

**VILLAGE OF SILVER SPRINGS
ELECTRIC DEPARTMENT**

RATE REQUEST

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

Issued April 8, 2019

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**VILLAGE OF SILVER SPRINGS
ELECTRIC DEPARTMENT**

**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
Revenues								
Operating revenues - Base	\$ 352,129	\$ (2,318)	\$ 349,811	\$ -	\$ 349,811	\$ 57,746	\$ 407,557	1
Operating revenues - PPAC	68,852	(1,002)	67,850	-	67,850	-	67,850	1
Operating revenues - CES standards (billed separately)	23,236	-	23,236	-	23,236	-	23,236	1
Late charges	1,696	-	1,696	(32)	1,664	-	1,664	1
Rent from electric property	2,640	-	2,640	(1,320)	1,320	-	1,320	1
Miscellaneous operating revenues	895	-	895	3	898	-	898	1
Total revenues	<u>449,448</u>	<u>(3,320)</u>	<u>446,128</u>	<u>(1,349)</u>	<u>444,779</u>	<u>57,746</u>	<u>502,525</u>	
Expenses								
Purchased power, including TCCs	240,141	(883)	239,258	-	239,258	-	239,258	2.a.
Labor, net of capitalized labor	70,268	-	70,268	(1,573)	68,695	-	68,695	2.b.1
Employee benefits - FICA, Retirement, Medical, etc.	38,673	(5,628)	33,045	5,206	38,251	-	38,251	2.b.2
Contractual/material expenses								
Transmission	-	-	-	-	-	-	-	2.b.3
Maintenance of poles and fixtures	1,988	-	1,988	2,025	4,013	-	4,013	2.b.3
Distribution	20,077	-	20,077	551	20,628	-	20,628	2.b.3
Street lights	(21)	-	(21)	3,120	3,099	-	3,099	2.b.3
Consumer accounting and collection	3,435	-	3,435	166	3,601	-	3,601	2.b.3
Sales expense	-	-	-	-	-	-	-	2.b.3
Administrative and general	18,537	-	18,537	9,233	27,770	-	27,770	2.b.3
Allocation of employee benefits	(11,461)	-	(11,461)	(871)	(12,332)	-	(12,332)	2.b.10
Insurance	10,000	-	10,000	-	10,000	-	10,000	2.b.4
Uncollectible accounts	3,634	-	3,634	(2,981)	653	-	653	2.b.5
Depreciation	36,672	-	36,672	644	37,316	-	37,316	2.b.6
Rent	1,200	-	1,200	-	1,200	-	1,200	2.b.7
PILOT	-	-	-	6,300	6,300	-	6,300	
Taxes	1,543	-	1,543	13	1,556	-	1,556	2.b.7
Amortization of rate filing costs	-	-	-	5,333	5,333	-	5,333	2.b.11
Contractual appropriations of income - Gross Receipts tax	5,096	-	5,096	(368)	4,728	-	4,728	2.b.8
Contractual appropriations of income - IEEP Contributions	6,789	(331)	6,458	-	6,458	-	6,458	2.b.9
Total expenses	<u>446,571</u>	<u>(6,842)</u>	<u>439,729</u>	<u>26,798</u>	<u>466,527</u>	<u>-</u>	<u>466,527</u>	
Operating income (*)	<u>\$ 2,877</u>	<u>\$ 3,522</u>	<u>\$ 6,399</u>	<u>\$ (28,147)</u>	<u>\$ (21,748)</u>	<u>\$ 57,746</u>	<u>\$ 35,998</u>	
Rate Base	<u>\$ 889,622</u>				<u>\$ 875,807</u>		<u>\$ 875,807</u>	
Rate of Return	<u>0.32%</u>				<u>-2.48%</u>		<u>4.11%</u>	
Return on Surplus	<u>-4.35%</u>				<u>-6.52%</u>		<u>6.29%</u>	

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

**VILLAGE OF SILVER SPRINGS
ELECTRIC DEPARTMENT**

SUMMARY OF NORMALIZATION AND RATE YEAR ADJUSTMENTS

Base Year Normalization Adjustments

a) Operating revenues	
Weather normalization (decrease) of Base revenues	\$ (2,318)
b) To reflect decrease in purchased power due to revenue weather normalization	(883)
c) To adjust PPAC revenues for over billing in Fiscal Year 2018 (Annual PPAC Reconciliation)	(671)
d) To remove effect of GASB 68 Net Pension Liability adjustment (increase in pension cost)	(5,628)
e) To reduce IEEP contributions due to decrease in kWh sales, as a result of weather normalization	(331)
f) To reduce PPAC revenues due to reduction in IEEP contributions	(331)
Total normalization adjustments	<u><u>\$ 3,522</u></u>

Rate Year Adjustments

g) To adjust late charge revenues to equal three year average (as a % of gross sales)	\$ (32)
h) To adjust miscellaneous revenues to equal three year average	3
i) To reduce rent from electric property to annual expense	(1,320)
j) To reflect decrease in expensed labor dollars due to anticipated wage increases, net of amounts to be allocated to capital accounts	(1,573)
k) To reflect net changes in employee benefits due to payroll tax calculation or allocated budget amounts for shared employee benefit costs	5,206
l) <u>Contractual/material expenses</u>	
Maintenance of poles and fixtures - 3 year average with no inflation factor	2,025
Distribution - 3 year average with no inflation factor	551
Street lights - 3 year average with no inflation factor	3,120
Consumer accounting and collection - 3 year average with no inflation factor	166
Administrative and general - 3 year average with no inflation factor	9,233
	<u><u>15,095</u></u>
m) To adjust allocation of employee benefits, based on forecasted direct salaries multiplied by employee benefits overhead rate	(871)
n) To reflect increase in Property and School taxes paid to outside jurisdictions	13
o) To reflect anticipated decrease in uncollectible accounts receivable, based on 3 year average	(2,981)
p) 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	644
q) To record PILOT to be paid to Village General Fund	6,300
r) To reflect decrease in Gross Receipts tax paid to General Fund, due to decrease in gross revenues (weather normalization)	(368)
s) To reflect amortization of rate filing costs over 3 year period of benefit	5,333
Total Rate Year Adjustments	<u><u>\$ (28,147)</u></u>

**VILLAGE OF SILVER SPRINGS
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>Per- Cent</u>	<u>Cost Rate</u>	<u>Rate of Return</u>
<u>2018 (Base Year)</u>					
Long-term debt	Exhibit 10	\$ 515,000	57.1%	3.80%	2.17%
Customer deposits	Exhibit 10	4,160	0.5%	0.00%	0.00%
Net surplus	Exhibit 10	<u>382,696</u>	<u>42.4%</u>	-4.35%	<u>-1.85%</u>
Total		<u><u>\$ 901,856</u></u>	<u><u>100.00%</u></u>		<u><u>0.32%</u></u>
<u>Rate Year Before Revenue Increase</u>					
Long-term debt	Exhibit 10	\$ 417,500	54.3%	2.34%	1.27%
Customer deposits	Exhibit 10	4,660	0.6%	0.00%	0.00%
Net surplus	Exhibit 10	<u>347,113</u>	<u>45.1%</u>	-6.52%	<u>-2.95%</u>
Total		<u><u>\$ 769,273</u></u>	<u><u>100.00%</u></u>		<u><u>-1.68%</u></u>
<u>Rate Year After Revenue Increase</u>					
Long-term debt	Exhibit 10	\$ 417,500	54.3%	2.34%	1.27%
Customer deposits	Exhibit 10	4,600	0.6%	0.00%	0.00%
Net surplus	Exhibit 10	<u>347,113</u>	<u>45.1%</u>	6.29%	<u>2.84%</u>
Total		<u><u>\$ 769,213</u></u>	<u><u>100.00%</u></u>		<u><u>4.11%</u></u>

**VILLAGE OF SILVER SPRINGS
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 decreased approximately 1.9% for the fiscal year ended May 31, 2018 (Base Year). This decrease in customer consumption was primarily related to the loss of seven residential customers and one industrial customer during the year; however, the loss of these customers was somewhat offset by the slightly cooler winter period of 2017/2018. Sales in kWh for the Residential rate class (which makes up 82% of the customer base and 48% of total customer consumption) were basically identical to the prior year. Sales in kWh for the Industrial rate class (which makes up 4% of the customer base, but 46% of total customer consumption) decreased 3.8% from the prior year, largely due to the loss of one industrial customer.

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.nyserda.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 \$2,318 (0.66% 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 over billed its customers \$671 in PPAC revenues (see Workpaper D). This over billing will be credited to the Department’s customers via the PPAC process during the fiscal year ending May 31, 2019. As such, PPAC revenues were decreased by \$671 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 at a rate of .001/kWh for its contributions to the Independent Energy Efficiency Program (IEEP). All PPAC revenues collected from these billings are remitted to the IEEP for energy efficiency projects, and the revenues generated and the expenses incurred under this program do not enter into the determination of the Department’s net operating income. As such, they are considered “revenue neutral.” Revenues generated by this process are based on kWh sold. As kWh consumption is expected to decrease during the Rate Year (due to weather normalization described above), PPAC revenues related to this process are also expected to decrease. As such, PPAC revenues have been decreased by \$331. Conversely, contributions to the IEEP (classified as an expense) have also been decreased by \$331 to remain “revenue neutral” in the determination of net operating income.

**VILLAGE OF SILVER SPRINGS
ELECTRIC DEPARTMENT**

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

NOTE 1 - OPERATING REVENUES - Continued

Other Operating Revenues - CES Standards

The Department bills its customers for charges related to the Clean Energy Standards (CES) via a separate charge on the customer's invoice. These customer charges 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 Operating revenues for the Base Year (and reported in Account 622.1 in the May 31, 2018 Annual Report, Page 300), totaled \$23,236. Due to the "pass through" nature of these revenues, these revenues were projected to remain the same as the Base Year amounts.

Base Revenue, Revenue Increase Rate

Increase in Base Revenues (as a result of a 14.7% increase in base rates effective October 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 \$51,436. Base Revenues in the Rate Year are expected to be \$401,247 (versus normalized Base Year revenues of \$349,811).

Other Revenues

Other revenues consist of late charges, rent from electric property 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 0.38% multiplied by normalized gross electric billings before the revenue increase reflects late charges of \$1,664 in the Rate Year, as described below:

<u>Fiscal Year</u>	<u>Gross Electric Revenues*</u>	<u>Late Charges</u>	<u>%</u>
May 31 2016	\$ 452,513	\$ 1,655	0.37%
May 31, 2017	485,531	1,868	0.38%
May 31, 2018	445,913	1,696	0.38%
Total	<u>\$ 1,383,957</u>	<u>\$ 5,219</u>	<u>0.38%</u>
<u>Normalized Gross Revenues*</u>			
Rate Year	\$ 441,228		
x late charge %	<u>0.38%</u>		
Late charges - Rate Year	1,664		
Late charges - Base Year	<u>1,696</u>		
Decrease in Rate Year	<u>\$ (32)</u>		

* - Includes CES revenues reported in Account 622.1 on PSC Annual Report, Page 300

**VILLAGE OF SILVER SPRINGS
ELECTRIC DEPARTMENT**

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

NOTE 1 - OPERATING REVENUES - Continued

Other Revenues - Continued

Rent from electric property represents the pole license agreement between the Department and Time Warner Communications. Annual rental income under this agreement totals \$1,320. During the Base Year 2018, Time Warner paid the Department \$2,640, representing fiscal year 2017 and 2018 obligations under the agreement. Rent from electric property was decreased \$1,320 in the Rate Year to equal the annual rent under the agreement.

