

BEFORE THE CORPORATION COMMISSION  
OF THE STATE OF KANSAS

In the Matter of the Annual Filing of )  
Southern Pioneer Electric Company for )  
Approval to Make Certain Changes to Its )  
Charges for Electric Services, Pursuant to the )  
Debt Service Coverage Formula Based ) KCC Docket No. 17-SPEE-476-TAR  
Ratemaking Plan Approved in Docket )  
No. 13-MKEE-452-MIS AND 34.5kV )  
Formula Based Ratemaking Plan Approved )  
in Docket No. 16-MKEE-023-TAR. )

**DIRECT TESTIMONY OF**  
**CARY CATCHPOLE**  
**ON BEHALF OF**  
**THE CITIZENS' UTILITY RATEPAYER BOARD**

**June 26, 2017**

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1 **I. INTRODUCTION**

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

3 A. My name is Cary Catchpole, and my business address is 1500 SW Arrowhead Road,  
4 Topeka, Kansas, 66604.

5

6 **Q. What is your occupation?**

7 A. I am an economist and accountant in the field of public utility regulation.

8

9 **Q. By whom are you employed and in what capacity?**

10 A. I am employed by the Citizens' Utility Ratepayer Board ("CURB") as a Regulatory  
11 Analyst.

12

13 **Q. Please describe your educational background.**

14 A. I graduated from Washburn University in Topeka, Kansas, in 2001 with a Bachelor of  
15 Business Administration *magna cum laude*, which included an emphasis in Finance. I  
16 recently earned a Master's Certificate in Public Utility Regulation & Economics from  
17 New Mexico State University in May 2017.

18

19 **Q. Please summarize your professional experience.**

20 A. I joined the CURB as a Regulatory Analyst in May of 2016. Prior to joining CURB, I  
21 worked as an economic developer with the Kansas Department of Commerce for 15 years  
22 in numerous capacities, including research analysis, business development representation,  
23 assistant management of workforce training and education, and incentive program

1 management.

2

3 **Q. Have you previously testified before the Commission?**

4 A. Yes, I have previously offered testimony before the Commission in KCC Docket Nos.

5 16-SPEE-497-RTS and 16-GIME-403-GIE.

6

7 **Q. Was this testimony and related exhibits prepared by you or under your**  
8 **supervision?**

9 A. Yes.

10

11 **II. PURPOSE AND SUMMARY**

12 **Q. Please describe the purpose of your direct testimony.**

13 A. The purpose of my testimony is as follows: 1) to recognize and support accounting rate  
14 adjustments for the 2016 Test Year as filed by Southern Pioneer Electric Company  
15 (“Southern Pioneer” or “Company”) identified in discovery; 2) offer support for Kansas  
16 Corporation Commission Staff (“Staff”) adjustments to advertising, dues, and other  
17 related accounts; and 3) discuss the modified application process in this filing that  
18 allowed Southern Pioneer Electric Company to jointly file the Debt Service Coverage  
19 (“DSC”) Formula Based Ratemaking Pilot Program (“DSC-FBR Plan”) and the 34.5kV  
20 Formula Based Ratemaking Plan (“34.5kV FBR Plan”) within the same docket.

21

22 **Q. Please summarize your recommendations on these subjects.**

1 A. Based upon my analysis and review of the filing and other documentation in this case, I  
2 recommend the Kansas Corporation Commission (“KCC” or “Commission”):

3 • Allow a correction to the per unit retail rate for Water Pumping Service class  
4 (from \$0.00122/kWh to \$.00101/kWh) in the 34.5kV Formula Based Rate  
5 calculation,

6 • Allow a correction to the per unit retail rate for Temporary Service class (from  
7 \$0.00274/kWh to \$0.00275/kWh) in the 34.5kV Formula Based Rate calculation,

8 • Allow a correction to the per unit retail rate for Municipal Service class (from  
9 \$0.00125/kWh to \$0.00126/kWh) in the 34.5kV Formula Based Rate calculation,

10 • Allow a correction to the per unit retail rate calculation for Residential General  
11 Use – Space Heating class (from \$0.00187/kWh to \$0.00156/kWh) that removes  
12 the space heating summer kilowatt hours found in the Patronage Report tab,

13 • Disallow an amount of \$1,395 as recommended by Staff for additional  
14 advertising, dues, and other related transactions not previously identified in the  
15 Company’s Exhibit 9, and

16 • Continue to allow Southern Pioneer to file the DSC-FBR Plan and the 34.5kV  
17 FBR Plan within the same docket.

18

19 **III. DISCUSSION OF THE ISSUES**

20 **A. Overview**

21 **Q. Please provide a brief background of this proceeding.**

22 A. On April 26, 2017, Southern Pioneer Electric Company filed in combination an Annual  
23 Debt Service Coverage Formula Based Ratemaking Plan Application and an Annual

1 Filing for the 34.5kV Formula Based Ratemaking Plan with the Commission in  
2 accordance with protocols for both plans. The net impact of this combined filing is a net  
3 retail rate decrease, and residential customers will experience an overall \$0.84%  
4 reduction in their rate. For the 2016 Test Year, Southern Pioneer’s DSC-FBR Plan  
5 results in a decrease of \$745,507, or a 1.1% revenue decrease, and the company’s 34.5kV  
6 FBR Plan results in a revenue increase of \$662,305, which is split 41/59 percent between  
7 Southern Pioneer’s wholesale and retail customers taking service over the company’s  
8 34.5kV sub-transmission facilities. The net retail revenue adjustment from both the  
9 DSC-FBR Plan and 34.5kV FBR Plan is a decrease of \$355,136, or 0.56% in distribution  
10 rates for its customers.

11 The April 26, 2016, filing is the fourth of five-year program filings made by  
12 Southern Pioneer in accordance with the Order Approving Non-Unanimous Settlement  
13 Agreement in Docket No. 13-MKEE-452-MIS (“452 Docket”),<sup>1</sup> and the second of three  
14 –year program filings provided in accordance with the Order Approving Settlement  
15 Agreement in Docket No. 16-MKEE-023-TAR (“023 Docket”).<sup>2</sup> The DSC-FBR Plan  
16 allows for retail rates to be adjusted annually based on maintaining a Debt Service  
17 Coverage (DSC) ratio of 1.75, subject to review and approval by the Commission.<sup>3</sup> The  
18 34.5kV FBR Plan provides for the annual recovery of the costs associated with Southern  
19 Pioneer’s 34.5kV sub-transmission system, and with Commission approval annual

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<sup>1</sup> Order Approving Non-Unanimous Settlement Agreement, Docket No. 13-MKEE-452-MIS, September 26, 2013, DSC-FBR Plan Protocols Attachment 1, Exhibit A (Order Approving Non-Unanimous Settlement Agreement).

<sup>2</sup> Order Approving Settlement Agreement, Docket No. 16-MKEE-023-TAR, March 10, 2016, 34.5kV Protocols Attachment A, Exhibit A (Order approving Settlement Agreement).

