

**PENN YAN MUNICIPAL UTILITIES BOARD  
ELECTRIC DEPARTMENT**

**RATE REQUEST**

**BASED ON THE YEAR ENDED MAY 31, 2018 (BASE YEAR)  
FORECAST PERIOD JUNE 1, 2019 (EFFECTIVE DATE  
OF RATE INCREASE) TO MAY 31, 2020  
Issued December 20, 2018**

**PENN YAN MUNICIPAL UTILITIES BOARD  
ELECTRIC DEPARTMENT**

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**PENN YAN MUNICIPAL UTILITIES BOARD  
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**FORECASTED STATEMENT OF OPERATIONS  
Based on the Year Ended May 31, 2018 (Base Year)**

	Base Year May 31, 2018	Normalizing Adjustments	Adjusted Base Year	Rate Year Adjustments	Normalized Rate Year Before Revenue Increase	Revenue Increase Request	Rate Year After Increase	Note Reference
<b>Revenues</b>								
Operating revenues - Base	\$ 3,055,057	\$ (23,246)	\$ 3,031,811	\$ -	\$ 3,031,811	\$ 331,333	\$ 3,363,144	1
Operating revenues - PPAC	1,068,315	80,529	1,148,844	-	1,148,844	-	1,148,844	1
Late charges	7,736	-	7,736	(322)	7,414	-	7,414	1
Miscellaneous operating revenues	61,038	-	61,038	(16,753)	44,285	-	44,285	1
Total revenues	<u>4,192,146</u>	<u>57,283</u>	<u>4,249,429</u>	<u>(17,075)</u>	<u>4,232,354</u>	<u>331,333</u>	<u>4,563,687</u>	
<b>Expenses</b>								
Purchased power, and related costs	2,874,593	(20,749)	2,853,844	-	2,853,844	-	2,853,844	2.a.
Labor, net of capitalized labor	372,660	-	372,660	83,342	456,002	-	456,002	2.b.1
FICA, medical, retirement, workers' compensation, etc.	181,699	5,097	186,796	35,170	221,966	-	221,966	2.b.2
Contractual/material expenses								
Transmission	2,246	-	2,246	(474)	1,772	-	1,772	2.b.3
Maintenance of poles and fixtures	1,286	-	1,286	(96)	1,190	-	1,190	2.b.3
Distribution	147,902	-	147,902	(11,352)	136,550	-	136,550	2.b.3
Street lights	35,494	-	35,494	(31,912)	3,582	-	3,582	2.b.3
Consumer accounting and collection	33,692	-	33,692	(7,222)	26,470	-	26,470	2.b.3
Sales expense	218	-	218	(40)	178	-	178	2.b.3
Administrative and general	162,400	-	162,400	9,562	171,962	-	171,962	2.b.3
Allocation of employee benefits	(140,715)	-	(140,715)	1,729	(138,986)	-	(138,986)	2.b.10
Insurance	33,468	-	33,468	5,550	39,018	-	39,018	2.b.4
Uncollectible accounts	5,124	-	5,124	1,714	6,838	-	6,838	2.b.5
Depreciation	259,247	-	259,247	9,699	268,946	-	268,946	2.b.6
Rent	103,000	-	103,000	(17,695)	85,305	-	85,305	2.b.7
Taxes (PILOT and other taxing jurisdictions)	46,018	-	46,018	17,011	63,029	-	63,029	2.b.7
Tree trimming - contracted	-	-	-	40,000	40,000	-	40,000	2.b.12
Amortization of rate filing costs	-	-	-	6,000	6,000	-	6,000	2.b.11
Contractual appropriations of income - gross receipts tax	41,311	-	41,311	496	41,807	-	41,807	2.b.8
Contractual appropriations of income - NYPA loan payment	1,036	86,120	87,156	-	87,156	-	87,156	2.b.9
Total expenses	<u>4,160,679</u>	<u>70,468</u>	<u>4,231,147</u>	<u>141,482</u>	<u>4,372,629</u>	<u>-</u>	<u>4,372,629</u>	
<b>Operating income (*)</b>	<u><b>\$ 31,467</b></u>	<u><b>\$ (13,185)</b></u>	<u><b>\$ 18,282</b></u>	<u><b>\$ (158,557)</b></u>	<u><b>\$ (140,275)</b></u>	<u><b>\$ 331,333</b></u>	<u><b>\$ 191,058</b></u>	
<b>Rate Base</b>	<u><b>\$ 4,681,508</b></u>				<u><b>\$ 4,646,692</b></u>		<u><b>\$ 4,646,692</b></u>	
<b>Rate of Return</b>	<u><b>0.67%</b></u>				<u><b>-3.02%</b></u>		<u><b>4.11%</b></u>	
<b>Return on Surplus</b>	<u><b>0.24%</b></u>				<u><b>-3.95%</b></u>		<u><b>4.23%</b></u>	

(\*) Operating income does not include interest income or interest expense.

**PENN YAN MUNICIPAL UTILITIES BOARD  
ELECTRIC DEPARTMENT**

**SUMMARY OF NORMALIZATION AND RATE YEAR ADJUSTMENTS**

**Base Year Normalization Adjustments**

a) Operating revenues	
Weather normalization (decrease) of Base revenues	\$ (23,246)
b) To reflect decrease in purchased power due to revenue weather normalization	(10,606)
c) To adjust PPAC revenues for under billing in Fiscal Year 2018	4,552
d) To remove PSC Section 18-a assessment from purchased power	(10,143)
e) To remove effect of PSC Section 18-a assessment from PPAC revenues	(10,143)
f) To remove effect of GASB 68 Net Pension Liability adjustment (increase in pension cost)	5,097
g) To increase PPAC revenues for a full year of NYPA loan payments (pass through to customers)	86,120
h) To increase contractual appropriations of income for NYPA loan payments	86,120
<b>Total normalization adjustments</b>	<b>\$ (13,185)</b>

**Rate Year Adjustments**

i) To adjust late charge revenues to equal three year average (as a % of gross sales)	\$ (322)
j) To adjust miscellaneous revenues to equal three year average	(16,753)
k) To reflect increase in expensed labor dollars due to anticipated wage increases, hiring and promotions, net of amounts to be allocated to capital accounts	83,342
l) To reflect net changes in employee benefits due to payroll tax calculation or allocated budget amounts for shared employee benefit costs	35,170
m) <u>Contractual/material expenses</u>	
Transmission - 3 year average with no inflation factor	(474)
Maintenance of poles and fixtures - 3 year average with no inflation factor	(96)
Distribution - 3 year average with no inflation factor	(11,352)
Street lights - 3 year average with no inflation factor	(31,912)
Consumer accounting and collection - 3 year average with no inflation factor	(7,222)
Sales expense - 3 year average with no inflation factor	(40)
Administrative and general - 3 year average with no inflation factor	9,562
n) To adjust allocation of employee benefits, based on forecasted direct salaries multiplied by employee benefits overhead rate	1,729
o) To reflect increase in general liability insurance costs based on known premiums, adjusted for anticipated annual increase (based on 5 year trend)	5,550
p) To reflect anticipated increase in uncollectible accounts receivable, based on 3 year average	1,714
q) To reflect increase in annual depreciation expense, as the result of anticipated capital improvements to be made during the period June 1, 2018 through May 31, 2020	9,699
r) To reflect decrease in annual rent paid to the General Fund, primarily due to decreasing debt service payments to be made on the Electric Fund's portion of Village Hall debt	(17,695)
s) To reflect increase in PILOT paid to Village General Fund and taxes paid to other taxing jurisdictions	17,011
t) To reflect estimated tree trimming (contracted) costs	40,000
u) To reflect increase in Gross Receipts tax paid to General Fund, due to increase in gross revenues	496
v) To reflect amortization of rate filing costs over 3 year period of benefit	6,000
<b>Total Rate Year Adjustments</b>	<b>\$ (158,557)</b>

**PENN YAN MUNICIPAL UTILITIES BOARD  
ELECTRIC DEPARTMENT**

**FORECASTED RATE OF RETURN CALCULATION  
CAPITALIZATION MATRIX**

**Based on the Year Ended May 31, 2018,  
Adjusted for Rate Year Adjustments and Revenue Increase Request**

		<u>Amount</u>	<u>Percent</u>	<u>Cost Rate</u>	<u>Rate of Return</u>
<b><u>2018 (Base Year)</u></b>					
Long-term debt	Exhibit 10	\$ 607,858	13.0%	3.61%	0.47%
Customer deposits	Exhibit 10	61,941	1.3%	0.00%	0.00%
Net surplus	Exhibit 10	<u>4,012,719</u>	<u>85.7%</u>	0.24%	<u>0.20%</u>
Total		<u><b>\$ 4,682,518</b></u>	<u><b>100.00%</b></u>		<u><b>0.67%</b></u>
<b><u>Rate Year Before Revenue Increase</u></b>					
Long-term debt	Exhibit 10	\$ 491,208	11.5%	3.71%	0.42%
Customer deposits	Exhibit 10	63,055	1.5%	0.00%	0.00%
Net surplus	Exhibit 10	<u>3,709,595</u>	<u>87.0%</u>	-3.95%	<u>-3.44%</u>
Total		<u><b>\$ 4,263,858</b></u>	<u><b>100.00%</b></u>		<u><b>-3.02%</b></u>
<b><u>Rate Year After Revenue Increase</u></b>					
Long-term debt	Exhibit 10	\$ 491,208	11.5%	3.78%	0.44%
Customer deposits	Exhibit 10	63,055	1.5%	0.00%	0.00%
Net surplus	Exhibit 10	<u>3,709,595</u>	<u>87.0%</u>	4.23%	<u>3.67%</u>
Total		<u><b>\$ 4,263,858</b></u>	<u><b>100.00%</b></u>		<u><b>4.11%</b></u>

**PENN YAN MUNICIPAL UTILITIES BOARD  
ELECTRIC DEPARTMENT****SUMMARY OF SIGNIFICANT FORECAST ASSUMPTIONS  
Based on the Year Ended May 31, 2018 (Base Year)****NOTE 1 - OPERATING REVENUES***Base Revenues*

Sales in kWh increased approximately 3.2% for the fiscal year ended May 31, 2018 (Base Year). This increase in customer consumption was primarily related to the slightly cooler winter period of 2017/2018. Sales in kWh for the Residential rate class (which makes up 85% of the customer base and 34% of total customer consumption) increased 3.2% from the prior year, largely due to the effect of the cooler winter period. Sales in kWh for the Industrial rate class (which makes up 3% of the customer base, but 59% of total customer consumption) increased 2.5% from the prior year, largely due to the effect of the cooler winter period and increased demand charges.

Customer consumption (in kWh) and related Base Revenues in the Rate Year were calculated using weather normalization formulas discussed in Workpaper A. Weather normalization trends were developed using information included in the NYSERDA website (<https://www.nyserra.ny.gov/About/Publications/EA-Reports-and-Studies/Weather-Data/Monthly-Cooling-and-Heating-Degree-Day-Data>) for heating degree days for the ten (10) year period 2008 - 2018. This data was specific to the Rochester, New York area.

As the Department experienced minimal growth/decline in its customer base over the last four years, any impact on Base Revenues, as a result of customer growth or decline, has been ignored in this forecast.

Based on the weather normalization calculations described in Workpaper A, Base Revenues during the Rate Year are expected to decrease \$23,246 (0.76% decrease) from the Base Year.

*PPAC Revenues*

PPAC Revenues represent a “dollar-for-dollar” pass-through of incremental power costs (defined as power costs and other production costs in excess of base purchased power costs). This “dollar-for-dollar” pass-through is reconciled at the end of each fiscal year to identify if any over billing or under billing of PPAC revenues had occurred during the fiscal period. For the fiscal year ended May 31, 2018 (Base Year), the Department under billed its customers \$4,552 in PPAC revenues (see Workpaper E). This under billing will be recovered from the Department’s customers via the PPAC process during the fiscal year ending May 31, 2019. As such, PPAC revenues were increased by \$4,552 in the Rate Year.

In addition, PPAC revenues include certain other costs that are passed onto the customer as part of the PPAC process. The Department currently bills its customers for its monthly loan payments to the New York Power Authority for the acquisition of two hybrid vehicles (SUV and Bucket Truck). The monthly loan payments (see Note 3) of \$7,263, is recovered in full from the Department’s customers each month. PPAC revenues from these billings are offset in their entirety by a related expense, and therefore, these revenues and expenses do not enter into the determination of the Department’s net operating income. As such, they are considered “revenue neutral.” As the repayment of these loans only commenced in April 2018 and July 2018, respectively, PPAC revenues have been increased by \$86,120, to represent a full year of loan payment recovery. Conversely, a corresponding expense has been increased by \$86,120 to remain “revenue neutral” in the determination of net operating income.

Also, in prior periods, PPAC revenues included the pass-through of the PSC Section 18-a temporary assessment. This assessment expired in December 2017. As such, PPAC revenues have been reduced by \$10,143, the amount of PPAC revenues recognized in the Base Year. Conversely, purchased power has been reduced by \$10,143, to remain “revenue neutral” in the determination of net operating income.

**PENN YAN MUNICIPAL UTILITIES BOARD  
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**SUMMARY OF SIGNIFICANT FORECAST ASSUMPTIONS  
Based on the Year Ended May 31, 2018 (Base Year)**

**NOTE 1 - OPERATING REVENUES - Continued**

*PPAC Revenues - Continued*

The Department bills its customers for charges related to the Clean Energy Standards (CES) through the PPAC process. These customer charges (PPAC revenues) are equal to the CES charges paid to the New York Municipal Power Agency (NYMPA). As such, these transactions are “revenue neutral” in the determination of net operating income. See further discussion in “Purchased Power” below. CES revenues included in PPAC revenues for the Base Year, totaled \$304,088.

*Base Revenue, Revenue Increase Rate*

Increase in Base Revenues (as a result of a 10.9% increase in base rates effective June 1, 2019) requested herein to support operations, capital improvements, annual debt service, establish adequate cash balances, and provide a reasonable rate of return on Rate Base, is expected to total \$331,333. Base Revenues in the Rate Year are expected to be \$3,363,144 (versus normalized Base Year revenues of \$3,031,811).

*Other Revenues*

Other revenues consist of late charges and miscellaneous electric revenues. These revenue sources, in general, are normally of an insignificant amount (as compared to total revenues), and can be quite volatile from year to year.

Late charges are expected to equal the three-year average (2016-2018) of late charges to gross electric billings (as a percentage). This average percentage of 0.18% multiplied by normalized gross electric billings before the revenue increase reflects late charges of \$7,414 in the Rate Year, as described below:

Fiscal Year	Gross Revenues	Late Charges	%
May 31, 2016	\$ 4,023,356	\$ 6,766	0.17%
May 31, 2017	4,051,451	7,131	0.18%
May 31, 2018	4,123,372	7,736	0.19%
Total	\$ 12,198,179	\$ 21,633	0.18%
<b>Normalized Gross Revenues</b>			
Rate Year	\$ 4,180,655		
x late charge %	0.18%		
Late charges - Rate Year	7,414		
Late charges - Base Year	7,736		
Decrease in Rate Year	\$ (322)		

Miscellaneous revenues in the Rate Year are expected to equal the three-year average (2016-2018) of these revenue sources. Miscellaneous electric revenues are expected to total \$44,285 during the Rate Year (see Workpaper B).

**PENN YAN MUNICIPAL UTILITIES BOARD  
ELECTRIC DEPARTMENT**

**SUMMARY OF SIGNIFICANT FORECAST ASSUMPTIONS  
Based on the Year Ended May 31, 2018 (Base Year)**

**NOTE 2 - OPERATING EXPENSES**

a. Purchased Power - The Electric Department includes in its purchased power, the following items:

- Hydropower charges (billed by the New York Power Authority)
- Supplemental power (billed by the New York Municipal Power Agency)\*
- Transmission costs (billed by NYSEG)
- Transmission Congestion Charges (also known as TCC's)
- Section 18-a temporary assessments charges (which expired in December 2017)

The cost of electricity purchased for distribution is forecasted to be \$2,853,844 during the Rate Year. This forecasted amount is based on: (a) actual purchased power costs incurred during the Base Year, adjusted for weather normalization calculations described in Workpaper A, and (b) the removal of Section 18-a temporary assessment charges, due to their expiration in December 2017. As weather normalization is expected to decrease consumption and Base Revenues (Note 1), purchased power is also expected to decrease to meet those consumption needs. Decreases in purchased power, due to weather normalization adjustments, is expected to be \$10,606 (Workpaper A). Decreases in purchased power, due to expiration of the Section 18-a temporary assessment, is expected to be \$10,143, the amount of assessment paid in the Base Year.

\* - *Supplemental power costs include CES charges. CES charges in the Base Year totaled \$304,088 and were equal to CES billed to customers.*

b. Other Operating Expenses - Other operating expenses are adjusted as follows:

(1) Labor (charged to expense accounts)

Labor charged to expense accounts include:

- Salaries of the Crew Chief and line crew laborers (allocated via the work order system based on the work performed).
- Salaries of the Director of Public Works, Village Clerk/Treasurer, clerical employees, other operational employees, Village attorney and the Village Board (allocated to the Electric Department based on estimated level of effort).

