

**RATE DESIGN FOR RATE RDS - RETAIL DELIVERY SERVICE**  
**MITIGATED RATE DESIGN WITH PRIMARY SECONDARY AND UNCOLLECTIBLES ANALYSES RESULTS**  
**2006 TEST YEAR**

Residential ECOS-Based Revenue \$1,142,257,509 (ER)

Total Residential Revenue Requirement \$1,096,344,552 (RR)

RESIDENTIAL DELIVERY CLASSES	2006 Test Year Billing Units (A)	ECOS-BASED REVENUE				EPEC	ILLUSTRATIVE RATES						Prior To 9/16/08 Overall \$/kWh (N)	Increase % (P) = ((M) / (N)) - 1
		Embedded Cost (B)	Unit Cost (C)	Embedded Revenue (D)	Total Embedded Revenue (E)	EPEC Revenue (F)	Unit Charges (1) (G)	Revenue (H)	Total Revenue (J)	as a % of EPEC (K)	Annual kWh (L)	Overall \$/kWh (M)		
			= (B) / (A)	= (A) * (C)	= (D) by class	= (E) * (RR) / (ER)	= (C) * (RR) / (ER)	= (A) * (G)	= (H) by class	= (J) / (F)	= (M) / (L)			
<b>Single Family Without Electric Space Heat</b>														
Customer Charge	26,697,419	\$220,912,004	\$8.27	\$220,787,655			\$7.76	\$207,171,971						
Standard Metering Service Charge	26,697,419	\$60,331,072	\$2.26	\$60,336,167			\$2.24	\$59,802,219						
Distribution Facilities Charge (kWh)	21,387,196,569	\$564,675,967	\$0.02640	\$564,621,989			\$0.02547	\$544,731,897						
<b>Total</b>					\$845,745,811	\$811,751,120			\$811,706,087	100.0%	21,387,196,569	\$0.0380	\$0.0307	23.8%
<b>Multi Family Without Electric Space Heat</b>														
Customer Charge	11,790,625	\$73,304,184	\$6.22	\$73,337,688			\$6.25	\$73,691,406						
Standard Metering Service Charge	11,790,625	\$29,203,968	\$2.48	\$29,240,750			\$2.24	\$26,411,000						
Distribution Facilities Charge (kWh)	4,318,599,079	\$116,236,107	\$0.02692	\$116,256,687			\$0.02547	\$109,994,719						
<b>Total</b>					\$218,835,125	\$210,039,063			\$210,097,125	100.0%	4,318,599,079	\$0.0486	\$0.0389	24.9%
<b>Single Family With Electric Space Heat</b>														
Customer Charge	421,054	\$3,511,314	\$8.34	\$3,511,590			\$7.76	\$3,267,379						
Standard Metering Service Charge	421,054	\$951,523	\$2.26	\$951,582			\$2.24	\$943,161						
Distribution Facilities Charge (kWh)	846,860,628	\$17,896,139	\$0.02113	\$17,894,165			\$0.02116	\$17,919,571						
<b>Total</b>					\$22,357,337	\$21,458,685			\$22,130,111	103.1%	846,860,628	\$0.0261	\$0.0216	20.8%
<b>Multi Family With Electric Space Heat</b>														
Customer Charge	1,851,477	\$11,502,417	\$6.21	\$11,497,672			\$6.25	\$11,571,731						
Standard Metering Service Charge	1,851,477	\$4,585,945	\$2.48	\$4,591,663			\$2.24	\$4,147,308						
Distribution Facilities Charge (kWh)	1,734,301,528	\$39,224,754	\$0.02262	\$39,229,901			\$0.02116	\$36,697,820						
<b>Total</b>					\$55,319,236	\$53,095,683			\$52,416,859	98.7%	1,734,301,528	\$0.0302	\$0.0247	22.3%
<b>Residential TOTAL</b>					\$1,142,257,509	\$1,096,344,551			\$1,096,350,182	100.0%	28,286,957,804	\$0.0388	\$0.0313	24.0%
Annual Bills	40,760,575													
Annual kWhs	28,286,957,804													

Notes:  
(1) Minor rounding exists.

