

**RATE DESIGN FOR RATE RDS - RETAIL DELIVERY SERVICE
 EQUAL PERCENTAGE OF EMBEDDED COST RATE DESIGN WITH SERVICES ANALYSIS RESULTS ONLY**

2006 TEST YEAR

Residential ECOSS-Based Revenue \$1,103,491,305 (ER)

Total Residential Revenue Requirement \$1,059,331,323 (RR)

RESIDENTIAL DELIVERY CLASSES	2006 Test Year Billing Units (A)	ECOSS-BASED REVENUE			EPEC		ILLUSTRATIVE EPEC RATES					
		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)		= (J) / (L)
Single Family Without Electric Space Heat												
Customer Charge	26,697,419	\$218,304,050	\$8.18	\$218,384,887			\$7.59	\$202,633,410				
Standard Metering Service Charge	26,697,419	\$60,331,020	\$2.26	\$60,336,167			\$2.24	\$59,802,219				
Distribution Facilities Charge (kWh)	21,387,196,569	\$530,836,310	\$0.02482	\$530,830,219			\$0.02407	\$514,789,821				
Total					\$809,551,273	\$777,154,308			\$777,225,450	100.0%	21,387,196,569	\$0.0363
Multi Family Without Electric Space Heat												
Customer Charge	11,790,625	\$75,091,764	\$6.37	\$75,106,281			\$6.69	\$78,879,281				
Standard Metering Service Charge	11,790,625	\$29,203,943	\$2.48	\$29,240,750			\$2.24	\$26,411,000				
Distribution Facilities Charge (kWh)	4,318,599,079	\$113,589,633	\$0.02630	\$113,579,156			\$0.02407	\$103,948,680				
Total					\$217,926,187	\$209,205,125			\$209,238,961	100.0%	4,318,599,079	\$0.0485
Single Family With Electric Space Heat												
Customer Charge	421,054	\$3,470,652	\$8.24	\$3,469,485			\$7.59	\$3,195,800				
Standard Metering Service Charge	421,054	\$951,522	\$2.26	\$951,582			\$2.24	\$943,161				
Distribution Facilities Charge (kWh)	846,860,628	\$17,142,959	\$0.02024	\$17,140,459			\$0.02022	\$17,123,522				
Total					\$21,561,526	\$20,698,668			\$21,262,483	102.7%	846,860,628	\$0.0251
Multi Family With Electric Space Heat												
Customer Charge	1,851,477	\$11,771,694	\$6.36	\$11,775,394			\$6.69	\$12,386,381				
Standard Metering Service Charge	1,851,477	\$4,585,941	\$2.48	\$4,591,663			\$2.24	\$4,147,308				
Distribution Facilities Charge (kWh)	1,734,301,528	\$38,085,776	\$0.02196	\$38,085,262			\$0.02022	\$35,067,577				
Total					\$54,452,319	\$52,273,223			\$51,601,266	98.7%	1,734,301,528	\$0.0298
Residential Total					\$1,103,491,305	\$1,059,331,324			\$1,059,328,160	100.0%	28,286,957,804	\$0.0374
Annual Bills	40,760,575											
Annual kWhs	28,286,957,804											

Notes:

(1) Minor rounding exists.

RATE DESIGN FOR RATE RDS - RETAIL DELIVERY SERVICE

Nonresidential ECOSSE-Based Revenue \$909,244,191 (ER)

Total Nonresidential Revenue Requirement \$872,857,672 (RR)

