

COMMONWEALTH OF VIRGINIA
STATE CORPORATION COMMISSION

AT RICHMOND, APRIL 2, 2014

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APPLICATION OF

RAPPAHANNOCK ELECTRIC
COOPERATIVE

CASE NO. PUE-2013-00052

For approval of a plan to migrate
transitioning customers to the
Cooperative's legacy rates and to revise
rate schedules for electric service

ORDER ACCEPTING STIPULATION

On July 29, 2013, Rappahannock Electric Cooperative ("REC" or "Cooperative") filed an application ("Application") with the State Corporation Commission ("Commission") for approval of a plan to migrate transitioning customers to the Cooperative's legacy rates and to revise rate schedules for electric service. REC filed this Application pursuant to §§ 56-231.33, 56-231.34, 56-236, and 56-585.3 of the Code of Virginia, Rule 21 of the Commission's *Streamlined rate proceedings and general rate proceedings for electric cooperatives subject to the State Corporation Commission's rate jurisdiction*,¹ and the Commission's May 14, 2010 Order in Case No. PUE-2009-00101 ("Acquisition Order").²

On September 15, 2009, REC, Shenandoah Valley Electric Cooperative ("SVEC"), and The Potomac Edison Company d/b/a Allegheny Power ("Potomac Edison") filed a joint petition and application with the Commission requesting, among other things, approval for Potomac

¹ 20 VAC 5-200-21.

² *Joint Petition of Rappahannock Electric Cooperative, Shenandoah Valley Electric Cooperative, and The Potomac Edison Company d/b/a Allegheny Power, For approval of the purchase and sale of service territory and facilities, for the issuance of, and cancellation of, certificates of public convenience and necessity, and for approval of special, transitional, rate schedules*, Case No. PUE-2009-00101, 2010 S.C.C. Ann. Rept. 391, Order (May 14, 2010).

Edison to sell and REC and SVEC to purchase Potomac Edison's facilities used in the retail distribution and sale of electric power in its Virginia retail distribution service territory. In its Acquisition Order the Commission approved REC's acquisition of its portion of Potomac Edison's former Virginia service territory and associated distribution assets subject to certain requirements and conditions.

On June 1, 2010, REC assumed the rights and obligations to provide retail distribution service to Transitioning Customers and adopted Potomac Edison's rates, schedules and riders for the Transitioning Customers in effect as of June 1, 2010 ("NT Rates") with the intention that, in the future, such NT Rates would be synchronized with the rates, schedules, and riders of its pre-acquisition, or legacy, customers.³

REC's Application seeks approval of a migration plan ("Migration Plan") and associated Transition Migration Rider (designated Schedule TMR-NT) effective for bills rendered on and after July 1, 2014.⁴ In addition to the proposed Migration Plan and associated Schedule TMR-NT, the Cooperative is proposing certain modifications, withdrawals and/or closures of its existing rate schedules and riders as well as an adjustment to its methodology for collecting revenues associated with wholesale power costs.⁵

³ Exh. 2 (Application) at 7-8.

⁴ *Id.* at 8.

⁵ *See id.* at 10-14. Specifically, the Cooperative proposes to convert its Wholesale Power Cost Adjustment rider to a Power Cost Adjustment ("PCA") rider that is "designed to recover power cost on a dollar for dollar basis." *Id.* at 12. To effectuate that conversion, REC first proposes implementation of Interim Schedule PCA-1 on an interim basis effective January 1, 2014. REC requests that the Commission make Interim Schedule PCA-1 permanent as of January 1, 2014. *Id.* at 12-13. REC amended its proposed Interim Schedule PCA-1 by letter filed with the Clerk of the Commission ("Clerk") on December 13, 2013 ("Amended Interim Schedule PCA-1"). Upon Commission approval of the base rates proposed by the Migration Plan, the Cooperative seeks approval of Schedule PCA-1 to be effective for bills rendered on and after July 1, 2014. *Id.* at 12. REC subsequently amended its proposed Schedule PCA-1 in the rebuttal testimony of Jack D. Gaines ("Amended Schedule PCA-1"). *See* Exh. 14 (Gaines Rebuttal).

On August 26, 2013, the Commission entered an Order for Notice and Hearing⁶ in which, among other things, the Commission scheduled this matter for a public hearing on January 15, 2014; established a procedural schedule for the parties to file testimony and exhibits; directed that the Cooperative provide notice of its Application to appropriate persons; and assigned a Hearing Examiner to conduct all further proceedings.

