

**Vermont Electric Cooperative (VEC)
Service Classification #5 - Specific Use Dynamic Pricing Rate
Fixed Transmission and Distribution Charge Calculation**

Attachment B
Shared Facilities
Agreement

Rate Effective: July 1, 2017 - June 30, 2018

Schedule 1 - Transmission and Distribution Plant and Depreciation

Line No.	Description	Year ended: 12/31/2016	
		Utility Plant	Expense
1	Transmission Plant Original Cost	\$ 16,830,509	
2	Total Transmission Plant Accumulated Depreciation	\$ 2,698,174	
3	Net Total Transmission Plant - Net Book	\$ 14,132,335	
4	Transmission Depreciation Expense		\$ 426,141
5			
6	Distribution Plant Original Cost	\$ 125,427,812	
7	Total Distribution Plant Accumulated Depreciation	\$ 32,955,975	
8	Net Total Distribution Plant - Net Book	\$ 92,471,836	
9	Distribution Depreciation Expense		\$ 3,944,446
10			
11	Total Accounts 360, 362, 363, 364, 365 - Original Cost	\$ 79,120,548	
12	Total Acct 362, 363, 364, 365 Accumulated Depreciation	\$ 20,737,246	
13	Total Accounts 360, 362, 363, 364, 365 - Net Book	\$ 58,383,302	
14	Distribution Acct 362, 363, 364, 365 Depreciation Expense		\$ 2,482,006

Schedule 2 - Administrative & General Expense

Line No.	Description	Year ended: 12/31/2016	
		Utility Plant	Expense
1	Total Utility Plant - Original Cost	\$ 157,276,937	
2	Total Utility Plant Accumulated Depreciation	\$ 44,587,708	
3	Net Total Utility Plant - Net Book	\$ 112,689,229	
4	Administrative & General Expense		\$ 3,682,679
5	Administrative & General Percentage - Net Book (line 4 / line 3)	3.27%	
6	Administrative & General Expense - Transmission Plant - Net Book		\$ 461,844
7	Administrative & General Expense - Distribution Plant - Net Book		\$ 3,021,976
8	Administrative & General Expense - Acct 360, 362, 363, 364, 365 - Net Book		\$ 1,907,964

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Schedule 3 - Cost of Debt and Debt Service Margin

Schedule - Operation and Maintenance (O&M) Expenses

Line No.	Cost of Debt Rate	Year ended:	12/31/2016		
No.			Utility Plant	Debt	Expense
1	Long Term Debt			\$ 84,601,775	
2	Interest on Long-Term Debt				\$ 3,075,307
3	<u>Total Utility Plant</u>				
4	Total Utility Plant - Original Cost		\$ 157,276,937		
5	Total Utility Plant Accumulated Depreciation		\$ 44,587,708		
6	Net Total Utility Plant - Net Book		\$ 112,689,229		
7	<u>Total Transmission</u>				
8	Total Transmission Plant - Original Cost		\$ 16,830,509		
9	Total Transmission Plant Accumulated Depreciation		\$ 2,698,174		
10	Net Total Transmission Plant - Net Book		\$ 14,132,335		
11					
12	LT Debt Transmission Plant - Net Book (line 1 x (line 10 / line 6))			\$ 10,609,893	
13	Cost of Debt Transmission Plant - Net Book (line 2 x (line 12 / line 1))				\$ 385,674
14					
15	Vermont PSB Allowed TIER		2.18		
16	Debt Service Margin Total Transmission - Net Book (Line 13 x (Line 15 minus 1))				\$ 455,095
17	<u>Total Distribution - including Underground, Services, and Line Transformers</u>				
18	Total Distribution Plant - Original Cost		\$ 125,427,812		
19	Total Distribution Plant Accumulated Depreciation		\$ 32,955,975		
20	Net Total Distribution Plant - Net Book		\$ 92,471,836		
21					
22	LT Debt Distribution Plant - Net Book (line 1 x (line 20 / line 6))			\$ 69,423,507	
23	Cost of Debt Distribution Plant - Net Book (line 2 x (line 22 / line 1))				\$ 2,523,571
24	Debt Service Margin Total Distribution - Net Book (Line 23 x (Line 15 minus 1))				\$ 2,977,814
25	<u>Aerial Distribution - Excluding Services and Line Transformers</u>				
26	Total Distribution Land Investment (Acct 360)		\$ 529,307		
27	Total Distribution Plant Station Equip (Acct 362)		\$ 18,600,925		
28	Total Distribution Plant Storage Battery Equip (Acct 363)		\$ 5,005		
29	Total Distribution Plant Poles & Fixtures (Acct 364)		\$ 29,894,032		
30	Total Distribution Plant Overhead Cond (Acct 365)		\$ 30,091,280		
31	Total Accounts 360, 362, 363, 364, 365 - Original Cost		\$ 79,120,548		
32	Total Acct 362, 363, 364, 365 Accumulated Depreciation		\$ 20,737,246		
33	Total Accounts 360, 362, 363, 364, 365 - Net Book		\$ 58,383,302		
34					
35	LT Debt Acct 360, 362, 363, 364, 365 - Net Book (line 1 x (line 33 / line 6))			\$ 43,831,439	
36	Cost of Debt Acct 360, 362, 363, 364, 365 - Net Book (line 2 x (line 35 / line 1))				\$ 1,593,290
37	Debt Service Margin Acct 360, 362, 363, 364, 365 - Net Book (Line 36 x (Line 15 minus 1))				\$ 1,880,082