EQUAL PERCENTAGE OF EMBEDDED COST RATE DESIGN WITH SERVICES ANALYSIS RESULTS ONLY

2006 TEST YEAR

NONRESIDENTIAL DELIVERY CLASSES	ECOSSE-BASED REVENUE					EPEC		ILLUSTRATIVE EPEC RATES				
	2006 Test Year Billing Units	Embedded Cost	Unit Cost	Embedded Revenue	Total Embedded Revenue	EPEC Revenue	Unit Charges (1) (2)	Revenue	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)	(G) = (C) * (RR) / (ER)	(H) = (A) * (G)	(J) = (H) by class	(K) = (J) / (F)	(L)	(M) = (J) / (L)
Watt-Hour Delivery Class												
Customer Charge	1,174,063	\$8,864,573	\$7.55	\$8,864,176			\$7.25	\$8,511,957				
Standard Metering Service Charge	1,174,063	\$2,211,524	\$1.88	\$2,207,238			\$1.80	\$2,113,313				
Distribution Facilities Charge (kWh)	539,524,870	\$10,295,345	\$0.01908	\$10,294,135			\$0.01833	\$9,889,491				
Total					\$21,365,549	\$20,510,533			\$20,514,761	100.0%	539,524,870	\$0.0380
Small Load Delivery Class												
Customer Charge	2,697,083	\$22,009,212	\$8.16	\$22,008,197			\$7.93	\$21,387,868				
Standard Metering Service Charge	2,697,083	\$18,910,747	\$7.01	\$18,906,552			\$6.73	\$18,151,369				
Distribution Facilities Charge (kW)	38,963,580	\$190,128,975	\$4.88	\$190,142,270			\$4.68	\$182,349,554				
Rider ACT	35,144						(\$0.20533)	(\$7,216)				
Total					\$231,057,019	\$221,810,481			\$221,881,575	100.0%	11,486,376,300	\$0.0193
Medium Load Delivery Class												
Customer Charge	213,239	\$2,693,472	\$12.63	\$2,693,209			\$12.23	\$2,607,913				
Standard Metering Service Charge	213,239	\$2,149,072	\$10.08	\$2,149,449			\$9.68	\$2,064,154				
Distribution Facilities Charge (kW)	30,408,673	\$173,296,463	\$5.70	\$173,329,436			\$5.47	\$166,335,441				
Rider ACT	80,983						(\$0.20533)	(\$16,628)				
Total					\$178,172,094	\$171,041,928			\$170,990,880	100.0%	10,887,369,174	\$0.0157
Large Load Delivery Class												
Customer Charge	51,580	\$4,757,570	\$92.24	\$4,757,739			\$88.55	\$4,567,409				
Standard Metering Service Charge	51,580	\$823,596	\$15.97	\$823,733			\$15.33	\$790,721				
Distribution Facilities Charge (kW)	23,898,892	\$145,137,947	\$6.07	\$145,066,274			\$5.83	\$139,330,540				
Rider ACT	160,613						(\$0.20533)	(\$32,979)				
Total					\$150,647,746	\$144,619,061			\$144,655,691	100.0%	10,249,079,093	\$0.0141
Very Large Load Delivery Class												
Customer Charge	22,759	\$11,470,250	\$503.99	\$11,470,308			\$483.88	\$11,012,625				
Standard Metering Service Charge	22,759	\$464,690	\$20.42	\$464,739			\$19.60	\$446,076				
Distribution Facilities Charge (kW)	41,314,110	\$237,338,491	\$5.74	\$237,142,991			\$5.52	\$228,053,887				
Rider ACT	2,092,367						(\$0.20533)	(\$429,626)				
Total					\$249,078,038	\$239,110,328			\$239,082,962	100.0%	19,466,948,637	\$0.0123
Extra Large Load Delivery Class												
Customer Charge	639	\$518,526	\$811.46	\$518,523			\$798.57	\$510,286				
Standard Metering Service Charge	639	\$34,344	\$53.75	\$34,346			\$51.60	\$32,972				
Distribution Facilities Charge (kW)	8,650,679	\$51,387,732	\$5.94	\$51,385,033			\$5.71	\$49,395,377				
Rider ACT	506,532						(\$0.20533)	(\$104,006)				
Total					\$51,937,902	\$49,859,429			\$49,834,629	100.0%	4,200,693,052	\$0.0119
High Voltage Delivery Class: Customers Over 10 MW												
Customer Charge	310	\$154,291	\$497.71	\$154,290			\$535.99	\$166,157				
Standard Metering Service Charge	310	\$10,714	\$34.56	\$10,714			\$25.29	\$7,840				
Distribution Facilities Charge (kW)	7,020,932	\$14,577,066	\$2.08	\$14,603,539			\$2.03	\$14,252,492				
Rider ACT	1,242,431						(\$0.20533)	(\$255,108)				
Total					\$14,768,543	\$14,177,529			\$14,171,381	100.0%	4,334,109,594	\$0.0033
High Voltage Delivery Class: Other Customers												
Customer Charge	491	\$218,673	\$445.36	\$218,672			\$535.99	\$263,171				
Standard Metering Service Charge	491	\$10,391	\$21.16	\$10,390			\$25.29	\$12,417				
Distribution Facilities Charge (kW)	669,590	\$3,400,969	\$5.08	\$3,401,517			\$4.84	\$3,240,816				
Rider ACT	158,295						(\$0.20533)	(\$32,503)				
Total					\$3,630,579	\$3,485,289			\$3,483,901	100.0%	384,418,839	\$0.0091
Railroad Delivery Class												
Customer Charge	24	\$108,103	\$4,504.29	\$108,103			\$4,324.18	\$103,780				
Standard Metering Service Charge	24	\$1,510	\$62.92	\$1,510			\$60.40	\$1,450				
Distribution Facilities Charge (kW)	1,535,708	\$8,479,871	\$5.52	\$8,477,108			\$5.30	\$8,139,252				
Total					\$8,586,721	\$8,243,094			\$8,244,482	100.0%	512,229,931	\$0.0161
Nonresidential TOTAL					\$909,244,191	\$872,857,672			\$872,860,262	100.0%	62,060,749,490	\$0.0141

Notes:

- (1) Minor rounding exists.
- (2) Distribution Facilities Charge required adjustment, as applicable, to allow for recovery of Rider ACT credit.