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MITIGATED RATE DESIGN WITH PRIMARY SECONDARY AND UNCOLLECTIBLES ANALYSES RESULTS

2006 TEST YEAR Nonresidential ECOSS-Based Revenue Excluding High Voltage Delivery Class \$852,215,921 (ER)

Nonresidential Revenue Requirement

Excluding High Voltage Delivery Class \$817,961,164 (RR)

NONRESIDENTIAL DELIVERY CLASSES EXCLUDING HIGH VOLTAGE DELIVERY CLAS	ECOSS-BASED REVENUE				EPEC		ILLUSTRATIVE RATES					Prior To 9/16/08 Overall \$/kWh	Increase %	
	2006 Test Year Billing Units	Embedded Cost	Unit Cost	Embedded Revenue	Total Embedded Revenue	EPEC Revenue	103.45%		Total Revenue	as a % of EPEC	Annual kWh			Overall \$/kWh
	(A)	(B)	(C) = (B) / (A)	(D) = (A) * (C)	(E) = (D) by class	(F) = (E) * (RR) / (ER)	Charges (1) (2) (3) (G)	Revenue (H)	(J) = (H) by class	(K) = (J) / (F)	(L)			(M) = (J) / (L)
<b>Watt-Hour Delivery Class</b>														
Customer Charge	1,174,063	\$8,583,413	\$7.31	\$8,582,401			\$7.32	\$8,594,141						
Standard Metering Service Charge	1,174,063	\$2,211,526	\$1.88	\$2,207,238			\$1.80	\$2,113,313						
Distribution Facilities Charge (kWh)	539,524,870	\$10,842,775	\$0.02010	\$10,844,450			\$0.01996	\$10,768,916						
<b>Total</b>					\$21,634,089	\$20,764,508			\$21,476,370	103.4%	539,524,870	\$0.0398	\$0.0373	6.7%
<b>Small Load Delivery Class</b>														
Customer Charge	2,697,083	\$21,807,290	\$8.09	\$21,819,401			\$8.31	\$22,412,760						
Standard Metering Service Charge	2,697,083	\$18,910,763	\$7.01	\$18,906,552			\$6.73	\$18,151,369						
Distribution Facilities Charge (kW)	38,963,580	\$197,907,923	\$5.08	\$197,934,986			\$5.04	\$196,376,443						
Rider ACT	35,144						(\$0.20533)	(\$7,216)						
<b>Total</b>					\$238,660,939	\$229,067,980			\$236,933,356	103.4%	11,486,376,300	\$0.0206	\$0.0179	15.1%
<b>Medium Load Delivery Class</b>														
Customer Charge	213,239	\$2,575,357	\$12.08	\$2,575,927			\$13.46	\$2,870,197						
Standard Metering Service Charge	213,239	\$2,149,073	\$10.08	\$2,149,449			\$9.67	\$2,062,021						
Distribution Facilities Charge (kW)	30,408,673	\$162,761,572	\$5.35	\$162,686,401			\$5.30	\$161,165,967						
Rider ACT	80,983						(\$0.20533)	(\$16,628)						
<b>Total</b>					\$167,411,777	\$160,682,673			\$166,081,557	103.4%	10,887,369,174	\$0.0153	\$0.0144	6.3%
<b>Large Load Delivery Class</b>														
Customer Charge	51,580	\$4,719,311	\$91.49	\$4,719,054			\$92.03	\$4,746,907						
Standard Metering Service Charge	51,580	\$823,597	\$15.97	\$823,733			\$15.33	\$790,721						
Distribution Facilities Charge (kW)	23,898,892	\$133,241,467	\$5.58	\$133,355,817			\$5.54	\$132,399,862						
Rider ACT	160,613						(\$0.20533)	(\$32,979)						
<b>Total</b>					\$138,898,604	\$133,315,585			\$137,904,511	103.4%	10,249,079,093	\$0.0135	\$0.0130	3.9%
<b>Very Large Load Delivery Class</b>														
Customer Charge	22,759	\$11,439,534	\$502.64	\$11,439,584			\$522.45	\$11,890,440						
Standard Metering Service Charge	22,759	\$464,691	\$20.42	\$464,739			\$19.60	\$446,076						
Distribution Facilities Charge (kW)	41,314,110	\$218,225,367	\$5.28	\$218,138,501			\$5.24	\$216,485,936						
Rider ACT	2,092,367						(\$0.20533)	(\$429,626)						
<b>Total</b>					\$230,042,824	\$220,796,269			\$228,392,826	103.4%	19,466,948,637	\$0.0117	\$0.0116	0.9%
<b>Extra Large Load Delivery Class</b>														
Customer Charge	639	\$513,125	\$803.01	\$513,123			\$771.50	\$492,989						
Standard Metering Service Charge	639	\$34,344	\$53.75	\$34,346			\$51.59	\$32,966						
Distribution Facilities Charge (kW)	8,650,679	\$47,215,293	\$5.46	\$47,232,707			\$3.16	\$27,336,146						
Rider ACT	506,532						(\$0.20533)	(\$104,006)						
<b>Total</b>					\$47,780,176	\$45,859,655			\$27,758,095	60.5%	4,200,693,052	\$0.0066	\$0.0052	26.9%
<b>Railroad Delivery Class</b>														
Customer Charge	24	\$107,462	\$4,477.58	\$107,462			\$4,298.60	\$103,166						
Standard Metering Service Charge	24	\$1,510	\$62.92	\$1,510			\$60.39	\$1,449						
Distribution Facilities Charge (kW)	1,535,708	\$7,673,881	\$5.00	\$7,678,540			\$3.05	\$4,683,909						
<b>Total</b>					\$7,787,512	\$7,474,494			\$4,788,524	64.1%	512,229,931	\$0.0093	\$0.0076	22.4%
<b>Nonresidential TOTAL</b>					\$852,215,921	\$817,961,164			\$823,335,239	100.7%	57,342,221,057	\$0.0144	\$0.0134	7.5%
Excluding High Voltage Delivery Class														