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 \$898 during the Rate Year, as follows:

<u>Fiscal Year</u>	<u>Misc. Revenues</u>
May 31 2016	\$ 768
May 31, 2017	1,030
May 31, 2018	<u>895</u>
Total	<u>\$ 2,693</u>
Rate Year - Three Year Average	\$ 898
Base Year - May 31, 2018	<u>895</u>
Rate Year Adjustment	<u>\$ 3</u>

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)

The cost of electricity purchased for distribution is forecasted to be \$239,258 during the Rate Year. This forecasted amount is based on actual purchased power costs incurred during the Base Year, adjusted for weather normalization calculations described in Workpaper A. 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 \$883 (Workpaper A).

* - *Supplemental power costs include CES charges. CES charges in the Base Year totaled \$23,236 and were equal to CES billed to customers.*

VILLAGE OF SILVER SPRINGS
ELECTRIC DEPARTMENTSUMMARY 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:

(1) Labor (charged to expense accounts)

Labor charged to expense accounts include:

- Salaries of the line crew/laborers (allocated via the work order system based on the work performed). The Department employs two line crew/laborers that are paid different hourly rates based on the task performed. Line crew work commands a higher hourly rate than laborer rates. These employees also provide services to the Village's General and Water Funds; as such, they are considered "allocated employees." The allocation of line crew/laborer salaries to the Department have been forecasted in the Rate Year to equal the 5-year allocation average (Years 2014 through 2018). In addition, the allocation between line crew tasks and laborer tasks (for the determination of the hourly rate used), was estimated at 10% and 90%, respectively, in the Rate Year.
- Salaries of the Superintendent of Public Works, Village Clerk/Treasurer, Deputy Clerk/Treasurer and the Village Board (allocated to the Electric Department based on estimated level of effort).

In total, the Department employs five employees plus the Mayor and four Trustees. See Workpaper F for Forecasted Salaries during the Rate Year, including each employees anticipated salary allocation to the Department.

Total salaries incurred during Base Year 2018 were \$72,338, of which \$2,070 was capitalized to operating property via the Department's work order system. Salaries charged to the various expense accounts of the Department totaled \$70,268 during Base Year 2018.

Total salaries to be incurred during the Rate Year are projected to be \$78,823, of which \$10,128 will be capitalized to operating property, and \$68,695 will be expensed in the forecasted statement of operations. (See Exhibit 14 for capitalized salaries).

(2) Employee Benefits

Employee benefits include medical insurance (including costs related to employee "Opt-out"), workers' compensation, New York State retirement contributions, FICA and Medicare. 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 an increase in retirement expense as a result of GASB No. 68, *Net Pension Liability* calculations. For rate filing purposes, the GASB No. 68 pension expense (totaling \$5,628) has been subtracted from 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.

**VILLAGE OF SILVER SPRINGS
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 - Other operating expenses are adjusted as follows:

(2) Employee Benefits - Continued

Rate Year employee benefit costs are based on (1) actual invoiced amounts or insurance carrier quotes, (2) calculation (FICA and Medicare), or (3) budgeted amounts based on historic trend. Rate Year employee benefit costs are expected to be approximately 49% of total labor dollars. Net decrease in employee benefits costs is expected to be as follows:

Type	Base Year 2018	Rate Year	Rate Year Increase (Decrease)
Medical insurance, including Opt-out (a)	\$ 14,365	\$ 18,051	\$ 3,686
NYS retirement (b)	10,250	11,013	763
GASB 68 - NYS retirement (b)	5,628	-	(5,628)
Workers' compensation (c)	2,864	3,157	293
Social Security (d)	4,511	4,887	376
Medicare (d)	1,055	1,143	88
	<u>\$ 38,673</u>	<u>\$ 38,251</u>	<u>\$ (422)</u>

- (a) Medical insurance is based on quoted premiums from the Village of Silver Springs' 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 that do not take Village sponsored health care).
- (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 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 and Medicare is calculated at 6.20 and 1.45% of total gross salaries, respectively.

**VILLAGE OF SILVER SPRINGS
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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:

(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.

In general, contractual/material costs are expected to increase during the Rate Year (from Base Year 2018 amounts). The primary reason for the increase in these costs, is that the Department had been experiencing cash flow deficiencies in recent years, and conservative budgeting and purchasing practices was necessary.

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	\$ -	\$ -	\$ -
Maintenance of poles	1,988	4,013	2,025
Distribution	20,077	20,628	551
Street lights	(21)	3,099	3,120
Consumer accounting	3,435	3,601	166
Sales expense	-	-	-
Administrative and general	18,537	27,770	9,233

(4) Insurance

Insurance expense represents the Electric Department's share of general liability and auto insurance. Total Village-wide premiums for these insurances approximate \$34,000 annually. The Department's share of these insurance costs is approximately 30%, based on the number of vehicles and buildings owned by the Electric Department (versus other Village Departments). Allocated insurance premiums in the Rate Year are expected to be \$10,000, which is equal to Base Year 2018 amounts.

**VILLAGE OF SILVER SPRINGS
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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 - Continued

(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 0.15% multiplied by normalized gross electric billings before the revenue increase reflects uncollectible accounts of \$653 in the Rate Year, as described below:

Fiscal Year	Gross Revenues	Uncollectible Accounts (Recoveries)	%
May 31 2016	\$ 452,513	\$ (1,604)	-0.35%
May 31, 2017	485,531	-	0.00%
May 31, 2018	445,913	3,634	0.81%
Total	<u>\$ 1,383,957</u>	<u>\$ 2,030</u>	<u>0.15%</u>
<u>Normalized Gross Revenues</u>			
Rate Year	\$ 445,110		
x Uncollectible %	0.15%		
Uncollectible Accounts - Rate Year	653		
Uncollectible Accounts - Base Year	3,634		
Decrease in Rate Year	<u>\$ (2,981)</u>		

(6) Depreciation Expense

Depreciation expense (Exhibit 14) has been calculated based on existing operating property plus future operating property acquisitions detailed in Exhibit 15. Future operating property acquisitions include anticipated costs for material, capitalized labor, employee benefits overhead costs, material overhead, and truck overhead. Future operating property acquisitions are reported "net" of anticipated retirement values.

VILLAGE OF SILVER SPRINGS
ELECTRIC DEPARTMENTSUMMARY 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	\$ 37,316
Depreciation expense, Base Year	<u>36,672</u>
Rate Year increase	<u><u>\$ 644</u></u>

(7) Rent, PILOT and Taxes

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 the Board's estimate of Department use, and has remained unchanged for many years. Anticipated rental costs in the Rate Year are \$1,200, which is equal to Base Year 2018 amounts.

PILOT

As part of this Rate Filing, the Department wishes to make a Payment in Lieu of Taxes (PILOT) to the Village's General Fund.

The PILOT payment will be 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). Net book value calculations are presented in Exhibit 14, page 4 of 4.

The expected PILOT payment for the Rate Year will be \$6,300 (rounded), and is calculated as follows (see Exhibit 14 for further analysis):

<u>Electric Department Operating Property</u>	
Historic Cost (Accounts 311 through 367)	\$ 1,336,673
Accumulated Depreciation on above items	(615,861)
Net book value subject to PILOT	<u>\$ 720,812</u>
Tax Basis at 100% Equalization Rate	\$ 720,812
Tax Rate (per \$1,000)	<u>\$ 8.7188</u>
PILOT	<u><u>\$ 6,285</u></u>
Rounded	<u><u>\$ 6,300</u></u>

VILLAGE OF SILVER SPRINGS
ELECTRIC DEPARTMENTSUMMARY 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, PILOT and Taxes - Continued

PILOT - Continued

In addition, the Electric Department pays school and property taxes to outside taxing jurisdictions. These school and property taxes are expected to equal \$1,556 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 \$4,728 and is based on anticipated normalized gross revenues in the Rate Year.

(9) Contractual Appropriations of Income - IEEP Contributions

The Department participates in the Independent Energy Efficiency Program (IEEP) to offer programs and make capital improvements to promote energy efficiency by and for its customers. As previously described, contributions to the IEEP are based on kWh sold multiplied by .001 per kWh. Expected kWh sold in the Rate Year, due to weather normalization, is expected to approximate 6,458,000 kWh, which calls for a \$6,458 contribution to the IEEP during the Rate Year. These costs and related revenues (recovered by the PPAC process) are "revenue neutral" to the operations of the Department. This represents a \$331 decrease from the Base Year 2018, and is solely due to an anticipated decrease in kWh consumption due to weather normalization.

(10) Allocation of Employee Benefits

The Department allocates a portion of its employee benefits to the various tasks performed by the line crew/laborers. 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.

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/laborers 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 49% (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 \$25,168, the anticipated labor costs associated with the two linemen/laborers (Workpaper F). As such, the allocation of employee benefits based on these labor dollars will be \$12,332 (\$25,168 x 49%).

**VILLAGE OF SILVER SPRINGS
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

(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 \$5,333 per annum for each of the next three years. Unamortized rate filing costs are reported as prepaid expense in the determination of Rate Base.

NOTE 3 - INDEBTEDNESS

The Electric Department's indebtedness at the end of the Rate Year consists of a public improvement serial bond, issued during June 2015 for certain improvements to the electric distribution system. 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.

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

Serial Bond, issued June 2015, interest at rates ranging from 2.125% to 3.625%, due June 2030	<u>\$ 400,000</u>
--	-------------------

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

	Principal	Interest
Serial Bond	<u>\$ 35,000</u>	<u>\$ 9,788</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 0.32% and negative (4.35)%, 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.

**VILLAGE OF SILVER SPRINGS
ELECTRIC DEPARTMENT**

BALANCE SHEETS

	<u>Fiscal 2016</u>	<u>Fiscal 2017</u>	<u>Fiscal 2018</u>	<u>2017-2018 Average Balance</u>
ASSETS				
Plant in service	\$ 1,567,410	\$ 1,579,206	\$ 1,585,924	\$ 1,582,565
Construction work in progress	-	-	-	-
Non-operating property	-	-	-	-
Depreciation and amortization reserve	(684,729)	(725,698)	(766,914)	(746,306)
Contribution for extensions	(21,036)	(21,036)	(21,036)	(21,036)
Net plant	<u>861,645</u>	<u>832,472</u>	<u>797,974</u>	<u>815,223</u>
Depreciation reserve cash funds	-	-	-	-
Miscellaneous special cash funds	4,016	3,809	3,670	-
Cash	79,622	63,417	57,526	60,472
Working funds	-	-	-	-
Loans to Operating Municipality	-	-	-	-
Materials and supplies	37,680	32,570	42,518	37,544
Receivables from operating municipalities	863	700	594	647
Accounts receivable	28,685	27,892	27,066	27,479
Reserve for uncollectibles	(454)	(454)	(454)	(454)
Prepayments	-	-	-	-
Miscellaneous current assets	-	1,399	-	700
Deferred Outflows - GASB 68	<u>2,130</u>	<u>40,045</u>	<u>14,557</u>	<u>27,301</u>
Total assets	<u>\$ 1,014,187</u>	<u>\$ 1,001,850</u>	<u>\$ 943,451</u>	<u>\$ 968,911</u>
LIABILITIES				
Accounts payable	\$ 33,965	\$ 15,112	19,066	\$ 17,089
Payables to Operating Municipality	-	-	-	-
Customer deposits	4,251	4,160	4,160	4,160
Taxes accrued	4,254	4,404	5,308	4,856
Interest accrued	3,169	3,023	7,419	5,221
Miscellaneous other current liabilities	8,879	-	-	-
Total current liabilities	<u>54,518</u>	<u>26,699</u>	<u>35,953</u>	<u>31,326</u>
Bonds payable	-	-	-	-
Long Term Debt - Other	550,000	530,000	500,000	515,000
Net Pension Liability - GASB 68	3,538	46,296	25,700	-
Deferred Inflows - GASB 68	52	7,263	7,999	7,631
Total liabilities	<u>608,108</u>	<u>610,258</u>	<u>569,652</u>	<u>553,957</u>
Contributions to municipality	(274,658)	(275,893)	(277,008)	(276,451)
Surplus	<u>680,737</u>	<u>667,485</u>	<u>650,807</u>	<u>659,146</u>
Total surplus	<u>406,079</u>	<u>391,592</u>	<u>373,799</u>	<u>382,696</u>
Total liabilities and surplus	<u>\$ 1,014,187</u>	<u>\$ 1,001,850</u>	<u>\$ 943,451</u>	<u>\$ 936,653</u>