<sup>3</sup> Order Approving Non-Unanimous Settlement Agreement, p. 4, ¶ 16-17.

1 updates establish both retail rates and the wholesale Local Access Delivery Service  
2 demand rate (“LADS”).<sup>4</sup>

3  
4 **Q. Please explain how the Company calculated its proposed DSC-FBR Plan rate**  
5 **decrease of \$745,507 in this docket.**

6 A. As approved in the 452 Docket, the DSC is the ratio of (1) the difference between (i) net  
7 income (after taxes and after eliminating any gain or loss on sale of assets or other  
8 extraordinary gain or loss), plus depreciation expense, amortization expense, and interest  
9 expense; minus (ii) non-cash patronage and non-cash income from joint ventures; to (2)  
10 all principal payments due during the preceding calendar year on all long-term debt plus  
11 interest expense (as calculated for the twelve month period concluding with the end of the  
12 quarter in which the calculation is being made in accordance with Generally Accepted  
13 Accounting Principles, or GAAP, consistently applied).<sup>5</sup>

14 Southern Pioneer’s application shows that its calculated DSC ratio based upon the  
15 2016 test year is 1.88, and that a rate decrease of \$745,507 is necessary to decrease the  
16 DSC ratio to the prescribed level of 1.75.<sup>6</sup>

17  
18 **Q. Please explain how the Company calculated its proposed revenue increase of**  
19 **\$662,305 and LADS for the 34.5kV FBR Plan.**

20 A. The 34.5kV FBR Plan calculation outlined by protocols established in the 023 Docket  
21 annually recovers costs associated with Southern Pioneer’s sub-transmission system.

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<sup>4</sup> Order Approving Settlement Agreement, pp. 5-6, ¶ 13-16.

<sup>5</sup> Order Approving Non-Unanimous Settlement Agreement, Attachment 1, Exhibit A.

<sup>6</sup> Application for Southern Pioneer Electric Company, (April 26, 2017), p. 11, ¶ 12.

1 After removing any costs not associated with those facilities, the total 34.5kV FBR is  
2 determined by: (1) updating the revenue requirement utilizing the same adjustment  
3 mechanisms and similar expenses as the DSC-FBR Plan detailed above, (2) dividing the  
4 updated revenue requirement by the total billing demand for the historical test year to  
5 produce the wholesale LADS demand rate, (3) subtracting the Property Tax Surcharge  
6 for the 34.5kV system from the LADS rate, and (4) converting the final rate into a total  
7 dollar figure by multiplying by the kilowatt of hours of demand.<sup>7</sup> CURB has supported  
8 this process, recommending in the 452 Docket that the Commission utilize the same  
9 ratemaking methodology of the DSC-FBR Plan to establish annual Local Access Charges  
10 (“LAC”) for third-party customers utilizing the Company’s 34.5 kV facilities.<sup>8</sup>

11 Southern Pioneer’s application presents a calculated wholesale LADS of  
12 \$4.88/kW, and shows that a revenue increase of \$662,305 is needed to achieve the  
13 required revenue requirement.<sup>9</sup>

14  
15 **B. Company Adjustments to Class Rates**

16 **Q. Did Southern Pioneer’s application reflect all billing demand usage adjustments for**  
17 **the test year necessary to calculate the class rates?**

18 A. No. As a part of discovery, Southern Pioneer revealed that the Water Pumping Service  
19 class historical usage for the 34.5kV FBR Plan was not updated for the 2016 test year due  
20 to an accounting error. The company’s response to Staff DR 12 indicated the resulting  
21 correction affects the per unit retail rate for the Water Pumping Service class (updating

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<sup>7</sup> Order Approving Unanimous Settlement Agreement, Attachment A, Exhibit A.

<sup>8</sup> Andrea Crane testimony from the 13-MKEE-452-MIS, p. 4, lines 8-11 (May 3, 2013).

<sup>9</sup> Application for Southern Pioneer Electric Company, pp. 11 - 12, ¶13.



1 from \$0.00122/kWh to \$.00101/kWh), the Temporary Service class (updating from  
2 \$0.00125/kWh to \$0.00126/kWh), and the Municipal Service class (updating from  
3 \$0.00125/kWh to \$0.00126/kWh) in the 34.5kV FBR.<sup>10</sup>

4  
5 **Q. Please explain what effect these adjustments have on the application.**

6 A. This correction decreases the base revenue from customers by \$32,437, and changes the  
7 total base revenue percentage allocation for the Residential Service, General Service  
8 Small, General Service Large, Industrial Service, and the Water Pumping Service  
9 classes.<sup>11</sup> The changes do not affect the wholesale LADS of \$4.88/kW, or overall retail  
10 required revenue of \$390,371 as filed in the company's application for the 34.5kV FBR  
11 Plan. They do affect the allocation rate schedules for the DSC-FBR Plan and the 34.5kV  
12 FBR Plan however, and the percent change is included in Schedule CPC-2.

13  
14 **Q. Are there any other adjustments?**

15 A. Yes. CURB participated in a technical conference held June 5, 2017 with Staff, the  
16 Company and other intervenors. At the conference, a correction to the Residential  
17 General Use – Space Heating rate for the DSC-FBR Plan was presented. This correction  
18 decreases the rate by \$0.00031 to remove the space heating summer kilowatt hours<sup>12</sup>  
19 found in the Patronage Report. These changes do not impact the revenue requirements of  
20 either FBR plans as filed. I have examined this change as well as the other related

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<sup>10</sup> Southern Pioneer Response to Staff DR 12.

<sup>11</sup> Schedule CPC-1.

<sup>12</sup> See Southern Pioneer Response to Staff DR 16. Southern Pioneer Response to Staff DR 16, Attachments 1, "Exhibit 3-A Updated per Staff DR 16." The Company included corrections for both Staff DR 12 and Staff DR 16 in the updated Exhibit 3-A and Exhibit 3-B.

1 adjustments presented by Southern Pioneer, and consider their inclusion to be just and  
2 reasonable.

3  
4 **C. Staff Adjustments to Advertising, Dues, and Related categories**

5 **Q. Did Southern Pioneer provide a detailed accounting of its advertising, donations**  
6 **and charitable contributions?**

7 A. Yes, they did. As part of its filing, Southern Pioneer provided a list of its advertising,  
8 dues, donations, and charitable contributions in Exhibit 9.<sup>13</sup> This exhibit was provided in  
9 accordance with the Commission order in the 452 Docket that required Southern Pioneer  
10 to “include with its filing a complete detailed accounting by account, of all dues,  
11 donations, charitable contributions, promotional advertising, penalties, and fines, and  
12 entertainment expenses incurred during the Test Year.”<sup>14</sup>

13  
14 **Q. Has the Commission previously required a portion of charitable contributions or**  
15 **donations to be removed from the utility’s cost of service?**

16 A. Yes. In the past the Commission has commonly required regulated utilities to exclude  
17 50% of its charitable contributions or donations from the utility’s cost of service. These  
18 costs are generally considered inappropriate for inclusion to the cost of service as they are  
19 not necessary for the provision of safe and reliable utility service. The Commission  
20 policy conforms with K.S.A. 66-101f(a).<sup>15</sup> In addition to removing 50% of a utility’s

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<sup>13</sup> Application for Southern Electric Company, Exhibit 9 (4/28/2017).

