreciation and Amortization (dep)	\$3,783,956	\$2,335,532	\$562,494	\$844,521	\$27,278	\$7,041	\$7,090	
INPUT	PILS (INPUT)	\$366,429	\$224.578	\$50.804	\$86.818	\$2.697	\$763	\$770	
INT	Interest	\$2,389,294	\$1,464,356	\$331,267	\$566,093	\$17,587	\$4,974	\$5,018	
	Total Expenses	\$18,495,512	\$11,995,511	\$2,551,841	\$3,693,458	\$177,609	\$38,947	\$38,147	
									1
	Direct Allocation	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
NI	Allocated Net Income (NI)	\$3,585,733	\$2,197,632	\$497,149	\$849,563	\$26,393	\$7,464	\$7,530	
	Revenue Requirement (includes NI)	\$22,081,245	\$14,193,143	\$3,048,990	\$4,543,021	\$204,002	\$46,411	\$45,677	
		quals Output							
	Rate Base Calculation								
a.	Net Assets Distribution Plants Course	0404 046 000	#74.707.070	\$10,000,10 <del>7</del>	#00 044 00 <del>7</del>	#000 0 <del>7</del> 0	0074.004	#000 40F	
dp	Distribution Plant - Gross General Plant - Gross	\$121,216,039 \$1,604,890	\$74,707,272 \$988,800	\$16,963,187 \$222,377	\$28,041,387 \$373,585	\$960,378 \$12,792	\$274,381 \$3,704	\$269,435 \$3,632	
gp accum den	Accumulated Depreciation	(\$15,769,425)	(\$9,700,867)	(\$2,353,608)	(\$3,545,383)	(\$112,469)	(\$28,271)	(\$28,827)	
co	Capital Contribution	(\$14,333,603)	(\$9,168,323)	(\$1,976,988)	(\$2,904,255)	(\$177,910)	(\$56,682)	(\$49,444)	
	Total Net Plant	\$92,717,901	\$56,826,883	\$12,854,968	\$21,965,334	\$682,790	\$193,131	\$194,795	
				. , ,	. , ,	,			1
	Directly Allocated Net Fixed Assets	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
COP	Cost of Power (COP)	\$79,854,870	\$36.828.093	\$11.714.885	\$30.838.659	\$299.980	\$27,120	\$146,131	
001	OM&A Expenses	\$11,955,833	\$7,971,045	\$1,607,276	\$2,196,026	\$130,047	\$26,169	\$25,270	
	Directly Allocated Expenses	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
	Subtotal	\$91,810,703	\$44,799,138	\$13.322.161	\$33.034.686	\$430.027	\$53.289	\$171,401	
		\$31,010,703	φ44,133,130	\$10,022,101	\$55,054,000	\$430,027	φ55,209	\$171,401	
	Working Capital	\$6,885,803	\$3,359,935	\$999,162	\$2,477,601	\$32,252	\$3,997	\$12,855	
	Total Rate Base	\$99,603,704	\$60,186,818	\$13,854,130	\$24,442,935	\$715,042	\$197,128	\$207,650	ĺ
			Base Input equals	Output					1
	Equity Component of Poto Poco	\$39,841,481	•	•	¢0 777 474	\$286,017	\$78,851	\$83,060	
	Equity Component of Rate Base	\$39,041,481	\$24,074,727	\$5,541,652	\$9,777,174	\$200,017	\$70,851	\$03,U6U	
	Net Income on Allocated Assets	\$3,585,733	\$744,264	\$1,018,456	\$1,418,527	\$380,885	\$5,217	\$18,384	
	Net Income on Direct Allocation Assets	\$0	\$0	\$0	\$0	\$0	\$0	\$0	



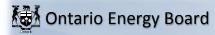
#### EB-2017-0071

#### Sheet O1 Revenue to Cost Summary Worksheet -

Instructions:
Please see the first tab in this workbook for detailed instructions

Class Revenue, Cost Analysis, and Return on Rate Base

			1	2	3	7	8	9
Rate Base Assets		Total	Residential	GS <50	GS>50-Regular	Street Light	Sentinel	Unmetered Scattered Load
	Net Income	\$3,585,733	\$744,264	\$1,018,456	\$1,418,527	\$380,885	\$5,217	\$18,384
	RATIOS ANALYSIS							
	REVENUE TO EXPENSES STATUS QUO%	100.00%	89.76%	117.10%	112.52%	273.77%	95.16%	123.76%
	EXISTING REVENUE MINUS ALLOCATED COSTS	(\$3,679,687)	(\$3,541,046)	(\$85,501)	(\$303,757)	\$257,884	(\$8,932)	\$1,665
		Deficie	ency Input equals	Output				
	STATUS QUO REVENUE MINUS ALLOCATED COSTS	(\$0)	(\$1,453,368)	\$521,306	\$568,964	\$354,492	(\$2,248)	\$10,854
	RETURN ON EQUITY COMPONENT OF RATE BASE	9.00%	3.09%	18.38%	14.51%	133.17%	6.62%	22.13%



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#### Sheet O2 Monthly Fixed Charge Min. & Max. Worksheet -

Output sheet showing minimum and maximum level for Monthly Fixed Charge

#### **Summary**

Customer Unit Cost per month - Avoided Cost

Customer Unit Cost per month - Directly Related

Customer Unit Cost per month - Minimum System with PLCC Adjustment

Existing Approved Fixed Charge

	1	2	3	7	8	9
	Residential	GS <50	GS>50-Regular	Street Light	Sentinel	Unmetered Scattered Load
L	\$5.00	\$8.99	\$27.92	\$0.35	\$0.35	\$0.47
	\$7.32	\$12.42	\$44.35	\$0.54	\$0.54	\$0.73
	\$19.00	\$23.51	\$62.31	\$1.55	\$10.73	\$8.68
	\$16.79	\$17.11	\$114.46	\$2.94	\$2.93	\$12.69