**VILLAGE OF SILVER SPRINGS
ELECTRIC DEPARTMENT**

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

	<u>Fiscal 2016</u>	<u>Fiscal 2017</u>	<u>Fiscal 2018</u>	<u>Three Year Average</u>
Operating revenues				
A/C 601 Residential sales	\$ 234,011	\$ 243,014	\$ 221,338	\$ 232,788
A/C 602 Commercial sales	17,726	20,760	19,569	19,352
A/C 603 Industrial sales	184,967	202,636	171,126	186,243
A/C 604 Public street lighting - operating municipality	7,595	5,858	4,094	5,849
A/C 605 Public Street lighting - other	-	-	-	-
A/C 606 Other sales to operating municipality	7,186	6,638	5,579	6,468
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	1,028	1,257	971	1,085
A/C 621 Rent from electric property	1,320	-	2,640	1,320
A/C 622 Miscellaneous electric revenues	768	6,398	24,131	10,432
	<u>454,601</u>	<u>486,561</u>	<u>449,448</u>	<u>463,537</u>
Operation and maintenance expense (by cost category)				
Electricity purchased	246,778	261,876	240,141	249,598
Transmission expense	-	-	-	-
Poles, towers and fixtures	12,182	7,743	4,127	8,017
Distribution expense	42,982	40,793	41,673	41,816
Street lighting and signal expense	5,397	13,767	(43)	6,374
Customer accounting and collection	8,869	5,740	7,129	7,246
Sales expense	-	-	-	-
Administrative and general expense	104,372	108,861	111,271	108,168
Miscellaneous expense transferred	(21,458)	(11,703)	(11,461)	(14,874)
Depreciation	36,218	36,318	36,672	36,403
Taxes - electric	1,563	1,471	1,543	1,526
Uncollectible revenues (recoveries)	(1,604)	-	3,634	677
	<u>435,299</u>	<u>464,866</u>	<u>434,686</u>	<u>444,950</u>
	<u>19,302</u>	<u>21,695</u>	<u>14,762</u>	<u>18,586</u>
Income from operations				
Other income (expense)				
Interest income	43	15	7	22
Interest expense	(367)	(23,196)	(19,560)	(14,374)
Contractual appropriations of income	(10,870)	(11,766)	(11,885)	(11,507)
Miscellaneous interest deductions	(2,942)	-	-	(981)
Other	-	-	-	-
	<u>(14,136)</u>	<u>(34,947)</u>	<u>(31,438)</u>	<u>(26,840)</u>
	<u>\$ 5,166</u>	<u>\$ (13,252)</u>	<u>\$ (16,676)</u>	<u>\$ (8,254)</u>
Net Income (loss)				
kWh Sales				
A/C 601 Residential sales	3,175,247	3,236,626	3,245,320	3,219,064
A/C 602 Commercial sales	243,102	281,985	301,154	275,414
A/C 603 Industrial sales	2,959,481	3,196,282	3,080,179	3,078,647
A/C 604 Public street lighting - operating municipality	142,184	105,377	83,578	110,380
A/C 605 Public street lighting - other	-	-	-	-
A/C 606 Other sales to operating municipality	90,266	79,099	75,297	81,554
A/C 607 Other sales to other public authorities	-	-	-	-
A/C 608 Sales to other distributors	-	-	-	-
A/C 610 Security lighting	5,729	20,134	3,389	9,751
	<u>\$ 6,616,009</u>	<u>\$ 6,919,503</u>	<u>\$ 6,788,917</u>	<u>\$ 6,774,810</u>

**VILLAGE OF SILVER SPRINGS
ELECTRIC DEPARTMENT**

STATEMENTS OF SURPLUS

	<u>Fiscal 2016</u>	<u>Fiscal 2017</u>	<u>Fiscal 2018</u>
BALANCE, <i>beginning of year</i>	\$ 689,419	\$ 680,737	\$ 667,485
Add:			
Net income (loss)	5,166	(13,252)	(16,676)
Deduct:			
Rounding adjustments	-	-	(2)
Prior period adjustment - GASB 68	(13,848)	-	-
BALANCE, <i>end of year</i>	<u><u>\$ 680,737</u></u>	<u><u>\$ 667,485</u></u>	<u><u>\$ 650,807</u></u>

**VILLAGE OF SILVER SPRINGS
ELECTRIC DEPARTMENT**

**RATE OF RETURN STUDY
RATE BASE**

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	
35	Utility Plant in Service	RB, Ln 5 (c)	\$ 1,582,565	\$ 52,456	\$ 1,635,021	\$ -	\$ 1,635,021
36	Construction Work in Progress	RB, Ln 8 (c)	-	-	-	-	-
37	Total Utility Plant	ROR, Ln 35 plus Ln 36	<u>1,582,565</u>	<u>52,456</u>	<u>1,635,021</u>	-	<u>1,635,021</u>
38							
39	Accumulated Provision for Depre and Amort	RB, Ln 14 (c)	(746,306)	(80,824)	(827,130)	-	(827,130)
40							
41	Contributions for Extensions	RB, Ln 17 (c)	(21,036)	-	(21,036)	-	(21,036)
42							
43	Net Utility Plant	ROR, Total Ln 37, Ln 39, Ln 41	815,223	(28,368)	786,855	-	786,855
44							
45	Materials and Supplies	RB, Ln 21 (c)	37,544	(4,974)	32,570	-	32,570
46							
47	Prepayments (including prepaid rate filing costs)	RB, Ln 24 (c)	-	13,334	13,334	-	13,334
48							
49	Cash Working Capital	ROR, Ln 74	41,015	2,034	43,049	N/A	43,049
50							
51	<u>Other: (Detail)</u>						
52							
53							
54							
55							
56	Rate Base	ROR, Total Ln 43=>Ln 54	<u>\$ 893,782</u>	<u>\$ (17,974)</u>	<u>\$ 875,807</u>	<u>\$ -</u>	<u>\$ 875,807</u>

**VILLAGE OF SILVER SPRINGS
ELECTRIC DEPARTMENT**

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

Reference (Page, Column, Row)	(a) Fiscal Year	(b) Adjustments	(c) Adjusted Year	(d) Revenue Change	(e) Year After Revenue Change
57 <u>Cash Working Capital</u>					
58 Total Operating Expenses	\$ 446,571	\$ 19,956	\$ 466,527	\$ -	\$ 466,527
59					
60 Deduct:					
61 Fuel	-	-	-	N/A	-
62 Purchased Power	229,814	(883)	228,931	N/A	228,931
63 Depreciation	36,672	644	37,316	N/A	37,316
64 Other Taxes	1,543	6,313	7,856	N/A	7,856
65 Uncollectibles	3,634	(2,981)	653	N/A	653
66					
67					
68 Adjusted Amount	174,908	16,863	191,771	-	191,771
69					
70 Working Capital - Operating Expenses @ 1/8	21,864	2,108	23,971	N/A	23,971
71					
72 Working Capital - Purchased Power @ 1/12	19,151	(74)	19,078	N/A	19,078
73					
74 Total Cash Working Capital	\$ 41,015	\$ 2,034	\$ 43,049	N/A	\$ 43,049

**VILLAGE OF SILVER SPRINGS
ELECTRIC DEPARTMENT**

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

Reference (Page, Column, Row)	(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
<u>Utility Plant in Service</u>						
Operating Property - Electric	Pg 104, Ln 2 (c) & (d) \$ 1,579,206	\$ 1,585,924	\$ 1,582,565	\$ 1,619,455	\$ 1,650,586	\$ 1,635,021
Operating Property - Other Operations	Pg 104, Ln 3 (c) & (d) -	-	-	-	-	-
Operating Property - General	Pg 104, Ln 4 (c) & (d) -	-	-	-	-	-
Utility Plant in Service	<u>\$ 1,579,206</u>	<u>\$ 1,585,924</u>	<u>\$ 1,582,565</u>	<u>\$ 1,619,455</u>	<u>\$ 1,650,586</u>	<u>\$ 1,635,021</u>
Construction Work in Progress	Pg 104, Ln 5 (c) & (d) -	-	-	-	-	-
<u>Accumulated Provision for Depre and Amort</u>						
Accumulated Provision for Depreciation	Pg 105, Ln 19 (c) & (d) \$ 725,698	\$ 766,914	\$ 746,306	\$ 807,244	\$ 847,015	\$ 827,130
Accumulated Provision for Amortization	Pg 105, Ln 20 (c) & (d) -	-	-	-	-	-
Accumulated Provision for Depre and Amort	<u>\$ 725,698</u>	<u>\$ 766,914</u>	<u>\$ 746,306</u>	<u>\$ 807,244</u>	<u>\$ 847,015</u>	<u>\$ 827,130</u>
Contributions for Extensions	Pg 105, Ln 21 (c) & (d) \$ 21,036	\$ 21,036	\$ 21,036	\$ 21,036	\$ 21,036	\$ 21,036
Materials and Supplies	Pg104, Ln 18 (c) & (d) \$ 32,570	\$ 42,518	\$ 37,544	\$ 32,570	\$ 32,570	\$ 32,570
Prepayments (including prepaid rate filing costs)	Pg 104, Ln 23 (c) & (d) -	-	-	\$ 16,000	\$ 10,667	\$ 13,334

**VILLAGE OF SILVER SPRINGS
ELECTRIC DEPARTMENT**

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

	Reference (Page, Column, Row)	(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
Capital Structure							
<u>Debt</u>							
Bonds	Pg 105, Ln 2 (c) & (d)	\$ 530,000	\$ 500,000	\$ 515,000	\$ 435,000	\$ 400,000	\$ 417,500
Equipment Obligations - Long Term	Pg 105, Ln 3 (c) & (d)	-	-	-	-	-	-
Miscellaneous Long Term Debt	Pg 105, Ln 4 (c) & (d)	-	-	-	-	-	-
Notes Payable	Pg 105, Ln 9 (c) & (d)	-	-	-	-	-	-
Matured Long-Term Debt	Pg 105, Ln 12 (c) & (d)	-	-	-	-	-	-
Unamortized Premium on Debt	Pg 105, Ln 28 (c) & (d)	-	-	-	-	-	-
Unamortized Debt Discount and Expense	Pg 104, Ln 28 (c) & (d)	-	-	-	-	-	-
		<u>\$ 530,000</u>	<u>\$ 500,000</u>	<u>\$ 515,000</u>	<u>\$ 435,000</u>	<u>\$ 400,000</u>	<u>\$ 417,500</u>
Debt							
Customer Deposits	Pg 105, Ln 10 (c) & (d)	<u>\$ 4,160</u>	<u>\$ 4,160</u>	<u>\$ 4,160</u>	<u>\$ 5,160</u>	<u>\$ 4,160</u>	<u>\$ 4,660</u>
<u>Surplus</u>							
Contributions - Operating Municipality	Pg 105, Ln 32 (c) & (d)	\$ (275,893)	\$ (277,008)	\$ (276,451)	\$ (278,123)	\$ (279,238)	\$ (278,681)
Surplus	Pg 105, Ln 33 (c) & (d)	667,485	650,807	659,146	634,131	617,455	625,793
Deficit	Pg 104, Ln 37 (c) & (d)	-	-	-	-	-	-
		<u>\$ 391,592</u>	<u>\$ 373,799</u>	<u>\$ 382,696</u>	<u>\$ 356,008</u>	<u>\$ 338,217</u>	<u>\$ 347,113</u>
Interest Costs							
<u>Interest on Debt</u>							
Bonds	Pg 252, Ln 20 (k)			\$ 19,560			\$ 9,788
Equipment Obligations - Long Term	Pg 252, Ln 28 (k)			-			-
Miscellaneous Long Term Debt	Pg 252, Ln 35 (k)			-			-
Notes Payable	Pg 250, Ln 22 (g)			-			-
Matured Long-Term Debt	N/A			-			-
Unamortized Premium on Debt (Credit)	Pg 106, Ln 36 (c)			-			-
Amortization of Debt Discount and Expense	Pg 106, Ln 35 (c)			-			-
				<u>\$ 19,560</u>			<u>\$ 9,788</u>
Interest on Debt				<u>3.80%</u>			<u>2.34%</u>
Cost Rate							
Interest on Customer Deposits	Pg 309, Ln 10 (f)			\$ -			\$ -
Cost Rate				<u>0.00%</u>			<u>0.00%</u>

