

**VILLAGE OF AKRON
ELECTRIC DEPARTMENT**

RATE REQUEST

**BASED ON THE YEAR ENDED MAY 31, 2016 (BASE YEAR)
FORECAST PERIOD SEPTEMBER 1, 2017 (EFFECTIVE DATE
OF RATE INCREASE) TO AUGUST 31, 2018
Issued April 20, 2017**

**VILLAGE OF AKRON
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**VILLAGE OF AKRON
ELECTRIC DEPARTMENT**

**FORECASTED STATEMENT OF OPERATIONS
Based on the Year Ended May 31, 2016 (Base Year)**

	Base Year May 31, 2016	Normalizing Adjustments	Adjusted Base Year	Rate Year Adjustments	Normalized Rate Year Before Revenue Increase	Revenue Increase Request	Rate Year After Increase	Note Reference
Revenues								
Operating revenues - Base	\$ 1,149,311	\$ 20,065	\$ 1,169,376	\$ -	\$ 1,169,376	\$ 319,412	\$ 1,488,788	1
Operating revenues - PPAC	1,263,981	20,051	1,284,032	(5,815)	1,278,217	-	1,278,217	1
Rent from electric property	7,200	-	7,200	-	7,200	-	7,200	1
Miscellaneous operating revenues, including late charges	40,208	(22,870)	17,338	-	17,338	-	17,338	1
Total revenues	<u>2,460,700</u>	<u>17,246</u>	<u>2,477,946</u>	<u>(5,815)</u>	<u>2,472,131</u>	<u>319,412</u>	<u>2,791,543</u>	
Expenses								
Purchased power	1,621,843	6,824	1,628,667	-	1,628,667	-	1,628,667	2.a.
Labor, net of capitalized labor	312,521	-	312,521	(18,673)	293,848	-	293,848	2.b.1.
FICA, medical, retirement, workers' compensation, etc.	208,296	-	208,296	(13,120)	195,176	-	195,176	2.b.2.
Contractual/material expenses								
Distribution	97,016	-	97,016	27,292	124,308	-	124,308	2.b.3.
Street lights	1,409	-	1,409	1,476	2,885	-	2,885	2.b.3.
Consumer accounting and collection	10,525	-	10,525	(1,121)	9,404	-	9,404	2.b.3.
Administrative and general	120,896	-	120,896	(11,309)	109,587	-	109,587	2.b.3.
Insurance	15,394	-	15,394	21,633	37,027	-	37,027	2.b.4.
Uncollectible revenues	9,311	-	9,311	(5,578)	3,733	-	3,733	2.b.5.
Depreciation	122,989	-	122,989	82,658	205,647	-	205,647	2.b.6.
PILOT	-	-	-	27,000	27,000	-	27,000	2.b.7.
PSC Regulatory Assessment	25,802	-	25,802	(6,873)	18,929	-	18,929	2.b.8.
Amortization of rate filing costs	-	-	-	5,933	5,933	-	5,933	2.b.9.
General rents	22,200	-	22,200	(22,200)	-	-	-	2.b.7.
Total expenses	<u>2,568,202</u>	<u>6,824</u>	<u>2,575,026</u>	<u>87,118</u>	<u>2,662,144</u>	<u>-</u>	<u>2,662,144</u>	
Operating income (loss) (*)	<u>\$ (107,502)</u>	<u>\$ 10,422</u>	<u>\$ (97,080)</u>	<u>\$ (92,933)</u>	<u>\$ (190,013)</u>	<u>\$ 319,412</u>	<u>\$ 129,399</u>	
Rate Base	<u>\$ 4,265,090</u>				<u>\$ 4,212,671</u>		<u>\$ 4,212,671</u>	
Rate of Return	<u>-2.52%</u>				<u>-4.51%</u>		<u>3.07%</u>	
Return on Surplus	<u>-4.04%</u>				<u>-6.88%</u>		<u>2.95%</u>	

(*) Operating income (loss) does not include interest income or interest expense.

**VILLAGE OF AKRON
ELECTRIC DEPARTMENT**

SUMMARY OF NORMALIZATION AND RATE YEAR ADJUSTMENTS

Base Year Normalization Adjustments

a) Operating revenues	
To reflect increase in base revenues due to weather normalization	\$ 20,065
b) To reflect increase in purchased power due to weather normalization of base revenues	6,824
c) To adjust PPAC revenues for under-billing of revenues in fiscal year 2016 (per PPAC Reconciliation)	20,051
d) To adjust Miscellaneous Revenues (Account 622) for amounts that should have been credited to Accumulated Depreciation, to recognize salvage value on damaged property	(5,591)
e) To adjust amounts included in Miscellaneous Revenues (Account 622) for re-connect fees, call out fees, etc., to average experience (based on Years 2014 to 2016)	(17,279)
Total normalization adjustments	<u>\$ 10,422</u>

Rate Year Adjustments

f) To reflect net decrease in expensed labor dollars due to anticipated wage increases and change in employees, net of amounts to be allocated to capital accounts	<u>\$ (18,673)</u>
g) To reflect PILOT to be paid to the Village's General Fund based on calculation using Village's existing tax rate and equalization rate	<u>\$ 27,000</u>
h) To establish uncollectible revenues to equal 0.01525% (benchmark) of normalized gross revenues	<u>\$ (5,578)</u>
i) To reflect net changes in employee benefits due to payroll tax calculation or allocated budgeted or known amounts for shared costs	<u>\$ (13,120)</u>
j) <u>Contractual/material expenses</u>	
Distribution - 3 year average with no inflation factor	<u>\$ 27,292</u>
Street lights - 3 year average with no inflation factor	<u>\$ 1,476</u>
Consumer accounting and collection - 3 year average with no inflation factor	<u>\$ (1,121)</u>
Administrative and general - 2 year average with no inflation factor	<u>\$ (11,309)</u>
k) To increase insurance expense to equal anticipated premiums in rate year, net of accounting error in historic test year	<u>\$ 21,633</u>
l) To increase depreciation expense for anticipated capital improvements and correction of an accounting error for not depreciating building improvements made in prior years	<u>\$ 82,658</u>
m) To adjust PSC annual assessment to equal expected revenues in Rate Year multiplied by assessment rate (PPAC effect is shown in adjustment (n) below.	<u>\$ (6,873)</u>
n) To reflect decrease in PPAC revenues, related to decrease in PSC temporary assessment that is passed through the PPAC	<u>\$ (5,815)</u>
o) To eliminate general rents paid to General Fund in prior years (See PILOT above)	<u>\$ (22,200)</u>
p) Annual amortization of rate filing costs, over 3 years	<u>\$ 5,933</u>
Total Rate Year Adjustments	<u>\$ 92,933</u>

**VILLAGE OF AKRON
ELECTRIC DEPARTMENT**

**FORECASTED RATE OF RETURN CALCULATION
CAPITALIZATION MATRIX**

**Based on the Year Ended May 31, 2016,
Adjusted for Rate Year Adjustments and Revenue Increase Request**

		<u>Amount</u>	<u>Per- Cent</u>	<u>Cost Rate</u>	<u>Rate of Return</u>
<u>2016 (Base Year)</u>					
Long-term debt	Exhibit 10	\$ 794,445	19.4%	3.65%	0.71%
Customer deposits	Exhibit 10	23,909	0.6%	0.00%	0.00%
Net surplus	Exhibit 10	<u>3,275,487</u>	<u>80.0%</u>	-4.04%	<u>-3.23%</u>
Total		<u>\$ 4,093,841</u>	<u>100.00%</u>		<u>-2.52%</u>
<u>Rate Year Before Revenue Increase</u>					
Long-term debt	Exhibit 10	\$ 824,523	22.2%	3.58%	0.80%
Customer deposits	Exhibit 10	20,824	0.6%	0.00%	0.00%
Net surplus	Exhibit 10	<u>2,861,597</u>	<u>77.2%</u>	-6.88%	<u>-5.31%</u>
Total		<u>\$ 3,706,944</u>	<u>100.00%</u>		<u>-4.51%</u>
<u>Rate Year After Revenue Increase</u>					
Long-term debt	Exhibit 10	\$ 824,523	22.2%	3.58%	0.80%
Customer deposits	Exhibit 10	20,824	0.6%	0.00%	0.00%
Net surplus	Exhibit 10	<u>2,861,597</u>	<u>77.2%</u>	2.95%	<u>2.27%</u>
Total		<u>\$ 3,706,944</u>	<u>100.00%</u>		<u>3.07%</u>