RATE DESIGN FOR RATE RDS - RETAIL DELIVERY SERVICE
EQUAL PERCENTAGE OF EMBEDDED COST RATE DESIGN WITH SERVICES ANALYSIS RESULTS ONLY
2006 TEST YEAR

		Lighting ECOSS-Based Revenue				\$30,079,749 (ER)		Total Lighting Revenue Requirement			\$28,876,005		
		ECOSS-BASED REVENUE				EPEC		ILLUSTRATIVE EPEC RATES					
DELIVERY CLASSES	2006 Test Year Billing Units	Allocation	Embedded Cost	Unit Cost	Embedded Revenue	Total Embedded Revenue	EPEC Revenue	Unit Charges (1)	Revenue	Total Revenue	as a % of EPEC	Annual kWh	Overall \$/kWh
	(A)	(%)	(B) or (B) = (%) * (FC)	(C) = (B) / (A)	(D) = (A) * (C)	(E) = (D) by class	(F) = (E) * (RR) / (ER)	(G) = (C) * (RR) / (ER)	(H) = (A) * (G)	(J) = (H) by class	(K) = (J) / (F)	(L)	(M) = (J) / (L)
<u>Fixtures</u>													
Fixture-Included Lighting Delivery Class													
Fixture-Included Lighting Costs (2)			\$21,652,236 (FC)										
Public Street Lighting													
MV 100 Watts	242,791	6.71%	\$1,452,865	\$5.98	\$1,451,890			\$5.74	\$1,393,620				
MV 175 Watts	614,320	17.10%	\$3,702,532	\$6.03	\$3,704,350			\$5.79	\$3,556,913				
MV 250 Watts	100,052	2.91%	\$630,080	\$6.30	\$630,328			\$6.05	\$605,315				
MV 400 Watts	111,662	3.42%	\$740,506	\$6.63	\$740,319			\$6.36	\$710,170				
HPS 70 Watts	17,151	0.50%	\$108,261	\$6.31	\$108,223			\$6.06	\$103,935				
HPS 100 Watts	221,809	6.49%	\$1,405,230	\$6.34	\$1,406,269			\$6.09	\$1,350,817				
HPS 150 Watts	236,674	7.04%	\$1,524,317	\$6.44	\$1,524,181			\$6.18	\$1,462,645				
HPS 250 Watts	159,391	5.11%	\$1,106,429	\$6.94	\$1,106,174			\$6.66	\$1,061,544				
HPS 400 Watts	30,624	1.00%	\$216,522	\$7.07	\$216,512			\$6.79	\$207,937				
HPS 1,000 Watts	1,704	0.08%	\$17,322	\$10.17	\$17,330			\$9.76	\$16,631				
Equipment													
Bracket =< 8 feet	902,990	15.80%	\$3,421,053	\$3.79	\$3,422,332			\$3.64	\$3,286,884				
Bracket > 8 feet	636,815	18.42%	\$3,988,342	\$6.26	\$3,986,462			\$6.01	\$3,827,258				
Luminaire Post Top (Early American/Contemporary)	58,745	0.44%	\$95,270	\$1.62	\$95,167			\$1.56	\$91,642				
Luminaire Acorn	7,838	0.15%	\$32,478	\$4.14	\$32,449			\$3.97	\$31,117				
Private Outdoor Lighting													
MV 175 Watts	129,234	4.96%	\$1,073,951	\$8.31	\$1,073,935			\$7.98	\$1,031,287				
MV 400 Watts	48,818	2.04%	\$441,706	\$9.05	\$441,803			\$8.69	\$424,228				
HPS Flood 100 Watts	27,774	1.25%	\$270,653	\$9.74	\$270,519			\$9.35	\$259,687				
HPS Flood 250 Watts	129,685	5.84%	\$1,264,491	\$9.75	\$1,264,429			\$9.36	\$1,213,852				
HPS Conventional 100 Watts	5,904	0.24%	\$51,965	\$8.80	\$51,955			\$8.45	\$49,889				
HPS Conventional 150 Watts	12,481	0.50%	\$108,261	\$8.67	\$108,210			\$8.32	\$103,842				
Total	131,147,229 kWh					\$21,652,837	\$20,786,325			\$20,789,213	100.0%	131,147,229	\$0.1585
<u>kWh</u>													
Dusk to Dawn Lighting Delivery Class													
Customer Costs			\$600,011										
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		\$7,012,708	\$0.01479	\$7,613,315			\$0.01419	\$7,304,459				
Total						\$7,659,643	\$7,353,116			\$7,350,787	100.0%	514,761,019	\$0.0143
General Lighting Delivery Class													
Customer Costs			\$144,637										
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		\$615,616	\$0.01115	\$760,449			\$0.01070	\$729,758				
Total						\$767,269	\$736,564			\$736,578	100.0%	68,201,677	\$0.0108
Lighting TOTAL	714,109,925					\$30,079,749	\$28,876,005			\$28,876,578	100.0%	714,109,925	\$0.0404
COMPANY TOTAL	91,061,817,219					\$2,042,815,245				\$1,961,065,000		91,061,817,219	\$0.0215
COMPANY 2006 TEST YEAR REVENUE REQUIREMENT										\$1,961,065,000			
										\$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.