**VILLAGE OF SILVER SPRINGS
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)	875,807	
107			
108 Rate of Return	ROR, Ln 32 (e)	4.10%	
109			
110 Required Operating Income	ROR, Ln 106 * Ln 108	35,908	
111			
112 Adjusted Operating Income	ROR, Ln 28 (c)	(21,748)	
113			
114 Deficiency (Surplus)	ROR, Ln 110 - Ln 112	57,656	
115			
116 Retention Factor	ROR, Ln 132	0.9984	
117			
118 Revenue Increase (Decrease)	ROR, Ln 114 / Ln 116	57,746	
119			
120			
121			
122 Calculation of the Retention Factor:		<u>Factor</u>	<u>Proof</u>
123 Sales Revenues		1.0000	57,746
124 - Revenue Taxes	N/A	N/A	N/A
125 - Uncollectibles	ROR, Ln 18/Ln 1	0.0016	90
126			
127			
128 Sub-Total	ROR, Ln123-Total Ln124=>Ln127	0.9984	57,656
129			
130 Federal Income Tax @ 35%	N/A	0.00	0
131			
132 Retention Factor	ROR, Ln 128 - Ln 130	0.9984	57,656

**VILLAGE OF SILVER SPRINGS
ELECTRIC DEPARTMENT**

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

	<u>kWh Purchases</u>	<u>kWh Line Losses</u>	<u>Annual Line Loss</u>	<u>kWh Electric Dept. Use</u>	<u>kWh Sales</u>
Fiscal Year 2013	6,703,122	426,020	0.063555	-	6,277,102
Fiscal Year 2014	6,928,146	468,468	0.067618	-	6,459,678
Fiscal Year 2015	7,107,098	453,335	0.063786	-	6,653,763
Fiscal Year 2016	7,076,733	460,724	0.065104	-	6,616,009
Fiscal Year 2017	7,419,127	499,624	0.067343	-	6,919,503
Fiscal Year 2018	7,386,911	597,994	0.080953	-	6,788,917
	<u>42,621,137</u>	<u>2,906,165</u>		<u>-</u>	<u>39,714,972</u>
Average Line Loss			<u><u>0.068186</u></u>		

	<u>kWh Purchases</u>	<u>kWh Sales</u>	<u>Annual Factor Of Adjustment</u>
Fiscal Year 2013	6,703,122	6,277,102	1.067869
Fiscal Year 2014	6,928,146	6,459,678	1.072522
Fiscal Year 2015	7,107,098	6,653,763	1.068132
Fiscal Year 2016	7,076,733	6,616,009	1.069638
Fiscal Year 2017	7,419,127	6,919,503	1.072205
Fiscal Year 2018	7,386,911	6,788,917	1.088084
	<u>42,621,137</u>	<u>39,714,972</u>	
Average Factor of Adjustment			<u><u>1.073176</u></u>

**VILLAGE OF SILVER SPRINGS
ELECTRIC DEPARTMENT**

COMPARISON OF PRESENT AND PROPOSED RATES

	<u>Present</u>	<u>Proposed</u>	<u>Increase \$</u>	<u>Increase %</u>
<u>S.C. No. 1</u>				
Customer Charge	\$ 3.00	\$ 3.50	\$ 0.50	16.50%
Non-Winter Rate (May through October) Energy charge, per kWh	\$ 0.0514	\$ 0.0599	\$ 0.0085	16.50%
Winter Rate (November through April) Energy charge, per kWh				
first 750 kWh	\$ 0.0514	\$ 0.0599	\$ 0.0085	16.50%
over 750 kWh	\$ 0.0596	\$ 0.0694	\$ 0.0098	16.50%
<u>S.C. No. 2</u>				
Customer Charge	\$ 3.60	\$ 4.19	\$ 0.59	16.50%
Non-Winter Rate (May through October) Energy charge, per kWh	\$ 0.0427	\$ 0.0497	\$ 0.0070	16.50%
Winter Rate (November through April) Energy charge, per kWh	\$ 0.0511	\$ 0.0595	\$ 0.0084	16.50%
<u>S.C. No. 3</u>				
Demand Charge, per kW	\$ 6.30	\$ 7.34	\$ 1.04	16.50%
Energy Charge, per kWh	\$ 0.0285	\$ 0.0332	\$ 0.0047	16.50%
<u>S.C. No. 4</u>				
Facilities Charge per Fixture				
175 Watt, Mercury	\$ 5.37	\$ 6.26	\$ 0.89	16.50%
1000 Watt, Mercury	\$ 14.37	\$ 16.74	\$ 2.37	16.50%
<u>S.C. No. 5</u>				
Facilities Charge, per Lamp	\$ 4.50	\$ 5.24	\$ 0.74	16.50%
Energy Charge, per kWh	\$ 0.0355	\$ 0.0414	\$ 0.01	16.50%

**VILLAGE OF SILVER SPRINGS
ELECTRIC DEPARTMENT**

**COMPARISON OF MONTHLY BILLS
S.C. NO. 1 - RESIDENTIAL (MAY - OCTOBER)**

<u>kWh</u>	<u>Present</u>	<u>Proposed</u>	<u>Increase</u> <u>\$</u>	<u>Increase</u> <u>%</u>
0	\$ 3.00	\$ 3.50	\$ 0.50	16.67%
2	\$ 3.12	\$ 3.64	\$ 0.52	16.55%
10	\$ 3.62	\$ 4.20	\$ 0.59	16.18%
25	\$ 4.54	\$ 5.25	\$ 0.71	15.70%
50	\$ 6.08	\$ 7.00	\$ 0.93	15.22%
75	\$ 7.62	\$ 8.75	\$ 1.14	14.94%
100	\$ 9.15	\$ 10.50	\$ 1.35	14.75%
150	\$ 12.23	\$ 14.01	\$ 1.78	14.51%
200	\$ 15.31	\$ 17.51	\$ 2.20	14.37%
250	\$ 18.39	\$ 21.01	\$ 2.63	14.28%
500	\$ 33.77	\$ 38.52	\$ 4.75	14.07%
750	\$ 49.16	\$ 56.03	\$ 6.88	13.99%
1,000	\$ 64.54	\$ 73.54	\$ 9.00	13.94%
1,500	\$ 95.31	\$ 108.56	\$ 13.25	13.90%
2,000	\$ 126.08	\$ 143.58	\$ 17.50	13.88%
5,000	\$ 310.71	\$ 353.71	\$ 43.00	13.84%
PPA/kWh include.*	0.01014182	0.01014182		

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

**VILLAGE OF SILVER SPRINGS
ELECTRIC DEPARTMENT**

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

<u>kWh</u>	<u>Present</u>	<u>Proposed</u>	<u>Increase</u> <u>\$</u>	<u>Increase</u> <u>%</u>
0	\$ 3.00	\$ 3.50	\$ 0.50	16.67%
2	\$ 3.12	\$ 3.64	\$ 0.52	16.55%
10	\$ 3.62	\$ 4.20	\$ 0.59	16.18%
25	\$ 4.54	\$ 5.25	\$ 0.71	15.70%
50	\$ 6.08	\$ 7.00	\$ 0.93	15.22%
75	\$ 7.62	\$ 8.75	\$ 1.14	14.94%
100	\$ 9.15	\$ 10.50	\$ 1.35	14.75%
150	\$ 12.23	\$ 14.01	\$ 1.78	14.51%
200	\$ 15.31	\$ 17.51	\$ 2.20	14.37%
250	\$ 18.39	\$ 21.01	\$ 2.63	14.28%
500	\$ 33.77	\$ 38.52	\$ 4.75	14.07%
750	\$ 49.16	\$ 56.03	\$ 6.88	13.99%
1,000	\$ 66.59	\$ 75.92	\$ 9.33	14.00%
1,500	\$ 101.46	\$ 115.69	\$ 14.23	14.02%
2,000	\$ 136.33	\$ 155.46	\$ 19.13	14.03%
5,000	\$ 345.56	\$ 394.08	\$ 48.53	14.04%

PPA/kWh include.* 0.01014182 0 0.01014182

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

**VILLAGE OF SILVER SPRINGS
ELECTRIC DEPARTMENT**

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

<u>kWh</u>	<u>Present</u>	<u>Proposed</u>	<u>Increase</u> <u>\$</u>	<u>Increase</u> <u>%</u>
0	\$ 3.60	\$ 4.19	\$ 0.59	16.39%
2	\$ 3.71	\$ 4.31	\$ 0.60	16.30%
10	\$ 4.13	\$ 4.79	\$ 0.66	15.99%
25	\$ 4.92	\$ 5.69	\$ 0.77	15.55%
50	\$ 6.24	\$ 7.18	\$ 0.94	15.06%
75	\$ 7.56	\$ 8.68	\$ 1.12	14.74%
100	\$ 8.88	\$ 10.17	\$ 1.29	14.52%
150	\$ 11.53	\$ 13.17	\$ 1.64	14.23%
200	\$ 14.17	\$ 16.16	\$ 1.99	14.05%
250	\$ 16.81	\$ 19.15	\$ 2.34	13.92%
500	\$ 30.02	\$ 34.11	\$ 4.09	13.62%
750	\$ 43.23	\$ 49.07	\$ 5.84	13.51%
1,000	\$ 56.44	\$ 64.03	\$ 7.59	13.45%
1,500	\$ 82.86	\$ 93.95	\$ 11.09	13.38%
2,000	\$ 109.28	\$ 123.87	\$ 14.59	13.35%
5,000	\$ 267.81	\$ 303.40	\$ 35.59	13.29%
10,000	\$ 532.02	\$ 602.61	\$ 70.59	13.27%
PPA/kWh include.*	0.01014182	0.01014182		

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

**VILLAGE OF SILVER SPRINGS
ELECTRIC DEPARTMENT**

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

<u>kWh</u>	<u>Present</u>	<u>Proposed</u>	<u>Increase</u> <u>\$</u>	<u>Increase</u> <u>%</u>
0	\$ 3.60	\$ 4.19	\$ 0.59	16.39%
2	\$ 3.72	\$ 4.33	\$ 0.61	16.30%
10	\$ 4.21	\$ 4.89	\$ 0.67	16.00%
25	\$ 5.13	\$ 5.93	\$ 0.80	15.59%
50	\$ 6.66	\$ 7.67	\$ 1.01	15.16%
75	\$ 8.19	\$ 9.41	\$ 1.22	14.89%
100	\$ 9.72	\$ 11.15	\$ 1.43	14.71%
150	\$ 12.79	\$ 14.64	\$ 1.85	14.47%
200	\$ 15.85	\$ 18.12	\$ 2.27	14.32%
250	\$ 18.91	\$ 21.60	\$ 2.69	14.22%
500	\$ 34.22	\$ 39.01	\$ 4.79	14.00%
750	\$ 49.53	\$ 56.42	\$ 6.89	13.91%
1,000	\$ 64.84	\$ 73.83	\$ 8.99	13.86%
1,500	\$ 95.46	\$ 108.65	\$ 13.19	13.82%
2,000	\$ 126.08	\$ 143.47	\$ 17.39	13.79%
5,000	\$ 309.81	\$ 352.40	\$ 42.59	13.75%
PPA/kWh include.*	0.01014182	0.01014182		

