

CASE NO. EC-2002-1
SETTLEMENT REVENUE DECREASE TO EACH CLASS

	RESIDENTIAL	SMALL GS	LGS & SPS	LARGE GS	SMALL PS	LARGE PS	LIGHTING	PUBLIC AUTH	TOTAL MO
Current Revenue	\$806,432,274	\$230,907,516	\$611,334,005	\$408,658,319	\$202,675,686	\$162,582,050	\$25,633,368	\$56,547	\$1,841,711,201
% Current Revenues	44.52%	12.75%	33.75%	22.56%	11.19%	8.98%			
Year 1 Changes to Revs:									
Equal % Changes	(\$20,480,754)	(\$5,864,299)	(\$15,525,893)	(\$10,378,590)	(\$5,147,302)	(\$4,129,055)			(\$46,000,000)
Add'l Changes		(\$1,000,000)	\$0	\$0	\$0	(\$3,000,000)			(\$4,000,000)
Add'l Changes								(\$1,535)	(\$1,535)
Year 1 Total (\$)	(\$20,480,754)	(\$6,864,299)	(\$15,525,893)	(\$10,378,590)	(\$5,147,302)	(\$7,129,055)			(\$50,001,535)
Year 2 Changes to Revs:									
Equal % Changes	(\$11,576,078)	(\$3,314,604)	(\$8,775,505)	(\$5,866,160)	(\$2,909,345)	(\$2,333,813)			(\$26,000,000)
Add'l Changes		(\$1,000,000)	\$0	\$0	\$0	(\$3,000,000)			(\$4,000,000)
Add'l Changes								(\$921)	(\$921)
Year 2 Total (\$)	(\$11,576,078)	(\$4,314,604)	(\$8,775,505)	(\$5,866,160)	(\$2,909,345)	(\$5,333,813)			(\$30,000,921)
Year 3 Changes to Revs:									
Equal % Changes	(\$11,576,078)	(\$3,314,604)	(\$8,775,505)	(\$5,866,160)	(\$2,909,345)	(\$2,333,813)			(\$26,000,000)
Add'l Changes		(\$1,000,000)	\$0	\$0	\$0	(\$3,000,000)			(\$4,000,000)
Add'l Changes								(\$921)	(\$921)
Year 3 Total (\$)	(\$11,576,078)	(\$4,314,604)	(\$8,775,505)	(\$5,866,160)	(\$2,909,345)	(\$5,333,813)			(\$30,000,921)
Cumulative Total:									
Equal % Changes	(\$43,632,910)	(\$12,493,506)	(\$33,076,902)	(\$22,110,910)	(\$10,965,992)	(\$8,796,682)			(\$98,000,000)
Add'l Changes	\$0	(\$3,000,000)	\$0	\$0	\$0	(\$9,000,000)			(\$12,000,000)
Add'l Changes								(\$3,377)	(\$3,377)
Cum Total (\$)	(\$43,632,910)	(\$15,493,506)	(\$33,076,902)	(\$22,110,910)	(\$10,965,992)	(\$17,796,682)			(\$110,003,377)

Assumptions used in the Calculation of Revenue Reductions to Classes:

- 1 Rate revenues by rate schedule are taken from the Revenues testimony of Staff witness Janice Pyatte [surrebuttal, schedule 1].
- 2 "Equal % Changes" to revenues for all years are calculated from current revenues, using percentages shown in line 2.
- 3 Rate revenues from this settlement account for the impact of the \$2,058,145 reduction in other (non-rate) revenues from late payment charges from Case No. EC-2002-152.
- 4 Revenue and rate reductions to Public Authorities class (special contract) will be in addition to negotiated revenue reductions.

