

**BEFORE THE STATE CORPORATION COMMISSION
OF THE STATE OF KANSAS**

DOCKET NO. _____

**PREFILED DIRECT TESTIMONY AND EXHIBITS OF
DENNIS R. EICHER
PRESIDENT
D. R. EICHER CONSULTING, INC.**

**ON BEHALF OF
MID-KANSAS ELECTRIC COMPANY, LLC**

June 5, 2009

1 **PREFILED DIRECT TESTIMONY AND EXHIBITS OF**
2 **DENNIS R. EICHER**
3 **PRESIDENT**
4 **D.R. EICHER CONSULTING, INC.**

5 **ON BEHALF OF**
6 **MID-KANSAS ELECTRIC COMPANY, LLC**

7 **PART I - QUALIFICATIONS**

8 **Q. Please state your name and business address.**

9 A. My name is Dennis R. Eicher. My business address is 28947 River Ridge Rd. NW, Isanti
10 MN 55040.

11 **Q. What is your profession?**

12 A. I am a Professional Engineer (“P.E.”) and the President/Owner of D.R. Eicher Consulting,
13 Inc. (“DREC”).

14 **Q. Please summarize your educational and work experience.**

15 A. A copy of my curriculum vitae is provided as Exhibit __ (DRE-1).

16 **Q. Have you ever testified before the State Corporation Commission of the State of**
17 **Kansas (“KCC” or “Commission”)?**

18 A. Yes. I testified in Docket No. 06-MKEE-524-ACQ on behalf of Mid-Kansas Electric
19 Company, LLC (“MKEC”), in which MKEC requested KCC approval to acquire the
20 facilities and certified service territory of Aquila, Inc., d/b/a Aquila Networks-WPK
21 (“WPK”)
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1 **Q. What is the purpose of your testimony in this case?**

2 A. I have been retained by MKEC to testify concerning the development of the Local Access

3 Charge (“LAC”) and tariff for five of the divisions, namely:

- 4 • Southern Pioneer Electric Company, Inc. (“Southern Pioneer”);
- 5 • Prairie Land Electric Cooperative, Inc. (“Prairie Lane”);
- 6 • Victory Electric Cooperative association, Inc. (“Victory”);
- 7 • Western Electric Cooperative association, Inc. (“Western”); and
- 8 • Wheatland Electric Cooperative, Inc. (“Wheatland”).

9 Lane-Scott Electric Cooperative, Inc. (“Lane-Scott”) does not serve any wholesale
10 customers; and, thus, it does not require a LAC.

11
12 **Q. Are you sponsoring any exhibits?**

13 A. Yes. I am sponsoring the following exhibits:

- 14 • Exhibit __ (DRE-1) Curriculum Vitae -- Dennis R. Eicher
- 15 • Exhibit __ (DRE-2) LAC Cost of Service Analysis—Southern Pioneer Area
- 16 • Exhibit __ (DRE-3) LAC Cost of Service Analysis—Prairie Land Area
- 17 • Exhibit __ (DRE-4) LAC Cost of Service Analysis—Victory Area
- 18 • Exhibit __ (DRE-5) LAC Cost of Service Analysis—Western Area
- 19 • Exhibit __ (DRE-6) LAC Comparison of Bills

20
21 **Q. Were these exhibits prepared by you or under your direct supervision?**

22 A. Yes.

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PART II - DIRECT TESTIMONY

A. Overview

Q. Please provide a brief overview of the Local Access Charge.

A. As part of the process of acquiring the facilities and certified service territory of Aquila/WPK, MKEC adopted WPK's Open Access Transmission Tariff ("OATT"). The MKEC OATT may be considered as having two basic components. The first component applies to wholesale service over facilities classified by the Federal Energy Regulatory Commission ("FERC") and the Southwest Power Pool ("SPP") as transmission. As a general rule, these are high voltage facilities of 115 kV or above.¹ The revenue requirements associated with transmission service are typically recovered either through a Network Integrated Transmission Service ("NITS") Charge, which takes the form of a monthly allocation of system revenue requirements based on a load ratio share, or a specified monthly Point-to-Point demand charge. The second component applies to wholesale service over facilities classified by FERC and SPP as distribution or subtransmission, in this case, generally medium voltage facilities of 34.5 kV.² The revenue requirements associated with subtransmission/distribution service is recovered through a monthly LAC demand charge, currently \$1.48/kW/mo.

The subtransmission/transmission facilities used to provide Local Access Service to MKEC's wholesale customers were originally spun down to the Member-Systems on December 31, 2007. An additional spin down of 115/34.5 kV transformers as well as

¹ The OATT only applies to wholesale service, not to retail service.

² In a few instances, lower voltage facilities are used in providing wholesale service.

1 some adjustments to clean up the division of responsibility between MKEC and the
2 Member-Systems took place on December 31, 2008.

3
4 In anticipation of spinning down the certified service territory as well as the facilities to
5 the MKEC Member-Systems, it is necessary to develop separate LAC rates and tariffs for
6 each division, which reflect the specific costs in each of the five Members-System
7 divisions to provide Local Access service.

8
9 **B. Cost of Service Analysis**

10 **Q. Have you prepared a cost of service analysis for each of the Member-Systems who**
11 **serve wholesale customers over their subtransmission/distribution systems?**

12 A. Yes. Cost of service ("COS") analyses for four of the five Member-Systems (Southern
13 Pioneer, Prairie Land, Victory and Western) who serve wholesale customers over their
14 subtransmission/distribution facilities are provided in Exhibits__(DRE-2) to __(DRE-5).

15 The COS is used to establish the revenue requirements for each of the Member-System
16 areas. The results are then divided by the total (wholesale and retail) monthly coincidental
17 billing demand for each area, to develop a monthly demand charge for Local Access
18 Service. This monthly demand charge is referred to as the Local Access Charge or LAC.

19
20 As indicated previously, there are no wholesale customers that take service off the 34.5
21 kV system in the Lane-Scott area; and, thus, no LAC is required. In addition, Wheatland
22 has chosen to adopt the current MKEC LAC, and so no COS has been prepared for the
23 Wheatland division.

1 **Q. What time period did you use for establishing the billing demand for the COS and**
2 **rate analysis?**

3 A. Calendar 2008.
4

5 **Q. Why didn't you use the demand from the Test Year (June 1, 2007 to May 31, 2008)?**

6 A. The metering to determine coincident demand by divisional area was not in place for the
7 entire Test Year, so I was forced to use calendar 2008 as a proxy.
8

9 **Q. Please summarize the results of the COS analyses.**

10 A. A summary of the results of the LACs for the five areas is presented below:

- 11 • Southern Pioneer \$2.66/kW/mo
- 12 • Prairie Land \$1.66/kW/mo
- 13 • Victory \$2.13/kW/mo
- 14 • Western \$1.45/kW/mo
- 15 • Wheatland \$1.48/kW/mo (current MKEC LAC)

16
17 **Q. Will each of the Member-Systems the equivalent of the same rate as their respective**
18 **wholesale customers?**

19 A. Yes. The Member-System divisional rates will be based on the full revenue requirements
20 associated with the Local access facilities, with a revenue credit offset provided to reflect
21 the revenue received via the LAC to third party wholesale customers. Thus, the retail
22 customers of each Member-System will for all intents and purposes pay the same LAC
23 rate as the wholesale customers.

24 **Q. Have you prepared a comparison of bills for each of the wholesale customers and**
Member-Systems under the present and proposed rates?

1 A. Yes. Such a comparison is presented in Exhibit__(DRE-6). It should be noted that a
2 significant portion of the LAC service to Kansas Electric Power Cooperative (“KEPCO”) is
3 covered under a grandfathered transmission agreement using a bundled (high and low
4 voltage) transmission rate. Thus, it is not possible to accurately compare bills under the
5 present and proposed LAC rates, because there is no defined present LAC rate.

6
7 **C. Rate Tariff**

8 **Q. Have rate tariffs applicable to Local Access Service been prepared for the five**
9 **divisions?**

10 A. Yes, LAC tariffs for each of the five Member-Systems who serve wholesale customers
11 over their subtransmission/distribution systems have been prepared and are provided as
12 part of various exhibits in Mr. Macke’s testimony.

13 **Q. How is Monthly Billing Demand defined for each area?**

14 A. Monthly Billing Demand is defined as the contribution of each user of the
15 subtransmission/distribution system to the coincidental 60 minute peak demand on the
16 system for the month, calculated separately for each division. This applies to each
17 Member-System, as well as to each of the wholesale customers it serves.

18
19 **Q. How is the coincidental demand of each user determined?**

20 A. MKEC maintains billing quality metering at each input to the Local Access system (e.g.,
21 115-34.5 kV), and at the delivery points to each wholesale customer (e.g., 34.5 kV to
22 lower voltage), but not at the delivery points directly serving the Member-Systems’
23 distribution systems. Therefore, the Member-System’s billing demand must be
24 determined indirectly as follows.

1 1. First, the hourly demand readings provided by interval recorded meters at each input
2 to the Local Access system are summed for each division. From this information, the
3 coincidental demand for each division as well as the day and hour when this occurred is
4 determined.

5 2. Second, the demand of each wholesale customer at the time these coincidental
6 demands were established is determined from interval recording meter readings.

7 3. Third, the wholesale metered coincidental demands are adjusted for line and
8 transformer losses to provide a demand value at the input of the Local Access system.

9 4. Fourth, the coincidental demand of each Member-System at the input level is
10 determined by subtracting the appropriate wholesale customer coincidental demand at
11 the input level from the total coincidental demand for each Local Access system.

12 5. Finally, the coincidental demand of each Member-System at the delivery point level
13 is determined by backing out losses from the values determined in step 4.

14 The demand used for establishing the LAC is the sum of the demands of each user of the
15 system established at the time of each divisional monthly system peak as adjusted to the
16 delivery point level.

17
18 **Q. How were the loss factors determined?**

19 A. The loss factors for the 34.5 kV system for each division were determined by an
20 engineering analysis prepared by Power System Engineering, Inc. The loss factors
21 represent the losses from the low voltage side of the 115-34.5 kV step down transformers
22 to the low voltage side of the 34.5 kV distribution substations where wholesale customers
23 are metered. The analysis used a sophisticated computer model known as Milsoft to
24 calculate losses on the subtransmission system, and various additional analyses to estimate

1 load and no-load losses for the substation transforms in the delivery path. A single
2 average monthly coincidental peak demand loss factor was then determined for each
3 division.