<sup>14</sup> Order Approving Settlement Agreement, Attachment 1, Exhibit A, p. 5.

<sup>15</sup> K.S.A. 66-101 f(a) states: “For the purposes of determining just and reasonable rates, the Commission may adopt a policy of disallowing a percentage, not to exceed 50% of utility dues, donations and contributions to charitable, civic and social organizations and entities, in addition to disallowing specific dues, donations and contributions which are found unreasonable or inappropriate.”

1 charitable contributions, the Commission has historically excluded all costs related to  
2 Company promotion and corporate advertising.

3  
4 **Q. Please describe any adjustments Southern Pioneer made to eliminate 50% of its**  
5 **charitable contributions and 100% of Company promotion and corporate**  
6 **advertising expenses from its cost of service.**

7 A. I have reviewed Southern Pioneer's Exhibit 9, and verify that the Company eliminated  
8 \$112,374; 50% of a portion of charitable contributions and 100% of some advertising  
9 expenses from its cost of service. Southern Pioneer should remove an additional \$1,395  
10 for costs not adjusted in the Company's Exhibit 9,<sup>16</sup> which includes a credit of \$3,361  
11 for Company customer informational advertising, \$2,207 in Company entertainment  
12 expenses, and \$2,550 for 50% of dues, donations and charitable contributions. A Staff  
13 document was provided as guidance to the Company and intervenors in the June 19, 2017  
14 status conference call outlining these adjustments. The amount is composed of a balance  
15 of credits and deductions, and the document is attached as Exhibit CPC-1 for reference.

16  
17 **Q. Was the guidance provided by Commission Staff helpful?**

18 A. Yes. CURB feels the additional adjustments to Exhibit 9 are reasonable, and would  
19 support additional guidance provided by Staff regarding adjustments to Southern  
20 Pioneer's dues, donations, charitable contributions, promotional advertising, penalties,  
21 and fines, and entertainment expenses.

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<sup>16</sup> Schedule CPC-3 and CPC-4 shows CURB's recommended adjustments to Southern Pioneer's Customer Service and Informational Expense, Sales Expense, Administrative and General Expense, and Other Deductions accounts located in the Company's ledger.

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**D. Discussion of the Combined Filing Process**

**Q. Please identify and explain the new application process for the DSC-FBR Plan and the 34.5kV FBR Plan.**

A. Commission orders in Docket Nos. 16-SPEE-497-RTS (“16-497 Docket”) and 16-SPEE-501-TAR (“16-501 Docket”) have allowed Southern Pioneer to combine the DSC-FBR Plan annual filing along with the 34.5kV FBR Plan annual updated filing within the same docket. CURB supported this application change due to the fact the two FBR Plans work in conjunction utilizing the same underlying costs, and their allocated cost amounts summed together cannot be greater than the total actual cost amount recorded on Southern Pioneer’s financial statement.<sup>17</sup> As described earlier, Southern Pioneer is to submit a DSC-FBR Plan update each year for five years by May 1 as approved by the Commission in the 452 Docket, filing for the calendar year just ended (“Test Year”) and making application for certain changes to its retail rates. As required by the protocols, the Company excludes certain costs applicable to its 34.5kV sub-transmission services. Those costs are included in the 34.5kV Formula Based Rate Plan, which is filed annually following its own set of Protocols that use similar methodology.

**Q. Have there been any benefits experienced by the combined filing?**

A. Allowing Southern Pioneer to combine the DSC-FBR Plan and 34.5kV FBR Plan annual updated filings in one docket has encouraged greater judicial/administrative efficiency as required by protocols, less confusion in applying the tariff, and a reduced cost to the

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<sup>17</sup> Direct Testimony of Cary Catchpole, KCC Docket No. 17-SPEE-476-TAR, July 1, 2016, p. 9, lines 8-12.

1 consumer. One of the most beneficial aspects of the combined filing is the one-time  
2 billing adjustment to the customer. Instead of having two adjustments applied to their  
3 bill at two separate times, the customer will experience one adjustment simultaneously  
4 when the two are applied. This one-time tariff communication that results in a single rate  
5 change for the company's retail customers offers less overall confusion, and a clearer  
6 way to understand the net effect.

7  
8 **Q. Should the Commission continue to order a combined application process?**

9 A. Yes, CURB would continue to support the filing of Southern Pioneer's DSC-FBR Plan  
10 and the 34.5kV FBR Plan simultaneously in the same docket.

11  
12 **IV. SUMMARY OF ADJUSTMENTS**

13 **Q. What is the total amount of your recommended adjustments?**

14 A. I am recommending the Commission approve a net reduction to the Company's revenue  
15 requirement of \$1,395 that represents adjustments to dues, donations, charitable  
16 contributions, promotional advertising, penalties, and fines, and entertainment expenses  
17 incurred during the Test Year. In addition, I recommend the Commission allow the rate  
18 adjustments presented by the Company for the Residential Service, General Service  
19 Small, General Service Large, Industrial Service, and the Water Pumping Service classes  
20 that will affect allocation of the DSC-FBR and 34.5kV FBR plans to customers.

21  
22 **Q. Does this conclude your testimony?**

23 A. Yes, it does.

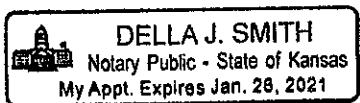
**VERIFICATION**

STATE OF KANSAS                    )  
  ) ss:  
COUNTY OF SHAWNEE            )

I, Cary Catchpole, of lawful age and being first duly sworn upon my oath, state that I am a regulatory analyst for the Citizens' Utility Ratepayer Board; that I have read and am familiar with the above and foregoing document and attest that the statements therein are true and correct to the best of my knowledge, information, and belief.

*Cary Catchpole*  
\_\_\_\_\_  
Cary Catchpole

SUBSCRIBED AND SWORN to before me this 26<sup>th</sup> day of June, 2017.



*Della J. Smith*  
\_\_\_\_\_  
Notary Public

My Commission expires: 01-26-2021.