CASE NO. EC-2002-1
SETTLEMENT CALCULATION OF PERCENTAGE CHANGE TO RATES

CURRENT REVENUE BY CLASS AND BY TYPE OF CHARGE

	RESIDENTIAL	SMALL GS	LGS & SPS	LARGE PS	LIGHTING	TOTAL
Current Revenue	\$806,432,274	\$230,907,516	\$611,334,006	\$162,582,050	\$25,633,368	
Energy Chrg \$	\$721,415,615	\$216,964,713	\$538,299,427	\$93,739,801		\$1,570,419,555
Demand Chrg \$			\$64,925,500	\$70,651,569		\$135,577,069
Total Dem\$ + Energy\$	\$721,415,615	\$216,964,713	\$603,224,927	\$164,391,370		\$1,705,996,625
Cust Chrg \$	\$85,016,660	\$13,942,801	\$8,278,643	\$139,412		\$107,377,516
Reactive Chrg \$			\$519,267	\$233,006		\$752,273
TOD Adjustments				\$14,473		\$14,473
Rider B&G Credits			(\$685,568)	(\$2,196,210)		(\$2,881,777)

Computation of % Change to Rates (Demand and Energy Charges)

Year 1 %	-2.84%	-3.16%	-2.57%	-4.34%	0.00%
Year 2 %	-1.60%	-1.99%	-1.45%	-3.24%	0.00%
Year 3 %	-1.60%	-1.99%	-1.45%	-3.24%	0.00%
Cum % Year 2	-4.44%	-5.15%	-4.03%	-7.58%	0.00%
Cum % Year 3	-6.05%	-7.14%	-5.48%	-10.83%	0.00%

Assumptions used in the Calculation of Percentage Change to Rates:

- 1 The percentage change to rates assume that all energy charges and all demand charges are to be uniformly reduced by an equal percentage that is calculated from the negotiated revenue reductions for each class for each year.
- 2 Other charges (customer charges, reactive charges, and TOD adjustments to energy charges) remain at current rate levels.
- 3 Rider B and Rider G credits remain at current rate levels.

CASE NO. EC-2002-1
LARGE GENERAL SERVICE/SMALL PRIMARY SERVICE RATE DESIGN PROPOSAL

	REVENUE DECREASE		
	LGS & SPS	LGS	SPS
Current Revenue	\$611,334,005	\$408,658,319	\$202,675,686
% Current Revenues	33.75%	22.56%	11.19%
Year 1 Changes to Revs:			
Equal % Changes	(\$15,525,893)	(\$10,378,590)	(\$5,147,302)
Add'l Changes			
Add'l Changes			
Year 1 Total (\$)	(\$15,525,893)	(\$10,378,590)	(\$5,147,302)
Year 2 Changes to Revs:			
Equal % Changes	(\$8,775,505)	(\$5,866,160)	(\$2,909,345)
Add'l Changes			
Add'l Changes			
Year 2 Total (\$)	(\$8,775,505)	(\$5,866,160)	(\$2,909,345)
Year 3 Changes to Revs:			
Equal % Changes	(\$8,775,505)	(\$5,866,160)	(\$2,909,345)
Add'l Changes			
Add'l Changes			
Year 3 Total (\$)	(\$8,775,505)	(\$5,866,160)	(\$2,909,345)
Cumulative Total:			
Equal % Changes	(\$33,076,902)	(\$22,110,910)	(\$10,965,992)
Add'l Changes			
Add'l Changes			
Cum Total (\$)	(\$33,076,902)	(\$22,110,910)	(\$10,965,992)

	PERCENTAGE CHANGE TO RATES		
	LGS & SPS	LGS	SPS
Current Revenue	\$611,334,006	\$408,658,319	\$202,675,687
Energy Chrg \$	\$538,299,427	\$353,414,960	\$184,884,467
Demand Chrg \$	\$64,925,500	\$48,551,629	\$16,373,871
Total Dem\$+Energy\$	\$603,224,927	\$401,966,589	\$201,258,338
Cust Chrg \$	\$8,278,643	\$6,691,730	\$1,586,913
Reactive Chrg \$	\$519,267		\$519,267
TOD Adjustments	\$0		
Rider B&G Credits	(\$688,831)		(\$688,831)
			\$202,675,687
Computation of % Change to Rates (Demand and Energy Charges)			
Year 1 %	-2.57%	(\$0)	-2.56%
Year 2 %	-1.45%	(\$0)	-1.45%
Year 3 %	-1.45%	(\$0)	-1.45%
Cum % Year 2	-4.03%	(\$0)	-4.00%
Cum % Year 3	-5.48%	(\$0)	-5.45%