**VILLAGE OF AKRON
ELECTRIC DEPARTMENT****SUMMARY OF SIGNIFICANT FORECAST ASSUMPTIONS
Based on the Year Ended May 31, 2016 (Base Year)****NOTE 1 - OPERATING REVENUES***Base Revenues*

Sales in kWh decreased approximately 4.4% for the fiscal year ended May 31, 2016 (Base Year). This decrease in electric consumption was primarily related to the extraordinarily warm winter period experienced during 2015/2016. Consumption decreases in the Residential, Commercial, and Industrial rate classes were approximately 10%, 6.5%, and 1%, respectively, for the fiscal year ended May 31, 2016 (Base Year).

As the decrease in kWh consumption was primarily attributable to weather conditions (and not a decrease in customers or normal usage patterns), kWh consumption and related Base Revenues in the Rate Year were calculated using weather normalization formulas discussed in Workpaper A. Weather normalization trends were developed using information included in the National Weather Service Forecast Office website (<http://www.nyserda.ny.gov/About/Publications/EA-Reports-and-Studies/Weather-Data/Monthly-Cooling-and-Heating-Degree-Day-Data.aspx>) for heating degree days for the ten (10) year period 2007-2016. This data was specific to the Buffalo, New York area.

As the Department experienced minimal growth/decline in its customer base over the last six years, any impact on Base Revenues, as a result of customer growth or decline, has been ignored in this forecast.

Based on the weather normalization calculations described in Workpaper A, Base Revenues during the Rate Year are expected to increase \$20,065 (1.75% increase) from the Base Year.

PPAC Revenues

PPAC Revenues represent a “dollar-for-dollar” pass-through of incremental power costs (defined as power costs and other production costs in excess of base purchased power costs). This “dollar-for-dollar” pass-through is reconciled at the end of each fiscal year to identify if any overbilling or under billing of PPAC revenues had occurred during the fiscal period.

PPAC revenues were increased for an under billing of PPAC revenues experienced during the Base Year. This under billing totaled \$20,051 (see Workpaper D), and will be returned to customers via the PPAC process in the fiscal period subsequent to the Base Year.

In addition, and as more fully described in Note 2.b.8. below, the Department pays a regulatory assessment (Section 18-a) to the PSC, based on annual gross revenues in excess of \$500,000. This assessment is passed on to the Department’s customers, on a dollar-for-dollar basis, via the PPAC process. Due to the anticipated reduction in the assessment rate (partially offset by an increase in normalized revenues), the expected Section 18-a assessment will be \$18,929 in the Rate Year, a reduction of \$6,873 from the Historic Base Year. As such, PPAC revenues have also been reduced by \$5,815 to reflect the nature of this pass-through. Please refer to Workpaper F for the calculation of both the temporary assessment (Section 18-a) and the general assessment.

Base Revenue, Revenue Increase Rate

The increase in Base Revenues (as a result of a 27.31% increase in base rates effective September 1, 2017) requested herein to support operations, capital improvements, annual debt service, establish adequate cash balances, and provide a reasonable rate of return on Rate Base, is expected to total \$319,412. Base Revenues in the Rate Year are expected to be \$1,488,788 (versus normalized Base Year revenues of \$1,169,376).

VILLAGE OF AKRON
ELECTRIC DEPARTMENTSUMMARY OF SIGNIFICANT FORECAST ASSUMPTIONS
Based on the Year Ended May 31, 2016 (Base Year)

NOTE 1 - OPERATING REVENUES - Continued

*PPAC Revenues - Continued**Miscellaneous Operating Revenues and Rental Income*

Miscellaneous operating revenues include (1) late charges, (2) re-connect fees, (3) after hours call out fees, (4) joint pole agreement fees (Time Warner), and (5) miscellaneous jobbing. As these revenues are difficult to estimate with any degree of certainty, revenues from these sources during the Rate Year are expected to equal the three-year average of \$17,338.

Normalization adjustments made to Miscellaneous Operating Revenues in this forecast were as follows:

Type	Base Year 2016	Rate Year	Rate Year Increase (Decrease)
Late fees	\$ 5,209	\$ 5,120	\$ (89)
Turn on fees	555	450	(105)
Miscellaneous jobbing	21,702	4,618	(17,084)
Joint pole agreement	7,151	7,150	(1)
Accident claims (a)	5,591	-	(5,591)
	<u>\$ 40,208</u>	<u>\$ 17,338</u>	<u>\$ (22,870)</u>

- (a) Accident claims were incorrectly reported as miscellaneous revenue in the Base Year. For rate filing purposes, these proceeds from accident claims have been removed from miscellaneous revenues, and credited to Accumulated Depreciation, as required. See Exhibit 14 for this correction.

In addition, the Department receives rental income from the Village's General and Water Funds for its use of the Department's garage for storage of Water Department and Department of Public Works vehicles. Annual rental income received is \$7,200 (\$3,600 Water Fund and \$3,600 General Fund). This rental income is expected to continue in future years.

NOTE 2 - OPERATING EXPENSES

- a. *Purchased Power* - The cost of electricity purchased for distribution is forecasted to be \$1,628,667 during the Rate Year. This forecasted amount is based on actual purchased power costs incurred during the Base Year, adjusted for weather normalization calculations described in Workpaper A. As weather normalization is expected to increase consumption and Base Revenues (Note 1), purchased power is also expected to increase to meet those consumption needs. Increases in purchased power, due to normalization adjustments, are expected to be \$6,824 (Workpaper A).

**VILLAGE OF AKRON
ELECTRIC DEPARTMENT****SUMMARY OF SIGNIFICANT FORECAST ASSUMPTIONS
Based on the Year Ended May 31, 2016 (Base Year)****NOTE 2 - OPERATING EXPENSES - Continued**

b. *Other Operating Expenses* - Other operating expenses are adjusted as follows:

(1) Labor (charged to expense accounts)

Labor charged to expense accounts includes:

- Salaries of the line crew laborers (allocated via the work order system based on the work performed).
- Salaries of the Manager of Public Works, Village Clerk, Village Treasurer, clerical workers, and the Village Board (allocated to the Electric Department based on estimated level of effort).

Total salaries incurred during Base Year 2016 were \$331,914, of which \$19,393 was capitalized to operating property via the Department's work order system. Salaries charged to the various expense accounts of the Department totaled \$312,521 during Base Year 2016.

Total salaries to be incurred during the Rate Year are projected to be \$315,258, of which \$21,410 is expected to be capitalized to operating property, and \$293,848 will be expensed in the forecasted statement of operations. (See Exhibit 15 for capitalized salaries and Workpaper E-1 for expected salaries in the Rate Year.) Capitalized salaries during the Rate Year have been estimated by the Electric Department's Crew Chief, and are based on the anticipated capital plan presented in Exhibit 15. Capitalized salaries are similar to those capitalized salaries in prior years, as the capital improvements made by the Department are fairly consistent from year to year.