Notes:

- (1) Minor rounding exists.
- (2) Distribution Facilities Charges for Watt-Hour, Small Load, Medium Load, Large Load, and Very Large Load Delivery Classes increased over embedded cost in order to recover amounts not recovered from Extra Large Load, Railroad, and High Voltage Delivery Classes. Distribution Facilities Charges for Extra Large Load and Railroad Delivery Classes are moved only 25% to embedded cost.
- (3) Distribution Facilities Charge required adjustment, as applicable, to allow for recovery of Rider ACT credit.

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 2006 TEST YEAR**

High Voltage Delivery Class ECOSS-BASED Revenue \$18,161,742 (ER)

High Voltage Delivery Class Revenue Requirement \$17,431,732 (RR)

NONRESIDENTIAL HIGH VOLTAGE DELIVERY CLASS	ECOSS-BASED REVENUE					EPEC	ILLUSTRATIVE RATES								Prior To 9/16/08	
	2006 Test Year Billing Units	Embedded Cost	Unit Cost	Embedded Revenue	Total Embedded Revenue	EPEC Revenue	2006 Test Year Billing Units	Unit Charges (1) (2) (3)	Revenue	Total Revenue	as a % of EPEC	Annual kWh	Overall \$/kWh	Prior To Overall \$/kWh	Increase %	
	(A)	(B)	(C)	(D)	(E)	(F)	(A*)	(G)	(H)	(J)	(K)	(L)	(M)	(N)	(P)	
			= (B) / (A)	= (A) * (C)	= (D) by class	= (E) * (RR) / (ER)		= (C) * (RR) / (ER)	= (A*) * (G)	= (H) by class	= (J) / (F)	= (J) / (L)		= ((M) / (N)) - 1		
Customer Charge																
Small Load								\$8.31	\$0							
Medium Load								\$13.46	\$0							
Large Load								\$92.03	\$0							
Very Large Load							72	\$522.45	\$37,616							
Extra Large Load								\$771.50	\$0							
High Voltage	801	\$363,043	\$453.24	\$363,045			729	\$435.11	\$317,195							
Standard Metering Service Charge																
Small Load								\$6.73	\$0							
Medium Load								\$9.67	\$0							
Large Load								\$15.33	\$0							
Very Large Load							72	\$19.60	\$1,411							
Extra Large Load								\$51.59	\$0							
High Voltage	801	\$21,105	\$26.35	\$21,106			729	\$25.29	\$18,436							
Distribution Facilities Charge (kW)																
Standard Voltage Small Load							1,533	\$5.04	\$7,726							
Standard Voltage Medium Load							10,109	\$5.30	\$53,578							
Standard Voltage Large Load							7,378	\$5.54	\$40,874							
Standard Voltage Very Large Load							195,428	\$5.24	\$1,024,043							
Standard Voltage Extra Large Load							65,292	\$3.16	\$206,323							
High Voltage Over 10 MW	7,020,932	\$14,489,759	\$2.06	\$14,463,120			6,856,452	\$1.32	\$9,050,517							
High Voltage Other	669,590	\$3,312,272	\$4.95	\$3,314,471			554,330	\$2.84	\$1,574,297							
Rider ACT Credit	1,400,726						1,400,726	(\$0.20533)	(\$287,611)							
<b>Nonresidential High Voltage Delivery Class TOTAL</b>					\$18,161,742					\$12,044,405	69.1%	4,718,528,433	\$0.0026	\$0.0019	36.8%	