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

**VILLAGE OF SILVER SPRINGS
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	\$ 353.64	\$ 410.34	\$ 56.70	16.03%
	1,500	\$ 372.96	\$ 432.01	\$ 59.05	15.83%
	2,000	\$ 392.28	\$ 453.68	\$ 61.40	15.65%
75	2,000	\$ 549.78	\$ 637.18	\$ 87.40	15.90%
	3,000	\$ 588.43	\$ 680.53	\$ 92.10	15.65%
	4,000	\$ 627.07	\$ 723.87	\$ 96.80	15.44%
100	5,000	\$ 823.21	\$ 950.71	\$ 127.50	15.49%
	7,500	\$ 919.81	\$ 1,059.06	\$ 139.25	15.14%
	10,000	\$ 1,016.42	\$ 1,167.42	\$ 151.00	14.86%
PPA/kWh include.*		0.010141824	0.01014182		

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

**VILLAGE OF SILVER SPRINGS
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	\$ 5.37	\$ 6.26	\$ 0.89	16.57%
	10	\$ 53.70	\$ 62.60	\$ 8.90	16.57%
	20	\$ 107.40	\$ 125.20	\$ 17.80	16.57%
1000 Watt, Mercury	1	\$ 14.37	\$ 16.74	\$ 2.37	16.49%
	10	\$ 143.70	\$ 167.40	\$ 23.70	16.49%
	20	\$ 287.40	\$ 334.80	\$ 47.40	16.49%

VILLAGE OF SILVER SPRINGS
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	\$ 9.06	\$ 10.39	\$ 1.33	14.67%
200	\$ 13.63	\$ 15.55	\$ 1.92	14.09%
500	\$ 27.32	\$ 31.01	\$ 3.69	13.51%

PPA/kWh include.* 0.01014182 0.01014182

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

VILLAGE OF SILVER SPRINGS
ELECTRIC DEPARTMENT

OPERATING PROPERTY ANALYSIS
May 31, 2018 Through Rate Year

A/C#	5/31/18 Beg of Yr. Bal.	Actual Additions 6/1/18 to 12/31/2018	Actual Retirements 6/1/18 to 12/31/2018	Estimated Additions, net of Retirements 1/1/2019 to 5/31/19	Projected 5/31/19 End of Year Bal	Forecasted Additions	Forecasted Retirements	Projected 5/31/20 End of Rate Yr. Bal
301	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
302	-	-	-	-	-	-	-	-
303	-	-	-	-	-	-	-	-
311	627	-	-	-	627	-	-	627
312	49,169	-	-	-	49,169	-	-	49,169
321	-	-	-	-	-	-	-	-
322	-	-	-	-	-	-	-	-
323	-	-	-	-	-	-	-	-
325	-	-	-	-	-	-	-	-
331	-	-	-	-	-	-	-	-
332	-	-	-	-	-	-	-	-
333	-	-	-	-	-	-	-	-
334	-	-	-	-	-	-	-	-
342	-	-	-	-	-	-	-	-
344	-	-	-	-	-	-	-	-
345	-	-	-	-	-	-	-	-
351	-	-	-	-	-	-	-	-
352	-	-	-	-	-	-	-	-
353	-	-	-	-	-	-	-	-
354	-	-	-	-	-	-	-	-
358	235,461	11,289	-	21,942	268,692	33,689	(2,558)	299,823
359	-	-	-	-	-	-	-	-
361	489,927	-	-	-	489,927	-	-	489,927
362	-	-	-	-	-	-	-	-
363	182,766	-	-	-	182,766	-	-	182,766
364	-	-	-	-	-	-	-	-
365	104,276	-	-	-	104,276	-	-	104,276
366	263,339	-	-	-	263,339	-	-	263,339
367	-	-	-	-	-	-	-	-
368	85,440	-	-	-	85,440	-	-	85,440
369	-	-	-	-	-	-	-	-
370	2,066	-	-	-	2,066	-	-	2,066
371	16,108	-	-	-	16,108	-	-	16,108
381	16,978	-	-	-	16,978	-	-	16,978
382	404	-	-	-	404	-	-	404
383	-	-	-	-	-	-	-	-
384	94,097	-	-	-	94,097	-	-	94,097
385	253	-	-	-	253	-	-	253
386	10,291	-	-	-	10,291	-	-	10,291
387	34,722	300	-	-	35,022	-	-	35,022
388	-	-	-	-	-	-	-	-
391	-	-	-	-	-	-	-	-
392	-	-	-	-	-	-	-	-
393	-	-	-	-	-	-	-	-
	<u>\$ 1,585,924</u>	<u>\$ 11,589</u>	<u>\$ -</u>	<u>\$ 21,942</u>	<u>\$ 1,619,455</u>	<u>\$ 33,689</u>	<u>\$ (2,558)</u>	<u>\$ 1,650,586</u>

(a)

(a)

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

**VILLAGE OF SILVER SPRINGS
ELECTRIC DEPARTMENT
DEPRECIATION CALCULATIONS
Year Ended May 31, 2019**

A/C#	5/31/18 Beg of Yr. Bal.	5/31/19 End of Yr. Bal.	Avg. Gross Bal.	Less: Contributions for Extension	Avg. Balance Subject to Depreciation	Dep. Rate	Depreciation Reserves			5/31/19 End of Yr. Bal.	Remaining Cost	
							Depreciation Expense A/C#	Amt.	Beg of Yr. Bal.			(Retirements) Salvage
301	\$ -	\$ -	\$ -	\$ -	\$ -			\$ -	\$ -	\$ -	\$ -	
302	-	-	-	-	-			-	-	-	-	
303	-	-	-	-	-			-	-	-	-	
311	627	627	627	-	627		743 & 788	-	-	-	627	
312	49,169	49,169	49,169	-	49,169	2.00%	743 & 788	983	23,040	-	24,023	25,146
321	-	-	-	-	-			-	-	-	-	
322	-	-	-	-	-			-	-	-	-	
323	-	-	-	-	-			-	-	-	-	
325	-	-	-	-	-			-	-	-	-	
331	-	-	-	-	-		711	-	-	-	-	
332	-	-	-	-	-		711	-	-	-	-	
333	-	-	-	-	-		711	-	-	-	-	
334	-	-	-	-	-		711	-	-	-	-	
342	-	-	-	-	-		717	-	-	-	-	
344	-	-	-	-	-		717	-	-	-	-	
345	-	-	-	-	-		717	-	-	-	-	
351	-	-	-	-	-		733	-	-	-	-	
352	-	-	-	-	-		733	-	-	-	-	
353	-	-	-	-	-		733	-	-	-	-	
354	-	-	-	-	-		733	-	-	-	-	
358	235,461	268,692	252,077	(21,036)	231,041	2.00%	738	4,621	157,486	(1,353)	160,754	107,938
359	-	-	-	-	-		738	-	-	-	-	-
361	489,927	489,927	489,927	-	489,927	2.00%	743	9,799	148,517	-	158,316	331,611
362	-	-	-	-	-		743	-	-	-	-	-
363	182,766	182,766	182,766	-	182,766	3.00%	743	5,483	87,214	-	92,697	90,069
364	-	-	-	-	-		743	-	-	-	-	-
365	104,276	104,276	104,276	-	104,276	3.00%	743	3,128	80,102	-	83,230	21,046
366	263,339	263,339	263,339	-	263,339	3.00%	743	7,900	88,025	-	95,925	167,414
367	-	-	-	-	-		743	-	-	-	-	-
368	85,440	85,440	85,440	-	85,440	3.00%	743	2,563	48,529	-	51,092	34,348
369	-	-	-	-	-		743	-	-	-	-	-
370	2,066	2,066	2,066	-	2,066	3.30%	743	68	2,235	-	2,303	(237)
371	16,108	16,108	16,108	-	16,108	3.30%	753	532	18,234	-	18,766	(2,658)
381	16,978	16,978	16,978	-	16,978	5.00%	788	849	18,539	-	19,388	(2,410)
382	404	404	404	-	404	5.00%	788	20	483	-	503	(99)
383	-	-	-	-	-		788	-	-	-	-	-
384	94,097	94,097	94,097	-	94,097	5.00%	804	4,705	73,129	-	77,834	16,263
385	253	253	253	-	253	10.00%	788	25	355	-	380	(127)
386	10,291	10,291	10,291	-	10,291	3.00%	803	309	10,015	-	10,324	(33)
387	34,722	35,022	34,872	-	34,872	2.00%	788	697	11,011	-	11,708	23,314
388	-	-	-	-	-		788	-	-	-	-	-
391	-	-	-	-	-		788	-	-	-	-	-
	<u>\$ 1,585,924</u>	<u>\$ 1,619,455</u>	<u>\$ 1,602,690</u>	<u>\$ (21,036)</u>	<u>\$ 1,581,654</u>			<u>\$ 41,683</u>	<u>\$ 766,914</u>	<u>\$ (1,353)</u>	<u>\$ 807,244</u>	<u>\$ 812,212</u>

Amount of depreciation expense charged to:

A/C#	Amount Charged
711	\$ -
717	-
733	-
738	4,621
743	29,925
753	532
788	1,592
804	5,014 (included in overhead allocation)
	<u>\$ 41,683</u>

36,669	Depreciation Expense - FY 2019
5,014	Depreciation charges on trucks allocated through work orders - FY 2019
<u>\$ 41,683</u>	

VILLAGE OF SILVER SPRINGS
ELECTRIC DEPARTMENT

DEPRECIATION CALCULATIONS
Rate Year

A/C#	5/31/19 Beg of Yr. Bal.	5/31/20 End of Yr. Bal.	Avg. Gross Bal.	Less: Contributions for Extension	Avg. Balance Subject to Depreciation	Dep. Rate	Depreciation Reserves			5/31/20 End of Yr. Bal.	Remaining Cost	
							Depreciation Expense A/C#	Amt.	Beg of Yr. Bal. (Retirements) Salvage			
301	\$ -	\$ -	\$ -	\$ -	\$ -			\$ -	\$ -	\$ -	\$ -	
302	-	-	-	-	-			-	-	-	-	
303	-	-	-	-	-			-	-	-	-	
311	627	627	627	-	627		743 & 788	-	-	-	627	
312	49,169	49,169	49,169	-	49,169	2.00%	743 & 788	983	24,023	25,007	24,162	
321	-	-	-	-	-			-	-	-	-	
322	-	-	-	-	-			-	-	-	-	
323	-	-	-	-	-			-	-	-	-	
325	-	-	-	-	-			-	-	-	-	
331	-	-	-	-	-		711	-	-	-	-	
332	-	-	-	-	-		711	-	-	-	-	
333	-	-	-	-	-		711	-	-	-	-	
334	-	-	-	-	-		711	-	-	-	-	
342	-	-	-	-	-		717	-	-	-	-	
344	-	-	-	-	-		717	-	-	-	-	
345	-	-	-	-	-		717	-	-	-	-	
351	-	-	-	-	-		733	-	-	-	-	
352	-	-	-	-	-		733	-	-	-	-	
353	-	-	-	-	-		733	-	-	-	-	
354	-	-	-	-	-		733	-	-	-	-	
358	268,692	299,823	284,258	(21,036)	263,222	2.00%	738	5,264	160,754	(2,558)	163,460	136,363
359	-	-	-	-	-		738	-	-	-	-	-
361	489,927	489,927	489,927	-	489,927	2.00%	743	9,799	158,316	-	168,114	321,813
362	-	-	-	-	-		743	-	-	-	-	-
363	182,766	182,766	182,766	-	182,766	3.00%	743	5,483	92,697	-	98,180	84,586
364	-	-	-	-	-		743	-	-	-	-	-
365	104,276	104,276	104,276	-	104,276	3.00%	743	3,128	83,230	-	86,359	17,917
366	263,339	263,339	263,339	-	263,339	3.00%	743	7,900	95,925	-	103,825	159,514
367	-	-	-	-	-		743	-	-	-	-	-
368	85,440	85,440	85,440	-	85,440	3.00%	743	2,563	51,092	-	53,655	31,785
369	-	-	-	-	-		743	-	-	-	-	-
370	2,066	2,066	2,066	-	2,066	3.30%	743	68	2,303	-	2,371	(305)
371	16,108	16,108	16,108	-	16,108	3.30%	753	532	18,766	-	19,297	(3,189)
381	16,978	16,978	16,978	-	16,978	5.00%	788	849	19,388	-	20,237	(3,259)
382	404	404	404	-	404	5.00%	788	20	503	-	523	(119)
383	-	-	-	-	-		788	-	-	-	-	-
384	94,097	94,097	94,097	-	94,097	5.00%	804	4,705	77,834	-	82,539	11,558
385	253	253	253	-	253	10.00%	788	25	380	-	406	(153)
386	10,291	10,291	10,291	-	10,291	3.00%	803	309	10,324	-	10,632	(341)
387	35,022	35,022	35,022	-	35,022	2.00%	788	700	11,708	-	12,409	22,613
388	-	-	-	-	-		788	-	-	-	-	-
391	-	-	-	-	-	5.00%	788	-	-	-	-	-
	<u>\$ 1,619,455</u>	<u>\$ 1,650,586</u>	<u>\$ 1,635,021</u>	<u>\$ (21,036)</u>	<u>\$ 1,613,985</u>			<u>\$ 42,329</u>	<u>\$ 807,244</u>	<u>\$ (2,558)</u>	<u>\$ 847,015</u>	<u>\$ 803,571</u>