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5 **D. Conclusion**

6 **Q. Does this conclude your Prefiled Direct Testimony?**

7 A. Yes.

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SUMMARY OF EXPERIENCE & EXPERTISE

- Over 40 years in the electric utility industry and consulting.
- Experienced in all aspects of electric utility system planning and financial operation.
- Specialized expertise in the areas of economic and financial analysis, integrated resource planning, demand response and energy efficiency evaluations, wholesale and retail rate design, litigation support, merger and acquisition evaluation and strategic planning.
- Registered professional engineer in the states listed below.

PROFESSIONAL EXPERIENCE

D.R. Eicher Consulting, Inc. – Isanti, Minnesota (2009 – Present)

President

Independent consultant to small electric utilities and industrial customers specializing in economic and financial analysis, integrated resource planning, demand response and energy efficiency evaluations, wholesale and retail rate design, litigation support, merger and acquisition evaluation and strategic planning.

Power System Engineering – Blaine, Minnesota (1976 – 2008)

Various Responsibilities Including President and Executive Vice president

Supervisory, client liaison and project responsibility for analytical projects involving rate and cost of service applications, expert testimony, merger and acquisition analysis, contract negotiations, distribution, transmission, and power supply, demand response, strategic planning, implementation of legislative directives.

Daverman Associates, Inc. – Grand Rapids, Michigan (1974 – 1976)

Administrator of Power Division

Supervisory and technical responsibilities for Power Division, responsible for all utility related work of the firm.

Stanley Consultants, Inc. – Muscatine, Iowa (1969 - 1974)

Head of Power Systems Department

Supervisory and technical responsibilities in power system analysis disciplines including power supply and feasibility analysis, interconnection and power supply contract negotiations, financial forecasting, rate applications, distribution and transmission studies, load projections, and control center planning and implementation.

Detroit Edison Company – Detroit, Michigan (1965 – 1969)

Engineer

Engineer in Electric Systems Operations Department with increasing levels of responsibilities in various aspects of electric utility operations.

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EDUCATION

Wayne State University Detroit, Michigan, 1965

Bachelor of Science Degree in Electrical Engineering

Postgraduate work in:

- Power System Analysis
- Engineering Mathematics
- Energy Resources
- Valuation
- Accounting

REGISTRATIONS

- Colorado
- Indiana
- Iowa
- Michigan
- Minnesota
- Nebraska
- New Hampshire
- North Dakota
- Wisconsin

PROFESSIONAL MEMBERSHIPS

- Institute of Electrical and Electronics Engineers Life Member
- Rural Electric Power Committee (IEEE) Past Chairman
- Minnesota Society of Professional Engineers
- National Society of Professional Engineers

ADDENDUM REFERENCES

- Expert Testimony

EXPERT TESTIMONY

- Provided testimony before 8 state and/or federal regulatory bodies
- Approximately 85 cases on a wide variety of issues

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REGULATORY EXPERIENCE (TESTIMONY FILED)^{1/}

<u>Case or Jurisdiction</u>	<u>Docket No.</u>	<u>Description</u>
Alaska	U-01-108	Chugach Electric Association, application to increase rates. Testimony provided on behalf of Alaska Electric Generation and Transmission Cooperative and Homer Electric Association.
Alaska	U-94-2	Tlingit-Haida Regional Electrical Authority. Consideration of the provision of electrical service to the Klawock Area currently certificated to Tlingit-Haida Regional Electrical Authority and Alaska Power and Telephone Company. Testimony filed on behalf of Tlingit-Haida Regional Electrical Authority.
Alaska	U-87-35	Chugach Electric Association, application to increase rates. Testimony provided on behalf of Alaska Electric Generation and Transmission Cooperative and Homer Electric Association.
Colorado	I&S 1640	Public Service Company of Colorado, Phase II (cost of service and rate design) application to increase rates. Testimony filed on behalf of AMAX, Inc.
Colorado	89I-4986	Colorado-Ute Electric Cooperative application to increase rates. Testimony filed on behalf of municipal customers of Colorado-Ute.
Colorado	I&S 941-430E	Public Service Company of Colorado, Phase II (cost of service and rate design) application to increase rates. Testimony filed on behalf of Climax Metals and Golden Technologies.
Indiana	37205	Wabash Valley Power Association, application to modify rate design. Testimony provided on behalf of five distribution cooperative members of WVPA.
Kansas	02 SEPE-247 -RTS	Sunflower Electric Power Corporation, application to modify rates. Testimony filed on behalf of Sunflower.
Michigan	U-13716	Cherryland Rural Electric Cooperative Association, application to implement a large resort service rate. Rebuttal Testimony provided on behalf of Cherryland.
Michigan	U-5093	Cherryland Rural Electric Cooperative Association, application to increase rates. Testimony filed on behalf of Cherryland.
Michigan	U-6089	Thumb Electric Cooperative, application to increase rates. Testimony filed on behalf of Thumb.
Michigan	U-6655	Cherryland Rural Electric Cooperative Association, application to increase rates. Testimony filed on behalf of Cherryland.

^{1/} Does not include over 200 rate studies for rural electric cooperatives and municipal electric systems who are not regulated.

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<u>Case or Jurisdiction</u>	<u>Docket No.</u>	<u>Description</u>
Michigan	U-7830	Consumers Power Company, application to increase rates. Testimony provided on behalf of Dow Corning Corporation.
Michigan	U-7909	Wolverine Power Supply Cooperative, Inc., application to revise rates. Testimony filed on behalf of Wolverine.
Michigan	U-7963	Wabash Valley Power Association, Inc., petition to Michigan PSC to assert jurisdiction over WVPA wholesale rate. Testimony filed on behalf of Fruit Belt Electric Cooperative.
Michigan	U-8115	Wolverine Power Supply Cooperative, Inc., application to revise rates. Testimony filed on behalf of Wolverine.
Michigan	U-8297	Upper Peninsula Power Company, application to implement a PSCR Clause (1986 Plan). Testimony provided on behalf of Michigan Technological University.
Michigan	U-8478	Cherryland Rural Electric Cooperative Association, application to increase rates. Testimony filed on behalf of Cherryland.
Michigan	U-8534	Wolverine Power Supply Cooperative. Complaint filed by Grand River Power Company to compel Wolverine to enter into PURPA type contract. Testimony filed on behalf of Wolverine.
Michigan	U-8617	Western Michigan Electric Cooperative, application to increase rates. Testimony filed on behalf of Western.
Michigan	U-8636	<u>The Michigan Cogeneration and Renewable Resource Plan</u> proposed by the MPSC Staff. Testimony provided on behalf of the Michigan Electric Cooperative Association.
Michigan	U-8667	Top O'Michigan Rural Electric Company application to revise rates. Testimony filed on behalf of Top O'Michigan.
Michigan	U-8670	Presque Isle application to revise rates. Testimony filed on behalf of Presque Isle.
Michigan	U-8783-R	Wabash Valley Power Association, Inc., reconciliation of Power Supply Cost Recovery for 1987. Testimony filed on behalf of Fruit Belt Electric Cooperative.
Michigan	U-8871	Midland Cogeneration Venture Limited Partnership Petition for approval of Purchased Power Agreement with Consumers Power Company. Testimony provided on behalf of the Michigan Rural Electric Cooperative.
Michigan	U-8906-R	Wabash Valley Power Association, Inc., reconciliation of Power Supply Cost Recovery for 1988. Testimony filed on behalf of Fruit Belt Electric Cooperative.

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<u>Case or Jurisdiction</u>	<u>Docket No.</u>	<u>Description</u>
Michigan	U-9519	Tri-County Electric Cooperative, application to increase rates. Testimony filed on behalf of Tri-County.
Michigan	U-9375	Complaint filed by Consumers Power Company against Tri-County Electric Cooperative regarding service extension. Testimony filed on behalf of Tri-County.
Michigan	U-9517	Complaint filed by Top O'Michigan Electric Company against Consumers Power Company regarding service extension. Testimony filed on behalf of Top O'Michigan.
Michigan	U-9712	Fruit Belt Electric Cooperative, application to increase rates. Testimony filed on behalf of Fruit Belt.
Michigan	U-9750-R	Wabash Valley Power Association, Inc., power supply cost reconciliation. Testimony filed on behalf of Fruit Belt.
Michigan	U-9765	Wabash Valley Power Association, Inc., application to modify rate structure. Testimony filed on behalf of Fruit Belt.
Michigan	U-10056	Top O'Michigan Rural Electric Company, application to increase rates. Testimony filed on behalf of Top O'Michigan.
Michigan	U-10060	Tri-County Electric Cooperative, application to increase rates. Testimony filed on behalf of Tri-County.
Michigan	U-10066 U-10067 U-10068 U-10069 & U-10070	The Detroit Edison Company for approval of purchase of capacity and energy from resource recovery facilities. Testimony filed on behalf of Central Wayne Energy Recovery Limited.
Michigan	U-10080	Wabash Valley Power Association, Inc., 1991 PSCR reconciliation and parallel proceeding. Testimony filed on behalf of Fruit Belt.
Michigan	U-10093	Oceana Electric Cooperative, application to increase rates. Testimony filed on behalf of Oceana.
Michigan	U-10094	Upper Peninsula Power Company, application to increase rates. Testimony filed on behalf of Michigan Technological University and ME International.
Michigan	U-10115	Western Michigan Electric Cooperative, complaint against Consumers Power Company regarding service extension. Testimony filed on behalf of Western.