Forecasted salaries during the fiscal year ended May 31, 2017, as well as the Rate Year, are presented in Workpapers E and E-1, respectively, and are calculated by each specific employee allocated (in whole or in part) to the Electric Department. Workpapers E and E-1 take into consideration (a) increases in wages and hourly rates (that went into effect on June 1, 2016 and are expected to go into effect on June 1, 2017), and (b) known retirees and new hires. The forecasted salaries only report those persons expected to be employed by the Electric Department during the Rate Year. The net effect of wage increases and retirees/new hires had the effect of decreasing total annual salaries by approximately \$16,656 from the Base Year 2016 to the Rate Year.

(2) Employee Benefits

Employee benefits include medical insurance, workers' compensation New York State retirement contributions, and FICA. Costs in Base Year 2016 represent the Electric Department's share of actual invoiced amounts (or via calculation on labor dollars for FICA), and are primarily based on a ratio of Electric Department labor dollars to total Village labor dollars.

In general, employee benefit costs have remained fairly consistent over the past three years, primarily because health insurance premiums have stabilized somewhat after several years of significant increases. Employee benefits have approximated 60-65% of total salary costs over the last few years. It should be noted that employee benefit costs in the Base Year 2016, do not include any retirement expenses related to the implementation of GASB 68 (NYS Retirement System Net Pension Liability). As such, the Rate Year does not include GASB 68 pension expense in employee benefits.

VILLAGE OF AKRON
ELECTRIC DEPARTMENTSUMMARY OF SIGNIFICANT FORECAST ASSUMPTIONS
Based on the Year Ended May 31, 2016 (Base Year)

NOTE 2 - OPERATING EXPENSES - Continued

b. Other Operating Expenses - Continued

(2) Employee Benefits - Continued

Rate Year employee benefit costs are based on (1) actual invoiced amounts, (2) calculation (FICA), or (3) budgeted amounts based on historic trend or vendor estimates. Rate Year employee benefit costs are expected to be approximately 62% of total labor dollars. The "net" decrease in employee benefits costs is expected to be as follows:

Type	Base Year 2016	Rate Year	Rate Year Increase (Decrease)
Medical insurance (a)	\$ 88,565	\$ 94,750	\$ 6,185
NYS retirement (b)	63,559	43,984	(19,575)
FICA (c)	28,583	24,117	(4,466)
Workers' compensation (d)	27,589	32,325	4,736
	<u>\$ 208,296</u>	<u>\$ 195,176</u>	<u>\$ (13,120)</u>

- (a) Medical insurance is based on quoted premiums from the Village of Akron's insurance providers. These premiums have been included in the Village's entity-wide budgets and have been allocated to the Electric Department based on level of effort within the Department. Based on actual costs incurred in the Base Year 2016 of \$88,565 and the anticipated budget in the Rate Year, medical insurance is expected to increase approximately 7% over the Base Year and total \$94,750 for the Rate Year, which is a \$6,185 increase from Base Year 2016.
- (b) The costs reported in the Rate Year is based on actual amounts paid in December 2016 (\$41,474) adjusted for an anticipated and estimated 6% increase in future New York State Retirement System contributions (due to the current unfunded status of the NYSRS). Retirement cost included in the Rate Year represents the Electric Department's allocated share of the NYSRS contribution based on level of effort within the Department. Given the performance of the NYS Retirement System over the past year, the retirement contribution is expected to be \$43,984 during the Rate Year, which is a \$(19,575) decrease from Base Year 2016.
- (c) FICA is calculated at 7.65% of total gross salaries. Salaries expected in the Rate Year total \$315,258 (Note 2.b.1.)
- (d) Represents the cost of workers' compensation insurance, and is based on insurance quotes from the Village's insurance carrier. Rate Year costs are expected to be \$32,325, an increase of \$4,736 from Base Year amounts.

VILLAGE OF AKRON
ELECTRIC DEPARTMENTSUMMARY OF SIGNIFICANT FORECAST ASSUMPTIONS
Based on the Year Ended May 31, 2016 (Base Year)

NOTE 2 - OPERATING EXPENSES - Continued

b. *Other Operating Expenses* - Continued

(3) Contractual/Material Expenses

Contractual and material expenses consist of materials, supplies, and/or services provided by outside vendors which are charged to the distribution, street lights, consumer accounting, and administrative and general cost categories. In general, most of these cost categories have experienced decreasing costs over the last three fiscal years (2014-2016). The primary reason for this decreasing cost trend was due to operational cash flow deficiencies and the need to practice conservatism over spending. Due to these operational cash flow deficiencies, the Electric Department had to suspend or curtail certain operational and maintenance tasks over the past two years (2015-2016).

During the Rate Year, these costs are expected to equal the three-year average (2014-2016) of these categories, with no adjustment for inflation factors (see Workpaper C).

	Base Year 2016	Rate Year	Rate Year Increase (Decrease)
Distribution	\$ 97,016	\$ 124,308	\$ 27,292
Street lights	1,409	2,885	1,476
Consumer accounting	10,525	9,404	(1,121)
Administrative and general	120,896	109,587	(11,309)
	<u>\$ 229,846</u>	<u>\$ 246,184</u>	<u>\$ 16,338</u>

(4) Insurance

Insurance expense represents the Electric Department's share of general liability insurance. Insurance premiums in the Rate Year are based on actual general liability premiums invoiced in the fiscal year ended May 31, 2017 (\$36,660) adjusted for an estimated 1% increase in the Rate Year. Rate Year premiums are estimated to be \$37,027.

Estimated premium	\$ 37,027
Base Year 2016	<u>15,394</u>
Rate Year increase	<u>\$ 21,633</u>

(5) Uncollectible Revenues

The Department has been somewhat inconsistent with its recognition and accounting for uncollectible revenues. As noted in its Annual Report, the Department did not record uncollectible revenues in fiscal year 2015.

Not recognizing an annual expense for uncollectible revenues is unrealistic, and the Village's Board and management is currently reviewing its policies for the recognition of uncollectible revenues, so as to not distort the true results of Department operations in any given year.

VILLAGE OF AKRON
ELECTRIC DEPARTMENTSUMMARY OF SIGNIFICANT FORECAST ASSUMPTIONS
Based on the Year Ended May 31, 2016 (Base Year)

NOTE 2 - OPERATING EXPENSES - Continued

b. *Other Operating Expenses* - Continued

(5) Uncollectible Revenues - Continued

As part of this rate filing, the Department is looking to establish an annual expense for uncollectible revenues. Without an established trend or history of uncollectible revenues, the Department has estimated its uncollectible revenues in the Rate Year to equal a benchmark percentage of 0.1525% of normalized gross revenues (Base and PPAC revenues). Normalized gross revenues (Exhibit 1) totals \$2,447,593 which yields uncollectible revenue of \$3,733 in the Rate Year. The benchmark percentage of 0.1525% (as determined by Staff) was used in a recent rate case for the Village of Akron (Case 15-E-0132). This benchmark appears reasonable for the Department's use.

(6) Depreciation Expense

Depreciation expense (Exhibit 14) has been calculated based on existing operating property plus future operating property acquisitions detailed in Exhibit 15. Future operating property acquisitions include anticipated costs for material and capitalized labor costs. Future operating property acquisitions are reported "net" of anticipated retirement values.

During the preparation of this Rate Filing, it became known that in fiscal year 2016 (the Base Year), and in many years prior to 2016, the Department was incorrectly calculating depreciation expense on its buildings and structures (Account 312). Specifically, the Department was only depreciating a portion of its actual cost basis in building and structures. This error was created by a misinterpretation of the depreciation requirements and procedures during a transition of accounting personnel many years ago.