Notes:  
 (1) Minor rounding exists.  
 (2) Distribution Facilities Charges for load served at high voltage are moved only 25% to embedded cost.  
 (3) Distribution Facilities Charges required adjustment, as applicable, to allow for recovery of Rider ACT credit.

**RATE DESIGN FOR RATE RDS - RETAIL DELIVERY SERVICE**  
**MITIGATED RATE DESIGN WITH PRIMARY SECONDARY AND UNCOLLECTIBLES ANALYSES RESULTS**  
**2006 TEST YEAR**

Lighting ECOSS-Based Revenue \$30,555,738 (ER)

Total Lighting Revenue Requirement \$29,327,552 (RR)

LIGHTING DELIVERY CLASSES	2006 Test Year Billing Units (A)	Allocation (%)	ECOSS-BASED REVENUE				EPEC	ILLUSTRATIVE RATES							Prior To 9/16/08 Overall \$/kWh (N)	Increase % (P)
			Embedded Cost (B) or (B) = (%) * (FC)	Unit Cost (C)	Embedded Revenue (D)	Total Embedded Revenue (E)	EPEC Revenue (F)	Unit Charges (1) (G)	Revenue (H)	Total Revenue (J)	as a % of EPEC (K)	Annual kWh (L)	Overall \$/kWh (M)	Overall \$/kWh (N)	Increase % (P)	
			= (B) / (A)	= (A) * (C)	= (D) by class	= (E) * (RR) / (ER)	= (C) * (RR) / (ER)	= (A) * (G)	= (H) by class	= (J) / (F)	= (M) / (L)	= (N) / (M)				
<u>Fixtures</u>																
Fixture-Included Lighting Delivery Class																
Fixture-Included Lighting Costs (2)			\$21,648,349 (FC)													
Public Street Lighting																
MV 100 Watts	242,791	6.71%	\$1,452,604	\$5.98	\$1,451,890		\$5.74	\$1,393,620								
MV 175 Watts	614,320	17.10%	\$3,701,868	\$6.03	\$3,704,350		\$5.79	\$3,556,913								
MV 250 Watts	100,052	2.91%	\$629,967	\$6.30	\$630,328		\$6.05	\$605,315								
MV 400 Watts	111,662	3.42%	\$740,374	\$6.63	\$740,319		\$6.36	\$710,170								
HPS 70 Watts	17,151	0.50%	\$108,242	\$6.31	\$108,223		\$6.06	\$103,935								
HPS 100 Watts	221,809	6.49%	\$1,404,978	\$6.33	\$1,404,051		\$6.08	\$1,348,599								
HPS 150 Watts	236,674	7.04%	\$1,524,044	\$6.44	\$1,524,181		\$6.18	\$1,462,645								
HPS 250 Watts	159,391	5.11%	\$1,106,231	\$6.94	\$1,106,174		\$6.66	\$1,061,544								
HPS 400 Watts	30,624	1.00%	\$216,483	\$7.07	\$216,512		\$6.79	\$207,937								
HPS 1,000 Watts	1,704	0.08%	\$17,319	\$10.16	\$17,313		\$9.75	\$16,614								
Equipment																
Bracket =< 8 feet	902,990	15.80%	\$3,420,439	\$3.79	\$3,422,332		\$3.64	\$3,286,884								
Bracket > 8 feet	636,815	18.42%	\$3,987,626	\$6.26	\$3,986,462		\$6.01	\$3,827,258								
Luminaire Post Top (Early American/Contemporary)	58,745	0.44%	\$95,253	\$1.62	\$95,167		\$1.55	\$91,055								
Luminaire Acorn	7,838	0.15%	\$32,473	\$4.14	\$32,449		\$3.97	\$31,117								