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<u>Case or Jurisdiction</u>	<u>Docket No.</u>	<u>Description</u>
Michigan	U-10143 & U-10176	Detroit Edison Company and Consumers Power Company. Petition by ABATE to implement an experimental retail-wheeling program. Testimony provided on behalf of the Michigan Electric Cooperative Association.
Michigan	U-10785	Fruit Belt Electric Cooperative, application to increase rates. Testimony filed on behalf of Fruit Belt.
Michigan	U-11016	Fruit Belt Electric Cooperative, application to increase rates. Testimony filed on behalf of Fruit Belt.
Michigan	U-12604	Upper Peninsula Power Company, application to implement PSCR factors for 2001. Testimony filed on behalf of Michigan Technological University.
Michigan	U-12675	Upper Peninsula Power Company, application to increase base rates. Testimony filed on behalf of Michigan Technological University.
Michigan	U-12533	Upper Peninsula market power case. Testimony provided on behalf of the Upper Peninsula municipals and cooperatives and the Michigan Electric Cooperative Association and the Michigan Municipal Utilities Association.
Michigan		Upper Peninsula Power Company, application to increase rates. Testimony filed on behalf of Michigan Technological University.
Minnesota	00-90-281	Acquisition of a portion of the service territory of People's Cooperative Power Association by the City of Rochester. Testimony filed on behalf of People's
Minnesota	24073 (circa 1982)	Acquisition of a portion of the service territory of Minnesota Valley Electric Cooperative by the City of Shakopee.
Minnesota	E-145/ GR-77-645	North Star Electric Cooperative, Inc., application to increase rates. Testimony filed on behalf of North Star.
Minnesota		Tri-County Electric Cooperative, application to increase rates. Testimony filed on behalf of Tri-County.
Minnesota	E-132,299/ SA-95-1030	Acquisition of a portion of the service territory of People's Cooperative Power Association by the City of Rochester. Testimony filed on behalf of People's
Minnesota	E-126/ GR-77-751	Nobles Cooperative Electric, application to increase rates. Testimony filed on behalf of Nobles.
Minnesota	E-130/ 77-1233	Northern Electric Cooperative Association, application to increase GR-rates. Testimony filed on behalf of Northern.

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<u>Case or Jurisdiction</u>	<u>Docket No.</u>	<u>Description</u>
Minnesota	E-111/ GR-81-120	Dakota Electric Association, application to increase rates. Testimony filed on behalf of Dakota.
Minnesota	E-104/ GR-81-608	FROST-BENCO Electric Association, application to increase rates. Testimony filed on behalf of FROST-BENCO.
Minnesota	E-111/ GR-82-228	Dakota Electric Association, application to increase rates. Testimony filed on behalf of Dakota.
Minnesota	E-999-R-80-560	PURPA Rules and Regulations. Testimony filed on behalf of the Minnesota Rural Electric Association.
Minnesota	E228 136/SA-85-93	Proposed acquisition of a portion of the service area and facilities of the Renville-Sibley Cooperative Power Association by the City of Olivia. Testimony filed on behalf of Renville-Sibley.
Minnesota	E-221,E-148/ SA-87-661 (E86-01)	Proposed acquisition of a portion of the service area and facilities of the Wright-Hennepin Cooperative Electric Association by the City of Buffalo. Testimony filed on behalf of Wright-Hennepin.
Minnesota	E-221, 148/ SA-989	Proposed acquisition of a portion of the service area and facilities of the Wright-Hennepin Cooperative Electric Association by the City of Buffalo. Testimony filed on behalf of Wright-Hennepin.
Minnesota	E-132/ SA-88-270	Proposed annexation of a portion of the service territory of People's Cooperative Power Association North Park I & II by the City of Rochester. Testimony filed on behalf of the Minnesota Rural Electric Association.
Minnesota	E-309,124/ SA-89-778	Proposed acquisition of a portion of the service area of the Minnesota Valley Electric Cooperative by the City of Shakopee. Testimony filed on behalf of Minnesota Valley.
Minnesota	E132,299/ SA-88-996	Proposed acquisition of a portion of the service territory of People's Cooperative Power Association by the City of Rochester. Testimony filed on behalf of People's.
Minnesota	E132,299/ SA-93-498	Proposed acquisition of a portion of the service territory of People's Cooperative Power Association by the City of Rochester. Testimony filed on behalf of People's.
Minnesota	132,299/ SA-95-140	Proposed acquisition of a portion of the service territory of People's Cooperative Power Association by the City of Rochester. Testimony filed on behalf of People's.
Minnesota	E132,299/ SA-02-496	Proposed acquisition of a portion of the service territory of People's Cooperative Services by the City of Rochester. Testimony filed on behalf of People's.

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<u>Case or Jurisdiction</u>	<u>Docket No.</u>	<u>Description</u>
Minnesota	E-111/ GR-91-74	Dakota Electric Association, application to increase rates. Testimony filed on behalf of Dakota.
Minnesota	E-243,106/ SA-03-896	Proposed acquisition of a portion of the service territory of Lake Country by the Grand Rapids Public Utilities Commission. Testimony filed on behalf of Lake Country.
Minnesota	E-135,298/ SA-05-1274	Proposed acquisition of a portion of the service territory and facilities of Redwood Electric Cooperative by the City of Redwood Falls. Testimony provided on behalf of Redwood Electric Cooperative.
Minnesota	CX-05-1032	Proposed acquisition of a portion of the service territory and facilities of Red River Valley Cooperative Power Association by the City of Moorhead. Testimony provided on behalf of Red River Valley.
Minnesota	38-CV-05-495	Proposed acquisition of a portion of the service territory and facilities of Cooperative Light & Power by the City of Two Harbors. Testimony provided on behalf of CLP.
Minnesota	14-CX-06- 002515	Proposed acquisition of a portion of the service territory and facilities (Americana Estates) of Red River Valley Cooperative Power Association by the City of Moorhead. Testimony provided on behalf of Red River Valley.
New Hampshire	DR88-141	New Hampshire Electric Cooperative, Inc., application to increase rates. Testimony filed on behalf of NHEC.
New Hampshire	DR90-078	New Hampshire Electric Cooperative, Inc., application to increase rates. Testimony provided on behalf of NHEC.
New Hampshire	DR90-078	Application by New Hampshire Electric Cooperative, Inc. to approve Seabrook Sell-back Agreement. Testimony provided on behalf of NHEC.
New Hampshire	DR92-009	Application by New Hampshire Electric Cooperative, Inc. to increase rates. Testimony filed on behalf of NHEC.
New Hampshire	DR92-187	Application by New Hampshire Electric Cooperative, Inc. to implement an interruptible rate. Testimony filed on behalf of NHEC.
New Hampshire	DR92-244	Application by New Hampshire Electric Cooperative, Inc. to implement a standby rate. Testimony provided on behalf of NHEC.
New Hampshire	DR93-124	Application by New Hampshire Electric Cooperative, Inc. to increase rates. Testimony filed on behalf of NHEC.
New Hampshire	DR93-145	Application by New Hampshire Electric Cooperative, Inc. to implement Interruptible Load Program for the 1993-94 winter season. Testimony filed on behalf of NHEC.

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<u>Case or Jurisdiction</u>	<u>Docket No.</u>	<u>Description</u>
ew Hampshire	DR-94-00	Application by New Hampshire Electric Cooperative, Inc. to implement long range avoided cost rates. Testimony filed on behalf of NHEC.
New Hampshire	DR-94-160	Application by New Hampshire Electric Cooperative, Inc. to implement competitive bidding procedure to establish long term avoided cost rates. Testimony filed on behalf of NHEC.
New Hampshire	DE-03-155	Application of the Town of Ashland to acquire a portion of the service territory of New Hampshire Electric Cooperative, Inc. Testimony filed on behalf of NHEC.
FERC	ER83-429-000	Wisconsin Power & Light, application to increase rates. Testimony filed on behalf of W-2 Customers (rural electric cooperatives).
FERC	ER84-576-000	Wisconsin Power & Light, application to increase rates. Testimony filed on behalf of W-2 Customers (rural electric cooperatives).
FERC	ER00-3316-000	American Transmission Company LLC. Affidavit filed on behalf of the Upper Peninsula of Michigan Transmission Dependent Utilities.

Southern Pioneer Electric Company, Inc.
MKEC Area Local Access Charge
Revenue Requirements

Test Year June 1, 2007 to May 31, 2008
 Adjusted for Known and Measurable Changes

<u>Line</u>	<u>Description</u>	<u>Source</u>	<u>Total</u> <u>MKEC Area</u>	<u>Allocation Factor</u> <u>Name</u>	<u>Factor</u>	<u>Allocated</u> <u>to LAC</u>	<u>Percent</u> <u>of Total</u>
1	<u>Operating Expenses</u>						
2	Transmission O&M	Ex.__(RJM-), pg.	\$ 266,405		1.000000	\$ 266,405	8.97%
3	Distribution O&M	Ex.__(RJM-), pg.	3,326,178	DOM	0.000000	-	0.00%
4	Administration & General	Ex.__(RJM-), pg.	1,130,380	LAB	0.011780	13,316	0.45%
5	Depreciation						
6	Transmission	pg 3	331,606		1.000000	331,606	11.16%
7	Distribution (LAC Only)	pg 3	-		1.000000	-	0.00%
8	General Plant	pg 3	243,937	LAB	0.011780	2,874	0.10%
9	Taxes	Ex.__(RJM-), pg.	-	NP	0.291198	-	0.00%
10	Subtotal Operating Expense	Sum(L2:L9)				\$ 614,201	
11							
12	L.T. Interest Expense	Ex.__(RJM-), pg.	2,730,223	NP	0.291198	\$ 795,036	26.77%
13	Operating TIER Requirement					2.2	
14	Margin Requirement	L12 * (L13 - 1.0)				\$ 954,043	32.12%
15							
16	Income Tax Requirement @ 63.620%	Ex.__(RJM-), pg.				606,962	20.43%
17							
18	<u>Total Revenue Requirements</u>	L10 + L12 + L14 + L16				\$ 2,970,243	100.00%
19							
20	<u>Billing Demand</u>	pg. 5				1,115,426 kW	
21							
21	<u>Average Cost</u>	L18 / L20				\$ 2.66 /kW/mo	
22							

Southern Pioneer Electric Company, Inc.
MKEC Area Local Access Charge
Allocation Factors

Test Year June 1, 2007 to May 31, 2008
 Adjusted for Known and Measurable Changes