Schedule 4 - Taxes

Line No.				
1	Vermont Gross Revenue Tax		\$ 391,655	
2	Vermont Gross Revenue Tax percentage Net Book			0.3476%
3	Vermont Gross Revenue Tax - Transmission Plant - Net Book			\$ 49,117
4	Vermont Gross Revenue Tax - Distribution Plant - Net Book			\$ 321,389
5	Vermont Gross Revenue Tax - Acct 360, 362, 363, 364, 365 - Net Book			\$ 202,913

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Schedule 5 - Operation and Maintenance (O&M) Expenses

Year ended: 12/31/2016

Line No.	Electric Operation and Maintenance Expenses	Total Expense	Applicable Expense
1	<u>Transmission Expenses</u>		
2	Operation		
3	560 Operation Supervision and Engineering	\$ 160,520	\$ 160,520
4	561 Load Dispatching	\$ 547,546	\$ 547,546
5	562 Station Expenses	\$ 49,836	\$ 49,836
6	563 Overhead Lines Expenses	\$ 304,667	\$ 304,667
7	564 Underground Lines Expenses	\$ -	Underground Use
8	565 Transmission by Others less 565.10	\$ 9,497,944	Not used
9	565.10 Direct Support Expenses	\$ 231,006	\$ 231,006
10	566 Miscellaneous Transmission	\$ -	\$ -
11	567 Rents	\$ -	\$ -
12	Total Operation	\$ 10,791,518	\$ 1,293,574
13	Maintenance		
14	568 Maintenance Supervision and Engineering	\$ 79,204	\$ 79,204
15	569 Maintenance of Structures	\$ -	\$ -
16	570 Maintenance of Station Equipment	\$ 35,673	\$ 35,673
17	571 Maintenance of Overhead Lines	\$ 380,245	\$ 380,245
18	572 Maintenance of Underground Lines	\$ -	Underground Use
19	573 Maintenance of Miscellaneous Plant	\$ -	\$ -
20	Total Maintenance	\$ 495,122	\$ 495,122
21	Total O & M Transmission Expense	\$ 11,286,641	\$ 1,788,697
22	<u>Distribution Expenses</u>		
23	Operation		
24	580 Operation Supervision and Engineering	\$ 410,689	\$ 410,689
25	581 Load Dispatching	\$ 568,225	\$ 568,225
26	582 Station Expenses	\$ 675,236	\$ 675,236
27	583 Overhead Lines Expenses	\$ 3,117,435	\$ 3,117,435
28	584 Underground Lines Expenses	\$ 34,685	Underground Use
29	585 Street Lighting and Signal System Expenses	\$ -	Not used
30	586 Meter Expenses	\$ 763,932	Not used
31	587 Customer Installation Expenses	\$ 3,775	Not used
32	588 Miscellaneous Distribution	\$ 149,549	\$ 149,549
33	589 Rents	\$ 44,167	\$ 44,167
34	Total Operation	\$ 5,767,693	\$ 4,965,301
35	Maintenance		
36	590 Maintenance Supervision and Engineering	\$ 254,718	\$ 254,718
37	591 Maintenance of Structures	\$ -	\$ -
38	592 Maintenance of Station Equipment	\$ 220,601	\$ 220,601
39	593 Maintenance of Overhead Lines	\$ 6,595,118	\$ 6,595,118
40	594 Maintenance of Underground Lines	\$ 116,395	Underground Use
41	595 Maintenance of Line Transformers	\$ -	Not used
42	596 Maintenance of Street Lighting and Signal Systems	\$ 29,178	Not used
43	597 Maintenance of Meters	\$ -	Not used
44	598 Maintenance of Miscellaneous Distribution Plant	\$ 22,935	\$ 22,935
45	Total Maintenance	\$ 7,238,944	\$ 7,093,371
46	Total O & M Distribution Expense	\$ 13,006,637	\$ 12,058,673