**CASE NO. EC-2002-1
SETTLEMENT RATES AND PROOF OF REVENUE**

RESIDENTIAL

	Billing Units	Current Rates	Proposed Rates (Year 1)	Proposed Rates (Year 2)	Proposed Rates (Year 3)	% Difference Year 1	% Difference Yr 1=>Yr 2	% Difference Yr 2=>Yr 3	% Difference Cumulative
Customer Charge:									
Regular Bills	11,725,261.7	\$7.25	\$7.25	\$7.25	\$7.25	0.00%	0.00%	0.00%	0.00%
TOU Bills	567.5	\$15.00	\$15.00	\$15.00	\$15.00	0.00%	0.00%	0.00%	0.00%
Total Bills	11,725,829.2								
Energy Charge:									
Summer kWh	4,305,337,591	\$0.0813	\$0.0790	\$0.0777	\$0.0764	-2.84%	-1.60%	-1.60%	-6.05%
Winter kWh									
First 750 kWh	4,228,246,983	\$0.0577	\$0.0561	\$0.0551	\$0.0542	-2.84%	-1.60%	-1.60%	-6.05%
Over 750 kWh	3,273,377,358	\$0.0389	\$0.0378	\$0.0372	\$0.0366	-2.84%	-1.60%	-1.60%	-6.05%
Total Reg kWh	11,806,961,932								
TOD Energy Charge:									
Summer On-peak	123,484	\$0.1182	\$0.1148	\$0.1129	\$0.1111	-2.84%	-1.60%	-1.60%	-6.05%
Summer Off-Peak	210,845	\$0.0485	\$0.0471	\$0.0463	\$0.0456	-2.84%	-1.60%	-1.60%	-6.05%
Winter On-Peak	204,885	\$0.0697	\$0.0677	\$0.0666	\$0.0655	-2.84%	-1.60%	-1.60%	-6.05%
Winter Off-Peak	452,257	\$0.0345	\$0.0335	\$0.0330	\$0.0324	-2.84%	-1.60%	-1.60%	-6.05%
Total TOD kWh	991,470								
Total Revenues		\$806,432,275	\$785,951,521	\$774,375,443	\$762,799,365				
Change in Revenues						(\$20,480,754)	(\$11,576,078)	(\$11,576,078)	(\$43,632,910)

**CASE NO. EC-2002-1
SETTLEMENT RATES AND PROOF OF REVENUE**

SMALL GENERAL SERVICE

	Billing Units	Current Rates	Proposed Rates (Year 1)	Proposed Rates (Year 2)	Proposed Rates (Year 3)	% Difference Year 1	% Difference Yr 1=>Yr 2	% Difference Yr 2=>Yr 3	% Difference Cumulative
Customer Charge:									
Regular Single Phase B	1,120,570.2	\$7.25	\$7.25	\$7.25	\$7.25	0.00%	0.00%	0.00%	0.00%
Regular Three Phase Bi	384,549.7	\$15.10	\$15.10	\$15.10	\$15.10	0.00%	0.00%	0.00%	0.00%
TOD Single Phase Bills	342.4	\$15.00	\$15.00	\$15.00	\$15.00	0.00%	0.00%	0.00%	0.00%
TOD Three Phase Bills	227.7	\$30.00	\$30.00	\$30.00	\$30.00	0.00%	0.00%	0.00%	0.00%
	<u>1,505,690.0</u>								
Energy Charge:									
Summer kWh	1,206,365,213	\$0.0799	\$0.0774	\$0.0758	\$0.0742	-3.16%	-1.99%	-1.99%	-7.14%
Winter									
Base kWh	1,736,899,013	\$0.0596	\$0.0577	\$0.0565	\$0.0553	-3.16%	-1.99%	-1.99%	-7.14%
Seasonal kWh	494,404,379	\$0.0345	\$0.0334	\$0.0327	\$0.0320	-3.16%	-1.99%	-1.99%	-7.14%
	<u>3,437,668,605</u>								
TOD Energy Charge:									
Summer On-peak		\$0.1186	\$0.1148	\$0.1125	\$0.1101	-3.16%	-1.99%	-1.99%	-7.14%
Summer Off-Peak		\$0.0484	\$0.0756	\$0.0741	\$0.0725	-3.16%	-1.99%	-1.99%	-7.14%
Winter On-Peak		\$0.0781	\$0.0469	\$0.0459	\$0.0449	-3.16%	-1.99%	-1.99%	-7.14%
Winter Off-Peak		\$0.0359	\$0.0348	\$0.0341	\$0.0333	-3.16%	-1.99%	-1.99%	-7.14%
Total Revenues		\$230,907,514	\$224,043,215	\$219,728,611	\$215,414,008				
Change in Revenues						(\$6,864,299)	(\$4,314,604)	(\$4,314,604)	(\$15,493,506)