Amount of depreciation expense charged to:

A/C#	Amount Charged
711	\$ -
717	-
733	-
738	5,264
743	29,925
753	532
788	1,595
804	5,014 (included in overhead allocation)
	<u>\$ 42,329</u>

37,316	Depreciation Expense - Rate Year
5,014	Depreciation charges on trucks allocated through work orders - Rate Year
<u>\$ 42,329</u>	

**VILLAGE OF SILVER SPRINGS
ELECTRIC DEPARTMENT**

**ALLOCATION OF PROPERTY FOR PILOT CALCULATION
Rate Year**

A/C#	Projected 5/31/20 End of Rate Yr. Bal	Property Located Inside Village for PILOT Calculation	Property Located Outside Village for PILOT Calculation	Accum. Deprec. on Property Located Inside Village	Accum. Deprec. on Property Located Outside Village
301	\$ -	\$ -	\$ -	\$ -	\$ -
302	-	-	-	-	-
303	-	-	-	-	-
311	627	627	-	-	-
312	49,169	49,169	-	25,007	-
321	-	-	-	-	-
322	-	-	-	-	-
323	-	-	-	-	-
325	-	-	-	-	-
331	-	-	-	-	-
332	-	-	-	-	-
333	-	-	-	-	-
334	-	-	-	-	-
342	-	-	-	-	-
344	-	-	-	-	-
345	-	-	-	-	-
351	-	-	-	-	-
352	-	-	-	-	-
353	-	-	-	-	-
354	-	-	-	-	-
358	299,823	246,749	53,074	134,525	28,935
359	-	-	-	-	-
361	489,927	489,927	-	168,114	-
362	-	-	-	-	-
363	182,766	182,766	-	98,180	-
364	-	-	-	-	-
365	104,276	104,096	180	86,209	149
366	263,339	263,339	-	103,825	-
367	-	-	-	-	-
	\$ 1,389,927	\$ 1,336,673	\$ 53,254	\$ 615,861	\$ 29,084

**VILLAGE OF SILVER SPRINGS
ELECTRIC DEPARTMENT**

FORECASTED CAPITAL IMPROVEMENTS

The Village has identified significant capital improvements expected to be completed during Fiscal Year 2019 and the Rate Year. These improvement includes material costs and capitalized labor and overhead, and is netted of retirements in the chart below.

<u>Fiscal Year 2019</u> <u>Project</u>	<u>Labor</u>	<u>Material</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>
Warsaw Blvd. Reconductor Project w/Upgrade to Three Phase (Replace 11 of 14 Poles w/new and 1 New Pole)	\$ 7,206	\$ 8,888	\$ 3,315	\$ 356	\$ 3,531	\$ 23,295	\$ (1,353)	358
Total Anticipated Capital Improvements - FY 2019	\$ 7,206	\$ 8,888	\$ 3,315	\$ 356	\$ 3,531	\$ 23,295	\$ (1,353)	
<u>Rate Year</u> <u>Project</u>	<u>Labor</u>	<u>Material</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>
Perry Ave. Reconductor Project w/Upgrade to Three Phase (Replace 6 of 10 Poles with New)	\$ 4,452	\$ 5,171	\$ 2,048	\$ 207	\$ 2,181	\$ 14,059	\$ (488)	358
Creamery Road Reconductor Project (Replace 3 of 4 Existing Poles)	1,211	1,849	557	74	593	4,284	(491)	358
Duncan Ave. Reconductor Project, Single Phase (Replace 6 of 8 Poles)	2,779	3,867	1,278	155	1,362	9,441	(624)	358
Lowing Ave Reconductor Project (Replace 5 of 5 Poles)	1,686	2,516	776	101	826	5,904	(955)	358
Total Anticipated Capital Improvements - Rate Year	\$ 10,128	\$ 13,403	\$ 4,659	\$ 536	\$ 4,963	\$ 33,689	\$ (2,558)	

****Overhead Percentages calculated at Workpaper F**

Truck overhead costs calculated at 46% of Labor cost

Material overhead costs calculated at 4% of Material cost

Employee benefits overhead costs calculated at 49% of Labor Costs

Revised Tariff Leaves

PSC NO: 1 ELECTRICITY
COMPANY: VILLAGE OF SILVER SPRINGS
INITIAL EFFECTIVE DATE: 10/01/2019

LEAF: 1
REVISION: 2
SUPERSEDING REVISION: 1

COVER

VILLAGE OF SILVER SPRINGS
CONCURRENCE TARIFF

PSC NO: 1 ELECTRICITY
COMPANY: VILLAGE OF SILVER SPRINGS
INITIAL EFFECTIVE DATE: 10/01/2019

LEAF: 2
REVISION: 2
SUPERSEDING REVISION: 1

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PSC NO: 1 ELECTRICITY
COMPANY: VILLAGE OF SILVER SPRINGS
INITIAL EFFECTIVE DATE: 10/01/2019

LEAF: 3
REVISION: 2
SUPERSEDING REVISION: 1

GENERAL INFORMATION

A. CONCURRENCE:

The VILLAGE OF SILVER SPRINGS 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:

This schedule applies to the Village of Silver Springs and a portion of the Town of Gainesville, Wyoming County.

PSC NO: 1 ELECTRICITY
 COMPANY: VILLAGE OF SILVER SPRINGS
 INITIAL EFFECTIVE DATE: 10/01/2019

LEAF: 4
 REVISION: 5
 SUPERSEDING REVISION: 4

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	\$3.50
<u>Summer Rate (May through October)</u>	
Energy charge, per kWh	\$0.0599
<u>Winter Rate (November through April)</u>	
Energy charge, per kWh	
First 750 kWh	\$0.0599
Over 750 kWh	\$0.0694

PSC NO: 1 ELECTRICITY
COMPANY: VILLAGE OF SILVER SPRINGS
INITIAL EFFECTIVE DATE: 10/01/2019

LEAF: 5
REVISION: 4
SUPERSEDING REVISION: 3

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.

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.

BASE PURCHASED POWER PER KILOWATT-HOUR:

The base purchase power cost per kilowatt-hour pursuant to Rule IX.B of the NYMPA generic tariff is \$0.020454.

FACTOR OF ADJUSTMENT:

The factor of adjustment pursuant to Rule IX.D of the NYMPA generic tariff is 1.073176.

PSC NO: 1 ELECTRICITY
 COMPANY: VILLAGE OF SILVER SPRINGS
 INITIAL EFFECTIVE DATE: 10/01/2019

LEAF: 6
 REVISION: 5
 SUPERSEDING REVISION: 4

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

APPLICABLE TO USE OF SERVICE FOR:

Small commercial business, schools, small industrial power and light installations multiple dwellings (two or more families in one house or share more than two rooms are rented) and any services for premises partially used for business or professional and partially used for residential purposes. This rate is available for total requirement customers with usage less than 3500 kWh in any winter month (November through April billing periods). Customers exceeding 3500 kWh in any winter month shall be transferred to Service Classification No. 3 for a period of twelve months. If consumption is then less than 3500 kWh and less than 10 kW per month, for 12 consecutive months, the customer will be returned to Service Classification No. 2.

CHARACTER OF SERVICE:

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

MONTHLY RATE:

	<u>Rate</u>
Customer Charge	\$4.19
<u>Summer Rate (May through October)</u>	
Energy charge, per kWh	\$0.0497
<u>Winter Rate (November through April)</u>	
Energy charge, per kWh	\$0.0595

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.

PSC NO: 1 ELECTRICITY
COMPANY: VILLAGE OF SILVER SPRINGS
INITIAL EFFECTIVE DATE: 10/01/2019

LEAF: 7
REVISION: 4
SUPERSEDING REVISION: 3

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

SPECIAL PROVISIONS:

Customers electing to combine single phase and three phase service for metering purposes must install the necessary transformer on the load side of the three phase meter, maintaining proper phase balance.

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.

BASE PURCHASED POWER PER KILOWATT-HOUR:

The base purchase power cost per kilowatt-hour pursuant to Rule IX.B of the NYMPA generic tariff is \$0.020454.

FACTOR OF ADJUSTMENT:

The factor of adjustment pursuant to Rule IX.D of the NYMPA generic tariff is 1.073176.

PSC NO: 1 ELECTRICITY
COMPANY: VILLAGE OF SILVER SPRINGS
INITIAL EFFECTIVE DATE: 10/01/2019

LEAF: 8
REVISION: 5
SUPERSEDING REVISION: 4

SERVICE CLASSIFICATION NO. 3
General Service - Demand Metered

APPLICABLE USE OF SERVICE FOR:

Large commercial, business, schools, small industrial power and light installations, and any services for premises partially used for business or professional and partially used for residential purposes. This rate is available for total requirement customers with usage greater than 3500 kWh in any winter month (November through April billing periods). If consumption is then less than 3500 kWh and less than 10 kW per month, for 12 consecutive months, the customer will be transferred to Service Classification No. 2.

CHARACTER OF SERVICE:

Continuous, alternating current at approximately 60 Cycle, 120 Volt, two wire or 120/240 Volt, three wire single phase, or three phase four wire depending upon the characteristics of the load and the circuits from which service is supplied.

MONTHLY RATE:

	<u>Rate</u>
Demand charge, per kW	\$7.34
Energy charge, per kWh	\$0.0332

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:

One year until terminated by three (3) days in writing. The customer will be responsible for any service until two (2) days after written notice to discontinue service has been received by the Commission.

PSC NO: 1 ELECTRICITY
COMPANY: VILLAGE OF SILVER SPRINGS
INITIAL EFFECTIVE DATE: 10/01/2019

LEAF: 9
REVISION: 4
SUPERSEDING REVISION: 3

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

SPECIAL PROVISIONS:

Customers electing to combine single phase and three phase service for metering purposes, must install the necessary transformer on the load side of the three phase meter, maintaining proper phase balance. All customers receiving three phase service shall maintain a power factor equivalent to the minimum power factor requirement established by the New York Power Authority in the power contract agreement between the Municipal and the New York Power Authority.

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.