Private Outdoor Lighting																
MV 175 Watts	129,234	4.96%	\$1,073,758	\$8.31	\$1,073,935		\$7.98	\$1,031,287								
MV 400 Watts	48,818	2.04%	\$441,626	\$9.05	\$441,803		\$8.69	\$424,228								
HPS Flood 100 Watts	27,774	1.25%	\$270,604	\$9.74	\$270,519		\$9.35	\$259,687								
HPS Flood 250 Watts	129,685	5.84%	\$1,264,264	\$9.75	\$1,264,429		\$9.36	\$1,213,852								
HPS Conventional 100 Watts	5,904	0.24%	\$51,956	\$8.80	\$51,955		\$8.45	\$49,889								
HPS Conventional 150 Watts	12,481	0.50%	\$108,242	\$8.67	\$108,210		\$8.32	\$103,842								
<b>Total</b>	<b>131,147,229 kWh</b>				<b>\$21,650,602</b>		<b>\$20,780,357</b>		<b>\$20,786,391</b>	<b>100.0%</b>	<b>131,147,229</b>	<b>\$0.1585</b>	<b>\$0.1530</b>	<b>3.6%</b>		
<u>kWh</u>																
Dusk to Dawn Lighting Delivery Class																
Customer Costs			\$528,488													
Standard Metering Service Charge	514,761,019		\$48,891	\$0.00009	\$46,328		\$0.00009	\$46,328								
Distribution Facilities Charge - Dusk to Dawn (kWh) (3)	514,761,019		\$7,535,866	\$0.01567	\$8,066,305		\$0.01504	\$7,742,006								
<b>Total</b>					<b>\$8,112,633</b>		<b>\$7,786,546</b>		<b>\$7,788,334</b>	<b>100.0%</b>	<b>514,761,019</b>	<b>\$0.0151</b>	<b>\$0.0124</b>	<b>21.8%</b>		
General Lighting Delivery Class																
Customer Costs			\$136,756													
Standard Metering Service Charge	68,201,677		\$7,031	\$0.00010	\$6,820		\$0.00010	\$6,820								
Distribution Facilities Charge - All Other Ltg (kWh) (3)	68,201,677		\$648,646	\$0.01152	\$785,683		\$0.01105	\$753,629								
<b>Total</b>					<b>\$792,503</b>		<b>\$760,648</b>		<b>\$760,449</b>	<b>100.0%</b>	<b>68,201,677</b>	<b>\$0.0112</b>	<b>\$0.0097</b>	<b>15.5%</b>		
<b>Lighting TOTAL</b>	<b>714,109,925</b>				<b>\$30,555,738</b>		<b>\$29,327,551</b>		<b>\$29,335,174</b>	<b>100.0%</b>	<b>714,109,925</b>	<b>\$0.0411</b>	<b>\$0.0380</b>	<b>8.2%</b>		
<b>COMPANY TOTAL</b>	<b>91,061,817,219</b>				<b>\$2,043,190,910</b>				<b>\$1,961,065,000</b>		<b>91,061,817,219</b>	<b>\$0.0215</b>	<b>\$0.0186</b>	<b>15.9%</b>		
<b>COMPANY 2006 TEST YEAR REVENUE REQUIREMENT</b>									<b>\$1,961,065,000</b>							
									\$0 difference							
									OK							

Note:

- (1) Minor rounding exists.
- (2) For the purposes of rate design, all costs are included in the fixture charges for the Fixture-Included Lighting Delivery Class.
- (3) For the purposes of rate design, customer costs are included in the distribution facilities charges for the Dusk to Dawn Lighting and the General Lighting Delivery Classes.