CASE NO. EC-2002-1
SETTLEMENT RATES AND PROOF OF REVENUE

LARGE GENERAL SERVICE

	Billing Units	Current Rates	Proposed Rates (Year 1)	Proposed Rates (Year 2)	Proposed Rates (Year 3)	% Difference Year 1	% Difference Yr 1 => Yr 2	% Difference Yr 2 => Yr 3	% Difference Cumulative
Customer Charges:									
Summer Regular Bills	33,610	\$66.00	\$66.00	\$66.00	\$66.00	0.00%	0.00%	0.00%	0.00%
Winter Regular Bills	67,765	\$66.00	\$66.00	\$66.00	\$66.00	0.00%	0.00%	0.00%	0.00%
Summer TOD Bills	25	\$14.00	\$14.00	\$14.00	\$14.00	0.00%	0.00%	0.00%	0.00%
Winter TOD Bills	45	\$14.00	\$14.00	\$14.00	\$14.00	0.00%	0.00%	0.00%	0.00%
Demand Charges:									
Summer kW	7,422,115	\$3.79	\$3.69	\$3.64	\$3.58	-2.58%	-1.46%	-1.46%	-5.50%
Winter kW	15,127,269	\$1.35	\$1.32	\$1.30	\$1.28	-2.58%	-1.46%	-1.46%	-5.50%
Total Billed kW	22,549,384								
Energy Charges:									
Summer									
First 150 HU	1,044,382,597	\$0.0784	\$0.0764	\$0.0752	\$0.0741	-2.58%	-1.46%	-1.46%	-5.50%
Next 200 HU	1,147,656,528	\$0.0591	\$0.0576	\$0.0567	\$0.0558	-2.58%	-1.46%	-1.46%	-5.50%
Over 350 HU	435,441,214	\$0.0396	\$0.0386	\$0.0380	\$0.0374	-2.58%	-1.46%	-1.46%	-5.50%
Winter									
First 150 HU	1,746,290,455	\$0.0491	\$0.0478	\$0.0471	\$0.0464	-2.58%	-1.46%	-1.46%	-5.50%
Next 200 HU	1,902,150,359	\$0.0368	\$0.0358	\$0.0353	\$0.0348	-2.58%	-1.46%	-1.46%	-5.50%
Over 350 HU	686,992,767	\$0.0286	\$0.0279	\$0.0274	\$0.0270	-2.58%	-1.46%	-1.46%	-5.50%
Seasonal	387,251,878	\$0.0286	\$0.0279	\$0.0274	\$0.0270	-2.58%	-1.46%	-1.46%	-5.50%
Total kWh	7,350,165,798								
TOD Adjustments:									
Summer on-peak kWh		\$0.0088	\$0.0088	\$0.0088	\$0.0088	0.00%	0.00%	0.00%	0.00%
Summer off-peak kWh		(\$0.0049)	(\$0.0049)	(\$0.0049)	(\$0.0049)	0.00%	0.00%	0.00%	0.00%
Winter on-peak kWh		\$0.0027	\$0.0027	\$0.0027	\$0.0027	0.00%	0.00%	0.00%	0.00%
Winter off-peak kWh		(\$0.0015)	(\$0.0015)	(\$0.0015)	(\$0.0015)	0.00%	0.00%	0.00%	0.00%
Total Revenues		\$408,658,319	\$398,279,728	\$392,413,568	\$386,547,409				
Change in Revenues						(\$10,378,590)	(\$5,866,160)	(\$5,866,160)	(\$22,110,910)