<u>Line No.</u>	<u>Description</u>	<u>Source</u>		
1	Distribution O&M Allocation Factor			
2	Distribution Plant used in LAC	1	\$	-
3	Total Distribution Plant	General Ledger	\$	33,596,573
4				
5	Allocation Factor	L2 / L3	DOM	-
6				
7	Labor Allocation Factor			
8	Transmission Wages (100% LAC)	General Ledger	\$	23,475
9	Distribution Wages			
10	Total Distribution Wages	General Ledger	\$	1,315,766
11	Allocation Factor	L5	DOM	-
12	Dist Wages Allocated to LAC	L10 * L11	\$	-
13	Total LAC Wages	L8 + L12	\$	23,475
14				
15	Total Wages	General Ledger	\$	2,534,577
16	Less: Administration & General Wages	General Ledger		541,804
17	Wages Other than A&G	L15 - L16	\$	1,992,773
18				
19	Labor Allocator	L13 / L17	LAB	0.011780
20				
21	Net Plant Allocation Factor			
22	Plant-in-Service			
23	Transmission	General Ledger	\$	14,615,318
24	Distribution Used in LAC	1		-
25	Subtotal	L23 + L24	\$	14,615,318
26	Allocated General Plant			
27	Total General Plant	General Ledger	\$	3,573,742
28	Allocation Factor	L19	LAB	0.011780
29	Allocated General Plant	L27 * L28	\$	42,099
30	Total LAC Plant-in-Service	L25 - L16	\$	14,657,417
31				
32	Accumulated Reserves for Depreciation			
33	Transmission	General Ledger	\$	6,947,388
34	Distribution Used in LAC	1		-
35	Subtotal	L33 + L34	\$	6,947,388
36	Allocated General Plant			
37	Total General Plant	General Ledger	\$	1,026,186
38	Allocation Factor	L19	LAB	0.011780
39	Allocated General Plant	L37 * L38	\$	12,089
40	Total LAC Accum. Depr. Res.	L35 + L39	\$	6,959,477
41	Net Plant Used in LAC	L30 - L40	\$	7,697,940
42				
43	Total Plant in Service	General Ledger	\$	51,785,633
44	Total Accum. Reserves for Depr.	General Ledger		25,350,240
45	Total Net Plant	L43 - L44	\$	26,435,393
46				
47	Net Plant Allocator	L41 / L45	NP	0.291198
48				

¹ The amount of distribution facilities utilized in providing local access service was determined through a direct assessment by MKEC.

Southern Pioneer Electric Company, Inc.
MKEC Area Local Access Charge
Depreciation Expense

Test Year June 1, 2007 to May 31, 2008
 Adjusted for Known and Measurable Changes

<u>Line</u>	<u>Description</u>	<u>Source</u>	<u>Plant in Service As of 12/31/08</u>	<u>Depr. Rate</u>	<u>Depr. Expense</u>
1	Facilities Used in Providing LAC Service				
2	Transmission Facilities				
3	350 Land and Land Rights	General Ledger	\$ 100,229	-	\$ -
4	352 Structures and Improvements	General Ledger	277,092	0.02110	5,847
5	353 Station Equipment	General Ledger	5,565,766	0.01830	101,854
6	355 Poles and Fixtures	General Ledger	4,286,443	0.03300	141,453
7	356 O.H. Conductors and Devices	General Ledger	4,385,641	0.01880	82,450
8	358 U.G. Conductors and Devices	General Ledger	147	0.02390	4
9	Subtotal	Sum(L1:L8)	\$ 14,615,318		\$ 331,606
10	Distribution Facilities				
11	360 Land and Land Rights	General Ledger	\$ -	-	-
12	361 Structures and Improvements	General Ledger	-	0.01730	-
13	362 Station Equipment	General Ledger	-	0.01100	-
14	Subtotal	Sum(L6:L13)	\$ -		\$ -
15	Total	L9 + L14	\$ 14,615,318		\$ 331,606
16					
17			<u>As of 5/31/08</u>		
18	General Plant				
19	389 Land and Land Rights	General Ledger	\$ 70,114	-	\$ -
20	390 Structures and Improvements	General Ledger	1,622,465	0.031600	51,270
21	391 Office Furniture and Equipment	General Ledger	253,648	0.133633	33,896
22	392 Transportation Equipment	General Ledger	1,214,181	0.115600	140,359
23	393 Stores Equipment	General Ledger	144,490	0.047500	6,863
24	394 Tools, Shop and Garage Equip	General Ledger	22,193	0.046500	1,032
25	395 Laboratory Equipment	General Ledger	25,535	0.049800	1,272
26	396 Power Operated Equipment	General Ledger	-	0.069700	-
27	Communication Equipment	General Ledger	131,815	0.023300	3,071
28	Miscellaneous Equipment	General Ledger	13,089	0.074200	971
29	Total	Sum(L21:L28)	\$ 3,497,530	0.068258	\$ 238,734
30					
31	Plant in Service as of 12/31/08	General Ledger	\$ 3,573,742	0.068258	\$ 243,937
32					

Southern Pioneer Electric Company, Inc.
MKEC Area Local Access Charge
Credit for Third Party Revenue

Test Year June 1, 2007 to May 31, 2008
 Adjusted for Known and Measurable Changes

<u>Line</u>	<u>Description</u>	<u>Source</u>	<u>Alloc. Factor</u>	<u>Amount</u>
1	Total Revenue Credit			
2	Third Party Billing Demand	pg. 5		306,375 kW
3	LAC Rate	pg. 1		\$ 2.66 /kW/mo
4	LAC Third Party Revenue	Sum(L2:L3)		\$ 814,958
5				
6	Allocation of Revenue Credit to Categories			
7	Transmission O&M	pg. 1	8.97%	\$ 73,095
8	Distribution O&M	pg. 1	0.00%	-
9	Administration and General	pg. 1	0.45%	3,654
10	Depreciation	pg. 1	11.26%	91,773
11	Property Taxes	pg. 1	0.00%	-
12	L.T. Interest	pg. 1	26.77%	218,137
13	Margin Requirements	pg. 1	32.12%	261,765
14	Income Taxes	pg. 1	20.43%	166,535
15	Total	Sum(L7:L14)	79.57%	\$ 814,958

Southern Pioneer Electric Company
Summary of Proposed Local Access Billing Demands (kW) -- 2008

<u>Line</u>	<u>Description</u>	<u>Jan</u>	<u>Feb</u>	<u>Mar</u>	<u>Apr</u>	<u>May</u>	<u>Jun</u>	<u>Jul</u>	<u>Aug</u>	<u>Sep</u>	<u>Oct</u>	<u>Nov</u>	<u>Dec</u>	<u>Total</u>
1	Total Local Access System ¹	82,220	79,184	74,293	74,706	99,122	119,507	126,084	129,387	95,846	86,023	83,349	89,398	1,139,120
2	CP Date	22	1	7	30	30	26	24	4	24	1	20	15	
3	CP Time (hour Ending)	1000	900	1000	1600	1600	1400	1500	1500	1600	16	1900	1900	
4														
5	Wholesale Customers @ Del. Pt.													
6	Ashland (KMEA)--Metered	2,023	1,979	1,880	1,597	2,422	3,458	3,264	3,384	2,081	1,858	1,786	2,086	27,816
7	Ashland (KMEA)--Generation	-	-	-	-	-	-	-	-	-	-	-	-	-
8	Subtotal--Ashland	2,023	1,979	1,880	1,597	2,422	3,458	3,264	3,384	2,081	1,858	1,786	2,086	27,816
9	Kingman (KPP) Metered	5,777	6,033	5,688	5,301	5,963	3,877	5,982	8,171	5,107	5,429	5,954	6,644	69,923
10	Kingman (KPP) Generation ²	-	-	-	-	-	3,083	6,067	4,525	-	-	-	-	13,674
11	Subtotal--Kingman	5,777	6,033	5,688	5,301	5,963	6,960	12,048	12,695	5,107	5,429	5,954	6,644	83,598
12	Greensburg	1,838	1,609	1,403	729	1,017	1,550	1,718	1,916	1,217	982	1,605	2,227	17,808
13	Isabel (AR)	255	250	237	86	102	166	191	177	181	251	255	125	2,274
14	KEPCO	13,595	12,882	12,404	12,086	14,691	18,371	18,964	17,109	13,450	13,003	14,007	14,317	174,880
15	Subtotal--Wholesale	23,486	22,752	21,611	19,799	24,194	30,504	36,185	35,281	22,035	21,523	23,606	25,398	306,375
16	Losses @ 2.12% of 34.5 kV Output	499	483	459	421	514	648	769	749	468	457	501	540	6,508
17	Subtotal with Losses (@ Source)	23,985	23,236	22,070	20,220	24,708	31,152	36,953	36,030	22,503	21,980	24,108	25,938	312,883
18														
19	Southern Pioneer Retail													
20	Retail with Losses (@ Source)	58,235	55,948	52,223	54,486	74,413	88,355	89,131	93,357	73,343	64,044	59,241	63,460	826,237
21	Losses @ 2.08% of 34.5 kV Input	1,211	1,164	1,086	1,133	1,548	1,838	1,854	1,942	1,526	1,332	1,232	1,320	17,186
22	Retail @ Delivery Point	57,024	54,785	51,137	53,353	72,866	86,517	87,277	91,415	71,817	62,711	58,009	62,140	809,051

¹ Includes "behind the meter" generation.