Notices of participation in this proceeding were filed by Bear Island Paper WB LLC ("Bear Island"), the Office of the Attorney General's Division of Consumer Counsel ("Consumer Counsel"), and the Board of Supervisors of Frederick County, Virginia ("Frederick County").

The hearing commenced as scheduled on January 15, 2014. The following appeared at the hearing, by counsel: REC, Consumer Counsel, Bear Island, and the Commission Staff ("Staff"). By letter dated January 14, 2014, Frederick County indicated that it did not intend to participate in the hearing.

The Cooperative and Staff presented a stipulation at the hearing resolving all issues between them ("Stipulation").⁷ The Cooperative stated that REC and Bear Island had reached an agreement resolving all issues between them and, by agreement of counsel, the prefiled testimony of Bear Island and the Cooperative's prefiled testimony pertaining to Bear Island were withdrawn. The Cooperative's remaining prefiled testimony, Staff's prefiled testimony, and Consumer Counsel's prefiled testimony were received into the record without cross-examination. No public witnesses appeared at the hearing.

⁶ The Order for Notice and Hearing was subsequently modified on August 30, 2013, by the Commission Order *Nunc Pro Tunc*.

⁷ Bear Island indicated that it took no position on the Stipulation. Tr. at 11. Consumer Counsel, although not a signatory, stated that it supports the terms of the Stipulation. *Id.* at 12.

On February 6, 2014, Hearing Examiner Howard P. Anderson, Jr., issued his report ("Report"), in which he found the Stipulation to be acceptable and recommended, among other things, that the Commission enter an order that accepts the Stipulation.

On February 14, 2014, the Staff submitted a letter to the Clerk indicating that it did not intend to file comments on the Report.

On February 18, 2014, the Cooperative submitted a letter to the Clerk stating that it supports the recommendations contained in the Report and requests that the Commission issue an order accepting and approving the Stipulation. On February 18, 2014, REC also filed with the Clerk its request that Bear Island's rebuttal testimony and certain of the Cooperative's rebuttal testimony be withdrawn pursuant to the agreement articulated by Bear Island and the Cooperative at the hearing. The Cooperative filed its replacement rebuttal testimony as agreed upon by REC and Bear Island coincident with its request.

On February 27, 2014, Consumer Counsel submitted a letter to the Clerk as comments to the Report ("Comments"). Consumer Counsel reiterated that "Consumer Counsel was not a signatory to the Stipulation, but noted its support for the terms of the Stipulation as a reasonable resolution to the case."⁸ Consumer Counsel further stated that it "is pleased that the Stipulation provides that REC will make a compliance filing with the Commission on or about April 1 of each year of the Migration Plan period."⁹ Consumer Counsel noted its "understanding that Docket No. PUE-2013-00052 would remain open to receive REC's compliance filings and that

⁸ Comments of Consumer Counsel at 1.

⁹ *Id.*

all parties to this case would have the ability to review such future filings."¹⁰ Therefore, Consumer Counsel requested that the Commission leave this docket open.¹¹

NOW THE COMMISSION, upon consideration of this matter, is of the opinion and finds that the Report and the Stipulation should be adopted and that the Cooperative's Migration Plan should be approved as set out in the Application and modified by the Stipulation. We further find that the Cooperative's Amended Interim Schedule PCA-1 should be approved effective January 1, 2014, and that the Cooperative's Amended Schedule PCA-1 should be approved effective for bills rendered on and after July 1, 2014.

We will require the Cooperative to make compliance filings with the Commission as provided in the Stipulation, and we leave the docket in this proceeding open to accept such compliance filings and to ensure that the rates approved herein remain just and reasonable throughout the Migration Plan period.

Accordingly, IT IS ORDERED THAT:

(1) The findings and recommendations of the February 6, 2014 Report hereby are adopted as provided herein.

(2) In accordance with the findings made herein, the Stipulation attached hereto as Attachment A is adopted and its terms are incorporated herein.

(3) The Cooperative's Migration Plan as proposed in the Application and modified by the Stipulation hereby is approved.

(4) The Cooperative's Amended Interim Schedule PCA-1 hereby is approved effective for service rendered on and after January 1, 2014.

¹⁰ *Id.* at 2.

¹¹ *Id.*

(5) The Cooperative's Amended Schedule PCA-1 hereby is approved effective for bills rendered on and after July 1, 2014.

(6) Within thirty (30) days of the issuance of this Order, the Cooperative shall file the revised rates, terms and conditions of service, and temporary discount rider as set out in Exhibits A, B, and C to the Stipulation, to become effective for bills rendered on and after July 1, 2014.