## APPENDIX A

### Schedules

CPC-1

CPC-2

CPC-3

CPC-4

**Southern Pioneer Electric Company**  
**34.5kV Formula Based Rate**  
**Allocation of 34.5kV FBR Rate Adjustment to Retail Rate Classes**  
**For Year 2017 Based on the Historical Test Year Ending December 31, 2016**

**I. Calculation of the 34.5kV FBR Retail Rate Adjustment**

Line No.	Description	Source	Amount
1	Resultant LAC rate	Pg. 1, L40	\$ 4.88 /kW/mo
2	Currently Effective LAC rate	16-SPEE-501-TAR	\$ 4.19 /kW/mo
3	Difference	L2 - L3	\$ 0.69 /kW/mo
4			
5	Additional Revenue Needed From Retail:		
6	Retail LAC Demand	WP5-B, L26, Col (Total)	\$ 565,755 kW
7	Additional Per kW LAC	L3	\$ 0.69 /kW/mo
8			\$ 390,371

**II. Proportional Allocation of 34.5kV FBR Retail Rate Adjustment to Rate Classes On Base Revenue by Rate Schedule**

Line No.	Rate Schedule	Rate Schedule Revenue <sup>1</sup>	Allocated Power Supply Cost of Service <sup>1</sup>	Base Revenue <sup>1</sup>	Percent of Tot Base Rev	Allocation of Rate Adjustment				
						34.5kV FBR Adjustment <sup>1</sup>	Base Revenue	Check the Spread	Historical Energy Sales	34.5kV FBR Adjustment per kWh
		(\$)	(\$)	(\$)	(%)	(\$)	(\$)	(%)	(kWh)	(\$)
1	Residential Service (RS)									
2	General Use	\$ 15,763,392	\$ 7,654,764	\$ 8,108,628	40.12%	\$ 156,629	\$ 8,265,257	40.12%	110,444,412	0.0014
3	Space Heating <sup>2</sup>	\$ 921,170	\$ 466,026	\$ 455,144	2.25%	\$ 8,792	\$ 463,936	2.25%	6,830,864	0.0013
4	General Service Small (GSS)	\$ 1,782,516	\$ 786,862	\$ 995,654	4.93%	\$ 19,232	\$ 1,014,887	4.93%	11,320,914	0.0017
5	General Service Large (GSL)	\$ 17,257,351	\$ 9,656,685	\$ 7,600,666	37.61%	\$ 146,817	\$ 7,747,484	37.61%	134,932,301	0.0011
6	General Service Space Heating <sup>2</sup>	\$ 566,001	\$ 339,342	\$ 226,659	1.12%	\$ 4,378	\$ 231,037	1.12%	5,204,900	0.0008
7	Industrial Service (IS)	\$ 3,887,870	\$ 2,449,537	\$ 1,438,333	7.12%	\$ 27,783	\$ 1,466,116	7.12%	36,962,310	0.0008
8	Interruptible Industrial Service (INT)	\$ -	\$ -	\$ -	0.00%	\$ -	\$ -	0.00%	-	N.A.
9	Real -Time Pricing (RTP) <sup>3</sup>	\$ 1,845,507	\$ 1,845,507	\$ -	0.00%	\$ -	\$ -	0.00%	34,334,575	N.A.
10	Sub-transmission Level Service (STR) <sup>4</sup>	\$ 23,358,311	N.A.	N.A.	0.00%	\$ -	\$ -	0.00%	386,952,944	N.A.
11	Municipal Power Service (M-I)	\$ 197,384	\$ 101,862	\$ 95,522	0.47%	\$ 1,845	\$ 97,367	0.47%	1,469,508	0.0013
12	Water Pumping Service (WP)	\$ 686,955	\$ 384,425	\$ 302,530	1.50%	\$ 5,844	\$ 308,374	1.50%	5,788,255	0.0010
13	Irrigation Service (IP-I)	\$ 299,002	\$ 147,704	\$ 151,298	0.75%	\$ 2,923	\$ 154,220	0.75%	2,002,406	0.0015
14	Temporary Service (CS)	\$ 22,336	\$ 8,836	\$ 13,500	0.07%	\$ 261	\$ 13,761	0.07%	94,915	0.0028
15	Lighting	\$ 1,083,757	\$ 262,387	\$ 821,370	4.06%	\$ 15,866	\$ 837,236	4.06%	4,074,308	0.0039
16	<b>Total Retail Rates</b>	\$ 67,671,552	\$ 24,103,937	\$ 20,209,304	100.00%	\$ 390,371	\$ 20,599,675	100.00%	740,412,612	

<sup>1</sup> See Workpaper 7-B for detail.

<sup>2</sup> The per kWh Adjustment shown in Column (k) constitutes annual average, with the actual seasonal components varying due to rate design. See Work Paper 7-B for detail.

<sup>3</sup> Exclude RTP (marginal piece/unadjustable rate). Note, however, that these customers will still share in the 34.5kV FBR adjustment per their corresponding baseline tariff.

<sup>4</sup> STR customers will not share in retail 34.5kV FBR adjustment: 115 STR take service at a higher voltage level, and 34.5 kV STR pay their share of 34.5 kV system costs in the demand rate component.



**SOUTHERN PIONEER ELECTRIC COMPANY**  
**CURB Allocation of DSC-FBR and 34.5kV FBR Rate Adjustment to Rate Schedules**

Line No.	Rate Schedule	Rate Schedule Revenue	DSC-FBR Adjustment	34.5kV FBR Adjustment	Net Change	Change as Percent
		(\$)	(\$)			(%)
1	Residential Service (16-RS)					
2	General Use	15,763,392	(288,053)	156,629	(131,424)	-0.83%
3	Space Heating	921,170	(16,169)	8,792	(7,377)	-0.80%
4	General Service Small (16-GSS)	1,782,516	(35,370)	19,232	(16,137)	-0.91%
5	General Service Large (16-GSL)	17,257,351	(270,008)	146,817	(123,191)	-0.71%
6	General Service Space Heating	566,001	(8,052)	4,378	(3,674)	-0.65%
7	Industrial Service (16-IS)	3,887,870	(51,096)	27,783	(23,312)	-0.60%
8	Industrial Service-Primary Discount	-	-	-	-	-
9	Real -Time Pricing (13-RTP)	1,845,507	-	-	-	-
10	Transmission Level Service (16-STR)	23,358,311	(27,586)	-	(27,586)	-0.12%
11	Municipal Power Service (16-M-I)	197,384	(3,393)	1,845	(1,548)	-0.78%
12	Water Pumping Service (16-WP)	686,955	(10,747)	5,844	(4,903)	-0.71%
13	Irrigation Service (16-IP-I)	299,002	(5,375)	2,923	(2,452)	-0.82%
14	Temporary Service (16-CS)	22,336	(480)	261	(219)	-0.98%
15	Lighting	1,083,757	(29,179)	15,866	(13,313)	-1.23%
16	<b>Total Retail Rates</b>	<b>67,671,552</b>	<b>(745,507)</b>	<b>390,371</b>	<b>(355,136)</b>	<b>-0.52%</b>

<sup>1</sup> See Workpaper 4-A and 7-B for detail.

<sup>2</sup> For DSC-FBR Adjustment for the STR class, see Workpapers 4-A/6-A. STR doesn't share in the 34.5kV FBR adjustment.

<sup>3</sup> See Workpapers 9-A/9-B and 10-A/10-B for applying the resultant per kWh FBR adjustment to the corresponding tariff rates.