CASE NO. EC-2002-1
SETTLEMENT RATES AND PROOF OF REVENUE

SMALL PRIMARY SERVICE

	Billing Units	Current Rates	Proposed Rates (Year 1)	Proposed Rates (Year 2)	Proposed Rates (Year 3)	% Difference Year 1	% Difference Yr 1=>Yr 2	% Difference Yr 2=>Yr 3	% Difference Cumulative
Customer Charges:									
Summer Regular Bills	2,540.3	\$210.00	\$210.00	\$210.00	\$210.00	0.00%	0.00%	0.00%	0.00%
Winter Regular Bills	5,015.2	\$210.00	\$210.00	\$210.00	\$210.00	0.00%	0.00%	0.00%	0.00%
Summer TOD Bills	4.9	\$14.00	\$14.00	\$14.00	\$14.00	0.00%	0.00%	0.00%	0.00%
Winter TOD Bills	13.7	\$14.00	\$14.00	\$14.00	\$14.00	0.00%	0.00%	0.00%	0.00%
	7,574.1								
Demand Charges:									
Summer kW	3,281,769.7	\$3.01	\$2.93	\$2.89	\$2.85	-2.56%	-1.45%	-1.45%	-5.45%
Winter kW	5,905,222.1	\$1.10	\$1.07	\$1.06	\$1.04	-2.56%	-1.45%	-1.45%	-5.45%
Total Billed kW	9,186,991.8								
Energy Charges:									
Summer									
First 150 HU	486,118,577	\$0.0745	\$0.0726	\$0.0715	\$0.0704	-2.56%	-1.45%	-1.45%	-5.45%
Next 200 HU	604,259,686	\$0.0562	\$0.0548	\$0.0540	\$0.0531	-2.56%	-1.45%	-1.45%	-5.45%
Over 350 HU	383,801,416	\$0.0376	\$0.0366	\$0.0361	\$0.0356	-2.56%	-1.45%	-1.45%	-5.45%
Winter									
First 150 HU	811,391,234	\$0.0469	\$0.0457	\$0.0450	\$0.0443	-2.56%	-1.45%	-1.45%	-5.45%
Next 200 HU	1,017,223,074	\$0.0349	\$0.0340	\$0.0335	\$0.0330	-2.56%	-1.45%	-1.45%	-5.45%
Over 350 HU	803,643,939	\$0.0273	\$0.0266	\$0.0262	\$0.0258	-2.56%	-1.45%	-1.45%	-5.45%
Seasonal	175,219,464	\$0.0273	\$0.0266	\$0.0262	\$0.0258	-2.56%	-1.45%	-1.45%	-5.45%
Total kWh	4,281,657,390								
TOD Adjustments:									
Summer on-peak kWh		\$0.0063	\$0.0063	\$0.0063	\$0.0063	0.00%	0.00%	0.00%	0.00%
Summer off-peak kWh		(\$0.0035)	(\$0.0035)	(\$0.0035)	(\$0.0035)	0.00%	0.00%	0.00%	0.00%
Winter on-peak kWh		\$0.0023	\$0.0023	\$0.0023	\$0.0023	0.00%	0.00%	0.00%	0.00%
Winter off-peak kWh		(\$0.0013)	(\$0.0013)	(\$0.0013)	(\$0.0013)	0.00%	0.00%	0.00%	0.00%
Reactive Charge:									
Billed kVars	2,163,612.2	\$0.24	\$0.24	\$0.24	\$0.24	0.00%	0.00%	0.00%	0.00%
Rider B Credits:									
Rider B kW (138 kV/Pri)		(\$0.95)	(\$0.95)	(\$0.95)	(\$0.95)	0.00%	0.00%	0.00%	0.00%
Rider B kW (34.5 kV/Pr	296,371.1	(\$0.81)	(\$0.81)	(\$0.81)	(\$0.81)	0.00%	0.00%	0.00%	0.00%
Rider B kW (34.5 kV/34	554,037.0	(\$0.81)	(\$0.81)	(\$0.81)	(\$0.81)	0.00%	0.00%	0.00%	0.00%
Rider G Credits		(\$3.00)	(\$3.00)	(\$3.00)	(\$3.00)	0.00%	0.00%	0.00%	0.00%
Total Revenues		\$202,675,687	\$197,528,384	\$194,619,040	\$191,709,695				
Change in Revenues						(\$5,147,302)	(\$2,909,345)	(\$2,909,345)	(\$10,965,992)