(7) Within thirty (30) days of the issuance of this Order, the Cooperative shall file its Amended Interim Schedule PCA-1 and Amended Schedule PCA-1.

(8) The Cooperative shall make a compliance filing with the Commission on or about April 1 of each year of the Migration Plan that includes: (i) an updated Rider TMR-NT and supporting documentation and (ii) a Financial Status Statement for the 12-month period ending December 31 of the preceding year for each year of the Migration Plan, which should reflect actual results and limited adjustments, including but not limited to (a) an annualization of base rate and TMR-NT revenues based on rates proposed to be in effect July 1, (b) storm damage, (c) material out-of-period expenses, and (d) material non-recurring costs.

(9) This matter is continued generally.

AN ATTESTED COPY hereof shall be sent by the Clerk of the Commission to:

Kristian M. Dahl, Esquire, and Jennifer D. Valaika, Esquire, McGuireWoods LLP, One James Center, 901 East Cary Street, Richmond, Virginia 23219-4030; Louis R. Monacell, Esquire, and James G. Ritter, Esquire, Christian & Barton LLP, 909 East Main Street, Suite 1200, Richmond, Virginia 23219; Roderick B. Williams, County Attorney, County of Frederick, VA, 107 North Kent Street, Floor 3, Winchester, Virginia 22601; and C. Meade Browder, Jr., Senior Assistant Attorney General, 900 East Main Street, Second Floor, Richmond, Virginia 23219; and a copy

shall be delivered to the Commission's Office of General Counsel and Divisions of Energy Regulation and Utility Accounting and Finance.

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COMMONWEALTH OF VIRGINIA
STATE CORPORATION COMMISSION

APPLICATION OF)
)
RAPPAHANNOCK ELECTRIC COOPERATIVE)
) Case No. PUE-2013-00052
For approval of a plan to migrate transitioning)
customers to the Cooperative's legacy rates and to)
revise rate schedules for electric service .)

STIPULATION AND RECOMMENDATION

WHEREAS, on May 14, 2010, the State Corporation Commission (the "Commission") issued an Order in Case No. PUE-2009-00101,¹ which, among other things, approved the acquisition by Rappahannock Electric Cooperative ("REC" or the "Cooperative") of a portion of Potomac Edison's former Virginia service territory and associated distribution assets ("Acquisition"), including, as a condition of its approval, nine requirements necessary for the Commission to find the Acquisition to be in the public interest; and

WHEREAS, on July 29, 2013, REC filed an application² for approval of a plan ("Migration Plan") to migrate transitioning customers formerly served by Potomac Edison to the Cooperative's legacy rates, including an associated Rider TMR-NT, and to revise rate schedules for electric service pursuant to §§ 56-231.33, 56-231.34, 56-236 and 56-585.3 of the Code of Virginia; Rule 21 of the *Streamlined Rate Proceedings and General Rate Proceedings for Electric Cooperatives Subject to the State Corporation Commission's Rate Jurisdiction*,

¹ *Joint Petition of Rappahannock Electric Cooperative, Shenandoah Valley Electric Cooperative, and the Potomac Edison Company d/b/a Allegheny Power, For approval of the purchase and sale of service territory and facilities, for the issuance of and cancellation of, certificates of public convenience and necessity, and for approval of special, transitional rate schedules*, Case No. PUE-2009-00101, 2010 S.C.C. Ann. Rept. 391, Order (May 14, 2010), referred to herein as the "Acquisition Order."

² REC subsequently corrected its application by filings made on July 31, 2013, August 14, 2013, and December 13, 2013 (collectively, including the supporting testimony and schedules, the "Application").

20 VAC 5-200-21; and the guidance provided in the Commission's May 14, 2010 Acquisition Order in Case No. PUE-2009-00101, including the nine requirements enumerated therein; and

WHEREAS, the Staff of the State Corporation Commission ("Staff") has raised issues regarding certain aspects of the Application, acknowledging that the Migration Plan and associated Rider TMR-NT are a reasonable approach, but also offering limited recommendations, including but not limited to a compliance filing and the addition of clarifying language to the Cooperative's Terms & Conditions in order to improve consistency among Virginia utility companies; and

WHEREAS, the Cooperative and Staff were able to reach a compromise regarding the issues raised and recommendations offered by Staff, and continue to support that compromise in this proceeding; and