As part of this Rate Filing, the Department has corrected its depreciation calculations for building and structures, to include the actual cost basis of all buildings and structures, as reported in the Department's Annual Reports. This correction has called for a significant increase in the Department's annual depreciation expense (see Exhibit 14, pages 2 and 3).

Depreciation charges are calculated using rates that are consistent with rates used in prior years. Depreciation charges are calculated on average operating property balances, as presented in Exhibit 14.

Depreciation expense, Rate Year	\$ 205,647
Depreciation expense, Base Year	<u>122,989</u>
Rate Year increase	<u><u>\$ 82,658</u></u>

(7) PILOT

Currently, the Department does not make a PILOT payment to the Village's General Fund. In its place, the Department had previously made an annual "rent" payment to the Village's General Fund in the amount of \$22,200 per annum. The Department wishes to discontinue the practice of paying "rent" to the General Fund, and instead make an annual PILOT payment based on the net book value of its operating property located within the Village multiplied by the Village's current property tax rate (adjusted for the current equalization rate). The expected PILOT payment during the Rate Year will be \$27,000 (rounded), and is calculated as follows (see Exhibit 14 for further analysis):

VILLAGE OF AKRON
ELECTRIC DEPARTMENTSUMMARY OF SIGNIFICANT FORECAST ASSUMPTIONS
Based on the Year Ended May 31, 2016 (Base Year)

NOTE 2 - OPERATING EXPENSES - Continued

b. Other Operating Expenses - Continued

(7) PILOT - Continued

Operating property subject to PILOT calculation	\$ 7,046,304
Accumulated depreciation	(2,752,928)
Net book value	4,293,376
Equalization Rate	100.00%
Equalized net book value	4,293,376
Village tax rate per \$1,000	6.39
PILOT (rounded)	\$ 27,000

(8) PSC Regulatory Assessment

The Electric Department pays a regulatory assessment (General Assessment and Temporary Assessment under Section 18-a) to the PSC, based on its annual gross revenues in excess of \$500,000. It is understood that, during the Rate Year, the General Assessment rate will be 0.239% and the Temporary Assessment rate will be 0.730%. With normalized gross revenues (excluding the requested revenue requirement) anticipated to be \$1,953,408 (net of the \$500,000 exemption), the regulatory assessment is expected to be \$18,929 during the Rate Year, a reduction of \$6,873 from the Historic Base Year. The primary reasons for this decrease are (1) reduction in assessment rate and (2) reduction in assessed revenues. As the Temporary Assessment is passed onto the customers via the PPAC process, PPAC revenues were decreased by \$5,815. See Workpaper F for related calculations.

(9) Amortization of Rate Filing Costs

The Department wishes to amortize the cost of its rate filing over a three-year period, the expected period of benefit. Amortization costs are expected to be \$5,933 per annum for each of the next three years. The unamortized portion of these rate filing costs have been included in the calculation of Rate Base, and is presented in "Prepaid Expenses" (Exhibits 7 and 9).

NOTE 3 - INDEBTEDNESS

The Electric Department's indebtedness at the end of the Rate Year consists of existing debt obligations and anticipated borrowings for certain capital improvements. Remaining capital improvements are expected to be financed from operating cash balances and/or depreciation reserves, as allowed for by the new customer rates.

**VILLAGE OF AKRON
ELECTRIC DEPARTMENT**

**SUMMARY OF SIGNIFICANT FORECAST ASSUMPTIONS
Based on the Year Ended May 31, 2016 (Base Year)**

NOTE 3 - INDEBTEDNESS - Continued

A summary of indebtedness at the end of the Rate Year is as follows:

	<u>Beginning of Rate Year</u>	<u>End of Rate Year</u>
Public Improvement Bond, issued June 2013, interest at 3.25% to 3.75%, annual principal payments of \$30,000 to \$40,000 due June 2035 (a)	\$ 700,000	\$ 668,000
Public Improvement Bond, to be issued December 2017, interest at 4.0% annual principal payments of \$53,000, due December 2022 (b)	<u>-</u>	<u>265,000</u>
	<u>\$ 700,000</u>	<u>\$ 933,000</u>

- (a) Financing for improvements to building, owned 40% by the Electric Department. The Department is responsible for 40% of the annual debt service payments.
- (b) Financing for future acquisition of bucket truck.

NOTE 4 - RATE OF RETURN

The rate of return calculation is provided as an indicator of the level of forecasted income from operations compared to the risk/investment borne by the Electric Department.

The rate of return on Rate Base and Surplus for the year ended May 31, 2016, is calculated based on the prescribed format in the Village's Municipal Electric Utilities Annual Report filed with the New York State Department of Public Service for the year ended May 31, 2016. This rate of return on Rate Base and Surplus was negative (2.52)% and negative (4.04)%, respectively. The rate of return on Rate Base and Surplus for the Forecasted Rate Year of 3.07% and 2.95%, respectively, is calculated using Base Year 2016 amounts and applying forecasted changes to the Electric Department's operation, rate base, debt service, and surplus, as described herein.

**VILLAGE OF AKRON
ELECTRIC DEPARTMENT**

**BALANCE SHEETS
May 31,**

	Fiscal 2014	Fiscal 2015	Fiscal 2016	2014-2016 Average Balance
ASSETS				
Plant in service	\$ 7,157,540	\$ 8,069,794	\$ 8,228,141	\$ 8,148,968
Construction work in progress	-	-	-	-
Depreciation reserve	(4,028,352)	(4,220,026)	(4,412,211)	(4,316,119)
Contribution for extensions	-	-	-	-
Net plant	<u>3,129,188</u>	<u>3,849,768</u>	<u>3,815,930</u>	<u>3,832,849</u>
Depreciation reserve funds	-	38,800	38,896	38,848
Miscellaneous special funds	548,823	143,528	62,022	102,775
Cash	26,458	34,272	43,308	38,790
Working funds	-	-	-	-
Loans to operating municipality	-	-	-	-
Materials and supplies	150,588	164,230	118,445	141,338
Receivables from operating municipalities	-	-	-	-
Accounts receivable	360,190	305,164	294,193	299,679
Reserve for uncollectibles	-	-	-	-
Prepayments	128,894	99,044	8,940	53,992
Miscellaneous current assets	-	-	-	-
Total assets	<u>\$ 4,344,141</u>	<u>\$ 4,634,806</u>	<u>\$ 4,381,734</u>	<u>\$ 4,508,270</u>
LIABILITIES				
Accounts payable	150,090	\$ 237,338	283,572	\$ 260,455
Notes payable	550,000	41,245	53,645	47,445
Payables to operating municipality	-	-	-	-
Customer deposits	26,458	26,993	20,824	23,909
Taxes accrued	-	-	-	-
Interest accrued	-	507	525	516
Miscellaneous other current liabilities	175,357	158,531	148,386	153,459
Total current liabilities	<u>901,905</u>	<u>464,614</u>	<u>506,952</u>	<u>485,783</u>
Bonds payable	113,966	762,000	732,000	747,000
Long-term debt, other	9,499	-	-	-
Miscellaneous reserves	47,874	-	-	-
Total liabilities	<u>1,073,244</u>	<u>1,226,614</u>	<u>1,238,952</u>	<u>1,232,783</u>
Contributions for extensions	-	-	-	-
Contributions to municipality	-	-	-	-
Surplus	<u>3,270,897</u>	<u>3,408,192</u>	<u>3,142,782</u>	<u>3,275,487</u>
Total surplus	<u>3,270,897</u>	<u>3,408,192</u>	<u>3,142,782</u>	<u>3,275,487</u>
Total liabilities and surplus	<u>\$ 4,344,141</u>	<u>\$ 4,634,806</u>	<u>\$ 4,381,734</u>	<u>\$ 4,508,270</u>