Total salaries incurred during Base Year 2018 were \$416,587, of which \$43,927 was capitalized to operating property via the Department's work order system. Salaries charged to the various expense accounts of the Department totaled \$372,660 during Base Year 2018.

Total salaries to be incurred during the Rate Year are projected to be \$527,502, of which \$71,500 will be capitalized to operating property, and \$456,002 will be expensed in the forecasted statement of operations. (See Exhibit 15 for capitalized salaries).

The increase in total salaries from the Base Year was primarily due to average hourly wage increases of 2.5% on June 1, 2018 and expected average hourly wage increases of 2.5% to be implemented on June 1, 2019. In addition, Rate Year salaries include the addition of a full-time grounds man (hired April 2018) and his planned promotion to apprentice lineman on June 1, 2019, and the planned promotion of an electric apprentice lineman to lineman on January 5, 2019. The wage increases and the described new hire/promotions had the effect of increasing total salaries by approximately \$54,000 and \$57,000, respectively (see workpapers F and F-1).



**PENN YAN MUNICIPAL UTILITIES BOARD  
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**SUMMARY OF SIGNIFICANT FORECAST ASSUMPTIONS  
Based on the Year Ended May 31, 2018 (Base Year)**

**NOTE 2 - OPERATING EXPENSES - Continued**

- b. Other Operating Expenses* - Other operating expenses are adjusted as follows - Continued

(2) Employee Benefits

Employee benefits include medical/dental insurance, workers' compensation, disability insurance, New York State retirement contributions, and FICA. Costs in Base Year 2018, represent the Electric Department's share of actual invoiced amounts (or via calculation on labor dollars for FICA), and is primarily based on a ratio of Electric Department labor dollars to total Village labor dollars.

In addition, amounts reported as NYS Retirement costs in fiscal year 2018 (Base Year) included a decrease in retirement expense as a result of GASB No. 68, *Net Pension Liability* calculations. For rate filing purposes, the GASB No. 68 pension "contra" expense (totaling \$5,097) has been added back to NYS Retirement costs, as a normalization adjustment. NYS Retirement costs in the Rate Year do not include any effect of GASB No. 68, and only represent the Department's share of the Village's annual retirement contribution.

Rate Year employee benefit costs are based on (1) actual invoiced amounts or insurance carrier quotes, (2) calculation (FICA), or (3) budgeted amounts based on historic trend. Rate Year employee benefit costs are expected to be approximately 43% of total labor dollars. Net increase in employee benefits costs is expected to be as follows:

Type	Base Year 2018	Rate Year	Rate Year Increase (Decrease)
Medical/Dental insurance (a)	\$ 79,628	\$ 95,845	\$ 16,217
Medical insurance buy-out (a)	4,020	8,000	3,980
NYS retirement (b)	60,281	66,953	6,672
GASB 68 - NYS retirement (b)	(5,097)	-	5,097
Workers' compensation (c)	6,107	6,447	340
HRA contribution (a)	2,395	2,186	(209)
Disability insurance	2,179	2,181	2
FICA (d)	32,186	40,354	8,168
	<u>\$ 181,699</u>	<u>\$ 221,966</u>	<u>\$ 40,267</u>

- (a) Medical insurance, which includes dental coverage, is based on quoted premiums from the Village of Penn Yan's insurance providers. These premiums have been included in the Village's entity-wide budgets and have been allocated to the Electric Department based on level of effort within the Department. In addition, the Department pays certain employees for health insurance buy-outs (for those employees who do not take Village sponsored health care), and makes HRA contributions on behalf of certain employees.

**PENN YAN MUNICIPAL UTILITIES BOARD  
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**SUMMARY OF SIGNIFICANT FORECAST ASSUMPTIONS  
Based on the Year Ended May 31, 2018 (Base Year)**

**NOTE 2 - OPERATING EXPENSES - Continued**

*b. Other Operating Expenses* - Other operating expenses are adjusted as follows - Continued

(2) Employee Benefits - Continued

- (b) In general, retirement costs have remained fairly consistent over the past 3-5 years. The costs reported in the Rate Year are expected to be similar to the retirement contributions to be made in December 2018, as required by the New York State Retirement System. Retirement cost included in the Rate Year is based on tier percentages provided to the Village by OSC, multiplied by the projected salary of each employee (based on level of effort within the Department). As described above, the NYS Retirement cost presented in the Rate Year does not include the effect of GASB No. 68.
- (c) Workers' compensation premiums are expected to remain relatively flat based on the Village's overall claim experience. Total Village-wide workers' compensation premiums have been allocated to the Electric Department based on level of effort within the Department.
- (d) FICA is calculated at 7.65% of total gross salaries.

(3) Contractual/Material Expenses

Contractual and material expenses consist of materials, supplies, and/or services provided by outside vendors which are charged to the transmission, pole maintenance, distribution, street lights, consumer accounting, sales and administrative and general cost categories. These costs also include the allocation of truck overhead costs, employee benefit costs and stores overhead costs as processed through the Department's work orders for these types of tasks.

During the Rate Year, these costs are expected to equal the three-year average (2016-2018) of these categories, with no adjustment for inflation factors (see Workpaper C).

	Base Year 2018	Rate Year	Rate Year Increase (Decrease)
Transmission	\$ 2,246	\$ 1,772	\$ (474)
Maintenance of poles	1,286	1,190	(96)
Distribution	147,902	136,550	(11,352)
Street lights (a)	35,494	3,582	(31,912)
Consumer accounting	33,692	26,470	(7,222)
Sales expense	218	178	(40)
Administrative and general	162,400	171,962	9,562

- (a) For contractual/material costs related to street lights, a two-year average (2016-2017) was used, as costs in the Base Year 2018 included certain expensed costs for the write-off of inventory items sold/disposed. These transactions skewed the three-year average.

**PENN YAN MUNICIPAL UTILITIES BOARD  
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**SUMMARY OF SIGNIFICANT FORECAST ASSUMPTIONS  
Based on the Year Ended May 31, 2018 (Base Year)**

**NOTE 2 - OPERATING EXPENSES - Continued**

- b. Other Operating Expenses - Other operating expenses are adjusted as follows - Continued

(4) Insurance

Insurance expense represents the Electric Department's share of general property and liability insurance. Insurance premiums have increased (on average) 5.2% per annum for the five-year period 2014 to 2018. Known premiums for the fiscal year ending May 31, 2019 are \$37,095. Premiums in the Rate Year are expected to be \$39,018, which is based on Fiscal Year 2019 amounts, increased by 5.2% (\$37,095 multiplied by 1.052).

Fiscal Year 2019 actual charges, adjusted for anticipated increase	\$ 39,018
Base Year 2018 amounts	<u>33,468</u>
Rate Year increase	<u><u>\$ 5,550</u></u>

(5) Uncollectible Accounts

The Electric Department has had reasonably good results in its collection of customer receivables. Uncollectible accounts during the Rate Year are expected to equal the three-year average (2016-2018), as a percent of gross normalized electric billings. This average percentage of 0.16% multiplied by normalized gross electric billings before the revenue increase reflects uncollectible accounts of \$6,838 in the Rate Year, as described below:

Fiscal Year	Gross Revenues	Uncollectible Accounts	%
May 31 2016	\$ 4,023,356	\$ 9,893	0.25%
May 31, 2017	4,051,451	4,936	0.12%
May 31, 2018	<u>4,123,372</u>	<u>5,124</u>	<u>0.12%</u>
Total	<u><u>\$ 12,198,179</u></u>	<u><u>\$ 19,953</u></u>	<u><u>0.16%</u></u>
<u>Normalized Gross Revenues</u>			
Rate Year	\$ 4,180,655		
x Uncollectible %	<u>0.16%</u>		
Uncollectible Accounts - Rate Year	6,838		
Uncollectible Accounts - Base Year	<u>5,124</u>		
Increase in Rate Year	<u><u>\$ 1,714</u></u>		

(6) Depreciation Expense

Depreciation expense (Exhibit 14) has been calculated based on existing operating property plus (1) net operating property additions for the period June 1, 2018 through November 30, 2018, plus (2) future operating property acquisitions detailed in Exhibit 15. Future operating property acquisitions include anticipated costs for engineering, contractor, material, capitalized labor, employee benefits overhead costs, material overhead, and truck overhead. Future operating property acquisitions are reported "net" of anticipated retirement values.

**PENN YAN MUNICIPAL UTILITIES BOARD  
ELECTRIC DEPARTMENT**

**SUMMARY OF SIGNIFICANT FORECAST ASSUMPTIONS  
Based on the Year Ended May 31, 2018 (Base Year)**

**NOTE 2 - OPERATING EXPENSES - Continued**

*b. Other Operating Expenses - Continued*

(6) Depreciation Expense - Continued

Depreciation charges are calculated using rates that are consistent with rates used in prior years, as approved by the PSC in the Department's last rate filing. Depreciation charges are calculated on operating property balances, net of any contributed amounts, as required.

Depreciation expense, Rate Year	\$ 268,946
Depreciation expense, Base Year	<u>259,247</u>
Rate Year increase	<u><u>\$ 9,699</u></u>

(7) Rent and Taxes (PILOT)

*Rent*

The Electric Department pays rent to the Village's General Fund for its use of Village Hall. The annual rental payment is based on (1) the annual debt principal and interest payments on the bonds that financed construction of Village Hall and (2) the cost of custodial services within Village Hall, including custodial salaries and benefits (which are paid in full by the General Fund). Total costs are allocated to the Electric Department based on its estimated use of square footage within Village Hall (30% of total cost). Anticipated costs in the Rate Year are as follows:

Bond principal to be paid in Rate Year	\$ 185,000
Bond interest to be paid in Rate Year	28,782
Custodial salary to be paid in Rate Year	49,762
Custodial benefits to be paid in Rate Year*	<u>20,806</u>
Total costs	<u><u>\$ 284,350</u></u>

Allocation of Rent

Electric Department use of Village Hall (30% allocation)	<u><u>\$ 85,305</u></u>
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\* - Benefits include health, FICA, Retirement, DBL and Workers' Compensation

*PILOT*

The Department makes a Payment in Lieu of Taxes (PILOT) to the Village's General Fund. The PILOT payment is based on the net book value of certain operating property located within the Village, multiplied by the Village's current property tax rate (adjusted for the current equalization rate). In addition, the Department makes a PILOT payment to the General Fund for its use of the DPW barns (owned by the General Fund). This PILOT payment is based on the assessed value of the DPW barns multiplied by the Village's current tax rate (at a 50% utilization by the Electric Department). The expected PILOT payment for these two items during the Rate Year will be \$62,000 (rounded), and is calculated as follows (see Exhibit 14 for further analysis):

**PENN YAN MUNICIPAL UTILITIES BOARD  
ELECTRIC DEPARTMENT**

**SUMMARY OF SIGNIFICANT FORECAST ASSUMPTIONS  
Based on the Year Ended May 31, 2018 (Base Year)**

**NOTE 2 - OPERATING EXPENSES - Continued**

*b. Other Operating Expenses - Continued*

(7) Rent and Taxes (PILOT)

*PILOT* - Continued

Electric Department Operating Property

Historic Cost (Accounts 311 through 367)	\$ 8,251,636
Accumulated Depreciation on above items	<u>(4,416,089)</u>

Net book value subject to PILOT	<u>\$ 3,835,547</u>
---------------------------------	---------------------

Tax Basis at 97% Equalization Rate	\$ 3,954,172
------------------------------------	--------------

Tax Rate (per \$1,000)	<u>15.247495</u>
------------------------	------------------

PILOT for Operating Property	<u>\$ 60,291</u>
------------------------------	------------------

DPW Barns

Assessed Value (100% equalization)	\$ 250,000
Electric Department utilization	50%
Tax Basis	<u>\$ 125,000</u>

Tax Rate (per \$1,000)	<u>\$ 16.433411</u>
------------------------	---------------------

PILOT for DPW Barns	<u>\$ 2,054</u>
---------------------	-----------------

Total PILOT - Operating Property and DPW Barns	<u>\$ 62,345</u>
--	------------------

Rounded \$ 62,000

In addition, the Electric Department pays school and property taxes to outside taxing jurisdictions. These school and property taxes are expected to equal \$1,029 in the Rate Year, based on actual property tax billings, or estimates of future property tax billings.

(8) Contractual Appropriations of Income - Gross Receipts Tax

The Electric Department pays an annual Gross Receipts tax to the Village's General Fund. The tax is based on annual gross electric revenues multiplied by a 1% tax rate. Gross Receipts Tax expected to be paid during the Rate Year is \$41,807 and is based on anticipated normalized gross revenues (Base and PPAC revenues) in the Rate Year of \$4,180,655.

**PENN YAN MUNICIPAL UTILITIES BOARD  
ELECTRIC DEPARTMENT**

**SUMMARY OF SIGNIFICANT FORECAST ASSUMPTIONS  
Based on the Year Ended May 31, 2018 (Base Year)**

**NOTE 2 - OPERATING EXPENSES - Continued**

*b. Other Operating Expenses* - Continued

(9) Contractual Appropriations of Income - NYPA Loan Payments

As discussed in Note 1, the Electric Department bills its customers for its monthly loan payments to the New York Power Authority for the acquisition of two hybrid vehicles. Recovery of these loan payments is done via the PPAC process, and the related revenues are reported herein as PPAC revenues. These PPAC revenues are offset in their entirety by a related expense, which the Electric Department calls “*Contractual Appropriations of Income - NYPA loan payments*.” As such, the related revenues and expenses do not enter into the determination of the Department’s net operating income, and are considered “revenue neutral.” As the repayment of these loans and the related PPAC revenues generated by these loan payments only commenced in April 2018 and July 2018, respectively, Contractual Appropriations of Income - NYPA loan payments have been increased by \$86,120, to represent a full year of loan payments.

(10) Allocation of Employee Benefits

The Department allocates a portion of its employee benefits to the various tasks performed by the line crew. Beginning June 1, 2017 (Base Year), it is the Department’s policy to allocate employee benefits to capital (operating property) transactions and distribution system repair expense accounts based on the task performed. Prior to June 1, 2017, it was the Department’s policy to only allocate employee benefits to capital (operating property) transactions.

Employee benefits are reported in the Electric Department’s general ledger (Account 785) at gross amounts, therefore, there is a need to have a “credit” account to properly allocate these costs to the various capital and expense accounts, without losing the integrity of the actual amount of these costs in the general ledger. The Department has used Account 792 - Miscellaneous Credits Transferred for this “credit” account in previously submitted Annual Reports.

The allocation of employee benefit costs is based on direct labor dollars charged by the line crew for capital and repair tasks multiplied by an overhead percentage representative of those costs to direct labor dollars. The overhead rate used for employee benefits in the Rate Year is 43% (Workpaper G). Direct labor dollars anticipated to be capitalized and/or charged to repair expense accounts during the Rate Year (adjusted for salary increases previously described) is \$323,223, the anticipated labor costs associated with the Department’s Crew Chief and four lineman (Workpaper F). As such, the allocation of employee benefits based on these labor dollars will be \$138,986 (\$323,223 x 43%).

(11) Amortization of Rate Filing Costs

The Department wishes to amortize the cost of its rate filing over a three-year period, the expected period of benefit. Amortization costs are expected to be \$6,000 per annum for each of the next three years.

(12) Tree Trimming - Contracted

Due to the decline in the Department’s financial position, as well as constraints on its cash flows, the Department has deferred necessary tree trimming activities over the past several years. The Department wishes to resume an ongoing tree trimming program but understands the limitations of time on its existing line crew. As such, the Department wishes to contract tree trimming services to an outside vendor. The intended and necessary program anticipates an annual cost of \$40,000 for the foreseeable future, to properly maintain the reliability and safety of its distribution equipment. The anticipated costs have been provided via discussions with outside vendors. These costs will only be incurred by the Department if they are recovered via the increased rates described in this Rate Filing.

**PENN YAN MUNICIPAL UTILITIES BOARD  
ELECTRIC DEPARTMENT**

**SUMMARY OF SIGNIFICANT FORECAST ASSUMPTIONS  
Based on the Year Ended May 31, 2018 (Base Year)**

**NOTE 3 - INDEBTEDNESS**

The Electric Department's indebtedness at the end of the Rate Year consists of existing debt obligations. No additional debt is expected to be incurred in the Rate Year, as all capital improvements are expected to be financed from operating cash balances and/or depreciation reserves.

A summary of indebtedness at the end of the Rate Year is as follows:

Serial Bond, issued December 2006, interest at 4.375%, due December 2024 (a)	\$ 345,000
Loan Payable to NYPA, issued April 2018, no interest, due March 2021, monthly principal of \$1,036 (b)	10,363
Loan Payable to NYPA, issued April 2018, no interest, due May 2021, monthly principal of \$6,227 (c)	62,267
	<u>\$ 417,630</u>

- (a) Bond issued for distribution system improvements.
- (b) Note payable issued for Hybrid Highlander SUV.
- (c) Note payable issued for Hybrid Bucket Truck.

Principal and interest payments on existing obligations for the Rate Year are as follows:

	Principal	Interest
Serial Bond	\$ 60,000	\$ 18,226
Loan payable, NYPA	12,437	-
Loan payable, NYPA	74,719	-
	<u>\$ 147,156</u>	<u>\$ 18,226</u>

**NOTE 4 - RATE OF RETURN**

The rate of return calculation is provided as an indicator of the level of forecasted income from operations compared to the risk/investment borne by the Electric Department.