WHEREAS, the undersigned participants ("Stipulating Participants") stipulate and agree, in the interests of addressing these issues and streamlining this proceeding, that the Commission issue an order in this matter approving this Stipulation and Recommendation ("Stipulation"), which recommends the following:

1. The Stipulating Participants agree that the Cooperative's Migration Plan and associated Rider TMR-NT is a reasonable approach to transition REC's customers within the acquired territory to legacy rates.
2. The Stipulating Participants agree that REC will make a compliance filing with the Commission on or about April 1st of each year of the Plan that includes: 1) an updated Rider TMR-NT and supporting documentation; and 2) a Financial Status Statement for the 12-month period ending December 31st of each year of the Plan, which should reflect actual results and limited adjustments, including but not limited to the following: (i) an annualization of base rate

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and TMR-NT revenues based on rates proposed to be in effect July 1st, (ii) storm damage, (iii) material out-of-period expenses, and (iv) material non-recurring costs. The Stipulating Participants agree that the purpose of such financial reporting will be to monitor and confirm the Cooperative's financial performance.

3. The Stipulating Participants recommend approval of Interim Schedule PCA-1 as amended by letter filed by REC in this proceeding on December 13, 2013, with an effective date of on and after January 1, 2014, and Schedule PCA-1, as amended in the rebuttal testimony sponsored by REC witness Gaines filed on December 30, 2013, with an effective date of on and after July 1, 2014.

4. As to REC's Terms & Conditions, the Cooperative accepts the recommendations described in the pre-filed testimony of Staff witness Gravely, which is attached hereto as Exhibit A.

5. As to rate design issues, the Stipulating Participants agree that all of the rates as filed by REC in the rebuttal testimony of REC witness Gaines are reasonable with the following modifications as recommended by Staff witness Grant:

- a. The Stipulating Participants agree with the Temporary Discount Rider to transfer Legacy Customers from Schedule B-1 to Schedule B-3 as outlined in Exhibit B attached hereto.
- b. The Participants agree to modify Schedule TMR-NT to provide a \$2.15 per month discount to the Multi-Phase Access Charge for Schedule R-NT customers migrating to Schedule A.
- c. The Participants agree to modify Schedule TMR-NT so that it is clear that the per customer credits are to be applied on a per account basis.

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The stipulated rates, which will be effective for bills rendered on and after July 1, 2014, are provided in Exhibit C attached hereto.

6. The Stipulating Participants agree that 1,000 kWh per month should be the Migration Plan basis when measuring compliance with the 5% increase limit for Schedules C-NT and G-NT customers migrating to Schedule B-1.

7. Nothing in the Stipulation shall limit the Commission's authority to ensure rates remain just and reasonable during the Migration Plan period.

WHEREFORE, the undersigned participants agree that the Stipulation, including Exhibits A, B, and C, represents a compromise for the purposes of settlement of this case and balancing of many interests, and none of the signatories to this Stipulation necessarily agrees with the treatment of any particular item, any procedure followed, or the resolution of any particular issue in agreeing to this Stipulation other than as specified herein or attached hereto, except as required to implement the provisions of this Stipulation, and the participants agree that the resolution of the issues herein, taken as a whole, and the disposition of all other matters set forth in this Stipulation are in the public interest. In the event the Commission does not accept and approve all aspects of this Stipulation, the Stipulating Participants respectfully request notice allowing them ten (10) days within which to attempt to reach a modified stipulation that addresses the Commission's concerns. If no such modified stipulation is reached within ten (10) days, the Stipulation shall terminate and the signatories shall reserve their rights to participate fully in all relevant proceedings notwithstanding their agreement on the terms of this Stipulation.

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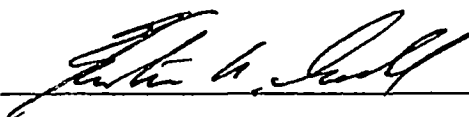
Respectfully submitted,

STAFF OF THE STATE CORPORATION
COMMISSION

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Counsel for Rappahannock Electric Cooperative

January 14, 2014

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EXHIBIT A

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1 **Q3. DOES THE STAFF HAVE ANY COMMENTS REGARDING SECTION**
2 **VIII, DISCONTINUANCE OF ELECTRIC SERVICE?**

