

Valley Electric Association
 2019 Cost of Service and Rate Design
 Revenue Proof

Description	2017 Billing		2017 Revenues at Current Rate	2018 Billing		2018 Revenues at Current Rate	2019 Billing		2019 Revenues at 2018 Rates	2019 Rate Design		2019 Revenues at Proposed Rate	Increase	Percent Increase
	Units	Current Rate		Units	Current Rate		Units	2018 Rates		2019 Proposed Rate	Rate			
Residential Service														
				19,645.67										
Basic Service Charge	229,696	\$15.00	\$3,445,440	235,748	\$15.00	\$3,536,220	243,056	\$15.00	\$3,645,843	\$ 20.00		\$4,861,124	\$1,215,281	33.33%
Energy Charge	274,424,531	\$0.10989	\$30,156,512	290,484,363	\$0.10989	\$31,921,327	299,489,378	\$0.10989	\$32,910,888	\$0.11957		\$35,809,945	\$2,899,057	8.81%
Subtotal			\$33,601,952			\$35,457,547			\$36,556,731			\$40,671,069	\$4,114,338	11.25%
							1,232 avg kWh \$ 0.122 Avg \$/kWh		Target Revenue Variance:			\$40,669,363 \$1,706		
General Service (<50 kW)														
				2,086.00										
Basic Service Charge	25,320	\$30.00	\$759,600	25,032	\$30.00	\$750,960	25,200	\$30.00	\$756,000	\$ 35.00		\$882,000	\$126,000	16.67%
Energy Charge	42,765,193	\$0.10731	\$4,589,133	42,418,701	\$0.10731	\$4,551,951	42,715,632	\$0.10731	\$4,583,814	\$ 0.11842		\$5,058,385	\$474,571	10.35%
Subtotal			\$5,348,733			\$5,302,911			\$5,339,814			\$5,940,385	\$600,571	11.25%
Temporary Power Outlet														
Unit Rental	360	\$30.00	\$10,800	360	\$30.00	\$10,800	360	\$30.00	\$10,800	\$ 35.00		\$12,600	\$1,800	16.67%
Energy Charge	245,107	\$0.10731	\$26,302	245,107	\$0.10731	\$26,302	245,107	\$0.10731	\$26,302	\$0.11842		\$29,026	\$2,723	10.35%
Subtotal			\$37,102			\$37,102			\$37,102			\$41,626	\$4,523	12.19%
									Total General Service (<50 kW)			\$5,982,011		
							1,695 avg kWh \$ 0.125 Avg \$/kWh		Target Revenue Variance:			\$5,981,820 \$191		
General Service Small Commercial (50-249 kW)														
				217.00										
Basic Service Charge	2,484	\$30.00	\$74,520	2,604	\$30.00	\$78,120	2,699	\$30.00	\$80,970	\$ 50.00		\$134,950	\$53,980	66.67%
Demand Charge	183,542	\$2.00	\$367,084	193,939	\$2.00	\$387,879	203,939	\$2.00	\$407,878	\$ 3.00		\$611,817	\$203,939	50.00%
Energy Charge	55,433,940	\$0.09214	\$5,107,683	59,453,333	\$0.09214	\$5,478,030	61,712,560	\$0.09214	\$5,686,195	\$ 0.09464		\$5,840,477	\$154,281	2.71%
Metering Adjustment		2.0%			2.0%			2.0%		2.0%				
Subtotal			\$5,549,287			\$5,944,029			\$6,175,043			\$6,587,244	\$412,200	6.68%
Average kWh	22,316			22,832			22,865 avg kWh \$ 0.100 Avg \$/kWh		Target Revenue Variance:			\$6,587,102 \$142		

General Service Large Commercial (>250 kW)

35.00

Basic Service Charge	384	\$30.00	\$11,520	420	\$30.00	\$12,600	468	\$30.00	\$14,040	\$ 150.00	\$70,200	\$56,160	400.00%
Demand Charge	153,420	\$2.00	\$306,841	161,995	\$2.00	\$323,990	175,000	\$2.00	\$350,000	\$ 3.75	\$656,250	\$306,250	87.50%
Energy Charge	55,398,928	\$0.09214	\$5,104,457	58,494,988	\$0.09214	\$5,389,728	60,834,788	\$0.09214	\$5,605,317	\$ 0.09273	\$5,641,210	\$35,893	0.64%
Metering Adjustment		2.0%	\$0		2.0%	\$0		2.0%	\$0	2.0%	\$0		
Subtotal			\$5,422,818			\$5,726,318			\$5,969,357		\$6,367,660	\$398,303	6.67%
Average kWh	144,268			139,274				129,989 avg kWh \$ 0.098 Avg \$/kWh	Target Revenue Variance:		\$6,367,691 (\$31)		