The rate of return on Rate Base and Surplus for the year ended May 31, 2018, is calculated based on the prescribed format in the Village's Municipal Electric Utilities Annual Report filed with the New York State Department of Public Service for the year ended May 31, 2018. These rates of return were 0.67% and 0.24% respectively. The rate of return for the Forecasted Rate Year of 4.11% is calculated using Base Year 2018 amounts and applying forecasted changes to the Electric Department's operation, rate base, debt service, and surplus, as described herein.

**PENN YAN MUNICIPAL UTILITIES BOARD  
ELECTRIC DEPARTMENT**

**BALANCE SHEETS**

	<b>Fiscal 2016</b>	<b>Fiscal 2017</b>	<b>Fiscal 2018</b>	<b>2017-2018 Average Balance</b>
<b>ASSETS</b>				
Plant in service	\$ 8,912,282	\$ 9,051,576	\$ 9,418,622	\$ 9,235,099
Construction work in progress	646	32,802	55,405	44,104
Non-operating property	28,313	28,313	28,313	28,313
Depreciation and amortization reserve	(4,579,868)	(4,845,513)	(5,036,635)	(4,941,074)
Contribution for extensions	(441,795)	(446,859)	(475,602)	(461,231)
Net plant	<u>3,919,578</u>	<u>3,820,319</u>	<u>3,990,103</u>	<u>3,905,211</u>
Depreciation reserve cash funds	563,579	238,795	238,855	238,825
Miscellaneous special cash funds	64,220	67,850	70,182	69,016
Cash	149,757	176,314	67,398	121,856
Working funds	250	250	250	250
Loans to operating Municipality	-	-	-	-
Materials and supplies	287,028	423,963	353,616	388,790
Receivables from operating municipalities	127	100	-	50
Accounts receivable	284,771	253,065	316,755	284,910
Reserve for uncollectibles	(3,000)	(3,000)	(3,000)	(4,000)
Prepayments	66,067	57,135	51,480	54,308
Miscellaneous current assets	-	-	241,751	120,876
Deferred outflows - GASB 68	220,782	85,978	137,159	111,569
<b>Total assets</b>	<b><u>\$ 5,553,159</u></b>	<b><u>\$ 5,120,769</u></b>	<b><u>\$ 5,462,549</u></b>	<b><u>\$ 5,291,659</u></b>
<b>LIABILITIES</b>				
Accounts payable	146,854	149,081	188,381	168,731
Payables to operating Municipality	42,263	45,341	191,424	118,383
Customer deposits	63,097	60,826	63,055	61,941
Taxes accrued	13,824	13,681	21,587	17,634
Interest accrued	12,707	11,588	10,350	10,969
Miscellaneous other current liabilities	98,870	84,188	129,186	106,687
Total current liabilities	<u>377,615</u>	<u>364,705</u>	<u>603,983</u>	<u>484,344</u>
Bonds payable	570,000	515,000	460,000	487,500
Long-term debt - other	-	-	240,715	120,358
Net Pension Liability - GASB 68	237,791	142,938	47,868	95,403
Deferred Inflows - GASB 68	34,144	26,121	156,551	91,336
Total liabilities	<u>1,219,550</u>	<u>1,048,764</u>	<u>1,509,117</u>	<u>1,278,941</u>
Contributions to municipality	(2,997,192)	(3,117,844)	(3,245,834)	(3,181,839)
Surplus	<u>7,330,801</u>	<u>7,189,849</u>	<u>7,199,266</u>	<u>7,194,558</u>
Total surplus	<u>4,333,609</u>	<u>4,072,005</u>	<u>3,953,432</u>	<u>4,012,719</u>
<b>Total liabilities and surplus</b>	<b><u>\$ 5,553,159</u></b>	<b><u>\$ 5,120,769</u></b>	<b><u>\$ 5,462,549</u></b>	<b><u>\$ 5,291,659</u></b>



**PENN YAN MUNICIPAL UTILITIES BOARD  
ELECTRIC DEPARTMENT**

**INCOME STATEMENTS  
(INCLUDING kWh SALES BY RATE CLASS)**

		<b>Fiscal 2016</b>	<b>Fiscal 2017</b>	<b>Fiscal 2018</b>	<b>Three Year Average</b>
<b>Operating revenues</b>					
A/C 601	Residential sales	\$ 1,470,527	\$ 1,512,670	\$ 1,574,738	\$ 1,519,312
A/C 602	Commercial sales	337,888	320,931	354,445	337,755
A/C 603	Industrial sales	2,129,026	2,132,578	2,109,270	2,123,625
A/C 604	Public street lighting - operating municipality	74,829	74,484	74,405	74,573
A/C 605	Public Street lighting - other	-	-	-	-
A/C 606	Other sales to operating municipality	-	-	-	-
A/C 607	Other sales to other public authorities	-	-	-	-
A/C 608	Sales to other distributors	-	-	-	-
A/C 609	Sales to railroads	-	-	-	-
A/C 610	Security lighting	17,852	17,919	18,250	18,007
A/C 621	Rent from electric property	-	-	-	-
A/C 622	Miscellaneous electric revenues	152,542	50,589	61,038	88,056
	<b>Total operating revenues</b>	<b>4,182,664</b>	<b>4,109,171</b>	<b>4,192,146</b>	<b>4,161,327</b>
<b>Operation and maintenance expense</b>					
	Electricity purchased	2,794,598	2,816,320	2,874,593	2,828,504
	Transmission expense	4,235	4,331	4,430	4,332
	Poles, towers and fixtures	1,091	5,157	2,536	2,928
	Distribution expense	309,183	418,066	291,722	339,657
	Street lighting and signal expense	10,584	9,445	70,008	30,012
	Customer accounting and collection	61,693	65,794	66,455	64,647
	Sales expense	708	186	429	441
	Administrative and general expense	646,310	624,276	638,485	636,357
	Miscellaneous expense transferred	(61,171)	(79,108)	(140,715)	(93,665)
	Depreciation	249,678	258,747	259,247	255,891
	Taxes - electric	46,028	46,012	46,018	46,019
	Uncollectible revenues	9,893	4,936	5,124	6,651
	<b>Total operation and maintenance expense</b>	<b>4,072,830</b>	<b>4,174,162</b>	<b>4,118,332</b>	<b>4,121,775</b>
	<b>Income from operations</b>	<b>109,834</b>	<b>(64,991)</b>	<b>73,814</b>	<b>39,552</b>
<b>Other income (expense)</b>					
	Interest income	613	344	219	392
	Interest expense	(26,657)	(24,462)	(21,938)	(24,352)
	Contractual appropriations of income	(40,302)	(40,586)	(42,347)	(41,078)
	Miscellaneous interest deductions	(286)	(61)	(36)	(128)
	Other	-	(11,196)	(295)	(3,830)
	<b>Total other income (expense)</b>	<b>(66,632)</b>	<b>(75,961)</b>	<b>(64,397)</b>	<b>(68,997)</b>
	<b>Net Income</b>	<b>\$ 43,202</b>	<b>\$ (140,952)</b>	<b>\$ 9,417</b>	<b>\$ (29,444)</b>
<b>kWh Sales</b>					
A/C 601	Residential sales	29,567,758	30,785,968	31,782,976	30,712,234
A/C 602	Commercial sales	5,740,472	5,487,819	6,065,377	5,764,556
A/C 603	Industrial sales	53,631,946	54,029,756	55,370,853	54,344,185
A/C 604	Public street lighting - operating municipality	373,971	370,483	381,297	375,250
A/C 605	Public street lighting - other	-	-	-	-
A/C 606	Other sales to operating municipality	-	-	-	-
A/C 607	Other sales to other public authorities	-	-	-	-
A/C 608	Sales to other distributors	-	-	-	-
A/C 610	Security lighting	123,482	123,482	123,482	123,482
	<b>Total kWh sold</b>	<b>89,437,629</b>	<b>90,797,508</b>	<b>93,723,985</b>	<b>91,319,707</b>

**PENN YAN MUNICIPAL UTILITIES BOARD  
ELECTRIC DEPARTMENT**

**STATEMENTS OF SURPLUS**

	<b>Fiscal 2016</b>	<b>Fiscal 2017</b>	<b>Fiscal 2018</b>
<b>BALANCE, <i>beginning of year</i></b>	\$ 4,444,811	\$ 4,333,609	\$ 4,072,005
Add:			
Net income (loss)	43,202	(140,952)	9,417
Deduct:			
Contributions to municipality	(119,936)	(120,652)	(127,990)
Prior period adjustment - GASB 68	(34,468)	-	-
<b>BALANCE, <i>end of year</i></b>	<b><u>\$ 4,333,609</u></b>	<b><u>\$ 4,072,005</u></b>	<b><u>\$ 3,953,432</u></b>

**PENN YAN MUNICIPAL UTILITIES BOARD  
ELECTRIC DEPARTMENT**

**RATE OF RETURN STUDY  
RATE BASE**

**Based on the Year Ended May 31, 2018 (Base Year)**

		(a)	(b)	(c)	(d)	(e)
		Fiscal		Adjusted	Revenue	Year After
	Reference (Page, Column, Row)	Year	Adjustments	Year	Change	Revenue
						Change
35	Utility Plant in Service	RB, Ln 5 (c)	\$ 9,235,099	\$ 572,762	\$ 9,807,861	\$ -
36	Construction Work in Progress	RB, Ln 8 (c)	44,104	(44,104)	-	-
37	Total Utility Plant	ROR, Ln 35 plus Ln 36	9,279,203	528,658	9,807,861	-
38						
39	Accumulated Provision for Depre and Amort	RB, Ln 14 (c)	(4,941,074)	(434,191)	(5,375,265)	-
40						
41	Contributions for Extensions	RB, Ln 17 (c)	(461,231)	(124,086)	(585,317)	-
42						
43	Net Utility Plant	ROR, Total Ln 37, Ln 39, Ln 41	3,876,898	(29,619)	3,847,279	-
44						
45	Materials and Supplies	RB, Ln 21 (c)	388,790	(35,174)	353,616	-
46						
47	Prepayments (including prepaid rate filing costs)	RB, Ln 24 (c)	54,308	6,172	60,480	-
48						
49	Cash Working Capital	ROR, Ln 74	361,512	23,805	385,317	N/A
50						
51	Other: (Detail)					
52						
53						
54						
55						
56	Rate Base	ROR, Total Ln 43=>Ln 54	\$ 4,681,508	\$ (34,816)	\$ 4,646,692	\$ -

**PENN YAN MUNICIPAL UTILITIES BOARD  
ELECTRIC DEPARTMENT**

**RATE OF RETURN STUDY  
CASH WORKING CAPITAL  
Based on the Year Ended May 31, 2018 (Base Year)**

		(a)	(b)	(c)	(d)	(e)
	Reference (Page, Column, Row)	Fiscal Year	Adjustments	Adjusted Year	Revenue Change	Year After Revenue Change
57 <u>Cash Working Capital</u>						
58 Total Operating Expenses	ROR, Ln 22	\$ 4,160,679	\$ 211,950	\$ 4,372,629	\$ -	\$ 4,372,629
59						
60 Deduct:						
61 Fuel	ROR, Ln 6	-	-	-	N/A	-
62 Purchased Power	ROR, Ln 7	2,874,593	(20,749)	2,853,844	N/A	2,853,844
63 Depreciation	ROR, Ln16	259,247	9,699	268,946	N/A	268,946
64 Other Taxes	ROR, Ln17	46,018	17,011	63,029	N/A	63,029
65 Uncollectibles	ROR, Ln18	5,124	1,714	6,838	N/A	6,838
66						
67						
68 Adjusted Amount	ROR, Ln 58 minus Ln 61=>Ln 67	975,697	204,275	1,179,972	-	1,179,972
69						
70 Working Capital - Operating Expenses @ 1/8	ROR, Ln 68/8	121,962	25,534	147,497	N/A	147,497
71						
72 Working Capital - Purchased Power @ 1/12	ROR, Ln 61/12	239,549	(1,729)	237,820	N/A	237,820
73						
74 Total Cash Working Capital	ROR, Total Ln 70, Ln 72	<u>\$ 361,512</u>	<u>\$ 23,805</u>	<u>\$ 385,317</u>	<u>N/A</u>	<u>\$ 385,317</u>

**DETAIL OF RATE BASE**  
**Based on the Year Ended May 31, 2018 (Base Year)**

		(a)	(b)	(c)	(d)	(e)	(f)
		Balance at	Balance at	Avg	Bal. At Beg.	Bal. At End	Avg.
	<u>Reference (Page, Column, Row)</u>	Beg of Year	End of Year	Balance	of Rate Year	of Rate Year	Balance
1	<u>Utility Plant in Service</u>						
2	Operating Property - Electric	\$ 9,051,576	\$ 9,418,622	\$ 9,235,099	\$ 9,723,880	\$ 9,891,841	\$ 9,807,861
3	Operating Property - Other Operations	-	-	-	-	-	-
4	Operating Property - General	-	-	-	-	-	-
5	Utility Plant in Service	<u>\$ 9,051,576</u>	<u>\$ 9,418,622</u>	<u>\$ 9,235,099</u>	<u>\$ 9,723,880</u>	<u>\$ 9,891,841</u>	<u>\$ 9,807,861</u>
6							
7							
8	Construction Work in Progress	<u>\$ 32,802</u>	<u>\$ 55,405</u>	<u>\$ 44,104</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
9							
10							
11	<u>Accumulated Provision for Depre and Amort</u>						
12	Accumulated Provision for Depreciation	\$ 4,841,619	\$ 5,032,741	\$ 4,937,180	\$ 5,232,228	\$ 5,510,513	\$ 5,371,371
13	Accumulated Provision for Amortization	3,894	3,894	3,894	3,894	3,894	3,894
14	Accumulated Provision for Depre and Amort	<u>\$ 4,845,513</u>	<u>\$ 5,036,635</u>	<u>\$ 4,941,074</u>	<u>\$ 5,236,122</u>	<u>\$ 5,514,407</u>	<u>\$ 5,375,265</u>
15							
16							
17	Contributions for Extensions	<u>\$ 446,859</u>	<u>\$ 475,602</u>	<u>\$ 461,231</u>	<u>\$ 585,317</u>	<u>\$ 585,317</u>	<u>\$ 585,317</u>
18							
19							
21	Materials and Supplies	<u>423,963</u>	<u>353,616</u>	<u>\$ 388,790</u>	<u>\$ 353,616</u>	<u>\$ 353,616</u>	<u>\$ 353,616</u>
22							
23							
24	Prepayments (including prepaid rate filing costs)	<u>\$ 57,135</u>	<u>\$ 51,480</u>	<u>\$ 54,308</u>	<u>\$ 63,480</u>	<u>\$ 57,480</u>	<u>\$ 60,480</u>

**PENN YAN MUNICIPAL UTILITIES BOARD  
ELECTRIC DEPARTMENT**

**DETAIL OF RATE OF RETURN  
Based on the Year Ended May 31, 2018 (Base Year)**

		(a) Balance at Beg of Year	(b) Balance at End of Year	(c) Avg Balance	(d) Bal. At Beg. of Rate Year	(e) Bal. At End of Rate Year	(f) Avg. Balance
<b><u>Capital Structure</u></b>	<b><u>Reference (Page, Column, Row)</u></b>						
1 <b><u>Debt</u></b>							
2 Bonds	Pg 105, Ln 2 (c) & (d)	\$ 515,000	\$ 460,000	\$ 487,500	\$ 405,000	\$ 345,000	\$ 375,000
3 Equipment Obligations - Long-Term	Pg 105, Ln 3 (c) & (d)	-	240,715	120,358	159,786	72,630	116,208
4 Miscellaneous Long-Term Debt	Pg 105, Ln 4 (c) & (d)	-	-	-	-	-	-
5 Notes Payable	Pg 105, Ln 9 (c) & (d)	-	-	-	-	-	-
6 Matured Long-Term Debt	Pg 105, Ln 12 (c) & (d)	-	-	-	-	-	-
7 Unamortized Premium on Debt	Pg 105, Ln 28 (c) & (d)	-	-	-	-	-	-
8 Unamortized Debt Discount and Expense	Pg 104, Ln 28 (c) & (d)	-	-	-	-	-	-
9							
10							
11 Debt		\$ 515,000	\$ 700,715	\$ 607,858	\$ 564,786	\$ 417,630	\$ 491,208
12							
13							
14 Customer Deposits	Pg 105, Ln 10 (c) & (d)	\$ 60,826	\$ 63,055	\$ 61,941	\$ 63,055	\$ 63,055	\$ 63,055
15							
16							
17 <b><u>Surplus</u></b>							
18 Contributions - Operating Municipality	Pg 105, Ln 32 (c) & (d)	\$ (3,117,844)	\$ (3,245,834)	\$ (3,181,839)	\$ (3,373,824)	\$ (3,501,814)	\$ (3,437,819)
19 Surplus	Pg 105, Ln 33 (c) & (d)	7,189,849	7,199,266	7,194,558	7,217,551	7,077,276	7,147,414
20 Deficit	Pg 104, Ln 37 (c) & (d)	-	-	-	-	-	-
21							
22							
23 Surplus		\$ 4,072,005	\$ 3,953,432	\$ 4,012,719	\$ 3,843,727	\$ 3,575,462	\$ 3,709,595
24							
25							
26 <b><u>Interest Costs</u></b>							
27 <b><u>Interest on Debt</u></b>							
28 Bonds	Pg 252, Ln 20 (k)			\$ 21,938			\$ 18,226
29 Equipment Obligations - Long-Term	Pg 252, Ln 28 (k)			-			-
30 Miscellaneous Long Term-Debt	Pg 252, Ln 35 (k)			-			-
31 Notes Payable	Pg 250, Ln 22 (g)			-			-
32 Matured Long-Term Debt	N/A			-			-
33 Unamortized Premium on Debt (Credit)	Pg 106, Ln 36 (c)			-			-
34 Amortization of Debt Discount and Expense	Pg 106, Ln 35 (c)			-			-
35							-
36							-
37							-
38 Interest on Debt				\$ 21,938			\$ 18,226
39 Cost Rate				3.61%			3.71%
40							
41 Interest on Customer Deposits	Pg 309, Ln 10 (f)			\$ -			\$ -
Cost Rate				0.00%			0.00%