3 **A3.** Yes. Section VIII.A.3 states that the Cooperative may disconnect service without
4 notice: "Whenever the Cooperative, in its opinion, has reasonable cause to believe
5 that a Customer is, or has been, receiving electric distribution service without
6 paying therefore, or that the Customer in any manner interferes with the proper
7 metering of such electric distribution service. The Customer will pay for any
8 costs incurred by the Cooperative as a result of such actions by the Customer;"
9 Staff understands that this provision is used by the Cooperative to disconnect
10 service to consumers that have tampered with the Cooperative's metering
11 equipment. The Staff does not object to this provision conceptually and fully
12 supports the Cooperative's right to disconnect service without notice if a
13 consumer tampers with its equipment; however, as written, the provision is
14 ambiguous. The Staff recommends that it be revised to state that the Cooperative
15 may disconnect service without notice: "Whenever, in the Cooperative's opinion,
16 there is reasonable cause to believe that a Customer is, or has been, tampering
17 with the proper metering of electric service. The Customer will pay for any costs
18 incurred by the Cooperative as a result of such actions by the Customer."

19 **Q4. DOES THE STAFF HAVE ANY FURTHER COMMENTS REGARDING**
20 **SECTION VIII, DISCONTINUANCE OF ELECTRIC SERVICE?**

21 **A4.** The Staff further recommends that Section VIII.A.4, which permits the
22 Cooperative to disconnect service without notice in cases of misrepresentation by

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1 the customer to the Cooperative, be relocated to Section VIII.B because Section
2 VIII.B requires a ten-day written notice prior to disconnection.

3 As a general matter, the Staff believes that the Cooperative must have the
4 ability to immediately terminate service if it is concerned about safety or if it
5 identifies that a consumer has tampered with its equipment. Absent such safety or
6 tampering concerns, the Staff believes the Cooperative has an obligation to
7 provide the ten-day notice required by § 56-247.1 A 4 of the Code of Virginia.
8 The provision discussed above does not pose an immediate, life threatening
9 situation. As such, the Cooperative should be required to provide the customer a
10 ten-day notice that details the impending disconnection and the steps the customer
11 must take to avoid such disconnection.

12 **Q5. DOES THE STAFF HAVE ANY OTHER COMMENTS RELATIVE TO**
13 **REC'S TERMS AND CONDITIONS?**

14 **A5.** Yes. The Staff proposes that the Cooperative add a new provision and revise an
15 existing provision to address certain types of billing errors. Section XI.D details
16 the requirements to adjust a customer's bill if a meter is found to be inaccurate,
17 and Section XI.E states the Cooperative will use the best available information to
18 estimate the monthly consumption of power and energy if the meter is found to be
19 not registering at all. However, the Cooperative has no provision that addresses
20 adjustments if it issues incorrect bills for reasons other than meter inaccuracy.
21 Staff believes the Cooperative should add a section to the Terms and Conditions
22 that provides for bill adjustments when the Cooperative issues incorrect bills for
23 reasons other than meter inaccuracy. Consistent with revisions proposed by Staff

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1 and adopted by the Commission in numerous other recent proceedings, Staff
2 proposes that the Cooperative's Section VII.A Billing Procedures be amended to
3 include the following language:

4 5. Adjustment of Billing Errors

5 If the Residential Customer or Small Commercial Customer has
6 been undercharged because of errors other than meter accuracy and
7 the Residential or Small Commercial Customer has neither
8 tampered with the meter nor knew or reasonably should have
9 known of the undercharge, the Cooperative shall bill the
10 Residential or Small Commercial Customer for the electricity used
11 during the entire period of incorrect billing, up to a maximum of
12 12 months. The Cooperative shall offer the Residential or Small
13 Commercial Customer reasonable payment arrangements for the
14 amount of the bill, taking into account the period of the
15 undercharge. If the Residential or Small Commercial Customer
16 has tampered with the meter or knew or reasonably should have
17 known of the undercharge, then the Cooperative may bill the
18 Residential or Small Commercial Customer as otherwise allowed
19 by law. If any Customer other than a Residential or Small
20 Commercial Customer has been undercharged, the Customer may
21 be billed as allowed by law or as allowed by the contract for
22 service between the Cooperative and that Customer. For
23 Customers having contracts for service, billing shall be as allowed
24 by such contract.

25 If any Customer has been overcharged because of errors other than
26 meter accuracy, the Cooperative shall refund or credit the amount
27 of the overcharge for a period not to exceed 36 months, unless the
28 Customer provides appropriate documentation that such error
29 exceeded 36 months in which case the refund shall be for the entire
30 period of overbilling.