**VILLAGE OF AKRON
ELECTRIC DEPARTMENT**

**INCOME STATEMENTS
(INCLUDING kWh SALES BY RATE CLASS)
Years Ended May 31,**

		Fiscal 2014	Fiscal 2015	Fiscal 2016	Three-Year Average
Operating revenues					
A/C 601	Residential sales	\$ 1,064,221	\$ 880,325	\$ 771,787	\$ 905,444
A/C 602	Commercial sales	121,251	105,061	95,292	107,201
A/C 603	Industrial sales	1,822,962	1,523,136	1,490,289	1,612,129
A/C 604	Public street lighting - operating municipality	14,400	14,400	14,400	14,400
A/C 605	Public street lighting - other	-	-	-	-
A/C 606	Other sales to operating municipality	38,996	35,525	31,926	35,482
A/C 607	Other sales to other public authorities	-	-	-	-
A/C 608	Sales to other distributors	-	-	-	-
A/C 609	Sales to railroads	-	-	-	-
A/C 610	Security lighting	10,183	9,653	9,598	9,811
A/C 621	Rent from electric property	7,200	7,200	7,200	7,200
A/C 622	Miscellaneous electric revenues	961	16,436	40,208	19,202
	Total operating revenues	3,080,174	2,591,736	2,460,700	2,710,870
Operation and maintenance expense					
	Electricity purchased	2,150,620	1,704,830	1,621,843	1,825,764
	Transmission expense	-	-	-	-
	Poles, towers, and fixtures	-	-	-	-
	Distribution expense	326,843	280,368	238,299	281,837
	Street lighting and signal expense	9,952	5,706	3,460	6,373
	Customer accounting and collection	108,033	14,241	25,853	49,376
	Sales expense	-	-	-	-
	Administrative and general expense	425,243	556,726	546,447	509,472
	Depreciation	118,846	120,146	122,989	120,660
	Taxes, electric	-	-	-	-
	Uncollectible revenues	-	-	9,311	3,104
	Total operation and maintenance expense	3,139,537	2,682,017	2,568,202	2,796,585
	Income from operations	(59,363)	(90,281)	(107,502)	(85,715)
Other income (expense)					
	Interest income	-	-	144	48
	Interest expense	(16,803)	(32,034)	(29,019)	(25,952)
	Contractual appropriations of income	-	-	-	-
	Miscellaneous interest deductions	-	-	-	-
	Other	(2,375)	-	-	(792)
	Total other income (expense)	(19,178)	(32,034)	(28,875)	(26,696)
	Net income (loss)	\$ (78,541)	\$ (122,315)	\$ (136,377)	\$ (112,411)
kWh Sales					
A/C 601	Residential sales	22,554,659	18,657,532	16,886,610	19,366,267
A/C 602	Commercial sales	2,175,889	2,151,353	2,009,684	2,112,309
A/C 603	Industrial sales	34,587,701	33,522,695	33,274,455	33,794,950
A/C 604	Public street lighting, operating municipality	505,044	505,044	276,484	428,857
A/C 605	Public street lighting, other	-	-	-	-
A/C 606	Other sales to operating municipality	588,120	588,880	550,980	575,993
A/C 607	Other sales to other public authorities	-	-	-	-
A/C 608	Sales to other distributors	-	-	-	-
A/C 610	Security lighting	78,965	78,419	78,420	78,601
	Total kWh sold	60,490,378	55,503,923	53,076,633	56,356,978

**VILLAGE OF AKRON
ELECTRIC DEPARTMENT**

**STATEMENTS OF SURPLUS
Years Ended May 31,**

	Fiscal 2014	Fiscal 2015	Fiscal 2016
SURPLUS, <i>beginning of year</i>	\$ 3,349,438	\$ 3,270,897	\$ 3,408,192
Add:			
Net income (loss)	(78,541)	(122,315)	(136,377)
Prior period adjustment	-	259,610	437
Deduct:			
Prior period adjustment	-	-	(129,470)
SURPLUS, <i>end of year</i>	<u>\$ 3,270,897</u>	<u>\$ 3,408,192</u>	<u>\$ 3,142,782</u>

**VILLAGE OF AKRON
ELECTRIC DEPARTMENT**

**RATE OF RETURN STUDY
RATE BASE**

Based on the Year Ended May 31, 2016 (Base Year)

		(a)	(b)	(c)	(d)	(e)
		Fiscal		Adjusted	Revenue	Year After
	<u>Reference (Page, Column, Row)</u>	<u>Year</u>	<u>Adjustments</u>	<u>Year</u>	<u>Change</u>	<u>Revenue</u>
						<u>Change</u>
35	Utility Plant in Service	RB, Ln 5 (c)	\$ 8,148,968	\$ 406,495	\$ 8,555,463	\$ 8,555,463
36	Construction Work in Progress	RB, Ln 8 (c)	-	-	-	-
37	Total Utility Plant	ROR, Ln 35 plus Ln 36	8,148,968	406,495	8,555,463	8,555,463
38						
39	Accumulated Provision for Depre and Amort	RB, Ln 14 (c)	(4,316,119)	(398,686)	(4,714,805)	(4,714,805)
40						
41	Contributions for Extensions	RB, Ln 17 (c)	-	-	-	-
42						
43	Net Utility Plant	ROR, Total Ln 37, Ln 39, Ln 41	3,832,849	7,810	3,840,659	3,840,659
44						
45	Materials and Supplies	RB, Ln 21 (c)	141,338	(22,893)	118,445	118,445
46						
47	Prepayments	RB, Ln 24 (c)	53,992	(39,159)	14,834	14,834
48						
49	Cash Working Capital	ROR, Ln 74	236,911	1,823	238,734	238,734
50						
51	<u>Other: (Detail)</u>					
52						
53						
54						
55						
56	Rate Base	ROR, Total Ln 43=>Ln 54	\$ 4,265,090	\$ (52,419)	\$ 4,212,671	\$ 4,212,671

**VILLAGE OF AKRON
ELECTRIC DEPARTMENT**

**RATE OF RETURN BASE
CASH WORKING CAPITAL
Based on the Year Ended May 31, 2016 (Base Year)**

		(a)	(b)	(c)	(d)	(e)
	Reference (Page, Column, Row)	Fiscal Year	Adjustments	Adjusted Year	Revenue Change	Year After Revenue Change
57 <u>Cash Working Capital</u>						
58 Total Operating Expenses	ROR, Ln 22	\$ 2,568,202	\$ 93,942	\$ 2,662,144	\$ -	\$ 2,662,144
59						
60 Deduct:						
61 Fuel	ROR, Ln 6	-	-	-	N/A	-
62 Purchased Power	ROR, Ln 7	1,621,843	6,824	1,628,667	N/A	1,628,667
63 Depreciation	ROR, Ln16	122,989	82,658	205,647	N/A	205,647
64 Other Taxes	ROR, Ln17	-	-	-	N/A	-
65 Uncollectibles	ROR, Ln18	9,311	(5,578)	3,733	N/A	3,733
66						
67						
68 Adjusted Amount	ROR, Ln 58 minus Ln 61=>Ln 67	814,059	10,038	824,097	-	824,097
69						
70 Working Capital - Operating Expenses @ 1/8	ROR, Ln 68/8	101,757	1,255	103,012	N/A	103,012
71						
72 Working Capital - Purchased Power @ 1/12	ROR, Ln 61/12	135,154	569	135,722	N/A	135,722
73						
74 Total Cash Working Capital	ROR, Total Ln 70, Ln 72	\$ 236,911	\$ 1,823	\$ 238,734	N/A	\$ 238,734