**PENN YAN MUNICIPAL UTILITIES BOARD  
ELECTRIC DEPARTMENT**

**REVENUE CHANGE  
For the Historic Year Ended May 31, 2018  
and the Rate Year Ending May 31, 2020**

	<u>Reference (Page, Column, Row)</u>	<u>Amount</u>	
106 Rate Base	ROR, Ln 30 (e)	4,646,692	
107			
108 Rate of Return	ROR, Ln 32 (e)	4.10%	
109			
110 Required Operating Income	ROR, Ln 106 * Ln 108	190,514	
111			
112 Adjusted Operating Income	ROR, Ln 28 (c)	(140,275)	
113			
114 Deficiency (Surplus)	ROR, Ln 110 - Ln 112	330,789	
115			
116 Retention Factor	ROR , Ln 132	0.9984	
117			
118 Revenue Increase (Decrease)	ROR, Ln 114 / Ln 116	331,333	
119			
120			
121			
122 Calculation of the Retention Factor:		<u>Factor</u>	<u>Proof</u>
123 Sales Revenues		1.0000	331,333
124 - Revenue Taxes	N/A	N/A	N/A
125 - Uncollectibles	ROR, Ln 18/Ln 1	0.0016	543
126			
127			
128 Sub-Total	ROR, Ln123-Total Ln124=>Ln127	0.9984	330,789
129			
130 Federal Income Tax @ 35%	N/A	0.00	0
131			
132 Retention Factor	ROR, Ln 128 - Ln 130	0.9984	330,789

**PENN YAN MUNICIPAL UTILITIES BOARD  
ELECTRIC DEPARTMENT**

**CALCULATION OF AVERAGE LINE LOSS AND FACTOR OF ADJUSTMENT  
Based on Line Losses for Fiscal Years 2013 Through 2018**

	<b>kWh Purchases</b>	<b>kWh Line Losses</b>	<b>Annual Line Loss</b>	<b>kWh Electric Dept. Use</b>	<b>kWh Sales</b>
Fiscal Year 2013	92,269,260	3,987,810	0.043219	-	88,281,450
Fiscal Year 2014	95,933,318	4,111,077	0.042853	-	91,822,241
Fiscal Year 2015	95,929,448	4,533,686	0.047261	-	91,395,762
Fiscal Year 2016	93,059,858	3,622,229	0.038924	-	89,437,629
Fiscal Year 2017	94,883,279	4,085,771	0.043061	-	90,797,508
Fiscal Year 2018	98,064,689	4,340,704	0.044264	-	93,723,985
	<u>570,139,852</u>	<u>24,681,277</u>		<u>-</u>	<u>545,458,575</u>
<b>Average Line Loss</b>			<u><b>0.043290</b></u>		

	<b>kWh Purchases</b>	<b>kWh Sales</b>	<b>Annual Factor Of Adjustment</b>
Fiscal Year 2013	92,269,260	88,281,450	1.045172
Fiscal Year 2014	95,933,318	91,822,241	1.044772
Fiscal Year 2015	95,929,448	91,395,762	1.049605
Fiscal Year 2016	93,059,858	89,437,629	1.040500
Fiscal Year 2017	94,883,279	90,797,508	1.044999
Fiscal Year 2018	98,064,689	93,723,985	1.046314
	<u>570,139,852</u>	<u>545,458,575</u>	
<b>Average Factor of Adjustment</b>			<u><b>1.045249</b></u>



**PENN YAN MUNICIPAL UTILITIES BOARD  
ELECTRIC DEPARTMENT**

**COMPARISON OF PRESENT AND PROPOSED RATES**

	<u>Present</u>	<u>Proposed</u>	<u>Increase</u> <u>\$</u>	<u>Increase</u> <u>%</u>
<b><u>S.C. No. 1</u></b>				
Customer Charge	\$ 1.55	\$ 1.72	\$ 0.17	10.93%
Non-Winter Rate (April-November)				
Energy charge, per kWh	\$ 0.0307	\$ 0.0341	\$ 0.0034	10.93%
Winter Rate (December - March)				
Energy charge, per kWh				
first 1250 kWh	\$ 0.0307	\$ 0.0341	\$ 0.0034	10.93%
over 1250 kWh	\$ 0.0577	\$ 0.0640	\$ 0.0063	10.93%
<b><u>S.C. No. 2</u></b>				
Customer Charge	\$ 2.32	\$ 2.57	\$ 0.25	10.93%
Non-Winter Rate (April-November)				
Energy charge, per kWh	\$ 0.0392	\$ 0.0435	\$ 0.0043	10.93%
Winter Rate (December - March)				
Energy charge, per kWh	\$ 0.0545	\$ 0.0605	\$ 0.0060	10.93%
<b><u>S.C. No. 3</u></b>				
Demand Charge, per kW	\$ 3.87	\$ 4.29	\$ 0.42	10.93%
Energy Charge, per kWh	\$ 0.0178	\$ 0.0197	\$ 0.0019	10.93%
<b><u>S.C. No. 4</u></b>				
Facilities Charge per Fixture				
175 Watt, Mercury	\$ 9.56	\$ 10.60	\$ 1.04	10.93%
250 Watt, Mercury	\$ 12.67	\$ 14.05	\$ 1.38	10.93%
400 Watt, Mercury	\$ 17.41	\$ 19.31	\$ 1.90	10.93%
1000 Watt, Mercury	\$ 28.95	\$ 32.11	\$ 3.16	10.93%
<b><u>S.C. No. 5</u></b>				
Facilities Charge, per Fixture	\$ 9.34	\$ 10.36	\$ 1.02	10.93%
Energy Charge, per kWh	\$ 0.0199	\$ 0.0221	\$ 0.00	10.93%

**PENN YAN MUNICIPAL UTILITIES BOARD  
ELECTRIC DEPARTMENT**

**COMPARISON OF MONTHLY BILLS  
S.C. NO. 1 - RESIDENTIAL (APRIL - NOVEMBER)**

<u>kWh</u>	<u>Present</u>	<u>Proposed</u>	<u>Increase</u> <u>\$</u>	<u>Increase</u> <u>%</u>
0	\$ 1.55	\$ 1.72	\$ 0.17	10.97%
2	\$ 1.63	\$ 1.81	\$ 0.18	10.82%
10	\$ 1.97	\$ 2.18	\$ 0.20	10.35%
25	\$ 2.60	\$ 2.86	\$ 0.26	9.80%
50	\$ 3.66	\$ 4.00	\$ 0.34	9.30%
75	\$ 4.71	\$ 5.13	\$ 0.43	9.03%
100	\$ 5.76	\$ 6.27	\$ 0.51	8.85%
150	\$ 7.87	\$ 8.55	\$ 0.68	8.64%
200	\$ 9.97	\$ 10.82	\$ 0.85	8.52%
250	\$ 12.08	\$ 13.10	\$ 1.02	8.44%
500	\$ 22.61	\$ 24.48	\$ 1.87	8.27%
750	\$ 33.14	\$ 35.86	\$ 2.72	8.21%
1,000	\$ 43.66	\$ 47.23	\$ 3.57	8.18%
1,500	\$ 64.72	\$ 69.99	\$ 5.27	8.14%
2,000	\$ 85.78	\$ 92.75	\$ 6.97	8.13%
5,000	\$ 212.12	\$ 229.29	\$ 17.17	8.09%
PPA/kWh include.*	0.011414	0.011414		

\* = PPAC factor in effect during Rate Year (equivalent to average PPAC Factor in Base Year)

**PENN YAN MUNICIPAL UTILITIES BOARD  
ELECTRIC DEPARTMENT**

**COMPARISON OF MONTHLY BILLS  
S.C. NO. 1 - RESIDENTIAL (DECEMBER - MARCH)**

<u>kWh</u>	<u>Present</u>	<u>Proposed</u>	<u>Increase</u> <u>\$</u>	<u>Increase</u> <u>%</u>
0	\$ 1.55	\$ 1.72	\$ 0.17	10.97%
2	\$ 1.63	\$ 1.81	\$ 0.18	10.82%
10	\$ 1.97	\$ 2.18	\$ 0.20	10.35%
25	\$ 2.60	\$ 2.86	\$ 0.26	9.80%
50	\$ 3.66	\$ 4.00	\$ 0.34	9.30%
75	\$ 4.71	\$ 5.13	\$ 0.43	9.03%
100	\$ 5.76	\$ 6.27	\$ 0.51	8.85%
150	\$ 7.87	\$ 8.55	\$ 0.68	8.64%
200	\$ 9.97	\$ 10.82	\$ 0.85	8.52%
250	\$ 12.08	\$ 13.10	\$ 1.02	8.44%
500	\$ 22.61	\$ 24.48	\$ 1.87	8.27%
750	\$ 33.14	\$ 35.86	\$ 2.72	8.21%
1,000	\$ 35.99	\$ 38.71	\$ 2.72	7.56%
1,500	\$ 71.47	\$ 77.47	\$ 6.00	8.39%
2,000	\$ 106.03	\$ 115.17	\$ 9.15	8.63%
5,000	\$ 313.37	\$ 341.41	\$ 28.05	8.95%
PPA/kWh include.*	0.011414	0.011414		

\* = PPAC factor in effect during Rate Year (equivalent to average PPAC Factor in Base Year)

**PENN YAN MUNICIPAL UTILITIES BOARD  
ELECTRIC DEPARTMENT**

**COMPARISON OF MONTHLY BILLS  
S.C. NO. 2 - GENERAL SERVICE - NON-DEMAND METERED (APRIL-NOVEMBER)**

<u>kWh</u>	<u>Present</u>	<u>Proposed</u>	<u>Increase</u> <u>\$</u>	<u>Increase</u> <u>%</u>
0	\$ 2.32	\$ 2.57	\$ 0.25	10.78%
2	\$ 2.42	\$ 2.68	\$ 0.26	10.68%
10	\$ 2.83	\$ 3.12	\$ 0.29	10.37%
25	\$ 3.59	\$ 3.94	\$ 0.36	9.97%
50	\$ 4.85	\$ 5.32	\$ 0.47	9.59%
75	\$ 6.12	\$ 6.69	\$ 0.57	9.36%
100	\$ 7.38	\$ 8.06	\$ 0.68	9.21%
150	\$ 9.91	\$ 10.81	\$ 0.90	9.03%
200	\$ 12.44	\$ 13.55	\$ 1.11	8.92%
250	\$ 14.97	\$ 16.30	\$ 1.33	8.85%
500	\$ 27.63	\$ 30.03	\$ 2.40	8.69%
750	\$ 40.28	\$ 43.76	\$ 3.48	8.63%
1,000	\$ 52.93	\$ 57.48	\$ 4.55	8.60%
1,500	\$ 78.24	\$ 84.94	\$ 6.70	8.56%
2,000	\$ 103.55	\$ 112.40	\$ 8.85	8.55%
5,000	\$ 255.39	\$ 277.14	\$ 21.75	8.52%
10,000	\$ 508.46	\$ 551.71	\$ 43.25	8.51%
PPA/kWh include.*	0.011414	0.011414		

\* = PPAC factor in effect during Rate Year (equivalent to average PPAC Factor in Base Year)

**PENN YAN MUNICIPAL UTILITIES BOARD  
ELECTRIC DEPARTMENT**

**COMPARISON OF MONTHLY BILLS  
S.C. NO. 2 - GENERAL SERVICE - NON-DEMAND METERED (DECEMBER - MARCH)**

<u>kWh</u>	<u>Present</u>	<u>Proposed</u>	<u>Increase</u> <u>\$</u>	<u>Increase</u> <u>%</u>
0	\$ 2.32	\$ 2.57	\$ 0.25	10.78%
2	\$ 2.45	\$ 2.71	\$ 0.26	10.69%
10	\$ 2.98	\$ 3.29	\$ 0.31	10.41%
25	\$ 3.97	\$ 4.37	\$ 0.40	10.08%
50	\$ 5.62	\$ 6.17	\$ 0.55	9.79%
75	\$ 7.26	\$ 7.96	\$ 0.70	9.64%
100	\$ 8.91	\$ 9.76	\$ 0.85	9.54%
150	\$ 12.21	\$ 13.36	\$ 1.15	9.42%
200	\$ 15.50	\$ 16.95	\$ 1.45	9.35%
250	\$ 18.80	\$ 20.55	\$ 1.75	9.31%
500	\$ 35.28	\$ 38.53	\$ 3.25	9.21%
750	\$ 51.76	\$ 56.51	\$ 4.75	9.18%
1,000	\$ 68.23	\$ 74.48	\$ 6.25	9.16%
1,500	\$ 101.19	\$ 110.44	\$ 9.25	9.14%
2,000	\$ 134.15	\$ 146.40	\$ 12.25	9.13%
5,000	\$ 331.89	\$ 362.14	\$ 30.25	9.11%
PPA/kWh include.*	0.011414	0.011414		

\* = PPAC factor in effect during Rate Year (equivalent to average PPAC Factor in Base Year)

**PENN YAN MUNICIPAL UTILITIES BOARD  
ELECTRIC DEPARTMENT**

**COMPARISON OF MONTHLY BILLS  
S.C. NO. 3 - GENERAL SERVICE - DEMAND METERED**

<u>kW</u>	<u>kWh</u>	<u>Present</u>	<u>Proposed</u>	<u>Increase</u> <u>\$</u>	<u>Increase</u> <u>%</u>
50	1,000	\$ 222.71	\$ 245.61	\$ 22.90	10.28%
	1,500	\$ 237.32	\$ 261.17	\$ 23.85	10.05%
	2,000	\$ 251.93	\$ 276.73	\$ 24.80	9.84%
75	2,000	\$ 348.68	\$ 383.98	\$ 35.30	10.12%
	3,000	\$ 377.89	\$ 415.09	\$ 37.20	9.84%
	4,000	\$ 407.10	\$ 446.20	\$ 39.10	9.60%
100	5,000	\$ 533.07	\$ 584.57	\$ 51.50	9.66%
	7,500	\$ 606.10	\$ 662.35	\$ 56.25	9.28%
	10,000	\$ 679.14	\$ 740.14	\$ 61.00	8.98%

PPA/kWh include.\*      0.011414      0.011414

\* = PPAC factor in effect during Rate Year (equivalent to average PPAC Factor in Base Year)

**PENN YAN MUNICIPAL UTILITIES BOARD  
ELECTRIC DEPARTMENT**

**COMPARISON OF MONTHLY BILLS  
S.C. NO. 4 - PRIVATE OUTDOOR LIGHTING**

<u>Type of Lamps</u>	<u># of Units</u>	<u>Present</u>	<u>Proposed</u>	<u>Increase \$</u>	<u>Increase %</u>
175 Watt, Mercury	1	\$ 9.56	\$ 10.60	\$ 1.04	10.88%
	10	\$ 95.60	\$ 106.00	\$ 10.40	10.88%
	20	\$ 191.20	\$ 212.00	\$ 20.80	10.88%
250 Watt, Mercury	1	\$ 12.67	\$ 14.05	\$ 1.38	10.89%
	10	\$ 126.70	\$ 140.50	\$ 13.80	10.89%
	20	\$ 253.40	\$ 281.00	\$ 27.60	10.89%
400 Watt, Mercury	1	\$ 17.41	\$ 19.31	\$ 1.90	10.91%
	10	\$ 174.10	\$ 193.10	\$ 19.00	10.91%
	20	\$ 348.20	\$ 386.20	\$ 38.00	10.91%
1000 Watt, Mercury	1	\$ 28.95	\$ 32.11	\$ 3.16	10.92%
	10	\$ 289.50	\$ 321.10	\$ 31.60	10.92%
	20	\$ 579.00	\$ 642.20	\$ 63.20	10.92%

**PENN YAN MUNICIPAL UTILITIES BOARD  
ELECTRIC DEPARTMENT**

**COMPARISON OF MONTHLY BILLS  
S.C. NO. 5 - STREET LIGHTING**

<u>kWh</u>	<u>Present</u>	<u>Proposed</u>	<u>Increase</u> <u>\$</u>	<u>Increase</u> <u>%</u>
100	\$ 12.47	\$ 13.71	\$ 1.24	9.94%
200	\$ 15.60	\$ 17.06	\$ 1.46	9.36%
500	\$ 25.00	\$ 27.12	\$ 2.12	8.48%