**SOUTHERN PIONEER ELECTRIC COMPANY**  
**DSC FORMULA BASED RATE - WITH CURB RECOMMENDED ADJUSTMENTS TO ADVERTISING, DUES AND DONATIONS**

ITEM	UNADJUSTED HISTORICAL TEST YEAR		COMPANY ADJUSTMENTS		CURB ADJUSTMENTS		ADJUSTED HISTORICAL TEST YEAR		DISTRIBUTION ALLOCATION FACTOR	DSC-FBR	34.5 kV Total System
	[2016]	(\$)	NO.	AMOUNT (\$)	NO.	AMOUNT (\$)	[2016]	(\$)			
<b>A. STATEMENT OF OPERATIONS</b>											
1. Operating Revenue and Patronage Capital	69,890,650	F7, Pt. A, Col. B	[1]	673,949			70,564,599		Direct (E.3.a)	66,029,048	4,535,551
2. Power Production Expense	-	F7, Pt. A, Col. B					-		0.0000	-	
3. Cost of Purchased Power	46,483,909	F7, Pt. A, Col. B					46,483,909		1.0000	46,483,909	
4. Transmission Expense	1,296,041	F7, Pt. A, Col. B					1,296,041		0.0000	-	
5. Regional Market Expense	-	F7, Pt. A, Col. B					-		0.0000	-	
6. Distribution Expense - Operation	4,420,104	F7, Pt. A, Col. B	[2-a]	(22,546)			4,397,558		1.0000	4,397,558	
7. Distribution Expense - Maintenance	1,690,736	F7, Pt. A, Col. B	[2-b]	-			1,690,736		1.0000	1,690,736	
8. Customer Accounts Expense	1,250,910	F7, Pt. A, Col. B	[2-c]	(2,424)			1,248,486		1.0000	1,248,486	
9. Customer Service and Informational Expense	132,233	F7, Pt. A, Col. B	[2-d]	(21,942)	(1)	2,780	113,071		1.0000	113,071	
10. Sales Expense	13,594	F7, Pt. A, Col. B	[2-e]	(13,455)	(1)	(20)	119		1.0000	119	
11. Administrative and General Expense	1,868,421	F7, Pt. A, Col. B	[2-f]	(16,379)	(1)	(1,605)	1,850,437		0.9429	1,744,856	
12. <b>Total Operation &amp; Maintenance Expense</b>	<b>57,155,948</b>	F7, Pt. A, Col. B		<b>(76,746)</b>		<b>1,155</b>	<b>57,080,357</b>			<b>55,678,735</b>	
13. Depreciation and Amortization Expense	3,026,359	F7, Pt. A, Col. B					3,026,359		0.7127	2,156,888	869,471
14. Tax Expense - Property & Gross Receipts	-	F7, Pt. A, Col. B					-		0.7181	-	
15. Tax Expense - Other	3,294,166	F7, Pt. A, Col. B	[3]	(3,269,166)			25,000		0.8880	22,201	2,799
16. Interest on Long-Term Debt	5,660,152	F7, Pt. A, Col. B	[4]	(142,898)			5,517,254		0.7181	3,961,939	
17. Interest Charged to Construction - Credit	-	F7, Pt. A, Col. B					-		0.7181	-	
18. Interest Expense - Other	83,838	F7, Pt. A, Col. B	[5]	42,705			126,543		0.7181	90,870	
19. Other Deductions	829,459	F7, Pt. A, Col. B	[2-g]	(35,628)	(1)	(2,550)	791,281		0.7181	568,219	
20. <b>Total Cost of Electric Service</b>	<b>70,049,922</b>	F7, Pt. A, Col. B		<b>(3,481,733)</b>		<b>(1,395)</b>	<b>66,566,794</b>		<b>0.9386</b>	<b>62,478,852</b>	
21. <b>Patronage Capital &amp; Operating Margins</b>	<b>(159,272)</b>	F7, Pt. A, Col. B		<b>4,155,682</b>		<b>1,395</b>	<b>3,997,805</b>			<b>3,550,197</b>	
22. Non Operating Margins - Interest	13	F7, Pt. A, Col. B					13		0.7181	9	
23. Allowance for Funds Used During Construction	-	F7, Pt. A, Col. B					-		0.7181	-	
24. Income (Loss) from Equity Investments	4,248,150	F7, Pt. A, Col. B					4,248,150		1.0000	4,248,150	
25. Non Operating Margins - Other	7,250	F7, Pt. A, Col. B					7,250		1.0000	7,250	
26. Generation and Transmission Capital Credits	-	F7, Pt. A, Col. B					-		1.0000	-	
27. Other Capital Credits and Patr. Dividends	1,047,207	F7, Pt. A, Col. B					1,047,207		0.7181	751,999	
28. Extraordinary Items	-	F7, Pt. A, Col. B					-		1.0000	-	
29. <b>Patronage Capital or Margins</b>	<b>5,143,348</b>	F7, Pt. A, Col. B		<b>4,155,682</b>			<b>9,300,425</b>		<b>0.9201</b>	<b>8,557,605</b>	

**SOUTHERN PIONEER ELECTRIC COMPANY**  
**DSC FORMULA BASED RATE - WITH CURB RECOMMENDED ADJUSTMENTS TO ADVERTISING, DUES AND DONATIONS**

ITEM	UNADJUSTED HISTORICAL TEST YEAR [2016] (\$)	COMPANY ADJUSTMENTS NO. AMOUNT (\$)	CURB ADJUSTMENTS NO. AMOUNT (\$)	ADJUSTED HISTORICAL TEST YEAR [2016] (\$)	DISTRIBUTION ALLOCATION FACTOR see Workpaper 1-A	DSC-FBR (\$)	34.5 kV Total System
31.							
32.	<b><u>B. DEBT SERVICE PAYMENTS</u></b>						
33.	5,743,990	(100,193)		5,643,797	0.7181	4,052,809	
34.	2,206,843	135,254	[6]	2,342,097	0.7181	1,681,859	
35.	7,950,833	35,061		7,985,894	0.7181	5,734,668	
36.							
37.	<b><u>C. DEBT SERVICE MARGINS</u></b>						
38.	5,143,348			9,300,425	0.9201	8,557,605	
39.	3,026,359			3,026,359	0.7127	2,156,888	
40.	5,743,990	(100,193)		5,643,797	0.7181	4,052,809	
41.	711,316			711,316	0.7181	510,796	
42.	724,003			724,003	0.7181	519,906	
43.	3,269,166	(3,269,166)		-	0.8880	-	
44.	(4,248,150)			(4,248,150)	1.0000	(4,248,150)	
45.	(1,047,207)			(1,047,207)	0.7181	(751,999)	
46.	13,322,825			14,110,543		10,797,855	
47.							
48.	1.68			1.77		1.88	
49.							
50.	<b><u>E. DEBT SERVICE COVERAGE TARGET</u></b>						1.75
51.					Adjusted DSC Margins are:	Above the Target	
52.							