Contract Sales

Basic Service Charge	12	\$30.00	\$360	12	\$30.00	\$360	12	\$30.00	\$360	\$30.00	\$360	\$0	0.00%
Demand Charge	176,246	\$2.00	\$352,492	209,364.00	\$2.00	\$418,728	209,364	\$2.00	\$418,728	\$2.00	\$418,728	\$0	0.00%
Energy Charge	74,372,646	\$0.06250	\$4,648,290	73,723,727	\$0.06250	\$4,607,733	73,723,727	\$0.06250	\$4,607,733	\$0.06250	\$4,607,733	\$0	0.00%
Metering Adjustment		2.0%	\$0		2.0%	\$0		2.0%	\$0	2.0%	\$0		
Subtotal			\$5,001,142			\$5,026,821			\$5,026,821		\$5,026,821	\$0	0.00%
								6,143,644 avg kWh \$ 0.068 Avg \$/kWh	Target Revenue Variance:		\$5,026,821 \$0		

Irrigation Service

Basic Service Charge (\$/kW Apr-Nov)	85,387	\$2.01	\$171,628	85,058.95	\$2.01	\$170,968	85,059	\$2.01	\$170,968	\$ 3.19	\$271,338	\$100,370	58.71%
Energy Charge	33,426,638	\$0.09064	\$3,029,790	34,868,132	\$0.09064	\$3,160,447	34,868,132	\$0.09064	\$3,160,447	\$0.09064	\$3,160,447	\$0	0.00%
Subtotal			\$3,201,419			\$3,331,416			\$3,331,416		\$3,431,786	\$100,370	3.01%
								avg kWh \$ 0.096 Avg \$/kWh	Target Revenue Variance:		\$3,431,358 \$427		

Outdoor Lighting Service

Monthly kWh

Target Increase: 6.67%

100 Watt HPS P1, P3, S1, S3, S5,	42	11,659	\$10.45	\$121,837	11,659	\$11.59	\$135,128	11,659	\$11.59	\$135,128	\$12.36	\$144,105	\$8,977	6.64%
175 Watt MV	73	-	\$10.87	\$0	-	\$12.06	\$0	-	\$12.06	\$0	\$12.86	\$0	\$0	#DIV/0!
400 Watt HPS S4,	165	48	\$16.50	\$792	48	\$18.30	\$878	48	\$18.30	\$878	\$19.52	\$937	\$59	6.67%
100 Watt HPS on Pole P2, S2	42	9,105	\$18.48	\$168,260	9,105	\$20.50	\$186,653	9,105	\$20.50	\$186,653	\$21.87	\$199,126	\$12,474	6.68%
Transformer P3, S3, S5 (ALSO INCL ABOVE)		859	\$7.70	\$6,614	859	\$7.77	\$6,674	859	\$7.77	\$6,674	\$8.29	\$7,121	\$447	6.69%
Subtotal			\$297,503			\$329,333			\$329,333		\$351,290	\$21,957	6.67%	
					71.58						Target Revenue Variance:	\$351,309 (\$20)		

Public Street Lighting Service Annual kWh

					20									
150 Watt HPS (VEA owned) P6, P7, PC6	806	1,500	\$22.46	\$33,690	1,500	\$22.46	\$33,690	1,500	\$22.46	\$33,690	\$23.96	\$35,940	\$2,250	6.68%
400 Watt HPS (VEA owned) P5	2037	50	\$27.15	\$1,358	50	\$27.15	\$1,358	50	\$27.15	\$1,358	\$28.96	\$1,448	\$91	6.67%
150 Watt HPS (consumer owned)	806	-	\$13.33	\$0	-	\$13.33	\$0	-	\$13.33	\$0	\$14.22	\$0	\$0	#DIV/0!
400 Watt HPS (consumer owned)	2037	-	\$18.91	\$0	-	\$20.98	\$0	-	\$20.98	\$0	\$22.38	\$0	\$0	#DIV/0!
Aluminum Pole		-	\$16.16	\$0	-	\$16.16	\$0	-	\$16.16	\$0	\$17.24	\$0	\$0	#DIV/0!
Transformer P5, P7 (ALSO INCL ABOVE)		700	\$7.70	\$5,390	700	\$7.69	\$5,383	700	\$7.69	\$5,383	\$8.20	\$5,740	\$357	6.63%
Subtotal				\$40,438			\$40,431			\$40,431		\$43,128	\$2,698	6.67%
					58.33						Target Revenue	\$43,128		
											Variance:	(\$0)		

Total Test Year Revenue			\$58,500,394			\$61,195,907			\$62,806,049		\$68,461,007	\$5,654,958	9.00%
Statistics Report			\$58,651,296			\$61,116,400			-		Calculated Revenue	\$68,461,007	
Variance			(\$150,903)			\$79,508					Variance Adjustment	0.0%	
Variance Percentage			-0.3%			0.1%					Projected Revenue	\$68,461,007	
											Variance from Target	\$2,414	

**Valley Electric Association
Proposed Rates Table
2019**

Rate Class:	Residential Service	
Description	Current Rate	Proposed Rate
Basic Service Charge (\$/bill)	\$ 15.00	\$ 20.00
Energy Charge (\$/kWh)	\$ 0.10989	\$ 0.11957