PPA/kWh include.*	0.011414	0.011414
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\* = PPAC factor in effect during Rate Year (equivalent to average PPAC Factor in Base Year)



**PENN YAN MUNICIPAL UTILITIES BOARD  
ELECTRIC DEPARTMENT**

**OPERATING PROPERTY ANALYSIS  
May 31, 2018 Through Rate Year**

<u>A/C#</u>	<u>5/31/18 Beg of Yr. Bal.</u>	<u>Actual Additions 6/1/18 to 11/30/2018</u>	<u>Actual Retirements 6/1/18 to 11/30/2018</u>	<u>Estimated Additions, net of Retirements 12/1/18 to 5/31/19</u>	<u>Projected 5/31/19 End of Year Bal</u>	<u>Forecasted Additions</u>	<u>Forecasted Retirements</u>	<u>Projected 5/31/20 End of Rate Yr. Bal</u>
301					\$ -			\$ -
302					-			-
303					-			-
311	39,870				39,870			39,870
312	245,770				245,770			245,770
321					-			-
322					-			-
323					-			-
325					-			-
331					-			-
332					-			-
333					-			-
334					-			-
342					-			-
344					-			-
345					-			-
351	1,176				1,176			1,176
352	23,568				23,568			23,568
353	323,274				323,274			323,274
354	1,830				1,830			1,830
358	1,410,914	12,884	(1,613)	47,756	1,469,941	68,100		1,538,041
359	188,127				188,127			188,127
361	2,435,746			215,395	2,651,141	50,000	(16,251)	2,684,890
362					-			-
363	1,254,509	14,884	(1,224)	14,931	1,283,100	82,425	(16,313)	1,349,212
364	415,500	20,414	(29,108)		406,806			406,806
365	1,111,448	1,202	(812)	1,866	1,113,704			1,113,704
366	244,925	2,465	(1,562)	3,732	249,560			249,560
367	85,808				85,808			85,808
368	318,762				318,762			318,762
369	58,364	1,178	(30)	1,120	60,632			60,632
370	45,234	389	(416)	746	45,953			45,953
371	533,992	589	(1,022)	1,493	535,052			535,052
381	134,573				134,573			134,573
382	200				200			200
383	7,671				7,671			7,671
384	402,268				402,268			402,268
385	21,286				21,286			21,286
386	33,533				33,533			33,533
387	76,418				76,418			76,418
388					-			-
391	3,856				3,856			3,856
392					-			-
393					-			-
	<u>\$ 9,418,622</u>	<u>\$ 54,005</u>	<u>\$ (35,787)</u>	<u>\$ 287,040</u>	<u>\$ 9,723,880</u>	<u>\$ 200,525</u>	<u>\$ (32,564)</u>	<u>\$ 9,891,841</u>

(a)

(a)

(a) - Includes capitalized salaries, materials, engineering, contracted and related overheads.

# **PENN YAN MUNICIPAL UTILITIES BOARD ELECTRIC DEPARTMENT**

## **DEPRECIATION CALCULATIONS Year Ended May 31, 2019**

A/C#	5/31/18	5/31/19	Avg.	Less:	Avg. Balance	Dep.	Depreciation Reserves				5/31/19	Remaining
	Beg of	End of	Gross	Contributions	Subject to		Depreciation Expense	Beg of	(Retirements)	End of	Cost	
	Yr. Bal.	Yr. Bal.	Bal.	for Extension	Depreciation	Rate	A/C#	Amt.	Yr. Bal.	Salvage	Yr. Bal.	
301	\$ -	\$ -	\$ -	\$ -	\$ -			\$ -			\$ -	\$ -
302	-	-	-	-	-			-			-	-
303	-	-	-	-	-			-			-	-
311	39,870	39,870	39,870	-	39,870		743 & 788	-			-	39,870
312	245,770	245,770	245,770		245,770	2.00%	743 & 788	4,915	134,463		139,378	106,392
321	-	-	-		-			-			-	-
322	-	-	-		-			-			-	-
323	-	-	-		-			-			-	-
325	-	-	-		-			-			-	-
331	-	-	-		-		711	-			-	-
332	-	-	-		-		711	-			-	-
333	-	-	-		-		711	-			-	-
334	-	-	-		-		711	-			-	-
342	-	-	-		-		717	-			-	-
344	-	-	-		-		717	-			-	-
345	-	-	-		-		717	-			-	-
351	1,176	1,176	1,176		1,176	2.00%	733	24	986		1,010	166
352	23,568	23,568	23,568		23,568	2.60%	733	613	23,568		24,181	(613)
353	323,274	323,274	323,274		323,274	2.20%	733	7,112	82,279		89,391	233,883
354	1,830	1,830	1,830		1,830	2.40%	733	44	1,724		1,768	62
358	1,410,914	1,469,941	1,440,427	(263,767)	1,176,660	3.30%	738	38,830	754,608	(8,509)	784,929	685,012
359	188,127	188,127	188,127		188,127	2.00%	738	3,763	55,236		58,999	129,128
361	2,435,746	2,651,141	2,543,444		2,543,444	3.00%	743	76,303	1,414,712	(82,944)	1,408,071	1,243,070
362	-	-	-		-		743	-			-	-
363	1,254,509	1,283,100	1,268,804	(246)	1,268,558	3.00%	743	38,057	657,048	(1,224)	693,881	589,219
364	415,500	406,806	411,153		411,153	3.00%	743	12,335	158,063	(29,108)	141,290	265,516
365	1,111,448	1,113,704	1,112,576	(94,643)	1,017,933	3.00%	743	30,538	547,224	(812)	576,950	536,754
366	244,925	249,560	247,243	(53,601)	193,642	5.00%	743	9,682	215,973	(1,562)	224,093	25,467
367	85,808	85,808	85,808		85,808	3.00%	743	2,574	70,076		72,650	13,158
368	318,762	318,762	318,762	(736)	318,026	3.00%	743	9,541	284,000		293,541	25,221
369	58,364	60,632	59,498		59,498	3.00%	743	1,785	50,988	(30)	52,743	7,889
370	45,234	45,953	45,593		45,593	3.00%	743	1,368	19,493	(416)	20,445	25,508
371	533,992	535,052	534,522	(172,324) (b)	362,198	3.00%	753	10,866	174,924	(1,022)	184,768	350,284
381	134,573	134,573	134,573		134,573	5.00%	788	6,729	100,535		107,264	27,309
382	200	200	200		200	3.80%	788	8	159		167	33
383	7,671	7,671	7,671		7,671	5.00%	788	384	7,291		7,675	(4)
384	402,268	402,268	402,268		402,268	10.00%	804	40,227	145,486	21,600 (a)	207,313	194,955
385	21,286	21,286	21,286		21,286	10.00%	788	2,129	21,286		23,415	(2,129)
386	33,533	33,533	33,533		33,533	5.00%	803	1,677	32,344		34,021	(488)
387	76,418	76,418	76,418		76,418	5.00%	788	3,821	76,419		80,240	(3,822)
388	-	-	-		-		788	-			-	-
391	3,856	3,856	3,856		3,856	5.00%	788	193	3,856		4,049	(193)
	\$ 9,418,622	\$ 9,723,880	\$ 9,571,251	\$ (585,317)	\$ 8,985,934			\$ 303,514	\$ 5,032,741	\$ (104,027)	\$ 5,232,228	\$ 4,491,652

Amount of depreciation expense charged to:

A/C#	Amount Charged	
711	\$ -	
717	-	
733	7,792	
738	42,592	
743	187,098	
753	10,866	
788	13,262	
804	41,903	(included in overhead allocation)
	<u>\$ 303,514</u>	
	261,611	Depreciation Expense - FY 2019
	41,903	Depreciation charges on trucks allocated through work orders - FY 2019
	<u>\$ 303,514</u>	

(a) Sale of 2012 Ford F250XL. Proceeds of \$21,600 reported as Salvage value. (Previously reported as Miscellaneous Revenues)

(b) Includes reimbursement from IEEP, previously reported as Miscellaneous Revenues. Correctly reported as Contributions for Extensions.

# **PENN YAN MUNICIPAL UTILITIES BOARD ELECTRIC DEPARTMENT**

## **DEPRECIATION CALCULATIONS**

### **Rate Year**

A/C#	5/31/19	5/31/20	Avg.	Less:	Avg. Balance	Dep.	Depreciation Reserves				5/31/20	Remaining
	Beg of Yr. Bal.	End of Yr. Bal.	Gross Bal.	Contributions for Extension	Subject to Depreciation		Rate	Depreciation Expense A/C#	Amt.	Beg of Yr. Bal.	(Retirements) Salvage	
301	\$ -	\$ -	\$ -		\$ -			\$ -	\$ -		\$ -	\$ -
302	-	-	-		-			-	-		-	-
303	-	-	-		-			-	-		-	-
311	39,870	39,870	39,870		39,870		743 & 788	-	-		-	39,870
312	245,770	245,770	245,770		245,770	2.00%	743 & 788	4,915	139,378		144,294	101,476
321	-	-	-		-			-	-		-	-
322	-	-	-		-			-	-		-	-
323	-	-	-		-			-	-		-	-
325	-	-	-		-			-	-		-	-
331	-	-	-		-		711	-	-		-	-
332	-	-	-		-		711	-	-		-	-
333	-	-	-		-		711	-	-		-	-
334	-	-	-		-		711	-	-		-	-
342	-	-	-		-		717	-	-		-	-
344	-	-	-		-		717	-	-		-	-
345	-	-	-		-		717	-	-		-	-
351	1,176	1,176	1,176		1,176	2.00%	733	24	1,010		1,033	143
352	23,568	23,568	23,568		23,568	2.60%	733	613	24,181		24,794	(1,226)
353	323,274	323,274	323,274		323,274	2.20%	733	7,112	89,391		96,503	226,771
354	1,830	1,830	1,830		1,830	2.40%	733	44	1,768		1,812	18
358	1,469,941	1,538,041	1,503,991	(263,767)	1,240,224	3.30%	738	40,927	784,929		825,856	712,185
359	188,127	188,127	188,127		188,127	2.00%	738	3,763	58,999		62,761	125,366
361	2,651,141	2,684,890	2,668,016		2,668,016	3.00%	743	80,040	1,408,071	(16,251)	1,471,861	1,213,030
362	-	-	-		-		743	-	-		-	-
363	1,283,100	1,349,212	1,316,156	(246)	1,315,910	3.00%	743	39,477	693,881	(16,313)	717,045	632,167
364	406,806	406,806	406,806		406,806	3.00%	743	12,204	141,290		153,494	253,312
365	1,113,704	1,113,704	1,113,704	(94,643)	1,019,061	3.00%	743	30,572	576,950		607,522	506,182
366	249,560	249,560	249,560	(53,601)	195,959	5.00%	743	9,798	224,093		233,891	15,669
367	85,808	85,808	85,808		85,808	3.00%	743	2,574	72,650		75,224	10,584
368	318,762	318,762	318,762	(736)	318,026	3.00%	743	9,541	293,541		303,082	15,680
369	60,632	60,632	60,632		60,632	3.00%	743	1,819	52,743		54,562	6,070
370	45,953	45,953	45,953		45,953	3.00%	743	1,379	20,445		21,823	24,129
371	535,052	535,052	535,052	(172,324)	362,728	3.00%	753	10,882	184,768		195,650	339,402
381	134,573	134,573	134,573		134,573	5.00%	788	6,729	107,264		113,992	20,581
382	200	200	200		200	3.80%	788	8	167		174	26
383	7,671	7,671	7,671		7,671	5.00%	788	384	7,675		8,058	(387)
384	402,268	402,268	402,268		402,268	10.00%	804	40,227	207,313		247,540	154,728
385	21,286	21,286	21,286		21,286	10.00%	788	2,129	23,415		25,543	(4,257)
386	33,533	33,533	33,533		33,533	5.00%	803	1,677	34,021		35,697	(2,164)
387	76,418	76,418	76,418		76,418	5.00%	788	3,821	80,240		84,061	(7,643)
388	-	-	-		-		788	-	-		-	-
391	3,856	3,856	3,856		3,856	5.00%	788	193	4,049		4,242	(386)
	\$ 9,723,880	\$ 9,891,841	\$ 9,807,860	\$ (585,317)	\$ 9,222,543			\$ 310,849	\$ 5,232,228	\$ (32,564)	\$ 5,510,513	\$ 4,381,328

Amount of depreciation expense charged to:

A/C#	Amount Charged
711	\$ -
717	-
733	7,792
738	44,690
743	192,320
753	10,882
788	13,262
804	41,903
	<u>\$ 310,849</u>

(included in overhead allocation)

Depreciation Expense - Rate Year

Depreciation charges on trucks allocated through work orders - Rate Year

\$ 310,849**PILOT Calculation (all property located within the Village)**

A/C# 311 to 367	\$ 8,251,636
Accum Deprec	(4,416,089)
Net Book Value	\$ 3,835,547
Equalization Rate	97%
Equalized NBV	\$ 3,954,172
Prop Tax Rate	\$ 15.247495
PILOT	\$ 60,291
PILOT - Rounded	\$ 60,000

**PENN YAN MUNICIPAL UTILITIES BOARD  
ELECTRIC DEPARTMENT**

**FORECASTED CAPITAL IMPROVEMENTS**

The Department has identified certain capital improvements expected to be completed during Fiscal Year 2019 and the Rate Year. These improvements include material costs, capitalized labor and overheads, and is net of retirements in the chart below.

<u>Fiscal Year 2019</u> <u>Project</u>	<u>Labor</u>	<u>Material</u>	<u>Engineer</u>	<u>Contractor</u>	<u>Truck Overhead**</u>	<u>Material Overhead**</u>	<u>Employee Ben Overhead**</u>	<u>Total Cost</u>	<u>Retired Equipment</u>	<u>Account Number</u>
Replace B5-64 at Ryder SS with a 34 kV breaker & relocated NYPA metering	\$ 45,000	\$ 95,600	\$ 27,500	\$ 87,900	\$ 9,900	\$ 4,780	\$ 19,350	\$ 290,030	\$ (82,944)	361
Rebuild Welker Circuit #5 along Collins Avenue	22,750	3,500	-	-	5,005	175	9,783	41,213	(6,896)	358
Other work - Period 12/1/18 to 5/31/19										
Work outside of Projects described above	8,145	-	-	-	1,792	-	3,502	13,439	-	358
Work outside of Projects described above	5,036	-	-	-	1,108	-	2,165	8,309	-	361
Work outside of Projects described above	9,049	-	-	-	1,991	-	3,891	14,931	-	363
Work outside of Projects described above	1,131	-	-	-	249	-	486	1,866	-	365
Work outside of Projects described above	2,262	-	-	-	498	-	973	3,732	-	366
Work outside of Projects described above	679	-	-	-	149	-	292	1,120	-	369
Work outside of Projects described above	452	-	-	-	99	-	194	746	-	370
Work outside of Projects described above	905	-	-	-	199	-	389	1,493	-	371
<b>Total Anticipated Capital Improvements - FY 2019</b>	<b>\$ 95,409</b>	<b>\$ 99,100</b>	<b>\$ 27,500</b>	<b>\$ 87,900</b>	<b>\$ 20,990</b>	<b>\$ 4,955</b>	<b>\$ 41,026</b>	<b>\$ 376,880</b>	<b>\$ (89,840)</b>	
<u>Rate Year</u> <u>Project</u>	<u>Labor</u>	<u>Material</u>	<u>Engineer</u>	<u>Contractor</u>	<u>Truck Overhead</u>	<u>Material Overhead</u>	<u>Employee Ben Overhead</u>	<u>Total Cost</u>	<u>Retired Equipment</u>	<u>Account Number</u>
Move primary 3PH feed to Horizon Park from Ryder F1 to Ryder F8	\$ 26,000	\$ 4,000	\$ -	\$ -	\$ 5,720	\$ 200	\$ 11,180	\$ 47,100	\$ (8,459)	363
Reconductor Welker #3 between P3 and P20 - Main St.	19,500	3,000	-	-	4,290	150	8,385	35,325	(7,854)	363
Upgrade 4-4kv, 1200A breakers at Welker SS	-	-	-	50,000	-	-	-	50,000	(16,251)	361
Ave.	26,000	24,000	-	-	5,720	1,200	11,180	68,100	-	358
<b>Total Anticipated Capital Improvements - Rate Year</b>	<b>\$ 71,500</b>	<b>\$ 31,000</b>	<b>\$ -</b>	<b>\$ 50,000</b>	<b>\$ 15,730</b>	<b>\$ 1,550</b>	<b>\$ 30,745</b>	<b>\$ 200,525</b>	<b>\$ (32,564)</b>	

**\*\*Overhead Percentages calculated at Workpaper G**

Truck overhead costs calculated at 22% of Direct Labor cost

Material overhead costs calculated at 5% of Material cost

Employee benefits overhead costs calculated at 43% of Labor Costs

## **Revised Tariff Leaves**

PSC NO: 1 ELECTRICITY

COMPANY: PENN YAN MUNICIPAL UTILITIES BOARD

INITIAL EFFECTIVE DATE: 6/1/2019

LEAF: 1

REVISION: 2

SUPERSEDING REVISION: 1

COVER

PENN YAN MUNICIPAL UTILITIES BOARD  
CONCURRENCE TARIFF

PSC NO: 1 ELECTRICITY  
COMPANY: PENN YAN MUNICIPAL UTILITIES BOARD  
INITIAL EFFECTIVE DATE: 6/1/2019

LEAF: 2  
REVISION: 3  
SUPERSEDING REVISION: 2

	<u>LEAF #</u>
I. GENERAL INFORMATION	
A. CONCURRENCE	3
B. TERRITORY TO WHICH SCHEDULE APPLIES	3
II. SERVICE CLASSIFICATION NO. 1 Residential	4
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VII. CHARGES	
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B. INSUFFICIENT FUNDS CHECK CHARGE	15
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PSC NO: 1 ELECTRICITY  
COMPANY: PENN YAN MUNICIPAL UTILITIES BOARD  
INITIAL EFFECTIVE DATE: 6/1/2019

LEAF: 3  
REVISION: 2  
SUPERSEDING REVISION: 1

## GENERAL INFORMATION

A. CONCURRENCE:

The Penn Yan Municipal Utilities Board concurs in and agrees to abide by the rules and regulations as set forth in the generic tariff filed by the New York Municipal Power Agency (NYMPA) in Case No. 97-E-1575.