**SOUTHERN PIONEER ELECTRIC COMPANY**  
**DSC FORMULA BASED RATE - WITH CURB RECOMMENDED ADJUSTMENTS TO ADVERTISING, DUES AND DONATIONS**

ITEM	UNADJUSTED HISTORICAL TEST YEAR [2016] (\$)	COMPANY ADJUSTMENTS NO. AMOUNT (\$)	CURB ADJUSTMENTS NO. AMOUNT (\$)	ADJUSTED HISTORICAL TEST YEAR [2016] (\$)	DISTRIBUTION ALLOCATION FACTOR see Workpaper 1-A	DSC-FBR (\$)	34.5 kV <u>Total System</u>
53. <b><u>F. INITIAL OPERATING INCOME ADJUSTMENT</u></b>							
54. DSC Adjustment Required to Achieve Target				(0.02)		(0.13)	
55. Debt Service Payments				<u>7,985,894</u>		<u>5,734,668</u>	
56. After-Tax Operating Income Adjustment				(135,229)		(745,507)	
57.							
58. <b><u>G. EQUITY TEST (Increase will not result in &gt; 15% equity ratio)</u></b>		Plus					
59.	<u>Pre-Adjustment</u>	<u>Adjustment</u>		<u>Post-Adjustment</u>			
60. Total Margins and Equities	12,273,757 <small>F7, Pt. C, L35 + acct 426.6</small>	(745,507)		11,528,250			
61. Total Assets	<u>135,907,968</u> <small>F7, Pt. C, L28</small>	[7] (576,152)		<u>135,331,816</u>			
62. Equity Ratio	<u>9.03%</u> <small>L60 / L61</small>			<u>8.52%</u>			
63.							
64. <b><u>H. FINAL REVENUE ADJUSTMENT PROPOSED</u></b>							
65. Operating Income Adjustment						(745,507)	
66. Rate Schedule Revenue						<u>66,029,048</u>	
67. Adjustment Percentage						-1.1%	

SOUTHERN PIONEERS ELECTRIC COMPANY  
34.5kV FORMULA BASED RATE  
REVENUE REQUIREMENT AND RATE - WITH CURB RECOMMENDED ADJUSTMENTS TO ADVERTISING, DUES AND DONATIONS

(a) Line No	(b) Description	(c) Source	(d) Unadjusted Historical Test Year [2016]	(e) Company Adjustments		(f) CURB Adjustments		(g) Adjusted Historical Test Year [2016]	(h) Allocation Factor		(i) FBR Revenue Requirement
				No.	Amount	No.	Amount		Name	Factor	
				Source: WP2-B					Source: WP3-B		
1	<b>Operating Expenses</b>										
2	Power Production Expense	WP1-B, L29, Col ( d )	\$ -				\$ -			0.000000	
3	Cost of Purchased Power	WP1-B, L30, Col ( d )	\$ 46,483,909				\$ 46,483,909			0.000000	
4	Transmission O&M	WP1-B, L31, Col ( d )	\$ 1,296,041				\$ 1,296,041			1.000000	\$ 1,296,041
5	Distribution Expense-Operation	WP1-B, L32, Col ( d )	\$ 4,420,104	[1]	\$ -		\$ 4,420,104	DOM		0.000000	\$ -
6	Distribution Expense-Maintenance	WP1-B, L33, Col ( d )	\$ 1,690,736	[2]	\$ -		\$ 1,690,736	DOM		0.000000	\$ -
7	Consumer Accounts Expense	WP1-B, L34, Col ( d )	\$ 1,250,910				\$ 1,250,910			0.000000	\$ -
8	Customer Service and Informational Expense	WP1-B, L35, Col ( d )	\$ 132,233			(1)	\$ 2,780			0.000000	\$ -
9	Sales Expense	WP1-B, L36, Col ( d )	\$ 13,594			(1)	\$ (20)			0.000000	\$ -
10	Administration & General	WP1-B, L37, Col ( d )	\$ 1,868,421	[3]	\$ (16,379)	(1)	\$ (1,605)	LAB		0.057057	\$ 105,672
11	<b>Total O&amp;M Expense</b>	Sum (L2:L10)									\$ 1,401,713
12	Depreciation and Amortization										
13	Transmission	WP1-B, L40, Col ( d )	\$ 633,372				\$ 633,372			1.000000	\$ 633,372
14	General Plant	WP1-B, L41, Col ( d )	\$ 182,932				\$ 182,932	LAB		0.057057	\$ 10,438
15	Property Tax	WP1-B, L43, Col ( d )	\$ -				\$ -	NP		0.281900	\$ -
16	Other Taxes <sup>1</sup>	WP1-B, L44, Col ( d )	\$ 3,294,166	[4]	\$ (3,269,166)		\$ 25,000			0.111801	\$ 2,795
17	L.T. Interest	WP1-B, L45, Col ( d )	\$ 5,660,152	[5]	\$ (142,898)		\$ 5,517,254	NP		0.281900	\$ 1,555,315
18	Interest Charged to Construction - Credit	WP1-B, L46, Col ( d )	\$ -	[6]	\$ -		\$ -	NP		0.281900	\$ -
19	Interest-Other	WP1-B, L47, Col ( d )	\$ 83,838	[7]	\$ 42,705		\$ 126,543	NP		0.281900	\$ 35,673
20	Other Deductions	WP1-B, L48, Col ( d )	\$ 829,459	[8]	\$ (35,628)	(1)	\$ (2,550)	NP		0.281900	\$ 223,781
21	<b>Total Cost of Electric Service</b>										<b>\$ 3,863,087</b>
22											
23	<b>Margin Requirement</b>										
24	Principal Payments	WP1-B, L62, Col ( d )	\$ 2,206,843	[9]	\$ 135,254		\$ 2,342,097	NP		0.281900	\$ 660,238
25	L.T. Interest	L17	\$ 5,660,152		\$ (142,898)		\$ 5,517,254	NP		0.281900	\$ 1,555,315
26	Interest-Other	L18	\$ 83,838		\$ 42,705		\$ 126,543	NP		0.281900	\$ 35,673
27	Subtotal	Sum (L22:24)									\$ 2,251,225
28	Required Coverage Ratio	WP1-B, L65, Col ( d )									1.75
29	Gross Margin Requirements	L27 x L28									3,939,645
30	Less: Offsets to Margin Requirements	WP4-B, L7, Col ( i )									2,639,414
31	Net Margin Requirement	L29 - L30									<b>\$ 1,300,231</b>
32											
33	<b>Total Revenue Requirements</b>										
34	Add: Net Margin Requirement	L21 + L31									\$ 5,163,317
35	Add: True-Up Amount <sup>2</sup>	per Section I of the Protocols									\$ 9,504
36	<b>Total Net Revenue Requirements</b>	L34 + L35									\$ 5,172,821
37	Divided By Total System Billing Demand	WP5-B, L28									959,863 kW
38	Unadjusted Unit Rate	L36 / L37									\$5.389/kW-mo.
39	Less: Property Tax Surcharge	Dkt. No. 17-SPEE-263-TAR									\$0.511/kW-mo.
40	<b>Resultant Unit Rate</b>	L38- L39									<b>\$4.88/kW-mo.</b>

<sup>1</sup> The resultant allocator is the remainder of Taxes-Other, cash portion, allocated to 2017 DSC-FBR, where 88.82% was assigned to distribution system.