Prairie Land Electric Cooperative, Inc.
MKEC Area Local Access Charge
Revenue Requirements

Test Year June 1, 2007 to May 31, 2008
 Adjusted for Known and Measurable Changes

<u>Line</u>	<u>Description</u>	<u>Source</u>	<u>Total</u> <u>MKEC Area</u>	<u>Allocation Factor</u> <u>Name</u>	<u>Factor</u>	<u>Allocated</u> <u>to LAC</u>	<u>Percent</u> <u>of Total</u>
1	<u>Operating Expenses</u>						
2	Transmission O&M	Ex.__(RJM-), pg.	\$ 299,013		1.000000	\$ 299,013	20.28%
3	Distribution O&M	Ex.__(RJM-), pg.	2,151,492		0.000000	-	0.00%
4	Administration & General	Ex.__(RJM-), pg.	1,180,506	LAB	0.032366	38,209	2.59%
5	Depreciation						
6	Transmission	pg 3	368,515		1.000000	368,515	24.99%
7	Distribution (LAC Only)	pg 3	-		1.000000	-	0.00%
8	General Plant	pg 3	242,951	LAB	0.032366	7,863	0.53%
9	Taxes	Ex.__(RJM-), pg.	-	NP	0.272952	-	0.00%
10	Subtotal Operating Expense	Sum(L2:L9)				\$ 713,600	
11							
12	L.T. Interest Expense	Ex.__(RJM-), pg.	1,266,916	NP	0.272952	\$ 345,807	23.45%
13	Operating TIER Requirement					2.2	
14	Margin Requirement	L12 * (L13 - 1.0)				\$ 414,969	28.15%
15							
16	<u>Total Revenue Requirements</u>	L10 + L12 + L14				\$ 1,474,376	100.00%
17							
18	<u>Billing Demand</u>	pg. 5				890,331 kW	
19							
20	<u>Average Cost</u>	L16 / L18				\$ 1.66 /kW/mo	
21							

Prairie Land Electric Cooperative, Inc.
MKEC Area Local Access Charge
Allocation Factors

Test Year June 1, 2007 to May 31, 2008
 Adjusted for Known and Measurable Changes

<u>Line No.</u>	<u>Description</u>	<u>Source</u>		
1	Distribution O&M Allocation Factor			
2	Distribution Plant used in LAC	1	\$	-
3	Total Distribution Plant	General Ledger	\$	35,011,256
4				
5	Allocation Factor	L2 / L3	DOM	-
6				
7	Labor Allocation Factor			
8	Transmission Wages (100% LAC)	General Ledger	\$	56,093
9	Distribution Wages			
10	Total Distribution Wages	General Ledger	\$	893,606
11	Allocation Factor	L5	DOM	-
12	Dist Wages Allocated to LAC	L10 * L11	\$	-
13	Total LAC Wages	L8 + L12	\$	56,093
14				
15	Total Wages	General Ledger	\$	2,400,117
16	Less: Administration & General Wages	General Ledger		667,052
17	Wages Other than A&G	L15 - L16	\$	1,733,065
18				
19	Labor Allocator	L13 / L17	LAB	0.032366
20				
21	Net Plant Allocation Factor			
22	Plant-in-Service			
23	Transmission	General Ledger	\$	15,104,928
24	Distribution	1		-
25	Subtotal	L23 + L24	\$	15,104,928
26	Allocated General Plant			
27	Total General Plant	General Ledger	\$	2,813,542
28	Allocation Factor	L19	LAB	0.032366
29	Allocated General Plant	L27 * L28	\$	91,064
30	Total LAC Plant-in-Service	L25 - L16	\$	15,195,992
31				
32	Accumulated Reserves for Depreciation			
33	Transmission	General Ledger	\$	8,975,744
34	Distribution	1		-
35	Subtotal	L33 + L34	\$	8,975,744
36	Allocated General Plant			
37	Total General Plant	General Ledger	\$	1,419,515
38	Allocation Factor	L19	LAB	0.032366
39	Allocated General Plant	L37 * L38	\$	45,945
40	Total LAC Accum. Res. For Depr.	L35 + L39	\$	9,021,689
41	Net Plant Used in LAC	L30 - L40	\$	6,174,304
42				
43	Total Plant in Service	General Ledger	\$	52,929,726
44	Total Accum. Reserves for Depr.	General Ledger		30,309,250
45	Total Net Plant	L43 - L44	\$	22,620,476
46				
47	Net Plant Allocator	L41 / L45	NP	0.272952
48				

¹ The amount of distribution facilities utilized in providing local access service was determined through a direct assessment by MKEC.

Prairie Land Electric Cooperative, Inc.
MKEC Area Local Access Charge
Depreciation Expense

Test Year June 1, 2007 to May 31, 2008
Adjusted for Known and Measurable Changes

<u>Line</u>	<u>Description</u>	<u>Source</u>	<u>Plant in Service as of 12/31/08</u>	<u>Depr. Rate</u>	<u>Depr. Expense</u>
1	Facilities Used in Providing LAC Service				
2	Transmission Facilities				
3	350 Land and Land Rights	General Ledger	\$ 60,345	-	\$ -
4	352 Structures and Improvements	General Ledger	266,060	0.02110	5,614
5	353 Station Equipment	General Ledger	3,663,953	0.01830	67,050
6	355 Poles and Fixtures	General Ledger	6,118,893	0.03300	201,923
7	356 O.H. Conductors and Devices	General Ledger	4,994,054	0.01880	93,888
8	358 U.G. Conductors and Devices	General Ledger	1,623	0.02390	39
9	Subtotal	Sum(L1:L8)	\$ 15,104,928		\$ 368,515
10	Distribution Facilities				
11	360 Land and Land Rights	General Ledger	\$ -	-	-
12	361 Structures and Improvements	General Ledger	-	0.01730	-
13	362 Station Equipment	General Ledger	-	0.01100	-
14	Subtotal	Sum(L6:L13)	\$ -		\$ -
15	Total	L9 + L14	\$ 15,104,928		\$ 368,515
16					
17			<u>As of 5/31/08</u>		
18	General Plant				
19	389 Land and Land Rights	General Ledger	\$ 44,925	-	\$ -
20	390 Structures and Improvements	General Ledger	373,399	0.031600	11,799
21	391 Office Furniture and Equipment	General Ledger	233,943	0.133633	31,263
22	392 Transportation Equipment	General Ledger	1,305,796	0.115600	150,950
23	393 Stores Equipment	General Ledger	7,188	0.047500	341
24	394 Tools, Shop and Garage Equip	General Ledger	117,677	0.046500	5,472
25	395 Laboratory Equipment	General Ledger	251,361	0.049800	12,518
26	396 Power Operated Equipment	General Ledger	11,460	0.069700	799
27	Communication Equipment	General Ledger	167,883	0.023300	3,912
28	Miscellaneous Equipment	General Ledger	-	0.074200	-
29	Subtotal	Sum(L21:L28)	\$ 2,513,632	0.086351	\$ 217,054
30					
31	Plant in Service as of 12/31/08	General Ledger	\$ 2,813,542	0.086351	\$ 242,951
32					

Prairie Land Electric Cooperative, Inc.
MKEC Area Local Access Charge
Credit for Third Party Revenue

Test Year June 1, 2007 to May 31, 2008
Adjusted for Known and Measurable Changes

<u>Line</u>	<u>Description</u>	<u>Source</u>	<u>Alloc. Factor</u>	<u>Amount</u>
1	Total Revenue Credit			
2	Third Party Billing Demand	pg. 5		352,260 kW
3	LAC Rate	pg. 1		\$ 1.66 /kW/mo
4	LAC Third Party Revenue	Sum(L2:L3)		\$ 584,751
5				
6	Allocation of Revenue Credit to Categories			
7	Transmission O&M	pg. 1	20.28%	\$ 118,591
8	Distribution O&M	pg. 1	0.00%	-
9	Administration and General	pg. 1	2.59%	15,154
10	Depreciation	pg. 1	25.53%	149,275
11	Property Taxes	pg. 1	0.00%	-
12	L.T. Interest	pg. 1	23.45%	137,150
13	Margin Requirements	pg. 1	28.15%	164,580
14	Total	Sum(L7:L13)	100.00%	\$ 584,751

Praire Land Electric Cooperative, Inc.
Summary of Proposed Local Access Billing Demands (kW) -- 2008

<u>Line</u>	<u>Description</u>	<u>Jan</u>	<u>Feb</u>	<u>Mar</u>	<u>Apr</u>	<u>May</u>	<u>Jun</u>	<u>Jul</u>	<u>Aug</u>	<u>Sep</u>	<u>Oct</u>	<u>Nov</u>	<u>Dec</u>	<u>Total</u>
1	Total Local Access System ¹	71,985	68,980	64,750	59,791	63,406	95,168	101,610	102,983	78,673	59,210	67,170	76,913	910,638
2	CP Date	22	11	7	11	30	26	24	2	1	28	21	15	
3	CP Time (hour Ending)	900	1000	1200	1100	1600	1600	1600	1700	1700	800	1000	1900	
4														
5	Wholesale Customers @ Del. Pt.													
6	Prairie Land Native (Jayhawk)	254	6	2	2	293	10	9	10	8	94	13	165	867
7	Morganville (Westar)	260	285	247	219	237	409	553	423	385	226	379	487	4,109
8	Osborne (KMEA) --Metered	2,699	2,657	2,485	2,433	2,391	3,803	4,274	3,700	2,928	2,410	2,561	2,435	34,774
9	Osborne (KMEA) --Generation	-	-	-	-	-	-	-	-	-	-	-	-	-
10	Subtotal--Osborne	2,699	2,657	2,485	2,433	2,391	3,803	4,274	3,700	2,928	2,410	2,561	2,435	34,774
11	Stockton (KMEA)--Metered	2,090	2,053	1,903	1,897	2,150	3,391	3,763	3,702	2,883	1,754	1,995	2,443	30,020
12	Stockton (KMEA)--Generation	-	-	-	-	-	-	-	-	-	-	-	-	-
13	Subtotal--Stockton	2,090	2,053	1,903	1,897	2,150	3,391	3,763	3,702	2,883	1,754	1,995	2,443	30,020
14	Washington (KMEA)--Metered	2,517	2,606	2,271	2,214	2,409	3,306	3,819	3,290	2,449	2,058	1,975	2,078	30,991
15	Washington (KMEA)--Generation	-	-	-	-	-	-	-	-	-	-	-	-	-
16	Subtotal--Washington	2,517	2,606	2,271	2,214	2,409	3,306	3,819	3,290	2,449	2,058	1,975	2,078	30,991
17	Cawker City (AR)	755	761	785	742	832	1,319	1,276	1,192	1,056	659	735	883	10,997
18	Glasco (AR)	519	496	459	470	509	880	969	1,013	760	470	507	667	7,718
19	Glen Elder(AR)	586	665	603	521	643	1,092	1,183	1,142	858	499	623	741	9,156
20	Mankato (AR)	1,209	1,177	1,156	1,101	1,333	2,165	2,321	2,345	1,752	1,053	1,235	1,516	18,363
21	KEPCO	17,917	16,544	14,872	13,288	12,522	19,189	20,890	23,500	17,332	12,938	16,122	20,150	205,264
22	Subtotal	28,807	27,249	24,784	22,886	23,318	35,562	39,058	40,316	30,411	22,161	26,144	31,564	352,260
23	Losses @ 2.28% of 34.5 kV Output	657	622	565	522	532	811	891	920	694	505	596	720	8,035
24	Subtotal with Losses (@ Source)	29,464	27,870	25,349	23,408	23,850	36,373	39,949	41,235	31,104	22,667	26,740	32,284	360,294
25														
26	Prairie Land Retail													
27	Retail with Losses (@ Source)	42,521	41,110	39,401	36,383	39,555	58,795	61,661	61,747	47,569	36,543	40,430	44,629	550,344
28	Losses @ 2.23% of 34.5 kV Input	948	917	879	811	882	1,311	1,375	1,377	1,061	815	902	995	12,273
29	Retail @ Delivery Point	41,573	40,193	38,522	35,571	38,673	57,484	60,286	60,370	46,508	35,728	39,528	43,634	538,071

¹ With "behind the meter" generation added back in.