B. TERRITORY TO WHICH SCHEDULE APPLIES:

These rates, rules and regulations are applicable to the Village of Penn Yan, and the portions of the Towns of Milo, Benton, and Jerusalem served under franchises granted to the Penn Yan Municipal Utilities Board of the Village of Penn Yan.



PSC NO: 1 ELECTRICITY  
 COMPANY: PENN YAN MUNICIPAL UTILITIES BOARD  
 INITIAL EFFECTIVE DATE: 6/1/2019

LEAF: 4  
 REVISION: 3  
 SUPERSEDING REVISION: 2

SERVICE CLASSIFICATION NO. 1  
 Residential

APPLICABLE TO USE OF SERVICE FOR:

Single-phase residential purpose usage in an individual residence; in an individual flat or individual apartment in a multiple-family dwelling; for residential purposes in a rooming house where not more than four (4) rooms are available for rent; and for single phase farm service when supplied through the farm residence meter; use exclusively in connection with religious purposes by corporations or associations organized and conducted in good faith for religious purposes, and including the operation by such corporation or association of a school, notwithstanding that secular subjects are taught at such school; for single-phase service exclusively in connection with a community residence as defined in subdivision 28, 28A or 28B of section 1.03 of the Mental Hygiene Law, provided that such residence is operated by a not-for-profit corporation and if supervisory staff is on site on a twenty-four hour per day basis that the residence provides living accommodations for fourteen or fewer residents; and use for any post or hall owned or leased by a not-for-profit organization that is a veterans organization.

CHARACTER OF SERVICE:

Continuous, alternating current, at approximately 60 cycle; 120 volts, two wire, or 120/240 volts, three wire single phase, depending upon the characteristics of the load and the circuit from which service is supplied.

MONTHLY RATE:

	<u>Rate</u>
Customer Charge	\$1.72
<u>Non-winter Rate (April-November)</u>	
Energy charge, per kWh	\$0.0341
<u>Winter Rate (December-March)</u>	
Energy charge, per kWh	
first 1250 kWh	\$0.0341
over 1250 kWh	\$0.0640

PSC NO: 1 ELECTRICITY  
COMPANY: PENN YAN MUNICIPAL UTILITIES BOARD  
INITIAL EFFECTIVE DATE: 6/1/2019

LEAF: 5  
REVISION: 2  
SUPERSEDING REVISION: 1

SERVICE CLASSIFICATION NO. 1 (CONT'D)  
Residential

MINIMUM CHARGE:

The minimum charge is the customer charge.

TERMS OF PAYMENT:

All bills are due when rendered. Full payment must be received on or before the date shown on the bill to avoid a late payment charge of 1.5% as provided in Rule VIII of the NYMPA generic tariff.

TERM:

Service may be terminated by the customer on three (3) days' notice at any time after one month of service.

SPECIAL PROVISIONS:

- A. When two or more individual flats or apartments are metered on one meter, service may be rendered hereunder, but the rate applicable will be the result obtained by multiplying the number of kilowatt-hours, in each block, except the initial block by the number of individual flats or apartments.
- B. Electricity will not be supplied under this classification, except as otherwise provided for in "Applicable Use of Service For", when any part of the building, house, flat, or apartment occupied as a home, residence or sleeping place is also used for the conduct of a business or any activity non-residential in character, unless the wiring is separate and the part devoted to such non-residential purposes is metered and billed under another and appropriate classification.

FACTOR OF ADJUSTMENT:

The factor of adjustment pursuant to Rule IX.D of the NYMPA generic tariff is 1.045249.

PURCHASE POWER ADJUSTMENT:

The charges set forth in this service classification shall be subject to a purchase power adjustment as explained in Rule IX of the NYMPA generic tariff.

PSC NO: 1 ELECTRICITY  
COMPANY: PENN YAN MUNICIPAL UTILITIES BOARD  
INITIAL EFFECTIVE DATE: 6/1/2019

LEAF: 6  
REVISION: 3  
SUPERSEDING REVISION: 2

SERVICE CLASSIFICATION NO. 2  
General Service - Non-demand Metered

APPLICABLE TO USE OF SERVICE FOR:

Commercial, business, schools, small industrial power and light installations, (not served under Service Classification No. 3), multiple dwellings (two or more families in one house or where more than two rooms are rented) and any service for premises partially used for business or professional and partially used for residential purposes.

CHARACTER OF SERVICE:

Continuous, alternating current, 60 cycle 120/240 volts single phase, 240 or 440 volts three phase also, with Village permission, 120/208 volts three phase, as well as 2400 volts and 4160 volts three phase service; depending upon the characteristics of the load and the circuit from which service is supplied.

MONTHLY RATE:

	<u>Rate</u>
Customer Charge	\$2.57
<u>Non-winter Rate (April-November)</u>	
Energy charge, per kWh	\$0.0435
<u>Winter Rate (December-March)</u>	
Energy charge, per kWh	\$0.0605

MINIMUM CHARGE:

The minimum charge is the customer charge.

FACTOR OF ADJUSTMENT:

The factor of adjustment pursuant to Rule IX.D of the NYMPA generic tariff is 1.045249.

PURCHASED POWER ADJUSTMENT:

The charges set forth in this service classification shall be subject to a purchase power adjustment as explained in Rule IX of the NYMPA generic tariff.

PSC NO: 1 ELECTRICITY  
COMPANY: PENN YAN MUNICIPAL UTILITIES BOARD  
INITIAL EFFECTIVE DATE: 6/1/2019

LEAF: 7  
REVISION: 2  
SUPERSEDING REVISION: 1

SERVICE CLASSIFICATION NO. 2 (CONT'D)  
General Service - Non-demand Metered

TERMS OF PAYMENT:

All bills are due when rendered. Full payment must be received on or before the date shown on the bill to avoid a late payment charge of 1.5% as provided in Rule VIII of the NYMPA generic tariff.

TERM:

Service may be terminated on three days (3) notice at any time, after one month of service.

PSC NO: 1 ELECTRICITY  
COMPANY: PENN YAN MUNICIPAL UTILITIES BOARD  
INITIAL EFFECTIVE DATE: 6/1/2019

LEAF: 8  
REVISION: 3  
SUPERSEDING REVISION: 2

SERVICE CLASSIFICATION NO. 3  
General Service - Demand Metered

APPLICABLE USE OF SERVICE FOR:

Demand metered service for large light and power installations either agreeing in advance to a minimum billing of twenty (20) kilowatts, or the maximum monthly demand of which are established by measurement as provided below.

CHARACTER OF SERVICE:

Continuous - alternating current, 60 cycle 120/240 volts single phase, 240 or 440 volts three phase also, with Village permission, 120/208 volts three phase, as well as 2400 and 4160 volts three phase services; depending upon the characteristics of the load and the circuit from which services are supplied.

MONTHLY RATE:

	<u>Rate</u>
Demand charge, per kW	\$4.29
Energy charge, per kWh	\$0.0197

MINIMUM CHARGE:

The minimum charge is the demand charge as provided under "Determination of Demand."

PSC NO: 1 ELECTRICITY  
COMPANY: PENN YAN MUNICIPAL UTILITIES BOARD  
INITIAL EFFECTIVE DATE: 6/1/2019

LEAF: 9  
REVISION: 2  
SUPERSEDING REVISION: 1

SERVICE CLASSIFICATION NO. 3 (CONT'D)  
General Service - Demand Metered

DETERMINATION OF DEMAND:

- A. The customer monthly maximum demands will be determined by measurement, whenever the customer accepts a twenty (20) kilowatt minimum billing demand or, when previous measured monthly maximum demands have equaled twenty (20) kilowatts or more for three (3) consecutive months and have not been followed by twelve (12) consecutive months in which the monthly maximum demand was less than twenty (20) kilowatts. The Village may install a demand meter for testing purposes on any load not served on Service Classification Nos. 1 or 2. It will do so in all cases where the monthly consumption exceeds 5000 kilowatt-hours for three (3) consecutive months.
- B. When the monthly maximum demand is determined by measurement, the demand used for billing purposes shall be the greatest of the following:
1. The maximum fifteen minute integrated kilowatt demand determined by meter, occurring during the month for which charge is made. The demand as determined shall be taken to the nearest one-half kilowatt.
  2. Fifty percent of the highest demand during the preceding twelve months.
  3. Twenty (20) kilowatts.

TERMS OF PAYMENT:

All bills are due when rendered. Full payment must be received on or before the date shown on the bill to avoid a late payment charge of 1.5% as provided in Rule VIII of the NYMPA generic tariff.

FACTOR OF ADJUSTMENT:

The factor of adjustment pursuant to Rule IX.D of the NYMPA generic tariff is 1.045249.

PURCHASED POWER ADJUSTMENT:

The charges set forth in this service classification shall be subject to a purchased power adjustment as explained in Rule IX of the NYMPA generic tariff.

PSC NO: 1 ELECTRICITY  
COMPANY: PENN YAN MUNICIPAL UTILITIES BOARD  
INITIAL EFFECTIVE DATE: 6/1/2019

LEAF: 10  
REVISION: 2  
SUPERSEDING REVISION: 1

SERVICE CLASSIFICATION NO. 3 (CONT'D)  
General Service - Demand Metered

TERM:

- A. Single phase service: Three months and thereafter until terminated by 48 hours written notice.
- B. Three phase service: One year and thereafter until terminated by 48 hours written notice.

SPECIAL PROVISIONS:

- A. When the customer's equipment includes devices which have a highly fluctuating or large instantaneous demand, such as X-ray apparatus, welders, and other like equipment, and the customer has not provided corrective equipment to reduce the inrush current to an amount which will not cause disturbance to other customers, the demand of such devices shall be taken as the sum of the maximum instantaneous capacities as determined from the name plates or by test of those pieces of apparatus which are so connected that they may be operated at one time.
- B. Where the billing demand of such customer is determined by a demand meter, the demand of such highly fluctuating demand devices, determined as described above, shall be added to the demand as shown by the demand meter. The sum of these two demands shall be the billing demand.
- C. Customers, taking three-phase electric energy, shall maintain as nearly as reasonably possible equal currents in each of the three-phase conductors at the point of service. If at any time the current in any phase conductor shall exceed the average of the currents in all the three-phase conductors by more than five percent (5%), the amount to be paid by the customer for the period within which the imbalance occurred, shall be increased by a percentage equal to that of the imbalance.

PSC NO: 1 ELECTRICITY  
COMPANY: PENN YAN MUNICIPAL UTILITIES BOARD  
INITIAL EFFECTIVE DATE: 6/1/2019

LEAF: 11  
REVISION: 2  
SUPERSEDING REVISION: 1

SERVICE CLASSIFICATION NO. 3 (CONT'D)  
General Service - Demand Metered

SPECIAL PROVISIONS (CONT'D):

- D. The customer will normally be required to maintain a power factor at the point of delivery of between ninety percent (90%) lagging and ninety percent (90%) leading. Should the customer fail to do so within ninety (90) days after notification, the Village shall install the necessary corrective equipment. Such work performed by the Village will be charged for on a basis of current labor and material costs plus forty percent (40%) to cover indirect overhead costs.
- E. Standby or breakdown service will be furnished under this classification to a customer part or all of whose source of energy, whether electrically or mechanically produced, shall be introduced or permitted, directly or indirectly, in connection with the operation of customer's equipment. For such service the monthly charge shall be not less than for the maximum demand in any of the preceding twelve (12) months.
- F. Customers electing to furnish, install and maintain their own transformers and accessory equipment, and who are served by the Village 2400 or 4160 volt system, shall receive a discount of five percent (5%) on their demand and energy charges.

Note: Customers under this service classification are billed monthly.



PSC NO: 1 ELECTRICITY  
COMPANY: PENN YAN MUNICIPAL UTILITIES BOARD  
INITIAL EFFECTIVE DATE: 6/1/2019

LEAF: 12  
REVISION: 3  
SUPERSEDING REVISION: 2

SERVICE CLASSIFICATION NO. 4  
Private Outdoor Lighting

APPLICABLE TO USE OF SERVICE FOR:

Private outdoor lighting from multiple circuits. Monthly charges are assessed at a flat rate per fixture.

CHARACTER OF SERVICE:

Unmetered service at approximately 60 cycle, alternating current, and 120 volts.

MONTHLY RATE:

	<u>Rate</u>
Facilities Charge, per fixture	
175 Watt, Mercury	\$10.60
250 Watt, Mercury	\$14.05
400 Watt, Mercury	\$19.31
1000 Watt, Mercury	\$32.11

TERMS OF PAYMENT:

All bills are due when rendered. Full payment must be received on or before the date shown on the bill to avoid a late payment charge of 1.5% as provided in Rule VIII of the NYMPA generic tariff.

Issued by: Gary Meeks, Clerk/Treasurer, 111 Elm Street, Penn Yan, NY 14527

PSC NO: 1 ELECTRICITY  
COMPANY: PENN YAN MUNICIPAL UTILITIES BOARD  
INITIAL EFFECTIVE DATE: 6/1/2019

LEAF: 13  
REVISION: 2  
SUPERSEDING REVISION: 1

SERVICE CLASSIFICATION NO. 4 (CONT'D)  
Private Outdoor Lighting

TERM:

One year, commencing at the date of installation, and thereafter from year to year until canceled by the customer upon 30 days' notice.

FACTOR OF ADJUSTMENT:

The factor of adjustment pursuant to Rule IX.D of the NYMPA generic tariff is 1.045249.

PURCHASED POWER ADJUSTMENT:

The charges set forth in this service classification shall be subject to a purchased power adjustment as explained in Rule IX of the NYMPA generic tariff.

SPECIAL PROVISIONS:

- A. The Village will furnish, install, own, operate and maintain an enclosed, photo-electrically controlled luminaire complete with 30 inch pipe bracket.
- B. The lighting unit will be installed only on private property owned or leased by the customer. The customer will furnish the necessary pole or other support, except as hereinafter provided. The Village reserves the right to require a mounting height which will provide proper light distribution from the unit. Where a Village-owned pole is appropriately located on premises owned or leased by the customer, the Village may waive the requirement that the support be furnished by the customer, and it may install the unit on the Village-owned pole.
- C. Upon request of the customer, the Village will change the location of the lighting unit, providing a proper support is furnished and the customer agrees to pay the Village for the cost incurred in making such change.
- D. Lighting service will be provided every night and all night during the hours between sunset and sunrise, aggregating about 4000 hours per year, unless prevented by accidents or other causes beyond the control of the Village.
- E. The customer shall notify the Village whenever the lamp shall become extinguished or out of service for any reason and the Village shall replace the lamp and/or make the necessary repairs with reasonable promptness.

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PSC NO: 1 ELECTRICITY  
COMPANY: PENN YAN MUNICIPAL UTILITIES BOARD  
INITIAL EFFECTIVE DATE: 6/1/2019

LEAF: 14  
REVISION: 3  
SUPERSEDING REVISION: 2

SERVICE CLASSIFICATION NO. 5  
Street Lighting

APPLICABLE TO USE OF SERVICE FOR:

Municipal Street Lighting. The utility may meter one service and impute this measured service to the other services of the same size and character. In that event, monthly charges are assessed by multiplying the usage of one metered fixture by the total number of fixtures.

CHARACTER OF SERVICE:

Metered service at 240 & 480 volts, approximately 60 Hertz, alternating current.

MONTHLY RATE:

	<u>Rate</u>
Facilities Charge, per fixture	\$10.36
Energy Charge, per kwh	\$0.0221

TERMS OF PAYMENT:

All bills are due when rendered. Full payment must be received on or before the date shown on the bill to avoid a late payment charge of 1.5% as provided in Rule VIII of the NYMPA generic tariff.

DETERMINATION OF BILLING QUANTITIES:

- A. Application of energy meters to at least one selected luminaire of each type.
- B. Calculation of energy use by application of test meter results to the total number of installed units of each type.
- C. The billing energy shall be the total number of kWh so calculated for all luminaires in service during the billing period.