Rate Class:	General Service (<50 kW)	
Description	Current Rate	Proposed Rate
Basic Service Charge (\$/bill)	\$ 30.00	\$ 35.00
Energy Charge (\$/kWh)	\$ 0.10731	\$ 0.11842

Rate Class:	General Service Small Commercial (50-249 kW)	
Description	Current Rate	Proposed Rate
Basic Service Charge (\$/bill)	\$ 30.00	\$ 50.00
Demand Charge (\$/kW)	\$ 2.00	\$ 3.00
Energy Charge (\$/kWh)	\$ 0.09214	\$ 0.09464

Rate Class:	General Service Large Commercial (>250 kW)			
Description		Current Rate		Proposed Rate
Basic Service Charge (\$/bill)	\$	30.00	\$	150.00
Demand Charge (\$/kW)	\$	2.00	\$	3.75
Energy Charge (\$/kWh)	\$	0.09214	\$	0.09273

Rate Class:	Contract Sales			
Description		Current Rate		Proposed Rate
Basic Service Charge (\$/bill)	\$	30.00	\$	30.00
Demand Charge (\$/kW)	\$	2.00	\$	2.00
Energy Charge (\$/kWh)	\$	0.06250	\$	0.06250

Rate Class:	Irrigation Service			
Description		Current Rate		Proposed Rate
Basic Service Charge (\$/bill)	\$	-	\$	-
Demand Charge (\$/kW)	\$	2.01	\$	3.19
Energy Charge (\$/kWh)	\$	0.09064	\$	0.09064

**Valley Electric Association
Electric Bill Comparison
2019**

Typical Customer Bills under Current and Proposed Rates

Rate Class	Energy kWh	Demand kW	Load Factor	Current Bill \$	2019 Proposed		
					Bill \$	Change \$	Change %
Monthly							
Residential Service	500			\$69.95	\$79.79	\$9.84	14.1%
Residential Service	750			\$97.42	\$109.68	\$12.26	12.6%
Residential Service	1,000			\$124.89	\$139.57	\$14.68	11.8%
Residential Service	1,500			\$179.84	\$199.36	\$19.52	10.9%
Residential Service	2,000			\$234.78	\$259.14	\$24.36	10.4%
General Service (<50 kW)	1,000			\$137.31	\$153.42	\$16.11	11.7%
General Service (<50 kW)	1,500			\$190.97	\$212.63	\$21.67	11.3%
General Service (<50 kW)	2,000			\$244.62	\$271.84	\$27.22	11.1%
General Service (<50 kW)	2,500			\$298.28	\$331.05	\$32.78	11.0%
General Service (<50 kW)	3,000			\$351.93	\$390.26	\$38.33	10.9%
General Service Small Commercial (50-249 kW)	20,000	50	55%	\$1,972.80	\$2,092.80	\$120.00	6.1%
General Service Small Commercial (50-249 kW)	20,000	60	46%	\$1,992.80	\$2,122.80	\$130.00	6.5%
General Service Small Commercial (50-249 kW)	40,000	100	55%	\$3,915.60	\$4,135.60	\$220.00	5.6%
General Service Small Commercial (50-249 kW)	40,000	125	44%	\$3,965.60	\$4,210.60	\$245.00	6.2%
General Service Small Commercial (50-249 kW)	75,000	150	68%	\$7,240.50	\$7,598.00	\$357.50	4.9%
General Service Small Commercial (50-249 kW)	75,000	200	51%	\$7,340.50	\$7,748.00	\$407.50	5.6%
General Service Small Commercial (50-249 kW)	100,000	200	68%	\$9,644.00	\$10,114.00	\$470.00	4.9%
General Service Small Commercial (50-249 kW)	100,000	250	55%	\$9,744.00	\$10,264.00	\$520.00	5.3%
General Service Large Commercial (>250 kW)	100,000	250	55%	\$9,744.00	\$10,360.50	\$616.50	6.3%
General Service Large Commercial (>250 kW)	100,000	300	46%	\$9,844.00	\$10,548.00	\$704.00	7.2%
General Service Large Commercial (>250 kW)	200,000	500	55%	\$19,458.00	\$20,571.00	\$1,113.00	5.7%
General Service Large Commercial (>250 kW)	200,000	600	46%	\$19,658.00	\$20,946.00	\$1,288.00	6.6%
General Service Large Commercial (>250 kW)	350,000	700	68%	\$33,679.00	\$35,230.50	\$1,551.50	4.6%
General Service Large Commercial (>250 kW)	350,000	1,100	44%	\$34,479.00	\$36,730.50	\$2,251.50	6.5%
General Service Large Commercial (>250 kW)	500,000	900	76%	\$47,900.00	\$49,890.00	\$1,990.00	4.2%
General Service Large Commercial (>250 kW)	500,000	1,200	57%	\$48,500.00	\$51,015.00	\$2,515.00	5.2%