31 The Staff continues to believe that such asymmetric treatment of billing
32 errors is reasonable. Ultimately, accurate billing is the responsibility of the
33 Cooperative. As such, if it fails to render an accurate bill and the error results in
34 an undercharge to the customer, then the Cooperative should be limited in its
35 ability to retroactively bill the consumer. Twelve months is a sufficient time to
36 recognize and correct a billing error. However, if the Cooperative overcharges
37 the customer, it should not be permitted to keep the excessive billing revenue.

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1 With respect to overcharges, the Staff recognizes that the Cooperative is only
2 required to maintain three years of billing data. Therefore, it is reasonable to limit
3 the required adjustment for overcharges to three years, unless the consumer has
4 billing records that span beyond three years.

5 Finally, Section XI. Meters and Metering provides requirements for
6 adjusting customers' bills due to meter inaccuracies or failures. Specifically,
7 Section XI.D. Meter Inaccuracy, allows the Cooperative to adjust a customer's
8 bill, based on the percentage error of the meter, for a period not to exceed the six
9 months immediately preceding discovery of such incorrect registration.²
10 However, Section XI.E. Meter Failure, does not identify a definitive period of
11 time the Cooperative can adjust the customer's bill. In short, if a meter functions
12 inaccurately, the Cooperative can only adjust the bill for six months, but if it fails
13 completely, the Terms and Conditions do not include such a time limitation for an
14 adjustment. The Staff recommends that these sections on billing adjustments for
15 meter inaccuracy and meter failure be consistent and that both sections limit
16 adjustments to the same length of time, regardless of whether the meter is simply
17 inaccurate or has completely failed.

18 Q6. DOES THIS CONCLUDE YOUR TESTIMONY?

19 A6. Yes it does.

²The Tariff also states "If there is an event from which the Cooperative is certain that the meter inaccuracy is deemed to have begun, the adjustment to the bills may be made back to the time of that event, not to exceed 12 months or as limited per current state statute."

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EXHIBIT B

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**RAPPAHANNOCK ELECTRIC COOPERATIVE
Fredericksburg, Virginia**

**TEMPORARY DISCOUNT RIDER
SCHEDULE B-1 TO B-3**

I. AVAILABILITY

Available in all territory served by the Cooperative, subject to the Terms and Conditions of the Cooperative on file with the Virginia State Corporation Commission.

II. APPLICABILITY

Applicable to Customers served under Schedule B-1 as of June 30, 2014 that are transferred to Schedule B-3 as of July 1, 2014. This Schedule shall expire July 1, 2016.

III. TYPE OF SERVICE

Multi-phase, 60 hertz, at available voltage.

IV. MONTHLY DISTRIBUTION DEMAND CHARGE CREDIT

1. For the billing months of July 2014 through June 2015, a monthly credit will be applied equal to the lesser of: a) \$1.00 per kW for the first 100 kW of Schedule B-3 billing demand per month or b) the amount, if any, by which the total bill under Schedule B-3 excluding the Access Charge and the demand charge for over 100 kW exceeds the total bill as calculated under Schedule B-1 excluding the Access Charge.
2. For the billing months of July 2015 through June 2016, a monthly credit will be applied equal to the lesser of: a) \$0.50 per kW for the first 100 kW of Schedule B-3 billing demand per month or b) the amount, if any, by which the total bill under Schedule B-3 excluding the Access Charge and the demand charge for over 100 kW exceeds the total bill as calculated under Schedule B-1 excluding the Access Charge

EXHIBIT C

Rappahannock Electric Cooperative
Development of Proposed Rates

Stipulation and Recommendation
Case No. PUE-2013-00052
Exhibit C
Page 1 of 6

Case No. PUE 2013-00052 - Stipulation Exhibit C

SCHEDULE A

1	Electricity Supply Service	\$	0.07757	per kWh
2				
3	Distribution Service:			
4	Single Phase - Access Charge	\$	10.00	per month
5	Three Phase - Access Charge	\$	12.15	per month
6	Energy Charges:			
7	First 300 kWh	\$	0.03984	per kWh
8	Over 300 kWh	\$	0.02754	per kWh

SCHEDULE B-1

1	Electricity Supply Service	\$	0.06984	per kWh
2				
3	Distribution Service:			
4	Single Phase - Access Charge	\$	28.00	per month
5	Energy Charge	\$	0.02824	per kWh