**VILLAGE OF AKRON
ELECTRIC DEPARTMENT**

**DETAIL OF RATE BASE
Based on the Year Ended May 31, 2016 (Base Year)**

	Reference (Page, Column, Row)	(a) Balance at Beg. of Year	(b) Balance at End of Year	(c) Avg Balance	(d) Balance at Beg. of Rate Year	(e) Balance at End of Rate Year	(f) Avg. Balance
1	<u>Utility Plant in Service</u>						
2	Operating Property - Electric	Pg 104, Ln 2 (c) & (d)	\$ 8,067,704	\$ 8,226,051	\$ 8,146,878	\$ 8,323,968	\$ 8,553,373
3	Operating Property - Other Operations	Pg 104, Ln 3 (c) & (d)	-	-	-	-	-
4	Operating Property - General	Pg 104, Ln 4 (c) & (d)	2,090	2,090	2,090	2,090	2,090
5	Utility Plant in Service		<u>\$ 8,069,794</u>	<u>\$ 8,228,141</u>	<u>\$ 8,148,968</u>	<u>\$ 8,326,058</u>	<u>\$ 8,555,463</u>
6							
7							
8	Construction Work in Progress	Pg 104, Ln 5 (c) & (d)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
9							
10							
11	<u>Accumulated Provision for Depre and Amort</u>						
12	Accumulated Provision for Depreciation	Pg 105, Ln 19 (c) & (d)	\$ 4,220,026	\$ 4,412,211	\$ 4,316,119	\$ 4,688,223	\$ 4,714,805
13	Accumulated Provision for Amortization	Pg 105, Ln 20 (c) & (d)	-	-	-	-	-
14	Accumulated Provision for Depre and Amort		<u>\$ 4,220,026</u>	<u>\$ 4,412,211</u>	<u>\$ 4,316,119</u>	<u>\$ 4,688,223</u>	<u>\$ 4,714,805</u>
15							
16							
17	Contributions for Extensions	Pg 105, Ln 21 (c) & (d)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
18							
19							
21	Materials and Supplies	Pg104, Ln 18 (c) & (d)	<u>\$ 164,230</u>	<u>\$ 118,445</u>	<u>\$ 141,338</u>	<u>\$ 118,445</u>	<u>\$ 118,445</u>
22							
23							
24	Prepayments	Pg 104, Ln 23 (c) & (d)	<u>\$ 99,044</u>	<u>\$ 8,940</u>	<u>\$ 53,992</u>	<u>\$ 17,800</u>	<u>\$ 14,834</u>

**VILLAGE OF AKRON
ELECTRIC DEPARTMENT**

**DETAIL OF RATE OF RETURN
Based on the Year Ended May 31, 2016 (Base Year)**

		(a) Balance at Beg. of Year	(b) Balance at End of Year	(c) Avg Balance	(d) Balance at Beg. of Rate Year	(e) Balance at End of Rate Year	(f) Avg. Balance
<u>Capital Structure</u>	<u>Reference (Page, Column, Row)</u>						
1 <u>Debt</u>							
2 Bonds	Pg 105, Ln 2 (c) & (d)	\$ 762,000	\$ 732,000	\$ 747,000	\$ 700,000	\$ 668,000	\$ 684,000
3 Equipment Obligations	Pg 105, Ln 3 (c) & (d)	-	-	-	-	265,000	132,500
4 Miscellaneous Long Term Debt - NYPA Loan	Pg 105, Ln 4 (c) & (d)	-	-	-	-	-	-
5 Notes Payable	Pg 105, Ln 9 (c) & (d)	41,245	53,645	47,445	16,045	-	8,023
6 Matured Long-Term Debt	Pg 105, Ln 12 (c) & (d)	-	-	-	-	-	-
7 Unamortized Premium on Debt	Pg 105, Ln 28 (c) & (d)	-	-	-	-	-	-
8 Unamortized Debt Discount and Expense	Pg 104, Ln 28 (c) & (d)	-	-	-	-	-	-
9							
10							
11 Debt		<u>\$ 803,245</u>	<u>\$ 785,645</u>	<u>\$ 794,445</u>	<u>\$ 716,045</u>	<u>\$ 933,000</u>	<u>\$ 824,523</u>
12							
13							
14 Customer Deposits	Pg 105, Ln 10 (c) & (d)	<u>\$ 26,993</u>	<u>\$ 20,824</u>	<u>\$ 23,909</u>	<u>\$ 20,824</u>	<u>\$ 20,824</u>	<u>\$ 20,824</u>
15							
16							
17 <u>Surplus</u>							
18 Contributions - Operating Municipality	Pg 105, Ln 32 (c) & (d)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
19 Surplus	Pg 105, Ln 33 (c) & (d)	3,408,192	3,142,782	3,275,487	2,955,325	2,767,868	2,861,597
20 Deficit	Pg 104, Ln 37 (c) & (d)	-	-	-	-	-	-
21							
22							
23 Surplus		<u>\$ 3,408,192</u>	<u>\$ 3,142,782</u>	<u>\$ 3,275,487</u>	<u>\$ 2,955,325</u>	<u>\$ 2,767,868</u>	<u>\$ 2,861,597</u>
24							
25							
26 <u>Interest Costs</u>							
27 <u>Interest on Debt</u>							
28 Bonds	Pg 252, Ln 20 (k)			\$ 29,019			\$ 24,241
29 Equipment Obligations	Pg 252, Ln 28 (k)			-			5,300
30 Miscellaneous Long-Term Debt	Pg 252, Ln 35 (k)			-			-
31 Notes Payable	Pg 250, Ln 22 (g)			-			-
32 Matured Long-Term Debt	N/A			-			-
33 Unamortized Premium on Debt (Credit)	Pg 106, Ln 36 (c)			-			-
34 Amortization of Debt Discount and Expense	Pg 106, Ln 35 (c)			-			-
35				-			-
36							-
37							-
38 Interest on Debt				<u>\$ 29,019</u>			<u>\$ 29,541</u>
39 Cost Rate				<u>3.65%</u>			<u>3.58%</u>
40							
41 Interest on Customer Deposits	Pg 309, Ln 10 (f)			<u>\$ -</u>			<u>\$ -</u>
Cost Rate				<u>0.00%</u>			<u>0.00%</u>

**VILLAGE OF AKRON
ELECTRIC DEPARTMENT**

**REVENUE CHANGE
For the Historic Year Ended May 31, 2016
and the Rate Year**

	<u>Reference (Page, Column, Row)</u>	<u>Amount</u>	
106 Rate Base	ROR, Ln 30 (e)	4,212,671	
107			
108 Rate of Return	ROR, Ln 32 (e)	3.06%	
109			
110 Required Operating Income	ROR, Ln 106 * Ln 108	128,908	
111			
112 Adjusted Operating Income	ROR, Ln 28 (c)	(190,013)	
113			
114 Deficiency (Surplus)	ROR, Ln 110 - Ln 112	318,921	
115			
116 Retention Factor	ROR, Ln 132	0.9985	
117			
118 Revenue Increase (Decrease)	ROR, Ln 114 / Ln 116	319,412	
119			
120			
121			
122 Calculation of the Retention Factor:		<u>Factor</u>	<u>Proof</u>
123 Sales Revenues		1.0000	319,412
124 - Revenue Taxes	N/A	N/A	N/A
125 - Uncollectibles	ROR, Ln 18/Ln 1	0.0015	492
126			
127			
128 Sub-Total	ROR, Ln123-Total Ln124=>Ln127	0.9985	318,921
129			
130 Federal Income Tax @ 35%	N/A	0.00	0
131			
132 Retention Factor	ROR, Ln 128 - Ln 130	0.9985	318,921