DETERMINATION OF DEMAND:

- A. A demand meter shall be installed and the large commercial rate shall apply whenever a customer's energy use exceeds 3500 kWh in any winter month (November through April billing periods). The demand meter shall remain and the large commercial rate shall apply until such time as the energy usage and demand falls below 3500 kWh and 10 kW, respectively, for twelve (12) consecutive months, which requirement may not be avoided by temporarily terminating service.
- B. The demand shall be the maximum integrated 15 minute kilowatt demand. For billing purposes, the demand shall be the greater of the following:
 - 1. The maximum demand occurring during the month, or
 - 2. Fifty percent (50%) of the highest demand occurring during any of the preceding eleven months.

BASE PURCHASED POWER PER KILOWATT-HOUR:

The base purchase power cost per kilowatt-hour pursuant to Rule IX.B of the NYMPA generic tariff is \$0.020454.

FACTOR OF ADJUSTMENT:

The factor of adjustment pursuant to Rule IX.D of the NYMPA generic tariff is 1.073176.

Issued by: Susan A. Hall, Village Clerk/Treasurer, 43 N. Main St., Silver Springs, NY 14550

PSC NO: 1 ELECTRICITY
COMPANY: VILLAGE OF SILVER SPRINGS
INITIAL EFFECTIVE DATE: 10/01/2019

LEAF: 10
REVISION: 5
SUPERSEDING REVISION: 4

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:

Limited period, approximately 4000 hours per year, 60 cycle AC at approximately 120/240 volt.

MONTHLY RATE:

	<u>Rate</u>
Facilities Charge, per fixture	
175 Watt Mercury Vapor	\$6.26
1000Watt Mercury Vapor	\$16.74

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.

PSC NO: 1 ELECTRICITY
COMPANY: VILLAGE OF SILVER SPRINGS
INITIAL EFFECTIVE DATE: 10/01/2019

LEAF: 11
REVISION: 4
SUPERSEDING REVISION: 3

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

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 a photo-electrically controlled luminaire complete with suitable 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, and the necessary wiring to connect the unit on the line side of the customer's meter. 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.

BASE PURCHASED POWER PER KILOWATT-HOUR:

The base purchase power cost per kilowatt-hour pursuant to Rule IX.B of the NYMPA generic tariff is \$0.020454.

FACTOR OF ADJUSTMENT:

The factor of adjustment pursuant to Rule IX.D of the NYMPA generic tariff is 1.073176.

Issued by: Susan A. Hall, Village Clerk/Treasurer, 43 N. Main St., Silver Springs, NY 14550

PSC NO: 1 ELECTRICITY
COMPANY: VILLAGE OF SILVER SPRINGS
INITIAL EFFECTIVE DATE: 10/01/2019

LEAF: 12
REVISION: 5
SUPERSEDING REVISION: 4

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:

Continuous, 240 & 480 volts, approximately 60 hertz alternating current.

MONTHLY RATE:

	<u>Rate</u>
Facilities Charge, per lamp	\$5.24
Energy Charge, per kwh	\$0.0414

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.

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.

BASE PURCHASED POWER PER KILOWATT-HOUR:

The base purchase power cost per kilowatt-hour pursuant to Rule IX.B of the NYMPA generic tariff is \$0.020454.

FACTOR OF ADJUSTMENT:

The factor of adjustment pursuant to Rule IX.D of the NYMPA generic tariff is 1.073176.

PSC NO: 1 ELECTRICITY
COMPANY: VILLAGE OF SILVER SPRINGS
INITIAL EFFECTIVE DATE: 10/01/2019

LEAF: 13
REVISION: 1
SUPERSEDING REVISION: 0

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 six (6) months, there shall be a reconnection charge payable before service will be reestablished, in the amounts as follows:

\$50.00 during regular office hours, Monday through Friday

\$60.00 plus one (1) hour of working time at Time and One Half rate after regular office hours, Monday through Friday, Saturday, Sunday or Holiday

Workpapers

VILLAGE OF SILVER SPRINGS
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

	kWh Sold			Base Revenue		
	Winter	Summer	Total	Winter	Summer	Summer
	Nov-April kWh	May-Oct kWh	May-Oct kWh	Nov-April kWh	May-Oct kWh	May-Oct kWh
601 Residential	1,967,107	1,278,213	3,245,320	\$ 113,663	\$ 72,277	\$ 185,940
602 Commercial	191,315	109,839	301,154	\$ 10,757	\$ 5,658	\$ 16,415
Total	2,158,422	1,388,052	3,546,474	\$ 124,420	\$ 77,935	\$ 202,355

Weather Normalization - Sales

	Nov-April kWh	Nov-April kWh	Increase/(Decrease)	Adjusted
	Non-Weather kWh	Weather kWh	Weather Load	Nov-Apr kWh
601 Residential	1,233,297	733,810	-4.88%	1,931,297
602 Commercial	101,004	90,311		186,908
Total	1,334,301	824,121		2,118,205

	kWh	%
	Adjustment	Adjustment
After Adjustment	2,118,205	
Before Adjustment	2,158,422	
Adjustment	(40,217)	-1.86%

	Nov-April kWh	Nov-April kWh	
	Non-Weather \$	Weather \$	
601 Residential	\$ 113,663	111,545	
602 Commercial	\$ 10,757	10,557	
Total	\$ 124,420	122,102	\$ (2,318)

Weather Normalization - Purchased Power

Change in kWh	(40,217)
Base Cost of Power	\$ 0.020454
FOA - RY	1.073176
	\$ 0.021951
Adjustment	\$ (883)

	Staff	Revenue Req.
	Adjustment	Effect
Revenue	\$ (2,318)	\$ 2,318
Purchased Power	\$ (883)	\$ (883)
Net		\$ 1,435

VILLAGE OF SILVER SPRINGS
ELECTRIC DEPARTMENT

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

Annual Report

602-Commercial

<u>kWh</u>	<u>Lowest Two Months</u>	<u>Base Revenues</u>		<u>kWh</u>	<u>Lowest Two Months</u>	<u>Base Revenues</u>
212,299	0	\$ 12,010	June	17,700	17,700	\$ 910
205,104	205,104	11,631	July	15,968	15,968	844
237,866	0	13,318	August	18,785	0	964
209,078	0	11,845	September	18,380	0	947
205,995	205,995	11,694	October	19,280	0	985
245,770	0	14,171	November	23,043	0	1,343
343,211	0	19,792	December	31,887	0	1,795
422,621	0	24,404	January	42,047	0	2,311
384,003	0	22,298	February	37,930	0	2,105
275,127	0	15,898	March	28,434	0	1,615
296,375	0	17,100	April	27,974	0	1,588
207,871	0	11,779	May	19,726	0	1,008
3,245,320		\$ 185,940	TOTALS	301,154		\$ 16,415
	205,550		AVERAGES		16,834	

**VILLAGE OF SILVER SPRINGS
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

Season	Nov	Dec	Jan	Feb	Mar	Apr	Total	% Deviation from 10 Year Average
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

**VILLAGE OF SILVER SPRINGS
ELECTRIC DEPARTMENT**

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

Expense	Fiscal Yr. 2017 Amount	Comment
Purchased Power	\$ 251,549	Account 721, PSC Report page 306
Purchased Power - TCCs	10,327	Account 722, PSC Report page 306
Labor	71,422	PSC Report, page 102. Total salaries less salaries capitalized (\$73,050-\$1,628)
Taxes	1,471	Account 403, PSC Report page 106
Uncollectible revenues (recoveries)	-	Account 404, PSC Report page 106
Rent	1,200	Account 786, PSC Report page 307
Employee Benefits - FICA, Retirement, Medical, Wcomp	30,768	Actual per Village trial balance (785 accounts)
Insurance	10,000	Account 783, PSC Report page 307
Depreciation	36,318	Accounts 733, 738, 743, 753, 788, PSC Report pages 306 and 307
Contractual/Vendor		
Transmission	-	Represents an allocation of remaining costs based on cost of individual category. (See below)
Maint. Poles	3,645	Represents an allocation of remaining costs based on cost of individual category. (See below)
Distribution	19,201	Represents an allocation of remaining costs based on cost of individual category. (See below)
Street Lights	6,480	Represents an allocation of remaining costs based on cost of individual category. (See below)
Consumer Accounting and Collection	2,702	Represents an allocation of remaining costs based on cost of individual category. (See below)
Sales Expense	-	Represents an allocation of remaining costs based on cost of individual category. (See below)
General & Administ.	31,486	Represents an allocation of remaining costs based on cost of individual category. (See below)
Contractual appropriations of income - Receipts Tax	4,832	Account 459, PSC Report page 106
Contractual appropriations of income - IEEP	6,934	Account 459, PSC Report page 106
Miscellaneous credits transferred	(11,703)	Account 792, PSC Report page 307
	\$ 476,632	

Cost Category (per PSC Report, excluding depreciation and separately stated costs)

	Actual	%	Allocated Remaining Cost**
Transmission	\$ -	0.00%	\$ -
Maint. Poles	7,743	5.74%	3,645
Distribution	40,793	30.23%	19,201
Street Lights	13,767	10.20%	6,480
Consumer Accounting and Collection	5,740	4.25%	2,702
Sales Expense	-	0.00%	-
General & Administrative	66,893	49.57%	31,486
	\$ 134,936	100.00%	\$ 63,514

Total Cost in P&L (not incl. interest expense) \$ 476,632

Calculation of Remaining Costs to be Allocated	
Total Cost in P&L (not incl. interest expense)	\$ 476,632
Less separately stated costs from above:	
Purchased Power	\$ 261,876
Labor	71,422
Taxes	1,471
Uncollectible revenues	-
Rent	1,200
Employee Benefits - FICA, Retirement, Medical, Wcomp	30,768
Insurance	10,000
Depreciation	36,318
Contractual appropriations of income - Receipts Tax	4,832
Contractual appropriations of income - IEEP	6,934
Miscellaneous credits transferred	(11,703)
	\$ 413,118
Remaining Costs to be Allocated	\$ 63,514

**A = Remaining Cost is the difference between total costs in the P&L of \$476,632 less the costs stated in Column D, not including contractual costs (therefore, Cells D4 through D12 and D21 through D23)
The total of Column D, not including contractual costs is \$ 413,118
Therefore, \$476,632 less \$413,118 = \$ 63,514 Remaining cost to be allocated**

**VILLAGE OF SILVER SPRINGS
ELECTRIC DEPARTMENT**

**EXPENSE ALLOCATION
Fiscal Year May 31, 2016**

Expense	Fiscal Yr. 2016 Amount	Comment
Purchased Power	\$ 236,451	Account 721, PSC Report page 306
Purchased Power - TCCs	10,327	Account 722, PSC Report page 306
Labor	62,918	PSC Report, page 102. Total salaries less salaries capitalized (\$65,355-\$2,437)
Taxes	1,563	Account 403, PSC Report page 106
Uncollectible revenues (recoveries)	(1,604)	Account 404, PSC Report page 106
Rent	1,200	Account 786, PSC Report page 307
Employee Benefits - FICA, Retirement, Medical, Wcomp	29,719	Actual per Village trial balance (785 accounts)
Insurance	10,162	Account 783, PSC Report page 307
Depreciation	36,218	Accounts 733, 738, 743, 753, 788, PSC Report pages 306 and 307
Contractual/Vendor		
Transmission	-	Represents an allocation of remaining costs based on cost of individual category. (See below)
Maint. Poles	6,407	Represents an allocation of remaining costs based on cost of individual category. (See below)
Distribution	22,606	Represents an allocation of remaining costs based on cost of individual category. (See below)
Street Lights	2,838	Represents an allocation of remaining costs based on cost of individual category. (See below)
Consumer Accounting and Collection	4,665	Represents an allocation of remaining costs based on cost of individual category. (See below)
Sales Expense	-	Represents an allocation of remaining costs based on cost of individual category. (See below)
General & Administ.	33,287	Represents an allocation of remaining costs based on cost of individual category. (See below)
Contractual appropriations of income - Receipts Tax	4,227	Account 459, PSC Report page 106
Contractual appropriations of income - IEEP	6,643	Account 459, PSC Report page 106
Miscellaneous credits transferred	(21,458)	Account 792, PSC Report page 307
	<u>\$ 446,169</u>	