Victory Electric Cooperative Association, Inc.
MKEC Area Local Access Charge
Revenue Requirements

Test Year June 1, 2007 to May 31, 2008
 Adjusted for Known and Measurable Changes

<u>Line</u>	<u>Description</u>	<u>Source</u>	<u>Total</u> <u>MKEC Area</u>	<u>Allocation Factor</u> <u>Name</u>	<u>Factor</u>	<u>Allocated</u> <u>to LAC</u>	<u>Percent</u> <u>of Total</u>
1	<u>Operating Expenses</u>						
2	Transmission O&M	Ex.__(RJM-), pg.	\$ 282,543		1.000000	\$ 282,543	13.55%
3	Distribution O&M	Ex.__(RJM-), pg.	2,216,214	DOM	0.006450	14,294	0.69%
4	Administration & General	Ex.__(RJM-), pg.	980,279	LAB	0.018607	18,240	0.87%
5	Depreciation						
6	Transmission	pg 3	318,093		1.000000	318,093	15.25%
7	Distribution (LAC Only)	pg 3	2,549		1.000000	2,549	0.12%
8	General Plant	pg 3	177,014	LAB	0.018607	3,294	0.16%
9	Taxes	Ex.__(RJM-), pg.	-	NP	0.304118	-	0.00%
10	Subtotal Operating Expense	Sum(L2:L9)				\$ 639,012	
11							
12	L.T. Interest Expense	Ex.__(RJM-), pg.	2,162,202	NP	0.304118	\$ 657,564	31.53%
13	Operating TIER Requirement					2.2	
14	Margin Requirement	L12 * (L13 - 1.0)				\$ 789,077	37.83%
15							
16	<u>Total Revenue Requirements</u>	L10 + L12 + L14				\$ 2,085,653	100.00%
17							
18	<u>Billing Demand</u>	pg. 5				980,328 kW	
19							
20	<u>Average Cost</u>	L16 / L18				\$ 2.13 /kW/mo	
21							

Victory Electric Cooperative Association, Inc.
MKEC Area Local Access Charge
Allocation Factors

Test Year June 1, 2007 to May 31, 2008
Adjusted for Known and Measurable Changes

<u>Line No.</u>	<u>Description</u>	<u>Source</u>		
1	Distribution O&M Allocation Factor			
2	Distribution Plant used in LAC	1	\$	236,808
3	Total Distribution Plant	General Ledger	\$	36,716,612
4				
5	Allocation Factor	L2 / L3	DOM	0.006450
6				
7	Labor Allocation Factor			
8	Transmission Wages (100% LAC)	General Ledger	\$	31,034
9	Distribution Wages			
10	Total Distribution Wages	General Ledger	\$	1,368,147
11	Allocation Factor	L5	DOM	0.006450
12	Dist Wages Allocated to LAC	L10 * L11	\$	8,824
13	Total LAC Wages	L8 + L12	\$	39,858
14				
15	Total Wages	General Ledger	\$	2,832,593
16	Less: Administration & General Wages	General Ledger		690,508
17	Wages Other than A&G	L15 - L16	\$	2,142,085
18				
19	Labor Allocator	L13 / L17	LAB	0.018607
20				
21	Net Plant Allocation Factor			
22	Plant-in-Service			
23	Transmission	General Ledger	\$	14,008,590
24	Distribution	1		236,808
25	Subtotal	L23 + L24	\$	14,245,398
26	Allocated General Plant			
27	Total General Plant	General Ledger	\$	2,224,662
28	Allocation Factor	L19	LAB	0.018607
29	Allocated General Plant	L27 * L28	\$	41,395
30	Total LAC Plant-in-Service	L25 - L16	\$	14,286,793
31				
32	Accumulated Reserves for Depreciation			
33	Transmission	General Ledger	\$	5,500,826
34	Distribution	1		62,446
35	Subtotal	L33 + L34	\$	5,563,272
36	Allocated General Plant			
37	Total General Plant	General Ledger	\$	723,173
38	Allocation Factor	L19	LAB	0.018607
39	Allocated General Plant	L37 * L38	\$	13,456
40	Total LAC Accum. Res. For Depr.	L35 + L39	\$	5,576,728
41	Net Plant Used in LAC	L30 - L40	\$	8,710,064
42				
43	Total Plant in Service	General Ledger	\$	52,949,864
44	Total Accum. Reserves for Depr.	General Ledger		24,309,419
45	Total Net Plant	L43 - L44	\$	28,640,445
46				
47	Net Plant Allocator	L41 / L45	NP	0.304118
48				

¹ The amount of distribution facilities utilized in providing local access service was determined through a direct assessment by MKEC.

Victory Electric Cooperative Association, Inc.
MKEC Area Local Access Charge
Depreciation Expense

Test Year June 1, 2007 to May 31, 2008
Adjusted for Known and Measurable Changes

<u>Line</u>	<u>Description</u>	<u>Source</u>	<u>Plant in Service as of 12/31/08</u>	<u>Depr. Rate</u>	<u>Depr. Expense</u>
1	Facilities Used in Providing LAC Service				
2	Transmission Facilities				
3	350 Land and Land Rights	General Ledger	\$ 140,184	-	\$ -
4	352 Structures and Improvements	General Ledger	717,056	0.02110	15,130
5	353 Station Equipment	General Ledger	5,490,627	0.01830	100,478
6	355 Poles and Fixtures	General Ledger	4,117,091	0.03300	135,864
7	356 O.H. Conductors and Devices	General Ledger	3,543,632	0.01880	66,620
8	358 U.G. Conductors and Devices	General Ledger	-	0.02256	-
9	Subtotal	Sum(L1:L8)	\$ 14,008,590		\$ 318,093
10	Distribution Facilities				
11	360 Land and Land Rights	General Ledger	\$ 5,907	-	-
12	361 Structures and Improvements	General Ledger	1,474	0.01730	26
13	362 Station Equipment	General Ledger	229,427	0.01100	2,524
14	Subtotal	Sum(L6:L13)	\$ 236,808		\$ 2,549
15	Total	L9 + L14	\$ 14,245,398		\$ 320,642
16					
17			<u>As of 5/31/08</u>		
18	General Plant				
19	389 Land and Land Rights	General Ledger	\$ 575	-	\$ -
20	390 Structures and Improvements	General Ledger	27,715	0.031600	876
21	391 Office Furniture and Equipment	General Ledger	108,821	0.133633	14,542
22	392 Transportation Equipment	General Ledger	808,697	0.115600	93,485
23	393 Stores Equipment	General Ledger	3,122	0.047500	148
24	394 Tools, Shop and Garage Equip	General Ledger	22,206	0.046500	1,033
25	395 Laboratory Equipment	General Ledger	138,951	0.049800	6,920
26	396 Power Operated Equipment	General Ledger	186,331	0.069700	12,987
27	Communication Equipment	General Ledger	476,705	0.023300	11,107
28	Miscellaneous Equipment	General Ledger	2,474	0.074200	184
29		Sum(L21:L28)	\$ 1,775,597	0.079569	\$ 141,282
30					
31	Plant in Service as of 12/31/08	General Ledger	\$ 2,224,662	0.079569	\$ 177,014
32					

Victory Electric Cooperative Association, Inc.
MKEC Area Local Access Charge
Credit for Third Party Revenue

Test Year June 1, 2007 to May 31, 2008
Adjusted for Known and Measurable Changes

<u>Line</u>	<u>Description</u>	<u>Source</u>	<u>Alloc.</u> <u>Factor</u>	<u>Amount</u>
1	Total Revenue Credit			
2	Third Party Billing Demand	pg. 5		300,055 kW
3	LAC Rate	pg. 1		\$ 2.13 /kW/mo
4	LAC Third Party Revenue	Sum(L2:L3)		\$ 639,118
5				
6	Allocation of Revenue Credit to Categories			
7	Transmission O&M	pg. 1	13.55%	\$ 86,581
8	Distribution O&M	pg. 1	0.69%	4,380
9	Administration and General	pg. 1	0.87%	5,589
10	Depreciation	pg. 1	15.53%	99,265
11	Property Taxes	pg. 1	0.00%	-
12	L.T. Interest	pg. 1	31.53%	201,501
13	Margin Requirements	pg. 1	37.83%	241,801
14	Total	Sum(L7:L13)	100.00%	\$ 639,118

**Victory Electric Cooperative Association, Inc.
 Summary of Proposed Local Access Billing Demands (kW) -- 2008**

Line	Description	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
1	Total Local Access System	69,921	67,557	66,774	71,134	85,213	110,624	113,748	114,633	81,962	74,734	71,898	74,079	1,002,278
2	CP Date	16	5	5	30	23	26	23	4	24	1	20	15	
3	CP Time (hour Ending)	2000	2000	1100	1700	1500	1500	1500	1400	1600	1600	1900	1900	
4														
5	Wholesale Customers @ Del. Pt.													
6	Cinnarout	2,124	2,107	1,857	2,079	3,180	4,395	4,315	4,453	3,056	2,571	2,190	2,554	34,881
7	Montezuma	1,086	1,148	1,321	1,074	1,753	2,239	2,370	2,505	1,629	1,792	1,805	1,190	19,912
8	KFPCCO	17,245	17,428	16,836	18,832	19,842	27,525	28,513	27,784	18,275	17,736	17,564	17,682	245,262
9	Subtotal	20,456	20,682	20,014	21,985	24,775	34,159	35,199	34,741	22,960	22,099	21,559	21,426	300,055
10	Losses @ 2.24% of 34.5 kV Output	458	463	448	492	555	765	788	778	514	495	483	480	6,718
11	Subtotal with Losses (@ Source)	20,914	21,145	20,462	22,477	25,330	34,924	35,987	35,519	23,475	22,594	22,042	21,905	306,774
12														
13	Victory Retail													
14	Retail with Losses (@ Source)	49,007	46,412	46,312	48,657	59,884	75,700	77,762	79,114	58,488	52,139	49,856	52,173	695,504
15	Losses @ 2.19% of 34.5 kV Input	1,073	1,016	1,014	1,066	1,311	1,658	1,703	1,733	1,281	1,142	1,092	1,143	15,232
16	Retail @ Delivery Point	47,934	45,396	45,298	47,591	58,572	74,042	76,059	77,381	57,207	50,998	48,764	51,031	680,272

¹ Served at 13.8 kV.