**VILLAGE OF AKRON
ELECTRIC DEPARTMENT**

**CALCULATION OF AVERAGE LINE LOSS AND FACTOR OF ADJUSTMENT
Based on Line Losses for Fiscal Years 2011 Through 2016**

	kWh Purchases	kWh Line Losses	Annual Line Loss	kWh Electric Dept. Use	kWh Sales
Fiscal Year 2011	58,187,354	(1,157,377)	-0.019891	361,646	56,668,331
Fiscal Year 2012	57,282,771	(1,874,722)	-0.032728	24,844	55,383,205
Fiscal Year 2013	58,102,943	(2,163,509)	-0.037236	776	55,939,434
Fiscal Year 2014	61,899,589	(1,409,211)	-0.022766	458	60,490,378
Fiscal Year 2015	57,254,598	(1,750,675)	-0.030577	463	55,503,923
Fiscal Year 2016	55,038,660	(1,962,027)	-0.035648	-	53,076,633
	<u>347,765,915</u>	<u>(10,317,521)</u>		<u>388,187</u>	<u>337,061,904</u>
Average Line Loss			<u>-0.029668</u>		

	kWh Purchases	kWh Sales	Annual Factor of Adjustment
Fiscal Year 2011	58,187,354	56,668,331	1.026806
Fiscal Year 2012	57,282,771	55,383,205	1.034299
Fiscal Year 2013	58,102,943	55,939,434	1.038676
Fiscal Year 2014	61,899,589	60,490,378	1.023296
Fiscal Year 2015	57,254,598	55,503,923	1.031541
Fiscal Year 2016	55,038,660	53,076,633	1.036966
	<u>347,765,915</u>	<u>337,061,904</u>	
Average Factor of Adjustment			<u>1.031757</u>

VILLAGE OF AKRON
ELECTRIC DEPARTMENT

COMPARISON OF PRESENT AND PROPOSED RATES

	<u>Present</u>	<u>Proposed</u>	<u>Increase \$</u>	<u>Increase %</u>
<u>S.C. No. 1</u>				
Customer Charge	\$ 1.84	\$ 2.34	\$ 0.50	27.31%
Energy charge, per kWh	\$ 0.0197	\$ 0.0251	\$ 0.0054	27.31%
<u>S.C. No. 2</u>				
Customer Charge	\$ 1.84	\$ 2.34	\$ 0.50	27.31%
Energy charge, per kWh	\$ 0.0233	\$ 0.0297	\$ 0.0064	27.31%
<u>S.C. No. 3</u>				
Demand Charge, per kW	\$ 1.53	\$ 1.95	\$ 0.42	27.31%
Energy Charge, per kWh	\$ 0.0159	\$ 0.0202	\$ 0.0043	27.31%
<u>S.C. No. 4</u>				
Demand Charge, per kW	\$ 2.33	\$ 2.97	\$ 0.64	27.31%
Energy Charge, per kWh	\$ 0.0153	\$ 0.0195	\$ 0.0042	27.31%
<u>S.C. No. 5</u>				
Facilities Charge, per Unit				
100 Watt High Pressure Sodium Unit	\$ 4.79	\$ 6.10	\$ 1.31	27.31%
150 Watt High Pressure Sodium Unit	\$ 6.26	\$ 7.97	\$ 1.71	27.31%
250 Watt High Pressure Sodium Lamp	\$ 7.34	\$ 9.34	\$ 2.00	27.31%
400 Watt High Pressure Sodium Lamp	\$ 13.73	\$ 17.48	\$ 3.75	27.31%

VILLAGE OF AKRON
ELECTRIC DEPARTMENT

COMPARISON OF MONTHLY BILLS

S.C. NO. 1 - RESIDENTIAL

<u>kWh</u>	<u>Present</u>	<u>Proposed</u>	<u>Increase \$</u>	<u>Increase %</u>
0	\$ 1.84	\$ 2.34	\$ 0.50	27.17%
2	\$ 1.93	\$ 2.44	\$ 0.51	26.50%
10	\$ 2.28	\$ 2.83	\$ 0.55	24.34%
25	\$ 2.93	\$ 3.57	\$ 0.64	21.67%
50	\$ 4.02	\$ 4.79	\$ 0.77	19.14%
75	\$ 5.11	\$ 6.02	\$ 0.91	17.70%
100	\$ 6.20	\$ 7.24	\$ 1.04	16.76%
150	\$ 8.39	\$ 9.70	\$ 1.31	15.62%
200	\$ 10.57	\$ 12.15	\$ 1.58	14.95%
250	\$ 12.75	\$ 14.60	\$ 1.85	14.51%
500	\$ 23.66	\$ 26.86	\$ 3.20	13.53%
750	\$ 34.57	\$ 39.12	\$ 4.55	13.16%
1,000	\$ 45.48	\$ 51.38	\$ 5.90	12.97%
1,500	\$ 67.30	\$ 75.90	\$ 8.60	12.78%
2,000	\$ 89.12	\$ 100.42	\$ 11.30	12.68%
5,000	\$ 220.04	\$ 247.54	\$ 27.50	12.50%
PPA/kWh include.*	0.023939	0.023939		

* = PPAC factor in effect during Rate Year (equivalent to average PPAC Factor in Base Year)

VILLAGE OF AKRON
ELECTRIC DEPARTMENT

COMPARISON OF MONTHLY BILLS

S.C. No. 2 - GENERAL SERVICE - NON-DEMAND METERED

<u>kWh</u>	<u>Present</u>	<u>Proposed</u>	<u>Increase \$</u>	<u>Increase %</u>
0	\$ 1.84	\$ 2.34	\$ 0.50	27.17%
2	\$ 1.93	\$ 2.45	\$ 0.51	26.51%
10	\$ 2.31	\$ 2.88	\$ 0.56	24.39%
25	\$ 3.02	\$ 3.68	\$ 0.66	21.85%
50	\$ 4.20	\$ 5.02	\$ 0.82	19.51%
75	\$ 5.38	\$ 6.36	\$ 0.98	18.21%
100	\$ 6.56	\$ 7.70	\$ 1.14	17.37%
150	\$ 8.88	\$ 10.39	\$ 1.51	16.95%
200	\$ 11.29	\$ 13.07	\$ 1.78	15.77%
250	\$ 13.65	\$ 15.75	\$ 2.10	15.38%
500	\$ 25.46	\$ 29.16	\$ 3.70	14.53%
750	\$ 37.27	\$ 42.57	\$ 5.30	14.22%
1,000	\$ 49.08	\$ 55.98	\$ 6.90	14.06%
1,500	\$ 72.70	\$ 82.80	\$ 10.10	13.89%
2,000	\$ 96.32	\$ 109.62	\$ 13.30	13.81%
5,000	\$ 238.04	\$ 270.54	\$ 32.50	13.65%
10,000	\$ 474.23	\$ 538.73	\$ 64.50	13.60%
PPA/kWh include.*	0.023939	0.023939		

* = PPAC factor in effect during Rate Year (equivalent to average PPAC Factor in Base Year)

VILLAGE OF AKRON
ELECTRIC DEPARTMENT

COMPARISON OF MONTHLY BILLS

S.C. No. 3 - GENERAL SERVICE - DEMAND METERED

<u>kW</u>	<u>kWh</u>	<u>Present</u>	<u>Proposed</u>	<u>Increase \$</u>	<u>Increase %</u>
50	1,000	\$ 116.34	\$ 141.64	\$ 25.30	21.75%
	1,500	\$ 136.26	\$ 163.71	\$ 27.45	20.15%
	2,000	\$ 156.18	\$ 185.78	\$ 29.60	18.95%
75	2,000	\$ 194.43	\$ 234.53	\$ 40.10	20.62%
	3,000	\$ 234.27	\$ 278.67	\$ 44.40	18.95%
	4,000	\$ 274.11	\$ 322.81	\$ 48.70	17.77%
100	5,000	\$ 352.20	\$ 415.70	\$ 63.50	18.03%
	7,500	\$ 451.79	\$ 526.04	\$ 74.25	16.43%
	10,000	\$ 551.39	\$ 636.39	\$ 85.00	15.42%
PPA/kWh include.*		0.023939	0.023939		