<sup>2</sup> Work Paper 12-B, Line 3

APPENDIX B

Data Requests

STAFF-12

STAFF-16

**Kansas Corporation Commission**  
Information Request

Request No: **12**

Company Name                    SOUTHERN PIONEER ELECTRIC COMPANY                    SPEE  
Docket Number                17-SPEE-476-TAR  
Request Date                    May 19, 2017  
Date Information Needed      May 30, 2017

RE: Patronage Report - Water Pumping Service

**Please Provide the Following:**

Per EX 3-A: WP 4-A: Proportional Adjustment and WP 5-A: Patronage Report tabs, the Water Pumping Service class had a total kWh usage of 5,888,275 kWh.

Per Ex3-B: WP 7-B: Retail Proportional Adj tab, the Water Pumping Service class had a total kWh usage of 5,294,631 kWh; however, WP 8-B: Patronage Report totaled 5,888,275 kWh.

Please provide a detailed explanation for the variance for Water Pumping Service class between the tabs listed above.

Submitted By Chad Unrein  
Submitted To Randy Magnison

**Response:**

- 1) Please note that the referenced WP4-A, WP5-A, and WP8-B in the filed Exhibits 3-A and 3-B contain 5,788,255 (not 5,888,275 as noted above).
- 2) It appears that in Exhibit 3-B/WP 7-B, the cell containing Water Pumping Services class' historical usage did not get updated, i.e. was inadvertently not "linked up" to the corresponding cell in the WP 8-B, but instead left as a hard-coded number. The 5,788,255 kWh is the correct 2016 annual usage for Water Pumping Services as reflected in the Exhibit 3-A, WP4-A/WP5-A and in Exhibit 3-B, WP8-B. See attached "Staff DR12 – EX3-B Updated WP 7-B.xlsm" reflecting this minor correction, with the updates highlighted (see WP7-B; updates are automatically picked up on "EX3-B Retail Allocation", WP10-B, and "Table 1-B" tabs). The correction only slightly (in the i.e. hundredth or thousandth of a cent place value) affects the resultant *per unit* retail rate adjustment for Water Pumping Service (from \$0.00122/kWh to \$0.00101/kWh), Temporary Service (from \$0.00274/kWh to \$0.00275/kWh), and Municipal Service (from \$0.00125/kWh to \$0.00126/kWh) in the 34.5kV FBR/Exhibit 3-B only. It has no impact on the proposed wholesale \$4.88/kWh LADS as filed, nor does it change the \$390,371 overall retail adjustment as filed in Exhibit 3-B or the rest of the per unit adjustments; and there is no impact on DSC-FBR/Exhibit 3-A. Also see attached "Staff DR 12 SP Combined Tariffs.xlsm" updated to show the impact of picking up these minor changes for 16-WP, 16-CS, and 16-M-I.

I have read the foregoing Information Request and answer(s) thereto and find answer(s) to be true, accurate, full and complete and contain no material misrepresentations or omissions to the best of my knowledge and belief; and I will disclose to the Commission Staff any matter subsequently discovered which affects the accuracy or completeness of the answer(s) to this Information Request.

Signed: Elena Larson

Date: 5-22-17

**Kansas Corporation Commission**  
Information Request

Request No: **16**

Company Name                    SOUTHERN PIONEER ELECTRIC COMPANY                    SPEE  
Docket Number                17-SPEE-476-TAR  
Request Date                    June 7, 2017  
Date Information Needed      June 15, 2017

RE: Residential - Space Heating Correction - Updated Exhibit 3-A&B

**Please Provide the Following:**

Technical Conference Follow-up:  
Please provide an updated Exhibit 3-A and Exhibit 3-B with the corrected rate calculation for Residential General Use - Space Heating provided in WP10-A Rate Adjustment tab with the removal of space heating summer kWh's found in the Patronage Report tab.

Submitted By   Chad Unrein

Submitted To   Randy Magnison

**Response:**

See attached "Exhibit 3-A UPDATED per Staff DR 16.xlsm" and "Exhibit 3-B UPDATED per Staff DR 16.xlsm"\*, as requested. Please note the only impact is on WP 10-A and WP 10-B, retail Residential General Use – Space Heating (space heat block per unit rate only). See also "Staff DR 16 Combined Tariffs.xlsm" for updated resultant retail Residential General Use – Space Heating (space heat block per unit rate only).\*\*

\* Note that Exhibit 3-B file used already incorporates correction per Staff DR 12.

\*\* The Combined Tariffs file used already incorporates correction per Staff DR 12.

If for some reason, the above information cannot be provided by the date requested, please provide a written explanation of those reasons.

**Verification of Response**

I have read the foregoing Information Request and answer(s) thereto and find answer(s) to be true, accurate, full and complete and contain no material misrepresentations or omissions to the best of my knowledge and belief; and I will disclose to the Commission Staff any matter subsequently discovered which affects the accuracy or completeness of the answer(s) to this Information Request.

Signed: Elena Larson

Date: 6-8-17



APPENDIX C

Exhibits

CPC-5

**Southern Pioneer Electric Company Dues, Donations, Charitable Contributions, Promotional Advertising, Penalties and Fines, and Entertainment Expense - 2016**