SCHEDULE B-3

1	Electricity Supply Service:			
2	Energy Charges:			
3	First 100 kWh per kW	\$	0.07445	per kWh
4	Next 100 kWh per kW	\$	0.07303	per kWh
5	Next 200 kWh per kW	\$	0.06623	per kWh
6	Over 400 kWh per kW	\$	0.05313	per kWh
7				
8	Distribution Service:			
9	Single Phase - Access Charge	\$	28.00	per month
10	Three Phase - Access Charge	\$	47.50	per month
11	Demand Charges:			
12	First 100 kW	\$	1.50	per kW
13	Over 100 kW	\$	9.00	per kW
14	Energy Charges:			
15	First 100 kWh per kW	\$	0.02832	per kWh
16	Next 100 kWh per kW	\$	0.02532	per kWh
17	Next 200 kWh per kW	\$	0.01632	per kWh
18	Over 400 kWh per kW	\$	0.01332	per kWh

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Case No. PUE 2013-00052 - Stipulation Exhibit C

SCHEDULE LP-1

1	Electricity Supply Service:		
2	Demand Charge	\$	8.15 per kW
3	Energy Charges:		
4	First 100 kWh per kW	\$	0.05197 per kWh
5	Next 100 kWh per kW	\$	0.04797 per kWh
6	Next 200 kWh per kW	\$	0.04637 per kWh
7	Over 400 kWh per kW	\$	0.04427 per kWh
8			
9	Distribution Service:		
10	Access Charge	\$	100.00 per month
11	Demand Charges:		
12	First 100 kW	\$	1.50 per kW
13	Next 400 kW	\$	1.25 per kW
14	Next 1,500 kW	\$	1.10 per kW
15	Over 2,000 kW	\$	1.00 per kW
16	Primary Voltage Discount:		
17	2 kV - 15 kV	\$	(0.25) per kW
18	Over - 15 kV	\$	(0.50) per kW
19	Energy Charges:		
20	First 100 kWh per kW	\$	0.01998 per kWh
21	Next 100 kWh per kW	\$	0.01778 per kWh
22	Next 200 kWh per kW	\$	0.01238 per kWh
23	Over 400 kWh per kW	\$	0.01038 per kWh

SCHEDULE HD-1

1	Electricity Supply Service:		
2	Pass through per tariff plus \$2.38 per Excess Demand Charge per tariff		
3			
4	Distribution Service:		
5	Access Charge	\$	200.00 per month
6	Demand Charge	\$	1.10 per kW
7	Energy Charges:		
8	First 100 kWh per kW	\$	0.02150 per kWh
9	Next 100 kWh per kW	\$	0.01930 per kWh
10	Next 200 kWh per kW	\$	0.01390 per kWh
11	Over 400 kWh per kW	\$	0.01190 per kWh

Case No. PUE 2013-00052 - Stipulation Exhibit C

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SCHEDULE LP-3

1	Electricity Supply Service:		
2	Pass through per tariff plus \$2.38 per Excess Demand Charge per tariff		
3			
4	Distribution Service:		
5	Access Charge	\$	315.00 per month
6	Demand Charges:		
7	Section IV.A.1	\$	1.10 per kW
8	Section IV.A.2	\$	1.28 per kW
9	Section IV.A.3	\$	0.18 per kW
10	Energy Charge	\$	0.00250 per kWh

SCHEDULE OL

			<u>ESS</u>	<u>Dist.</u>
1	175 Watt MV	per light, per month	\$ 3.24	\$ 6.91
2	250 Watt MV	per light, per month	\$ 4.63	\$ 11.04
3	400 Watt MV	per light, per month	\$ 6.95	\$ 12.71
4	1000 Watt MV	per light, per month	\$ 16.69	\$ 25.02
5				
6	90 Watt HPS	per light, per month	\$ 1.67	\$ 7.40
7	100 Watt HPS	per light, per month	\$ 1.85	\$ 7.52
8	150 Watt HPS	per light, per month	\$ 2.78	\$ 8.41
9	400 Watt HPS	per light, per month	\$ 6.95	\$ 18.02

SCHEDULE ALP-NT

			<u>ESS</u>	<u>Dist.</u>
1	400 Watt MV	per light, per month	\$ 7.51	\$ 18.22
2	1000 Watt MV	per light, per month	\$ 17.89	\$ 29.31
3	400 Watt HPS	per light, per month	\$ 7.74	\$ 25.39
4				
5	35 Foot Poles	per unit, per month		\$ 3.54
6	40 Foot Poles	per unit, per month		\$ 3.88
7				
8	Overhead Circuit	per kWh		\$ 0.0130