Western Cooperative Electric Association, Inc.
MKEC Area Local Access Charge
Revenue Requirements

Test Year June 1, 2007 to May 31, 2008
 Adjusted for Known and Measurable Changes

<u>Line</u>	<u>Description</u>	<u>Source</u>	<u>Total</u> <u>MKEC Area</u>	<u>Allocation Factor</u> <u>Name</u>	<u>Factor</u>	<u>Allocated</u> <u>to LAC</u>	<u>Percent</u> <u>of Total</u>
1	<u>Operating Expenses</u>						
2	Transmission O&M	Ex.__(RJM-), pg.	\$ 298,339		1.000000	\$ 298,339	30.17%
3	Distribution O&M	Ex.__(RJM-), pg.	1,442,674	DOM	0.000913	1,317	0.13%
4	Administration & General	Ex.__(RJM-), pg.	451,273	LAB	0.030451	13,742	1.39%
5	Depreciation						
6	Transmission	pg 3	199,030		1.000000	199,030	20.13%
7	Distribution (LAC Only)	pg 3	137		1.000000	137	0.01%
8	General Plant	pg 3	87,586	LAB	0.030451	2,667	0.27%
9	Taxes	Ex.__(RJM-), pg.	-	NP	0.430716	-	0.00%
10	Subtotal Operating Expense	Sum(L2:L9)				\$ 515,232	
11							
12	L.T. Interest Expense	Ex.__(RJM-), pg.	499,911	NP	0.430716	\$ 215,320	21.77%
13	Operating TIER Requirement					2.2	
14	Margin Requirement	L12 * (L13 - 1.0)				\$ 258,384	26.13%
15							
16	<u>Total Revenue Requirements</u>	L10 + L12 + L14				\$ 988,936	100.00%
17							
18	<u>Billing Demand</u>	pg. 5				682,872 kW	
19							
20	<u>Average Cost</u>	L16 / L18				\$ 1.45 /kW/mo	
21							

Western Cooperative Electric Association, Inc.
MKEC Area Local Access Charge
Allocation Factors

Test Year June 1, 2007 to May 31, 2008
 Adjusted for Known and Measurable Changes

<u>Line No.</u>	<u>Description</u>	<u>Source</u>		
1	Distribution O&M Allocation Factor			
2	Distribution Plant used in LAC	1	\$	12,447
3	Total Distribution Plant	General Ledger	\$	13,638,224
4				
5	Allocation Factor	L2 / L3	DOM	0.000913
6				
7	Labor Allocation Factor			
8	Transmission Wages (100% LAC)	General Ledger	\$	19,785
9	Distribution Wages			
10	Total Distribution Wages	General Ledger	\$	460,464
11	Allocation Factor	L5	DOM	0.000913
12	Dist Wages Allocated to LAC	L10 * L11	\$	420
13	Total LAC Wages	L8 + L12	\$	20,205
14				
15	Total Wages	General Ledger	\$	804,291
16	Less: Administration & General Wages	General Ledger		140,762
17	Wages Other than A&G	L15 - L16	\$	663,529
18				
19	Labor Allocator	L13 / L17	LAB	0.030451
20				
21	Net Plant Allocation Factor			
22	Plant-in-Service			
23	Transmission	General Ledger	\$	8,667,545
24	Distribution	1		12,447
25	Subtotal	L23 + L24	\$	8,679,992
26	Allocated General Plant			
27	Total General Plant	General Ledger	\$	1,360,357
28	Allocation Factor	L19	LAB	0.030451
29	Allocated General Plant	L27 * L28	\$	41,425
30	Total LAC Plant-in-Service	L25 - L16	\$	8,721,417
31				
32	Accumulated Reserves for Depreciation			
33	Transmission	General Ledger	\$	4,092,526
34	Distribution	1		4,824
35	Subtotal	L33 + L34	\$	4,097,349
36	Allocated General Plant			
37	Total General Plant	General Ledger	\$	519,802
38	Allocation Factor	L19	LAB	0.030451
39	Allocated General Plant	L37 * L38	\$	15,829
40	Total LAC Accum. Res. For Depr.	L35 + L39	\$	4,113,178
41	Net Plant Used in LAC	L30 - L40	\$	4,608,239
42				
43	Total Plant in Service	General Ledger	\$	23,666,126
44	Total Accum. Reserves for Depr.	General Ledger		12,967,114
45	Total Net Plant	L43 - L44	\$	10,699,012
46				
47	Net Plant Allocator	L41 / L45	NP	0.430716
48				

¹ The amount of distribution facilities utilized in providing local access service was determined through a direct assessment by MKEC.

Western Cooperative Electric Association, Inc.
MKEC Area Local Access Charge
Depreciation Expense

Test Year June 1, 2007 to May 31, 2008
 Adjusted for Known and Measurable Changes

<u>Line</u>	<u>Description</u>	<u>Source</u>	<u>Plant in Service as of 12/31/08</u>	<u>Depr. Rate</u>	<u>Depr. Expense</u>
1	Facilities Used in Providing LAC Service				
2	Transmission Facilities				
3	350 Land and Land Rights	General Ledger	\$ 38,031	-	\$ -
4	352 Structures and Improvements	General Ledger	241,784	0.02110	5,102
5	353 Station Equipment	General Ledger	3,081,261	0.01830	56,387
6	355 Poles and Fixtures	General Ledger	2,660,571	0.03300	87,799
7	356 O.H. Conductors and Devices	General Ledger	2,645,899	0.01880	49,743
8	358 U.G. Conductors and Devices	General Ledger	-	0.02390	-
9	Subtotal	Sum(L1:L8)	\$ 8,667,545		\$ 199,030
10	Distriubution Facilities				
11	360 Land and Land Rights	General Ledger	\$ -	-	-
12	361 Structures and Improvements	General Ledger	-	0.01730	-
13	362 Station Equipment	General Ledger	12,447	0.01100	137
14	Subtotal	Sum(L6:L13)	\$ 12,447		\$ 137
15	Total	L9 + L14	\$ 8,679,992		\$ 199,167
16					
17					
18					
19	General Plant				
20	389 Land and Land Rights	General Ledger	\$ 4,585	-	\$ -
21	390 Structures and Improvements	General Ledger	353,348	0.031600	11,166
22	391 Office Furniture and Equipment	General Ledger	37,534	0.133633	5,016
23	392 Transportation Equipment	General Ledger	179,082	0.115600	20,702
24	393 Stores Equipment	General Ledger	29,777	0.047500	1,414
25	394 Tools, Shop and Garage Equip	General Ledger	10,855	0.046500	505
26	395 Laboratory Equipment	General Ledger	17,452	0.049800	869
27	396 Power Operated Equipment	General Ledger	448,705	0.069700	31,275
28	Communication Equipment	General Ledger	32,242	0.023300	751
29	Miscellaneous Equipment	General Ledger	-	0.074200	-
30		Sum(L21:L28)	\$ 1,113,581	0.064385	\$ 71,698
31	Plant in Service as of 12/31/08	General Ledger	\$ 1,360,357	0.064385	\$ 87,586
32					

As of 5/31/08

Western Cooperative Electric Association, Inc.
MKEC Area Local Access Charge
Credit for Third Party Revenue

Test Year June 1, 2007 to May 31, 2008
 Adjusted for Known and Measurable Changes

<u>Line</u>	<u>Description</u>	<u>Source</u>	<u>Alloc.</u> <u>Factor</u>	<u>Amount</u>
1	Total Revenue Credit			
2	Third Party Billing Demand	pg. 5		346,132 kW
3	LAC Rate	pg. 1		\$ 1.45 /kW/mo
4	LAC Third Party Revenue	Sum(L2:L3)		\$ 501,892
5				
6	Allocation of Revenue Credit to Categories			
7	Transmission O&M	pg. 1	30.17%	\$ 151,409
8	Distribution O&M	pg. 1	0.13%	668
9	Administration and General	pg. 1	1.39%	6,974
10	Depreciation	pg. 1	20.41%	102,432
11	Property Taxes	pg. 1	0.00%	-
12	L.T. Interest	pg. 1	21.77%	109,276
13	Margin Requirements	pg. 1	26.13%	131,132
14	Total	Sum(L7:L13)	100.00%	\$ 501,892

Western Cooperative Electric Association, Inc.
Summary of Proposed Local Access Billing Demands (kW) -- 2008