Cost Category (per PSC Report, excluding depreciation and separately stated costs)

	Actual	%	Allocated Remaining Cost**
Transmission	\$ -	0.00%	\$ -
Maint. Poles	12,182	9.18%	6,407
Distribution	42,982	32.39%	22,606
Street Lights	5,397	4.07%	2,838
Consumer Accounting and Collection	8,869	6.68%	4,665
Sales Expense	-	0.00%	-
General & Administrative	63,291	47.69%	33,287
	<u>\$ 132,721</u>	<u>100.00%</u>	<u>\$ 69,803</u>

Total Cost in P&L (not incl. interest expense) \$ 446,169

Calculation of Remaining Costs to be Allocated	
Total Cost in P&L (not incl. interest expense)	\$ 446,169
Less separately stated costs from above:	
Purchased Power	\$ 246,778
Labor	62,918
Taxes	1,563
Uncollectible revenues	(1,604)
Rent	1,200
Employee Benefits - FICA, Retirement, Medical, Wcomp	29,719
Insurance	10,162
Depreciation	36,218
Contractual appropriations of income - Receipts Tax	4,227
Contractual appropriations of income - IEEP	6,643
Miscellaneous credits transferred	(21,458)
	<u>\$ 376,366</u>
Remaining Costs to be Allocated	\$ 69,803

**A = Remaining Cost is the difference between total costs in the P&L of \$446,169 less the costs stated in Column D, not including contractual costs (therefore, Cells D4 through D12 and D21 through D23)
The total of Column D, not including contractual costs is \$ 376,366
Therefore, \$446,169 less \$376,366 = \$ 69,803 Remaining cost to be allocated**

**VILLAGE OF SILVER SPRINGS
ELECTRIC DEPARTMENT**

PROJECTED COSTS FOR RATE YEAR

Expense	(Workpaper B) Fiscal Yr. 2018 Amount	(Workpaper B-1) Fiscal Yr. 2017 Amount	(Workpaper B-2) Fiscal Yr. 2016 Amount	Three Year Average	Costs Adjusted for Known or Calculated Changes	Cost Determined by:
Purchased Power	\$ 229,814	\$ 251,549	\$ 236,451	\$ 239,271	\$ 228,931	Calculated - Weather Normalization Adjustment
Purchased Power - TCCs	10,327	10,327	10,327	10,327	10,327	Fixed TCC costs
Labor, net of capitalized amounts	70,268	71,422	62,918	68,203	68,695	Salary increases are based on two separate wage increases, effective 6/1/18 and 6/1/19. Total salaries for the Rate Year are expected to be \$78,823, of which \$10,128 is expected to be capitalized.
Taxes (other taxing jurisdictions)	1,543	1,471	1,563	1,526	1,556	Property and School taxes paid to outside taxing jurisdictions
Uncollectible revenues	3,634	-	(1,604)	677	653	Generally good collection history. Rate Year is equal to 3 year (2018/2017/2016) average, as a percent of gross electric revenues.
Rent	1,200	1,200	1,200	1,200	1,200	Annual rent paid to Village's General Fund - Agreed to be Village Board.
Employee Benefits - FICA, Retirement, Medical, Wcomp	38,673	30,768	29,719	33,053	38,251	Based on quoted premiums or budgeted amounts (allocated to Electric Department), calculation (for FICA/Medicare) on total salaries.
Insurance	10,000	10,000	10,162	10,054	10,000	General liability insurance premiums - Allocated Electric Department share.
Depreciation	36,672	36,318	36,218	36,403	37,316	Calculated at Exhibit 14. Increase is due to asset additions.
Contractual/Vendor						
Transmission	-	-	-	-	-	3 Year average
Maint. Poles	1,988	3,645	6,407	4,013	4,013	3 Year average
Distribution	20,077	19,201	22,606	20,628	20,628	3 Year average
Street Lights	(21)	6,480	2,838	3,099	3,099	3 Year average
Consumer Accounting and Collection	3,435	2,702	4,665	3,601	3,601	3 Year average
Sales Expense	-	-	-	-	-	3 Year average
General & Administ.	18,537	31,486	33,287	27,770	27,770	3 Year average
Amortization of rate filing costs	-	-	-	-	5,333	Anticipated rate filing costs of \$16,000, amortized over 3 year period of benefit
Contractual appropriations of income - Receipts Tax	5,096	4,832	4,227	4,718	4,728	Gross Receipts Tax represents 1% of gross electric revenue expected. (Historic Base Year Revenues plus weather normalization revenues plus estimated increase in revenues as a result of rate increase)
Contractual appropriations of income - IEEP	6,789	6,934	6,643	6,862	6,458	Represents IEEP contributions at a rate of .001/per kWh sold. Decrease expected in Rate Year, due to weather normalization and decrease in anticipated kWh sold in the Rate Year.
Allocation of employee benefits	(11,461)	(11,703)	(21,458)	(14,874)	(12,332)	Total direct labor dollars multiplied by 49% overhead rate for employee benefits allocation. Direct Labor in Rate Year of \$25,168.
	<u>\$ 446,571</u>	<u>\$ 476,632</u>	<u>\$ 446,169</u>	<u>\$ 456,530</u>	<u>\$ 460,227</u>	

**VILLAGE OF SILVER SPRINGS
ELECTRIC DEPARTMENT**

PURCHASED POWER ADJUSTMENT RECONCILIATION

(b)	(a*b) (c)		(d)	(d.1.)	(e)	(f)	(f.1.)	(f.2.)	(d+d.1.+e+f+f.1.+f.2.) (g)	(h)	(h*i) (i)	(g-j) (j)	(k-c) (k)	(l)
PPAC \$/KWH	PPAC REVENUES	POWER PURCHASE MONTH	NYPA POWER BILL	NYMPA POWER BILL	NYSEG BILL	TCC COST	IEEP CONTRIB	PPAC Reconciliation	TOTAL PRESENT COST	TOTAL KWH DEL.	BASE COST \$/ KWH	BASE COST POWER	DIFF. PRESENT VS. BASE	NET (OVER) UNDER
0.008801	3,972	MAY	5,443	7,707	349	861	538	-	14,898	521,921	0.020454	10,675	4,223	251
0.010138	5,422	JUNE	5,707	10,277	-	861	535	-	17,380	586,464	0.020454	11,996	5,384	(38)
0.008957	5,496	JULY	6,009	12,406	-	861	614	-	19,890	660,893	0.020454	13,518	6,372	876
0.008972	4,784	AUGUST	6,050	8,882	1,284	861	533	-	17,610	617,342	0.020454	12,627	4,983	199
0.016042	8,364	SEPTEMBER	5,579	10,900	2,023	861	521	-	19,884	568,423	0.020454	11,627	8,257	(107)
0.005464	2,787	OCTOBER	5,898	5,883	660	861	509	-	13,811	543,071	0.020454	11,108	2,703	(84)
0.012339	7,580	NOVEMBER	5,889	9,568	2,217	861	615	-	19,150	603,491	0.020454	12,344	6,806	(774)
0.015348	10,862	DECEMBER	5,902	15,641	1,186	861	708	-	24,298	705,531	0.020454	14,431	9,867	(995)
0.015947	10,872	JANUARY	5,919	17,224	1,593	861	680	(884)	25,393	727,343	0.020454	14,877	10,516	(356)
0.007827	3,977	FEBRUARY	5,828	9,859	59	861	508	(884)	16,231	590,373	0.020454	12,075	4,156	179
0.005301	2,874	MARCH	6,130	9,130	-	861	541	(884)	15,778	625,863	0.020454	12,801	2,977	103
0.003845	1,862	APRIL	6,074	6,919	-	861	487	(884)	13,457	563,208	0.020454	11,520	1,937	75
	<u>68,852</u>		<u>70,428</u>	<u>124,396</u>	<u>9,371</u>	<u>10,332</u>	<u>6,789</u>	<u>(3,536)</u>	<u>217,780</u>	<u>7,313,923</u>		<u>149,599</u>	<u>68,181</u>	<u>(671)</u>

(a) = kWh sold during the month per monthly billing summary

(b) = PPAC Factor calculated each month

(c) = PPAC Revenues billed during the month per monthly billing summary

(d) = Includes NYPA bill for purchased electric costs only

(d.1.) = Includes NYMPA bill for purchased electric costs only (does not include CES charges)

(e) = Includes NYSEG invoice only

(f) = Includes TCC cost that is included in the monthly PPAC Calculation

(f.1.) = Includes IEEP contributed amounts

(f.2.) = Includes PPAC rec catch up unbilling (overbilling) from prior year

(h) = Includes the kWh purchased each month per the NYMPA invoice

**VILLAGE OF SILVER SPRINGS
ELECTRIC DEPARTMENT**

PROJECTED SALARIES - RATE YEAR

	<u>Annual Salary</u>	<u>Hourly Rate</u>	<u>OT Hourly Rate</u>	<u>Expected Reg Hours</u>	<u>Expected OT Hours</u>	<u>Reg. Wages</u>	<u>OT Wages</u>	<u>Total Wages</u>	<u>Electric Fund Allocation</u>	<u>Electric Fund Alloc Wages</u>
Mayor	\$ 3,500	n/a	n/a	n/a	n/a	\$ 3,500	-	3,500	30%	\$ 1,050
Trustee	1,750	n/a	n/a	n/a	n/a	1,750	-	1,750	30%	525
Trustee	1,750	n/a	n/a	n/a	n/a	1,750	-	1,750	30%	525
Trustee	1,750	n/a	n/a	n/a	n/a	1,750	-	1,750	30%	525
Trustee	1,750	n/a	n/a	n/a	n/a	1,750	-	1,750	30%	525
SPW	n/a	\$ 26.00	\$ 39.00	2,080	75	54,080	2,925	57,005	30% (a)	17,102
FT Linemen #1 (b)	n/a	\$ 23.75	\$ 35.63	208	20	4,940	713	5,653	26% (a)	1,470
FT Laborer #1 (b)	n/a	\$ 20.82	\$ 31.24	1,872	125	38,983	3,905	42,887	26% (a)	11,151
FT Linemen #2 (b)	n/a	\$ 23.75	\$ 35.63	208	20	4,940	713	5,653	25% (a)	1,413
FT Laborer #2 (b)	n/a	\$ 20.79	\$ 31.19	1,872	125	38,925	3,899	42,823	26% (a)	11,134
Clerk-Treasurer	n/a	\$ 22.30	\$ 33.45	2,080	-	46,384	-	46,384	42%	19,481
Deputy Clerk	n/a	\$ 17.00	\$ 25.50	1,820	-	30,940	-	30,940	45%	13,923
										\$ 78,823

(a) - Allocation of wages to the Electric Department is based on the 5-year (2014 to 2018) average allocation of each individual.

(b) - Same individuals; however a portion of their time is worked as a laborer, with the remaining time worked as a lineman. Hourly rate differential between laborer tasks and lineman tasks. Assumed to be 90% laborer and 10% lineman for each individual.

**VILLAGE OF SILVER SPRINGS
ELECTRIC DEPARTMENT**

**CALCULATION OF OVERHEAD RATES FOR RATE YEAR
(Based on Actual 2018 results for Shops and Forecasted Amounts for Transportation and Employee Benefits)**

802 Clearing - Shops

Costs to run shop	754	=	<u><u>4%</u></u>
Material Issuances	20,327		

804 Clearing - Transportation

Debits 804	11,461	=	<u><u>46%</u></u>
Forecasted Direct Labor	25,168		

792 Employee Benefits Allocation

Forecasted Employee Benefits	38,251	=	<u><u>49%</u></u>
Total Forecasted Salaries	78,823		