**CASE NO. EC-2002-1
SETTLEMENT RATES AND PROOF OF REVENUE**

LARGE PRIMARY SERVICE

	Billing Units	Current Rates	Proposed Rates (Year 1)	Proposed Rates (Year 2)	Proposed Rates (Year 3)	% Difference Year 1	% Difference Yr 1=>Yr 2	% Difference Yr 2=>Yr 3	% Difference Cumulative
Customer Charges:									
Regular Bills	663.1	\$210.00	\$210.00	\$210.00	\$210.00	0.00%	0.00%	0.00%	0.00%
TOD Bills	12.0	\$14.00	\$14.00	\$14.00	\$14.00	0.00%	0.00%	0.00%	0.00%
Demand Charges:									
Summer kW	2,476,729.1	\$15.67	\$14.99	\$14.48	\$13.97	-4.34%	-3.24%	-3.24%	-10.83%
Winter kW	4,478,372.0	\$7.11	\$6.80	\$6.57	\$6.34	-4.34%	-3.24%	-3.24%	-10.83%
Total Billed kW	6,955,101.1								
Energy Charges:									
Summer kWh	1,386,118,648	\$0.0262	\$0.0251	\$0.0242	\$0.0234	-4.34%	-3.24%	-3.24%	-10.83%
Winter kWh	2,485,865,461	\$0.0231	\$0.0221	\$0.0213	\$0.0206	-4.34%	-3.24%	-3.24%	-10.83%
Total kWh	3,871,984,109								
TOD Adjustments:									
Summer on-peak kWh	11,711,970	\$0.0045	\$0.0045	\$0.0045	\$0.0045	0.00%	0.00%	0.00%	0.00%
Summer off-peak kWh	17,131,190	(\$0.0025)	(\$0.0025)	(\$0.0025)	(\$0.0025)	0.00%	0.00%	0.00%	0.00%
Winter on-peak kWh	18,219,228	\$0.0020	\$0.0020	\$0.0020	\$0.0020	0.00%	0.00%	0.00%	0.00%
Winter off-peak kWh	28,946,661	(\$0.0011)	(\$0.0011)	(\$0.0011)	(\$0.0011)	0.00%	0.00%	0.00%	0.00%
Reactive Charge:									
Billed kVars	970,858.8	\$0.24	\$0.24	\$0.24	\$0.24	0.00%	0.00%	0.00%	0.00%
Rider B Credits:									
Rider B kW (138 kV/Pri)	527,287.8	(\$0.95)	(\$0.95)	(\$0.95)	(\$0.95)	0.00%	0.00%	0.00%	0.00%
Rider B kW (34.5 kV/Pr	656,060.0	(\$0.81)	(\$0.81)	(\$0.81)	(\$0.81)	0.00%	0.00%	0.00%	0.00%
Rider B kW (34.5 kV/34	1,317,061.8	(\$0.81)	(\$0.81)	(\$0.81)	(\$0.81)	0.00%	0.00%	0.00%	0.00%
Rider G Credits									
	32,352.5	(\$3.00)	(\$3.00)	(\$3.00)	(\$3.00)	0.00%	0.00%	0.00%	0.00%
Total Revenues		\$162,582,051	\$155,452,997	\$150,119,183	\$144,785,370				
Change in Revenues						(\$7,129,055)	(\$5,333,813)	(\$5,333,813)	(\$17,796,682)