PURCHASED POWER ADJUSTMENT:

The charges set forth in this service classification shall be subject to a purchased power adjustment as explained in Rule IX of the NYMPA generic tariff.

FACTOR OF ADJUSTMENT:

The factor of adjustment pursuant to Rule IX.D of the NYMPA generic tariff is 1.045249.

Issued by: Gary Meeks, Clerk/Treasurer, 111 Elm Street, Penn Yan, NY 14527

PSC NO: 1 ELECTRICITY  
COMPANY: PENN YAN MUNICIPAL UTILITIES BOARD  
INITIAL EFFECTIVE DATE: 6/1/2019

LEAF: 15  
REVISION: 4  
SUPERSEDING REVISION: 3

## CHARGES

### A. RECONNECTION CHARGE:

When service has been discontinued, either by the Municipality as provided in Rule XIII of the NYMPA generic tariff or at the request of the consumer and the same consumer applies for reconnection of service at the same premises within four (4) months, there shall be a reconnection charge payable before service will be reestablished, in the amounts as follows:

\$25.00 during regular office hours, Monday through Friday

After regular working hours of the electric department, Monday through Friday, and Saturday, Sunday and Holidays, the charge will be based on full employee cost to the utility of the employee responding to the call out.

### B. INSUFFICIENT FUNDS CHECK CHARGE:

Any checks received in payment for electric service which are returned to the Penn Yan Municipal Utilities Board for insufficient funds, or are otherwise dishonored by the bank, shall bear a nonrecurring charge of \$15.00 for each check that has to be processed by the Penn Yan Municipal Utilities Board. If two checks have been returned by the bank, the customer who issued the dishonored checks may be required by the Municipal Utilities Board to render future payments by cash, money order, certified or cashier's check.

Post-dated checks shall be returned to the customer as invalid for the transaction.

Only United States currency shall be accepted for payment of accounts due the Penn Yan Municipal Utilities Board.

### C. POLE ATTACHMENT RATES:

For a cable system operator or telecommunication carrier who has a franchise to operate within the municipality's service territory and who has an executed pole attachment agreement with the municipality which permits attachment to electric system poles owned solely or jointly by the municipality the annual attachment rate, unless a different rate is agreed on by the parties is as follows:

	<u>Pole Attachment</u>
Cable System Operator	\$11.98 per equivalent pole
Telecommunications Carrier	\$11.98 per equivalent pole

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PSC NO: 1 ELECTRICITY  
COMPANY: PENN YAN MUNICIPAL UTILITIES BOARD  
INITIAL EFFECTIVE DATE: 6/1/2019

LEAF: 16  
REVISION: 1  
SUPERSEDING REVISION: 0

## PURCHASED POWER ADJUSTMENT CHARGE

### APPLICABILITY:

All customers receiving service under any of the Penn Yan Municipal Utilities Board's Electric Department's Service Classification are subject to purchased power adjustment charges ("PPAC").

### ADJUSTMENT CHARGE:

The PPAC shall be the amount which shall be added to each kilowatt-hour of each rate schedule to reflect and recover all purchased power and transmission costs billed to the Penn Yan Municipal Utilities Board Electric Department from all service providers.

### CALCULATION OF THE PURCHASED POWER ADJUSTMENT CHARGE:

The PPAC shall equal the total cost of all power and transmission costs billed to the Penn Yan Municipal Utilities Board Electric Department in each month divided by the kWh purchases in that month, less the base cost of purchased power measured at system input level adjusted by a loss factor (Factor of Adjustment). The result cost per kWh shall be rounded to the nearest \$0.000001 and applied as a charge or credit to all kilowatt-hours billed in the following month.

### ANNUAL RECONCILIATION:

At the end of each fiscal year the Penn Yan Municipal Utilities Board will perform a reconciliation to determine whether there was an under- or over-collection of purchased power expense during the preceding year. The calculation is as follows:

Total Purchased Power Cost - (kWh sold x Base Cost of Purchased Power x Factor of Adjustment)

The result will then be compared to the actual PPAC revenues recovered during this period to determine if a PPA Reconciliation Surcharge or Refund is applicable. The resultant Surcharge or Refund will be included as a line item in the following month(s) calculation(s) of PPAC in order to adjust revenues to more accurately reflect actual expenses. The number of months over which the Surcharge or Refund will be included will depend on the size of the Surcharge or Refund. If the Surcharge/Refund is under \$10,000 it will be included in one month. Surcharges/Refunds between \$10,000 and \$20,000 will be split between two months and any Surcharges/Refunds over \$20,000 will be charged/credited in \$10,000/month increments until complete in order to minimize the impact on rate payers.

## **Workpapers**

**PENN YAN MUNICIPAL UTILITIES BOARD  
ELECTRIC DEPARTMENT**

**WEATHER NORMALIZATION OF REVENUES (BASED ON MAY 31, 2018)**

Assume non-weather load to be average of lowest two months kWh Sales

**From 5/31/18 Annual Report: Actual kWh & Actual Base Revenue**

	<b>kWh Sold</b>			<b>Base Revenue</b>		
	Winter Nov-April kWh	Summer May-Oct kWh	Total kWh	Winter Nov-April \$	Summer May-Oct \$	Summer \$
601 Residential	20,157,897	11,625,079	31,782,976	\$ 803,449	\$ 381,267	\$ 1,184,716
602 Commercial	3,423,198	2,642,179	6,065,377	\$ 176,138	\$ 108,492	\$ 284,630
Total	23,581,095	14,267,258	37,848,353	\$ 979,587	\$ 489,759	\$ 1,469,346

**Weather Normalization - Sales**

	Nov-April kWh Non-Weather kWh	Nov-April kWh Weather kWh	Increase/(Decrease) -4.88% Weather Load	Adjusted Nov-Apr kWh
601 Residential	9,837,114	10,320,783	9,817,129	19,654,243
602 Commercial	2,277,078	1,146,120	1,090,189	3,367,267
Total	12,114,192	11,466,903	10,907,318	23,021,510

	kWh Adjustment	% Adjustment
After Adjustment	23,021,510	
Before Adjustment	23,581,095	
Adjustment	(559,585)	-2.37%

	Nov-April Non-Weather \$	Nov-April Weather \$	
601 Residential	\$ 803,449	784,383	
602 Commercial	\$ 176,138	171,958	
Total	\$ 979,587	956,341	\$ (23,246)

**Weather Normalization - Purchased Power**

Change in kWh (559,585)

Base Cost of Power	\$ 0.018133
FOA - RY	1.045249
	\$ 0.018954

Adjustment \$ (10,606)

	<b>Staff Adjustment</b>	<b>Revenue Req. Effect</b>
Revenue	\$ (23,246)	\$ 23,246
Purchased Power	\$ (10,606)	\$ (10,606)
Net		\$ 12,640

**PENN YAN MUNICIPAL UTILITIES BOARD  
ELECTRIC DEPARTMENT**

**WEATHER NORMALIZATION OF REVENUES (BASED ON MAY 31, 2018)**

**5/31/2018 Sales - From Annual Report**

**601-Residential**

	<u>kWh</u>	<u>Lowest Two Months</u>	<u>Base Revenues</u>
June	1,668,599	1,668,599	\$ 55,247
July	1,872,188	0	61,510
August	1,815,223	0	59,841
September	1,825,640	0	60,116
October	1,610,439	1,610,439	53,511
November	2,030,967	0	66,642
December	3,270,444	0	131,968
January	4,552,225	0	203,642
February	3,868,383	0	164,504
March	3,397,670	0	139,395
April	3,038,208	0	97,298
May	2,832,990	0	91,042
<b>TOTALS</b>	<b>31,782,976</b>		<b>\$ 1,184,716</b>
<b>AVERAGES</b>		<b>1,639,519</b>	

**602-Commercial**

	<u>kWh</u>	<u>Lowest Two Months</u>	<u>Base Revenues</u>
June	351,083	351,083	\$ 14,615
July	407,943	407,943	16,833
August	423,668	0	17,382
September	501,118	0	20,449
October	460,723	0	18,862
November	459,919	0	18,549
December	585,342	0	32,691
January	759,656	0	42,246
February	588,847	0	32,941
March	540,351	0	29,692
April	489,083	0	20,019
May	497,644	0	20,351
<b>TOTALS</b>	<b>6,065,377</b>		<b>\$ 284,630</b>
<b>AVERAGES</b>		<b>379,513</b>	



**PENN YAN MUNICIPAL UTILITIES BOARD  
ELECTRIC DEPARTMENT**

**WEATHER NORMALIZATION OF REVENUES (BASED ON MAY 31, 2018)**

Heating Degree Data

<https://www.nyserda.ny.gov/About/Publications/EA-Reports-and-Studies/Weather-Data/Monthly-Cooling-and-Heating-Degree-Day-Data>

Rochester, New York

<b>Season</b>	<b>Nov</b>	<b>Dec</b>	<b>Jan</b>	<b>Feb</b>	<b>Mar</b>	<b>Apr</b>	<b>Total</b>	<b>% Deviation from 10 Year Average</b>
2008-09	767	1,063	1,416	1,003	903	557	5,709	
2009-10	679	1,143	1,263	1,102	773	377	5,337	
2010-11	748	1,198	1,333	1,131	965	557	5,932	
2011-12	574	925	1,068	959	548	578	4,652	
2012-13	762	888	1,071	1,064	976	551	5,312	
2013-14	820	1,131	1,372	1,221	1,149	565	6,258	
2014-15	782	944	1,405	1,476	1,077	516	6,200	
2015-16	551	705	1,161	1,022	767	679	4,885	
2016-17	572	1,036	1,040	822	995	415	4,880	
2017-18	728	1,211	1,233	870	1,013	721	5,776	-4.88%
							5,494	Ten Year Average of November - April

**PENN YAN MUNICIPAL UTILITIES BOARD  
ELECTRIC DEPARTMENT**

**MISCELLANEOUS REVENUES**

<b><u>Description</u></b>	<b><u>Fiscal Year 2016</u></b>	<b><u>Fiscal Year 2017</u></b>	<b><u>Fiscal Year 2018</u></b>	<b><u>Three Year Average</u></b>
Service Repair	\$ 2,021	\$ 558	\$ 811	\$ 1,130
Portable Power Boxes	250	650	500	467
Pole, Make Ready Work	37,528	25,217	-	20,915
Pole Attachment Application	8,783	9,623	8,740	9,048
Postage	2,016	1,557	1,384	1,652
MEUA Non-Member Reimbursement	150	-	-	50
Previous Write-Off's Collected	2,391	2,263	-	1,551
Scrap Sales	813	894	2,809	1,505
Sales Tax Credit	1,000	600	-	533
Disability Reimbursement	592	-	-	197
Workers Compensation Reimbursement	249	-	1,098	449
Miscellaneous Voided Checks	242	-	-	81
MEUA Non-Member Reimbursement	(50)	-	-	(17)
Utility Deposit Check Not Cashied	-	136	-	45
Gamewell Firebox Sales	-	-	7,785	2,595
NYPA Loan Difference	-	-	560	187
Service Fees	4,857	2,715	4,115	3,896
IEEP Reimbursement (a)	65,938	4,347	17,061	-
Joint Pole Proposal (a)	4,163	2,030	16,175	-
Sale of 2012 Ford F250XL (b)	21,600	-	-	-
	<u>\$ 152,542</u>	<u>\$ 50,589</u>	<u>\$ 61,038</u>	<u>\$ 44,285</u>

(a) - item should have been reported as Contribution for Extension

(b) - item should have reported in Accumulated Depreciation as Salvage value

Item (a) has been adjusted for in this Rate Filing, by increasing Contributions for Extensions and decreasing Surplus

Item (b) has been adjusted for in this Rate Filing, by increasing Accumulated Depreciation and decreasing Surplus

PENN YAN MUNICIPAL UTILITIES BOARD  
ELECTRIC DEPARTMENT

EXPENSE ALLOCATION  
Fiscal Year May 31, 2018

Expense	Fiscal Yr. 2018 Amount	Comment
Purchased Power	\$ 2,874,593	Account 721, PSC Report page 306
Labor	372,660	PSC Report, page 102. Total salaries less salaries capitalized (\$416,587 less \$43,927)
Taxes	46,018	Account 403, PSC Report page 106
Uncollectible revenues	5,124	Account 404, PSC Report page 106
Rent	103,000	Account 786, PSC Report page 307
FICA, Medical, Wcomp, Retirement, Training	181,699	Actual per client
Insurance	33,468	Account 783, PSC Report page 307
Depreciation	259,247	Accounts 733, 738, 743, 753, 788, PSC Report pages 306 and 307
Contractual/Vendor		
Transmission	2,246	Represents an allocation of remaining costs based on cost of individual category. (See below)
Maint. Poles	1,286	Represents an allocation of remaining costs based on cost of individual category. (See below)
Distribution	147,902	Represents an allocation of remaining costs based on cost of individual category. (See below)
Street Lights	35,494	Represents an allocation of remaining costs based on cost of individual category. (See below)
Consumer Accounting and Collection	33,692	Represents an allocation of remaining costs based on cost of individual category. (See below)
Sales Expense	218	Represents an allocation of remaining costs based on cost of individual category. (See below)
General & Administ.	162,400	Represents an allocation of remaining costs based on cost of individual category. (See below)
Contractual appropriations of income - Receipts Tax	41,311	Account 459, PSC Report page 106
Contractual appropriations of income - NYPA loan	1,036	Account 459, PSC Report page 106
Miscellaneous credits transferred	(140,715)	Account 792, PSC Report page 307
	<u>\$ 4,160,679</u>	

Cost Category (per PSC Report, excluding depreciation and separately stated costs)	Actual	%	Allocated Remaining Cost**
Transmission	\$ 4,430	0.59%	\$ 2,246
Maint. Poles	2,536	0.34%	1,286
Distribution	291,722	38.59%	147,902
Street Lights	70,008	9.26%	35,494
Consumer Accounting and Collection	66,455	8.79%	33,692
Sales Expense	429	0.06%	218
General & Administrative	<u>320,318</u>	<u>42.38%</u>	<u>162,400</u>

Total Cost in P&L (not incl. interest expense) \$ 4,160,679

\$ 755,898 100.00% \$ 383,238 A

\*\* Contractual Costs

<b>Calculation of Remaining Costs to be Allocated</b>	
Total Cost in P&L (not incl. interest expense)	<u>\$ 4,160,679</u>
Less separately stated costs from above:	
Purchased Power	\$ 2,874,593
Labor	372,660
Taxes	46,018
Uncollectible revenues	5,124
Rent	103,000
FICA, Medical, Wcomp, Retirement, Training	181,699
Insurance	33,468
Depreciation	259,247
Contractual appropriations of income - Receipts Tax	41,311
Contractual appropriations of income - NYPA loan	1,036
Miscellaneous credits transferred	(140,715)
	<u>\$ 3,777,441</u>
Remaining Costs to be Allocated	<u>\$ 383,238</u>

A = Remaining Cost is the difference between total costs in the P&L of \$4,160,679 less the costs stated in Column D, not including contractual costs (therefore, Cells D4 through D11 and D20 through D22)  
The total of Column D, not including contractual costs is \$ 3,777,441  
Therefore, \$4,160,679 less \$3,777,441 = \$ 383,238 Remaining cost to be allocated

**PENN YAN MUNICIPAL UTILITIES BOARD  
ELECTRIC DEPARTMENT**

**EXPENSE ALLOCATION  
Fiscal Year May 31, 2017**

<b>Expense</b>	<b>Fiscal Yr. 2017 Amount</b>	<b>Comment</b>
Purchased Power	\$ 2,816,320	Account 721, PSC Report page 306
Labor	414,432	PSC Report, page 102. Total salaries less salaries capitalized (\$445,540 less \$31,108)
Taxes	46,012	Account 403, PSC Report page 106
Uncollectible revenues	4,936	Account 404, PSC Report page 106
Rent	103,546	Account 786, PSC Report page 307
FICA, Medical, Wcomp, Retirement, Training	209,048	Actual per client
Insurance	35,213	Account 783, PSC Report page 307
Depreciation	258,747	Accounts 733, 738, 743, 753, 788, PSC Report pages 306 and 307
Contractual/Vendor		
Transmission	1,599	Represents an allocation of remaining costs based on cost of individual category. (See below)
Maint. Poles	1,904	Represents an allocation of remaining costs based on cost of individual category. (See below)
Distribution	154,377	Represents an allocation of remaining costs based on cost of individual category. (See below)
Street Lights	3,488	Represents an allocation of remaining costs based on cost of individual category. (See below)
Consumer Accounting and Collection	24,295	Represents an allocation of remaining costs based on cost of individual category. (See below)
Sales Expense	69	Represents an allocation of remaining costs based on cost of individual category. (See below)
General & Administ.	179,284	Represents an allocation of remaining costs based on cost of individual category. (See below)
Contractual appropriations of income - Receipts Tax	40,586	Account 459, PSC Report page 106
Contractual appropriations of income - NYPA loan	-	Account 459, PSC Report page 106
Miscellaneous credits transferred	(79,108)	Account 792, PSC Report page 307
	<b><u>\$ 4,214,748</u></b>	