Line No.	Account	Account Description	Date	Amount (\$)	Invoice No.	Reference	Vendor Name	Classification	SPEC Exclusion (%)	SPEC Excluded (\$)	STAFF Exclusion (%)	Staff Excluded (\$)	Staff Exclusion Detail
<b>CUSTOMER SERVICE &amp; INFORMATION EXPENSE</b>													
1	905.4	Customer Records-Adv,Dues,Promo,Enter	01/01/16	\$ 1,900	D83694-3	Paperless Billing Ads	KWCH	Advertising-General	100%	\$ (1,900)	0%	\$ 1,900	Customer Information Advertising
2	905.4	Customer Records-Adv,Dues,Promo,Enter	01/01/16	880	169168-3	SPEC Auto Pay Ads	KDCU-TV	Advertising-General	100%	(880)	0%	880	Customer Information Advertising
3	<b>Customer Service &amp; Information Adjustment - Total</b>			<b>\$ 2,780</b>									
<b>SALES EXPENSE</b>													
4	912.0	Demonstration & Selling (Promotion)	08/30/16	\$ 15	201608-0348	Booth Space For Health Fair	Southwest Medical Center	Public Service (Advertising and Other)	0%	\$ -	50%	\$ (8)	Health Fair Event - Booth Space
5	912.0	Demonstration & Selling (Promotion)	09/30/16	25	406885	Table Cloths-Health Fair	CC Miscellaneous	Public Service (Advertising and Other)	0%	-	50%	(12)	Health Fair Event - Booth Space
6	<b>Sales Expense Adjustment - Total</b>			<b>\$ 40</b>									
<b>ADMINISTRATIVE &amp; GENERAL EXPENSE</b>													
7	930.1	General Advertising Expense	01/31 - 12/30/16	\$ 357	201601-01935	Web Directory Charges	Pioneer Communications	Advertising-General	100%	\$ (357)	0%	\$ 357	Directory Advertisement
8	930.1	General Advertising Expense	04/01/16	84	201603-1689	New Loc Ads	Protection Press, Inc	Advertising-General	100%	(84)	50%	42	Customer Information Related Ad
9	930.1	General Advertising Expense	04/09/16	88	362	New Loc Ads	Cunningham Courier	Advertising-General	100%	(88)	50%	44	Customer Information Related Ad
10	930.1	General Advertising Expense	05/01/16	42	5933	New Location Ad	The Western Star Inc	Advertising-General	100%	(42)	50%	21	Customer Information Related Ad
11	930.1	General Advertising Expense	03/30/16	60	201604-1659	New Location Ad ML	The Kiowa News	Advertising-General	100%	(60)	50%	30	Customer Information Related Ad
12	930.1	General Advertising Expense	04/01/16	84	5842	New Location Ad ML	The Western Star Inc	Advertising-General	100%	(84)	50%	42	Customer Information Related Ad
13	930.1	General Advertising Expense	05/01/16	130	201603-1464	New Location Ads	Pratt Tribune	Advertising-General	100%	(130)	50%	65	Customer Information Related Ad
14	930.4	Employee Socials -Christmas/Other	01/04/16	125		Retiree Christmas Gift - Energy Credits		Employee Activities-Allowed	0%	-	100%	(125)	Employee Appreciation - Gifts
15	930.4	Employee Socials -Christmas/Other	11/30/16	774		SMJ10 TX FRNG-Christmas Gifts		Employee Activities-Allowed	0%	-	100%	(774)	Employee Appreciation - Gifts
16	930.4	Employee Socials -Christmas/Other	12/08/16	799		SMJ10 TX FRNG-Christmas Gifts		Employee Activities-Allowed	0%	-	100%	(799)	Employee Appreciation - Gifts
17	930.4	Employee Socials -Christmas/Other	12/09/16	28	151486	Christmas Party Gift Bags-Retirees	CC Miscellaneous	Employee Activities-Allowed	0%	-	100%	(28)	Employee Appreciation - Gifts
18	930.4	Employee Socials -Christmas/Other	12/09/16	28	151486	Christmas Party Gift Bags-Retirees	CC Miscellaneous	Employee Activities-Allowed	0%	-	100%	(28)	Employee Appreciation - Gifts
19	930.4	Employee Socials -Christmas/Other	12/23/16	25		Christmas Party Gifts		Employee Activities-Allowed	0%	-	100%	(25)	Employee Appreciation - Gifts
20	930.4	Employee Socials -Christmas/Other	12/23/16	50		Christmas Party Gifts - Cashed In 2017		Employee Activities-Allowed	0%	-	100%	(50)	Employee Appreciation - Gifts
21	930.4	Employee Socials -Christmas/Other	12/31/16	50		Christmas Party Gifts - Cashed In 2017		Employee Activities-Allowed	0%	-	100%	(50)	Employee Appreciation - Gifts
22	930.4	Employee Socials -Christmas/Other	12/31/16	328		SMJ10 TX FRNG-Christmas Gifts		Employee Activities-Allowed	0%	-	100%	(328)	Employee Appreciation - Gifts
23	<b>A&amp;G Expense Adjustment - Total</b>			<b>\$ 2,206</b>									
<b>OTHER DEDUCTIONS</b>													
24	426.1	Donations	02/01/16	\$ 500	201602-3194	Annual Fundraiser Corp Sponsor	Southwest Miracles, Inc	Donations (including labor)	50%	\$ (250)	100%	\$ (250)	Event Sponsorship
25	426.1	Donations	03/01/16	1,850	6700	Chamber Bash Sponsorship	Liberal Area Chamber Of Commer	Donations (including labor)	50%	(925)	100%	(925)	Event Sponsorship
26	426.1	Donations	03/01/16	500	201603-2253	Corporate Sponsor	Big Brothers-Big Sisters	Donations (including labor)	50%	(250)	100%	(250)	Event Sponsorship
27	426.1	Donations	03/01/16	500	201603-3293	Leadercast Sponsor	Sublette Chamber Of Commerce	Donations (including labor)	50%	(250)	100%	(250)	Event Sponsorship
28	426.1	Donations	03/01/16	100	20160322-9999	Run Down Cancer Sponsor	McDonald, Shirley	Donations (including labor)	50%	(50)	100%	(50)	Event Sponsorship
29	426.1	Donations	03/01/16	125	20160322-2730	Booster Club Hole Sponsor	Saints Booster Club Inc	Donations (including labor)	50%	(63)	100%	(63)	Event Sponsorship
30	426.1	Donations	04/01/16	200	20160421-1714	Summer Ball Program Sponsor	Liberal Parks & Recreation	Donations (including labor)	50%	(100)	100%	(100)	Event Sponsorship
31	426.1	Donations	06/01/16	150	20160603-2172	Relay For Life Silver Sponsor	American Cancer Society	Donations (including labor)	50%	(75)	100%	(75)	Event Sponsorship
32	426.1	Donations	06/01/16	250	20160624-3106	Friend Of The Fair Sponsor	Seward County 5-State Fair Association	Donations (including labor)	50%	(125)	100%	(125)	Event Sponsorship
33	426.1	Donations	07/01/16	300	20160720-1790	Sponsorship For Duck Festival	Liberal Area Chamber Of Commer	Donations (including labor)	50%	(150)	100%	(150)	Event Sponsorship
34	426.1	Donations	07/01/16	250	20160725-3555	Sponsorship For SW County Fest	Southwest County Fes	Donations (including labor)	50%	(125)	100%	(125)	Event Sponsorship
35	426.1	Donations	09/01/16	375	201609-1790	Legislative Events Sponsor	Southwest Kansas Chambers Of Commerce	Donations (including labor)	50%	(188)	100%	(188)	Event Sponsorship
36	<b>Other Deductions Adjustment - Total</b>			<b>\$ 5,100</b>									
											<b>TOTAL</b>	<b>\$ (2,550)</b>	
<b>37 STAFF ADJUSTMENT TOTAL</b>											<b>TOTAL</b>	<b>\$ (1,395)</b>	

**CERTIFICATE OF SERVICE**

17-SPEE-476-TAR

I, the undersigned, hereby certify that a true and correct copy of the above and foregoing document was served by electronic service on this 26<sup>th</sup> day of June, 2017, to the following:

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Della Smith  
Administrative Specialist