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SCHEDULE MSL-NT

			<u>ESS</u>	<u>Dist.</u>
1	HPS - Wood Pole			
2	70 Watt HPS	per light, per month	\$ 1.71	\$ 7.98
3	100 Watt HPS	per light, per month	\$ 2.36	\$ 8.34
4	200 Watt HPS	per light, per month	\$ 3.99	\$ 14.25
5	400 Watt HPS	per light, per month	\$ 7.74	\$ 17.90
6				
7	HPS - Metal Pole			
8	400 Watt HPS		Eliminated	
9				
10	MV - Wood Pole			
11	175 Watt MV	per light, per month	\$ 3.43	\$ 8.02
12	250 Watt MV	per light, per month	\$ 4.77	\$ 11.55
13	400 Watt MV	per light, per month	\$ 7.51	\$ 13.63
14				
15	MV - Metal Pole			
16	250 Watt MV		Eliminated	
17	400 Watt MV		Eliminated	
18				
19	Underground Supply			
20	Standard Pole - Low Mounting			
21	70 Watt HPS	per light, per month	\$ 1.71	\$ 17.34
22	100 Watt HPS	per light, per month	\$ 2.36	\$ 17.72
23				
24	Standard Pole - High Mounting			
25	100 Watt HPS	per light, per month	\$ 2.36	\$ 20.92
26	200 Watt HPS	per light, per month	\$ 3.99	\$ 22.78
27	400 Watt HPS	per light, per month	\$ 7.74	\$ 26.97
28				
29	Rectangular Enclosed - High Mounting			
30	100 Watt HPS		Eliminated	
31	200 Watt HPS	per light, per month	\$ 3.99	\$ 33.43
32	400 Watt HPS	per light, per month	\$ 7.74	\$ 36.02
33				
34	Rectangular Enclosed - Multiple Units			
35	100 Watt HPS		Eliminated	
36	200 Watt HPS	per light, per month	\$ 3.99	\$ 17.45
37	400 Watt HPS	per light, per month	\$ 7.74	\$ 20.04
38				
39	Standard Pole - Low Mounting			
40	175 Watt MV	per light, per month	\$ 3.43	\$ 12.76
41	250 Watt MV		Eliminated	
42	400 Watt MV	per light, per month	\$ 7.51	\$ 23.56

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Rappahannock Electric Cooperative
Development of Proposed Rates

Stipulation and Recommendation

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Exhibit C

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SCHEDULE OLN-NT

			<u>ESS</u>	<u>Dist.</u>
1	100 Watt HPS	per light, per month	\$ 2.36	\$ 8.53
2	250 Watt HPS	per light, per month	\$ 3.99	\$ 14.77
3	175 Watt MV	per light, per month	\$ 3.43	\$ 8.78
4	400 Watt MV	per light, per month	\$ 7.51	\$ 16.35
5				
6	Poles	per unit, per month		\$ 2.74
7	Transformers	per unit, per month		\$ 2.74
8	Wire	per kWh		\$ 0.0130

SCHEDULE R-TOU

1	Electricity Supply Service:			
2	On-Peak kWh - Summer		\$ 0.43023	per kWh
3	On-Peak kWh - Non-Summer		\$ 0.12042	per kWh
4	Off-Peak kWh		\$ 0.04324	per kWh
5				
6	Distribution Service:			
7	Single Phase - Access Charge		\$ 10.00	per month
8	Three Phase - Access Charge		\$ 12.15	per month
9	Energy Charges:			
10	First 300 kWh		\$ 0.03984	per kWh
11	Over 300 kWh		\$ 0.02754	per kWh

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Schedule TMR

	Schedule R-NT to Schedule A		
1	Multi- Phase Access Charge	\$	(2.15) per account
2	First 1,000 kWh	\$	(0.00850) per kWh
3	Over 1,000 kWh	\$	(0.00050) per kWh
4			
5	Schedules C-NT and G-NT to B-1		
6	Access Charge	\$	(7.80) per account
7	Next 700 kWh	\$	- per kWh
8	Over 700 kWh	\$	(0.005) per kWh
9			
10	Schedules C-NT & G-NT to B-3		
11	Access Charge - Single Phase	\$	(7.80) per account
12	Access Charge - Three Phase	\$	(13.25) per account
13	First 100 kW	\$	(0.75) per kW
14	Over 100 kW	\$	- per kW
15	First 100 kWh/kW	\$	(0.0024) per kWh
16	Next 100 kWh/kW	\$	- per kWh
17	Next 200 kWh/kW	\$	- per kWh
18	Over 400 kWh/kW	\$	0.0024 per kWh
19			
20			
21	Schedule G-NT to LP-1		53.08% per dollar of dist. Rev.