<u>Line</u>	<u>Description</u>	<u>Jan</u>	<u>Feb</u>	<u>Mar</u>	<u>Apr</u>	<u>May</u>	<u>Jun</u>	<u>Jul</u>	<u>Aug</u>	<u>Sep</u>	<u>Oct</u>	<u>Nov</u>	<u>Dec</u>	<u>Total</u>
1	Total Local Access System ¹	52,528	52,129	50,236	46,771	51,235	70,714	78,514	74,215	60,849	49,245	52,612	56,908	695,956
2	CP Date													
3	CP Time (hour Ending)													
4														
5	Wholesale Customers @ Del. Pt.													
6	Hoisington (KMEA)--Metered	2,949	2,963	2,864	2,542	3,650	5,646	-	-	4,821	2,563	2,608	3,221	33,825
7	Hoisington (KMEA)--Generation	-	-	-	-	-	-	8,530	8,467	-	-	-	-	16,997
8	Subtotal--Hoisington	2,949	2,963	2,864	2,542	3,650	5,646	8,530	8,467	4,821	2,563	2,608	3,221	50,822
9	Lincoln (KMEA)--Metered	2,746	2,563	2,580	2,422	2,675	3,633	3,862	4,013	2,757	2,274	2,005	2,321	33,850
10	Lincoln (KMEA)--Generation	-	-	-	-	-	-	-	-	-	-	-	-	-
11	Subtotal--Lincoln	2,746	2,563	2,580	2,422	2,675	3,633	3,862	4,013	2,757	2,274	2,005	2,321	33,850
12	Russell (KMEA)--Metered	13,726	5,731	13,520	11,025	12,869	5,462	6,374	4,486	17,548	13,711	-	-	104,450
13	Russell (KMEA)--Generation	-	7,774	-	-	-	12,588	15,655	12,670	-	-	16,068	16,464	81,218
14	Subtotal--Russell	13,726	13,505	13,520	11,025	12,869	18,050	22,028	17,155	17,548	13,711	16,068	16,464	185,668
15	Holyrood (AR)	447	462	444	385	533	799	865	875	671	399	392	487	6,760
16	Lucas (AR)	846	796	798	630	877	1,237	1,328	1,414	839	721	752	865	11,104
17	Luray (AR)	297	259	260	241	211	466	457	465	383	218	264	333	3,854
18	KEPCO	4,008	3,647	3,871	3,540	4,163	5,991	5,447	6,015	5,240	3,610	3,967	4,577	54,075
19	Subtotal	25,018	24,195	24,337	20,785	24,977	35,821	42,517	38,405	32,259	23,495	26,055	28,268	346,132
20	Losses @ 1.92% of 34.5 kV Output	479	464	466	398	479	686	815	736	618	450	499	542	6,632
21	Subtotal with Losses (@ Source)	25,497	24,659	24,803	21,183	25,456	36,507	43,331	39,141	32,877	23,945	26,554	28,810	352,764
22														
23	Western Retail													
24	Retail with Losses (@ Source)	27,031	27,470	25,433	25,588	25,779	34,207	35,183	35,075	27,972	25,300	26,057	28,098	343,191.27
25	Losses @ 1.88% of 34.5 kV Input	508	516	478	481	485	643	661	659	526	476	490	528	6,452.00
26	Retail @ Delivery Point	26,523	26,954	24,954	25,107	25,294	33,564	34,521	34,415	27,446	24,824	25,567	27,569	336,739.28

¹ With "behind the meter" generation added back in.

Mid-Kansas Electric Company, LLC
Comparison of Bills Local Access Charge

<u>Line</u>	<u>Description</u>	<u>Present Rates</u>			<u>Proposed Rates</u>			<u>Increase (Decrease)</u>	
		<u>Billing Demand</u> (kW-mo)	<u>Rate</u> (\$/kW/mo)	<u>Revenue</u> (\$)	<u>Billing Demand</u> (kW-mo)	<u>Rate</u> (\$/kW/mo)	<u>Revenue</u> (\$)	<u>Amount</u> (\$)	<u>Percent</u> (%)
1	Wholesale Customers								
2	Southern Pioneer Division								
3	Ashland (KMEA)--Metered	27,188			27,816				
4	Ashland (KMEA)--Generation	-			-				
5	Subtotal--Ashland	27,188	1.48	40,238	27,816	2.66	73,991	33,752	83.9
6	Kingman (KPP) Metered	70,428			69,923				
7	Kingman (KPP) Generation ²	15,387			13,674				
8	Subtotal--Kingman	85,815	1.48	127,006	83,597	2.66	222,368	95,362	75.1
9	Greensburg (KMEA)	18,085	1.48	26,766	17,809	2.66	47,372	20,606	77.0
10	Isabel (AR)	3,555	1.14	4,053	2,274	2.66 ⁹	6,049	1,996	49.3
11	KEPCO (CMS Victory)	143,150	1.48	211,862					
12	KEPCO (Grandfathered)	135,678	Bundled						
13	Subtotal KEPCO	278,828			174,880	2.66	465,181		
14	Subtotal--Southern Pioneer	413,471			306,376		814,960		
15									
16	Prairie Land Division								
17	Prarie Land Native (Jayhawk)	12,000	1.48	17,760	867	1.66	1,439	(16,321)	(91.9)
18	Morganville (Westar)	-	1.48	-	4,109	1.66	6,821	6,821	
19	Osborne (KMEA) --Metered	34,253			34,774				
20	Osborne (KMEA) --Generation	-			-				
21	Subtotal--Osborne	34,253	1.48	50,694	34,774	1.66	57,724	7,030	13.9
22	Stockton (KMEA)--Metered	28,932			30,020				
23	Stockton (KMEA)--Generation	-			-				
24	Subtotal--Stockton	28,932	1.48	42,819	30,020	1.66	49,834	7,014	16.4
25	Washington (KMEA)--Metered	30,384			30,991				
26	Washington (KMEA)--Generation	-			-				
27	Subtotal--Washington	30,384	1.48	44,968	30,991	1.66	51,444	6,476	14.4
28	Cawker City (AR)	15,406	1.14	17,563	10,997	1.66 ⁹	18,255	692	3.9
29	Glasco (AR)	10,935	1.14	12,466	7,718	1.66 ⁹	12,812	346	2.8
30	Glen Elder(AR)	13,265	1.14	15,122	9,156	1.66 ⁹	15,199	76	0.5
31	Mankato (AR)	26,870	1.14	30,632	18,363	1.66 ⁹	30,483	(149)	(0.5)
32	KEPCO (Grandfathered)	371,767	Bundled		205,264	1.66	340,739		
33	Subtotal--Prairie Land	543,812			352,260		584,751		

Mid-Kansas Electric Company, LLC
Comparison of Bills Local Access Charge

(continued)

Line	Description	Present Rates			Proposed Rates			Increase (Decrease)	
		Billing Demand (kW-mo)	Rate (\$/kW/mo)	Revenue (\$)	Billing Demand (kW-mo)	Rate (\$/kW/mo)	Revenue (\$)	Amount (\$)	Percent (%)
34	Victory Division								
35	Cimmaron (AR)	50,086	4 1.14	57,098	34,881	2.13 ⁹	74,297	17,198	30.1
36	Montezuma (AR)	32,026	4 1.14	36,510	19,912	2.13 ⁹	42,413	5,903	16.2
37	KEPCO (CMS Victory)	143,150	5 1.48	211,862					
38	KEPCO (Grandfathered)	135,678	5 Bundled						
39	Subtotal KEPCO	278,828	5		245,262	2.13	522,408		
40	Subtotal--Victory	360,940			300,055		639,117		
41									
42	Western Division								
43	Hoisington (KMEA)--Metered	39,089	1		33,825				
44	Hoisington (KMEA)--Generation	8,709	1		16,997				
45	Subtotal--Hoisington	47,798	1 1.48	70,741	50,822	1.45	73,692	2,950	4.2
46	Lincoln (KMEA)--Metered	32,492	1		33,850				
47	Lincoln (KMEA)--Generation	-	1		-				
48	Subtotal--Lincoln	32,492	1 1.48	48,088	33,850	1.45	49,083	995	2.1
49	Russell (KMEA)--Metered	146,280	1		104,450				
50	Russell (KMEA)--Generation	41,795	1		81,218				
51	Subtotal--Russell	188,075	1 1.48	278,351	185,668	1.45	269,218	(9,133)	(3.3)
52	Holyrood (AR)	9,891	4 1.14	11,276	6,760	1.45 ⁹	9,801	(1,474)	(13.1)
53	Lucas (AR)	14,789	4 1.14	16,859	11,104	1.45 ⁹	16,100	(759)	(4.5)
54	Luray (AR)	5,313	4 1.14	6,057	3,854	1.45 ⁹	5,589	(468)	(7.7)
55	KEPCO (Grandfathered)	94,257	5 Bundled		54,075	1.45	78,409		
56	Subtotal--Western	392,615			346,132		501,892		
57									
58	Wheatland Division								
59	Attica (KPP)--Metered	14,796	2		14,796				
60	Attica (KPP)--Generation	2	2		2				
61	Subtotal--Attica	14,798	2 1.48	21,901	14,798	1.48	21,901	-	-
62	KEPCO (Grandfathered)	87,345	5 Bundled		87,345	1.48	129,271		
63	Subtotal--Wheatland	102,143			102,143		151,172		
64									
65	Total--Wholesale Customers	1,812,981			1,406,966		2,691,892		

Mid-Kansas Electric Company, LLC
Comparison of Bills Local Access Charge
(continued)

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- ¹ Billed on the NCP of KMEA, all cities totalized. For the period January through June 2008, the KMEA totalized NCP included Beloit and Pratt, which are served at 115 kV. Effective July 1, 2008, the KMEA totalized NCP was revised to exclude Beloit and Pratt.
- ² Billed on the NCP of KPP, all cities totalized. Effective March 1, 2008, billed CP with MKEC transmission peak.
- ³ Effective November 1, 2008, the City of Greensburg moved from KMEA to KPP.
- ⁴ For the period January through June, the All Requirements (AR) cities were billed on the basis of the maximum NCP for the prior 12 months. Beginning July, 2008, they were billed on the basis of the current month NCP. The LAC rate used for this purpose is specified in the grandfathered agreement as \$1.14/kW/mo.
- ⁵ The Victory and CMS portion of the KEPCO (aka KEPCO South) load was billed in accordance with MKEC's OATT, using the CP with respect to the system peak. The remainder of the KEPCO load (aka KEPCO North) was billed on a grandfathered contractual basis. The billing demands reflect the contract 100% ratchet based on the previous June, July, August or September NCP for KEPCO North as one customer.
- The rate used for the KEPCO North piece is actually a bundled rate (transmission and LAC) specified in the grandfathered agreement, which doesn't permit an accurate determination of revenue under the present rates for the LAC portion only. The billing demands have been prorated to each MKEC Member-System.
- ⁶ Billed on CP with respect to MKEC transmission system peak.
- ⁷ Not billed during 2008.
- ⁸ For the period January through July, 2008, the Member-Systems were billed on the basis of CP with respect to the MKEC system peak. Beginning August, 2008, the Member-Systems were billed on the basis of CP with respect to MKEC's transmission system peak.
- ⁹ Assume that the proposed LAC rates will eventually be applied to all grandfathered agreement cities.