<b>Cost Category (per PSC Report, excluding depreciation and separately stated costs)</b>	<b>Actual</b>	<b>%</b>	<b>Allocated Remaining Cost**</b>
Transmission	\$ 4,331	0.44%	\$ 1,599
Maint. Poles	5,157	0.52%	1,904
Distribution	418,066	42.29%	154,377
Street Lights	9,445	0.96%	3,488
Consumer Accounting and Collection	65,794	6.66%	24,295
Sales Expense	186	0.02%	69
General & Administrative	485,517	49.12%	179,284
	<b><u>\$ 988,496</u></b>	<b><u>100.00%</u></b>	<b><u>\$ 365,016</u></b>

**Total Cost in P&L (not incl. interest expense)**

**\$ 4,214,748**

\*\* Contractual Costs

<b>Calculation of Remaining Costs to be Allocated</b>	
<b>Total Cost in P&amp;L (not incl. interest expense)</b>	<b><u>\$ 4,214,748</u></b>
<b>Less separately stated costs from above:</b>	
Purchased Power	\$ 2,816,320
Labor	414,432
Taxes	46,012
Uncollectible revenues	4,936
Rent	103,546
FICA, Medical, Wcomp, Retirement, Training	209,048
Insurance	35,213
Depreciation	258,747
Contractual appropriations of income - Receipts Tax	40,586
Contractual appropriations of income - NYPA loan	-
Miscellaneous credits transferred	(79,108)
	<b><u>\$ 3,849,732</u></b>
<b>Remaining Costs to be Allocated</b>	<b><u>\$ 365,016</u></b>

A = Remaining Cost is the difference between total costs in the P&L of \$4,214,748 less the costs stated in Column D, not including contractual costs (therefore, Cells D4 through D11 and D20 through D22)  
The total of Column D, not including contractual costs is \$ 3,849,732  
Therefore, \$4,214,748 less \$3,849,732 = \$ 365,016 Remaining cost to be allocated

PENN YAN MUNICIPAL UTILITIES BOARD  
ELECTRIC DEPARTMENT

EXPENSE ALLOCATION  
Fiscal Year May 31, 2016

Expense	Fiscal Yr. 2016 Amount	Comment
Purchased Power	\$ 2,794,598	Account 721, PSC Report page 306, net of PSC Assessment (see below)
Labor	350,105	PSC Report, page 102. Total salaries less salaries capitalized (\$381,451 less \$31,346)
Taxes	46,028	Account 403, PSC Report page 106
Uncollectible revenues	9,893	Account 404, PSC Report page 106
Rent	110,344	Account 786, PSC Report page 307
FICA, Medical, Wcomp, Retirement, Training	230,251	Actual per client
Insurance	34,336	Account 783, PSC Report page 307
Depreciation	249,678	Accounts 733, 738, 743, 753, 788, PSC Report pages 306 and 307
Contractual/Vendor		
Transmission	1,471	Represents an allocation of remaining costs based on cost of individual category. (See below)
Maint. Poles	379	Represents an allocation of remaining costs based on cost of individual category. (See below)
Distribution	107,371	Represents an allocation of remaining costs based on cost of individual category. (See below)
Street Lights	3,676	Represents an allocation of remaining costs based on cost of individual category. (See below)
Consumer Accounting and Collection	21,424	Represents an allocation of remaining costs based on cost of individual category. (See below)
Sales Expense	246	Represents an allocation of remaining costs based on cost of individual category. (See below)
General & Administ.	174,202	Represents an allocation of remaining costs based on cost of individual category. (See below)
Contractual appropriations of income - Receipts Tax	40,302	Account 459, PSC Report page 106
Contractual appropriations of income - NYPA loan	-	Account 459, PSC Report page 106
Miscellaneous credits transferred	(61,171)	Account 792, PSC Report page 307
	<u>\$ 4,113,133</u>	

Cost Category (per PSC Report, excluding depreciation and separately stated costs)		Actual	%	Allocated Remaining Cost**
	Transmission	\$ 4,235	0.48%	\$ 1,471
	Maint. Poles	1,091	0.12%	379
	Distribution	309,183	34.77%	107,371
	Street Lights	10,584	1.19%	3,676
	Consumer Accounting and Collection	61,693	6.94%	21,424
	Sales Expense	708	0.08%	246
	General & Administrative	501,630	56.42%	174,202
		<u>\$ 889,124</u>	<u>100.00%</u>	<u>\$ 308,768</u>
Total Cost in P&L (not incl. interest expense)		<u>\$ 4,113,133</u>		

\*\* Contractual Costs

<b>Calculation of Remaining Costs to be Allocated</b>	
Total Cost in P&L (not incl. interest expense)	<u>\$ 4,113,133</u>
Less separately stated costs from above:	
Purchased Power	\$ 2,794,598
Labor	350,105
Taxes	46,028
Uncollectible revenues	9,893
Rent	110,344
FICA, Medical, Wcomp, Retirement, Training	230,251
Insurance	34,336
Depreciation	249,678
Contractual appropriations of income - Receipts Tax	40,302
Contractual appropriations of income - NYPA loan	-
Miscellaneous credits transferred	(61,171)
	<u>\$ 3,804,364</u>
Remaining Costs to be Allocated	<u>\$ 308,769</u>

A = Remaining Cost is the difference between total costs in the P&L of \$4,113,133 less the costs stated in Column D, not including contractual costs (therefore, Cells D4 through D11 and D20 through D22)	
The total of Column D, not including contractual costs is \$ 3,804,364	
Therefore, \$4,113,133 less \$3,804,364 = \$ 308,769 Remaining cost to be allocated	

**PENN YAN MUNICIPAL UTILITIES BOARD  
ELECTRIC DEPARTMENT**

**PROJECTED COSTS FOR RATE YEAR**

<u>Expense</u>	<u>(Workpaper B) Fiscal Yr. 2018 Amount</u>	<u>(Workpaper B-1) Fiscal Yr. 2017 Amount</u>	<u>(Workpaper B-2) Fiscal Yr. 2016 Amount</u>	<u>Three Year Average</u>	<u>Costs Adjusted for Known or Calculated Changes</u>	<u>Cost Determined by:</u>
Purchased Power	\$ 2,874,593	\$ 2,816,320	\$ 2,794,598	\$ 2,828,504	\$ 2,853,844	Calculated - Weather Normalization Adjustment
Labor, net of capitalized amounts	372,660	414,432	350,105	379,066	456,002	Salary increases are based on two separate 2.5% wage increases, effective 6/1/18 and 6/1/19, respectively. Increase is also related to an additional hiring of a line worker, as well as the promotion of another line worker.  Total salaries for the Rate Year are budgeted to be \$527,502 of which \$71,500 is expected to be capitalized.
Taxes (PILOT and other taxing jurisdictions)	46,018	46,012	46,028	46,019	63,029	PILOT made to Village based on placed infrastructure, plus amounts paid to other taxing jurisdictions
Uncollectible revenues	5,124	4,936	9,893	6,651	6,838	Generally good collection history. Rate Year is equal to 3 year (2018/2017/2016) average, as a percent of gross electric revenues.
Rent	103,000	103,546	110,344	105,630	85,305	Electric Department's share of costs related to Village Hall, including principal and interest payments, custodial salary and related benefits.
FICA, medical, retirement, workers' compensation, etc	181,699	209,048	230,251	206,999	221,966	Based on quoted premiums or budgeted amounts (allocated to Electric Department), calculation (for FICA) on total salaries.
Insurance	33,468	35,213	34,336	34,339	39,018	Fiscal Year 2019 known premiums, adjusted for 5 year average annual increase of 5.2%. (\$37,095 x 1.052)
Depreciation	259,247	258,747	249,678	255,891	268,946	Calculated at Exhibit 14. Increase is due to asset additions.
Contractual/Vendor						
Transmission	2,246	1,599	1,471	1,772	1,772	3 Year average
Maint. Poles	1,286	1,904	379	1,190	1,190	3 Year average
Distribution	147,902	154,377	107,371	136,550	136,550	3 Year average
Street Lights	35,494	3,488	3,676	14,219	3,582	2 Year average, due to 2018 including write off of inventory costs
Consumer Accounting and Collection	33,692	24,295	21,424	26,470	26,470	3 Year average
Sales Expense	218	69	246	178	178	3 Year average
General & Administ.	162,400	179,284	174,202	171,962	171,962	3 Year average
Tree trimming - Contracted	-	-	-	-	40,000	Vendor quotes
Amortization of rate filing costs	-	-	-	6,000	6,000	Anticipated rate filing costs of \$18,000, amortized over 3 year period of benefit
Contractual appropriations of income - Receipts Tax	41,311	40,586	40,302	40,733	41,807	Gross Receipts Tax represents 1% of gross electric revenue expected. (Historic Base Year Revenues plus weather normalization revenues plus increase in revenues as a result of rate increase)
Contractual appropriations of income - NYPA loan	1,036	-	-	518	87,156	Represents total of NYPA loan payments for hybrid vehicles, which are passed through the PPAC. Expenses equal Revenues.
Allocation of employee benefits*	<u>(140,715)</u>	<u>(79,108)</u>	<u>(61,171)</u>	<u>(93,665)</u>	<u>(138,986)</u>	Total direct labor dollars multiplied by 43% overhead rate for employee benefits allocation. Direct Labor in Rate Year of \$323,223.
	<u><b>\$ 4,160,679</b></u>	<u><b>\$ 4,214,748</b></u>	<u><b>\$ 4,113,133</b></u>	<u><b>\$ 4,169,026</b></u>	<u><b>\$ 4,372,629</b></u>	

\* Fringe Benefit allocation

**PENN YAN MUNICIPAL UTILITIES BOARD  
ELECTRIC DEPARTMENT**

**PURCHASED POWER ADJUSTMENT RECONCILIATION**

																	(d+d.1.+e+ f+f.1.+f.2.+ f.3+f.4.)										
			(a*b)																								
			(a)	(b)	(c)	(d)	(d.1.)	(e)	(f)	(f.1.)	(f.2.)	(f.3.)	(f.4.)	(g)	(h)	(h*i)	(g-j)	(k-c)									
			KWH	PPAC	PPAC	POWER	NYPA	NYMPA			NYPA	PSC			TOTAL	TOTAL	BASE	BASE	DIFF.								
			SALES	\$/KWH	REVENUES	PURCHASE	POWER	POWER	NYSEG	TCC	HYBRID	SPECIAL	CES	PPAC	PRESENT	KWH	COST	COST	VS. BASE								
			MONTH	Y	R	MONTH	BILL	BILL	BILL	COST	LOAN	ASSESSM	SURCHARGE	Reconciliation	COST	DEL.	\$ / KWH	POWER	VS. BASE								
JUNE	1	7	6,688,321	0.008443	56,470	APRIL	81,945	69,199	-	8,606	-	2,446	21,661	-	183,857	7,004,652	0.018133	127,015	56,841								
JULY	1	7	6,581,768	0.002881	18,962	MAY	79,569	29,847	4,674	8,606	-	1,893	21,634	-	146,222	6,995,812	0.018133	126,855	19,367								
AUGUST	1	7	7,182,957	0.006250	44,893	JUNE	82,895	55,513	-	8,606	-	1,893	21,906	-	170,813	7,083,722	0.018133	128,449	42,363							(2,530)	
SEPTEMBER	1	7	7,000,115	0.009074	63,519	JULY	82,903	69,116	-	8,606	-	1,893	22,488	10,000	195,005	7,271,920	0.018133	131,862	63,143							(376)	
OCTOBER	1	7	6,706,160	0.010671	71,561	AUGUST	84,680	65,650	15,668	8,606	-	5,678	23,302	10,000	213,584	7,535,376	0.018133	136,639	76,945							5,383	
NOVEMBER	1	7	7,116,030	0.013202	93,946	SEPTEMBER	81,646	57,562	24,124	8,606	-	5,678	20,966	10,000	208,582	6,779,563	0.018133	122,934	85,648							(8,298)	
DECEMBER	1	7	8,400,988	0.007196	60,454	OCTOBER	80,759	40,900	8,557	8,606	-	5,678	21,791	10,000	176,291	7,046,304	0.018133	127,771	48,520							(11,933)	
JANUARY	1	8	10,045,115	0.015101	151,691	NOVEMBER	82,366	116,430	30,135	8,606	-	-	25,364	4,346	267,246	8,201,910	0.018133	148,725	118,521							(33,171)	
FEBRUARY	1	8	9,379,207	0.014889	139,647	DECEMBER	86,955	172,812	16,335	8,606	-	-	30,061	-	314,768	9,720,725	0.018133	176,266	138,502							(1,145)	
MARCH	1	8	8,358,359	0.020258	169,324	JANUARY	85,285	255,088	23,729	8,606	-	-	33,700	-	406,407	10,832,198	0.018133	196,420	209,987							40,663	
APRIL	1	8	7,998,608	0.013149	105,174	FEBRUARY	83,451	150,631	878	8,606	-	-	27,450	-	271,015	8,823,442	0.018133	159,995	111,020							5,846	
MAY	1	8	8,142,875	0.011381	92,674	MARCH	88,405	144,664	-	8,606	1,036	-	29,140	-	271,851	9,366,451	0.018133	169,842	102,009							9,335	
			93,600,503		1,068,315		1,000,857		1,227,412	124,101	103,266	1,036	25,159	299,463	44,346	2,825,640	96,662,075	1,752,773		1,072,867						4,552	





**PENN YAN MUNICIPAL UTILITIES BOARD  
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**FORECASTED SALARIES - PROMOTIONS AND STEP INCREASES - RATE YEAR**

**Step Increases and Promotions from 11/8/18 to April 30, 2020**

Name	From Group	Step	To Group	Step	Date	
Charlie Bush	11	13	11	18	3/18/2020	Step Change
Evan Green	6	1	8	1	1/5/2019	Promotion from Apprentice Lineman to Lineman after exam 1/5/19
	8	1	8	2	1/20/2019	Step Change
	8	2	8	3	1/20/2020	Step Change
Eric Spencer	3	start	3	1	4/9/2019	Step Change
	3	1	6	1	6/1/2019	Promotion from Groundsman to Apprentice Line worker
	6	1	6	2	4/9/2020	Step Change
Holly Easling					6/1/2019	Incremental raise of \$2,000 in addition to annual raise
Laurie Schroeder	2	13	2	18	12/11/2018	Step Change
Crystal Bailey	1	1	3	1	1/1/2019	Promotion from Typist/Keyboard Specialist to Senior Typist
	3	1	3	2	9/28/2019	Step Change

**Increase 6/1/19 per collective bargaining agreement**

2.5%

Name	Date	Rate	Workdays	Hours	Annual Salary
Charlie Bush	11/8/2018	\$33.81			
	5/1/2019	\$33.81	23	182	\$6,150
	6/1/2019	\$34.66	208	1,645	\$57,009
	3/18/2020	\$35.36	32	253	\$8,949
	4/30/2020	\$35.36			
			263	2,080	\$72,108
Evan Green	11/8/2018	\$22.53			
	1/5/2019	\$26.53			
	1/20/2019	\$26.99			
	5/1/2019	\$26.99	23	182	\$4,910
	6/1/2019	\$27.66	166	1,313	\$36,313
	1/20/2020	\$28.12	74	585	\$16,457
	4/30/2020	\$28.12			
			263	2,080	\$57,680
Eric Spencer	11/8/2018	\$19.93			
	4/9/2019	\$20.24			
	5/1/2019	\$20.24	23	182	\$3,682
	6/1/2019	\$23.09	224	1,772	\$40,905
	4/9/2020	\$23.48	16	127	\$2,971
	4/30/2020	\$23.48			
			263	2,080	\$47,558
Holly Easling	11/8/2018	\$24.84			
	5/1/2019	\$24.84	23	183	\$4,536
	6/1/2019	\$26.42	239	1,897	\$50,134
	4/30/2020	\$26.42			
			262	2,080	\$54,670
Laurie Schroeder	11/8/2018	\$21.16			
	12/11/2018	\$21.53			
	5/1/2019	\$21.53	23	183	\$3,931
	6/1/2019	\$22.07	239	1,897	\$41,876
	4/30/2020	\$22.07			
			262	2,080	\$45,807
Crystal Bailey	11/8/2018	18.48			
	1/1/2019	20.24			
	5/1/2019	20.24	23	183	\$3,696
	6/1/2019	20.75	85	675	\$14,002
	9/28/2019	21.06	154	1,223	\$25,748
	4/30/2020	21.06			
			262	2,080	\$43,446

**PENN YAN MUNICIPAL UTILITIES BOARD  
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**OVERHEAD RATE CALCULATIONS  
Fiscal Year May 31, 2018 (for use in fiscal May 31, 2019 and the Rate Year)**

**802 Clearing - Shops**

Costs to run shop	10,391	=	<u><u>5%</u></u>
Material Issuances	211,983		

**804 Clearing - Transportation**

Costs to run trucks*	70,456	=	<u><u>22%</u></u>
Forecasted Direct Labor	323,223		

\* - Included depreciation charges on transportation equipment

**792 Employee Benefits Allocation**

Forecasted Employee Benefits	228,384	=	<u><u>43%</u></u>
Total Forecasted Salaries	527,502		