* = PPAC factor in effect during Rate Year (equivalent to average PPAC Factor in Base Year)

VILLAGE OF AKRON
ELECTRIC DEPARTMENT

COMPARISON OF MONTHLY BILLS

S.C. No. 4 - LARGE GENERAL SERVICE

<u>kW</u>	<u>kWh</u>	<u>Present</u>	<u>Proposed</u>	<u>Increase \$</u>	<u>Increase %</u>
50	1,000	\$ 155.74	\$ 191.94	\$ 36.20	23.24%
	1,500	\$ 175.36	\$ 213.66	\$ 38.30	21.84%
	2,000	\$ 194.98	\$ 235.38	\$ 40.40	20.72%
75	2,000	\$ 253.23	\$ 309.63	\$ 56.40	22.27%
	3,000	\$ 292.47	\$ 353.07	\$ 60.60	20.72%
	4,000	\$ 331.71	\$ 396.51	\$ 64.80	19.54%
100	5,000	\$ 429.20	\$ 514.20	\$ 85.00	19.80%
	7,500	\$ 527.29	\$ 622.79	\$ 95.50	18.11%
	10,000	\$ 625.39	\$ 731.39	\$ 106.00	16.95%
PPA/kWh include.*		0.023939	0.023939		

* = PPAC factor in effect during Rate Year (equivalent to average PPAC Factor in Base Year)

VILLAGE OF AKRON
ELECTRIC DEPARTMENT

COMPARISON OF MONTHLY BILLS

S.C. No. 5 - PRIVATE OUTDOOR LIGHTING (UNMETERED)

Type of Lamps	Monthly Facilities Charge Present	Monthly Facilities Charge Proposed	Increase \$	Increase %
100 Watt High Pressure Sodium Unit	\$ 4.79	\$ 6.10	\$ 1.31	27.35%
150 Watt Hight Pressure Sodium Unit	\$ 6.26	\$ 7.97	\$ 1.71	27.32%
250 Watt High Pressure Sodium Lamp	\$ 7.34	\$ 9.34	\$ 2.00	27.25%
400 Watt High Pressure Sodium Lamp	\$ 13.73	\$ 17.48	\$ 3.75	27.31%

PPA/kWh include.*	0.023939	0.023939
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* = PPAC factor in effect during Rate Year (equivalent to average PPAC Factor in Base Year)

VILLAGE OF AKRON
ELECTRIC DEPARTMENTOPERATING PROPERTY ANALYSIS, INCLUDING ADDITIONS AND
DEPRECIATION CALCULATIONS
May 31, 2016 Through End of Rate Year

A/C#	5/31/16 Beg of Yr. Bal.	Actual Additions 6/1/16 to 1/31/2017	Actual Retirements 6/1/16 to 1/31/2017	Estimated Additions, net of retirements 2/1/2017 to 5/31/17	Projected 5/31/17 End of Year Bal.	Rate Year Additions Net of Retirements	Projected End of Rate Yr. Bal.
301	\$ 45				\$ 45		\$ 45
302	10				10		10
303					-		-
311	44,484				44,484		44,484
312	3,358,244				3,358,244		3,358,244
321					-		-
322					-		-
323					-		-
325					-		-
331					-		-
332					-		-
333					-		-
334					-		-
342					-		-
344					-		-
345					-		-
351					-		-
352					-		-
353					-		-
354					-		-
358	450,314	1,052	(246)	50,000	501,120		501,120
359	82,430				82,430		82,430
361	523,347			25,000	548,347	323,135	871,482
362					-		-
363	894,431			14,557	908,988		908,988
364					-		-
365	436,847				436,847		436,847
366	379,641				379,641		379,641
367	131,592				131,592		131,592
368	245,857	65			245,922		245,922
369	34,690				34,690		34,690
370	26,115				26,115		26,115
371	347,884				347,884		347,884
381	238,752				238,752	15,000	253,752
382					-		-
383	41,229				41,229	18,675	59,904
384	740,499	2,052	(1,465)		741,086	102,000	843,086
385	19,949				19,949		19,949
386	13,772				13,772		13,772
387	215,919	7,274	(372)		222,821		222,821
388					-		-
391					-		-
392					-		-
393					-		-
<hr/>							
	\$ 8,226,051	\$ 10,443	\$ (2,083)	\$ 89,557	\$ 8,323,968	\$ 458,810	\$ 8,782,778
<hr/>							
	(a)	(b)	(c)	(d)			

(a) - Includes capitalized salaries, materials, and related overhead. These amounts represent actual amounts capitalized for the period June 1, 2016 through January 31, 2017 (date of which work orders were processed through).

(b) - Historic value of operating property retired during the period June 1, 2016 through January 31, 2017.

(c) - Represents estimated operating property additions to be made during the period February 1, 2017 through May 31, 2017. Estimate of capital improvements for FY 2017 is \$100,000.

(d) - Includes cost from intended capital improvement plan, which includes capitalized salaries and material costs, net of retirements.

VILLAGE OF AKRON
ELECTRIC DEPARTMENTOPERATING PROPERTY ANALYSIS, INCLUDING ADDITIONS AND
DEPRECIATION CALCULATIONS
Year Ended May 31, 2017

A/C#	5/31/2016 Beg. of Yr. Bal.	5/31/2017 End of Yr. Bal.	Avg. Gross Bal.	Less: Contributions for Extension	Avg. Balance Subject to Depreciation	Dep. Rate	Depreciation Expense A/C#	Amt.	Depreciation Reserves Beg. of Yr. Bal.	Salvage/ (Retirements)	5/31/2017 End of Yr. Bal.	Remaining Cost
301	\$ 45	\$ 45	\$ 45		\$ 45			-			\$ -	\$ 45
302	10	10	10		10			-			-	10
303	-	-	-		-			-			-	-
311	44,484	44,484	44,484		44,484			-	-		-	44,484
312	3,358,244	3,358,244	3,358,244		3,358,244	2.00%	788	67,165	308,717		375,882	2,982,362
321	-	-	-		-			-			-	-
322	-	-	-		-			-			-	-
323	-	-	-		-			-			-	-
325	-	-	-		-			-			-	-
331	-	-	-		-		711	-			-	-
332	-	-	-		-		711	-			-	-
333	-	-	-		-		711	-			-	-
334	-	-	-		-		711	-			-	-
342	-	-	-		-		717	-			-	-
344	-	-	-		-		717	-			-	-
345	-	-	-		-		717	-			-	-
351	-	-	-		-		733	-			-	-
352	-	-	-		-		733	-			-	-
353	-	-	-		-		733	-			-	-
354	-	-	-		-		738	-			-	-
358	450,314	501,120	475,717		475,717	4.00%	738	19,029	347,070	5,591	371,690	129,430
359	82,430	82,430	82,430		82,430	1.67%	743	1,377	49,039		50,416	32,014
361	523,347	548,347	535,847		535,847	2.77%	743	14,843	490,644		505,487	42,860
362	-	-	-		-		743	-			-	-
363	894,431	908,988	901,710		901,710	2.45%	743	22,092	218,847		240,939	668,049
364	-	-	-		-		743	-			-	-
365	436,847	436,847	436,847		436,847	2.86%	743	12,494	283,888		296,382	140,465
366	379,641	379,641	379,641		379,641	3.45%	743	13,098	223,750		236,848	142,793
367	131,592	131,592	131,592		131,592	2.87%	743	3,777	54,494		58,271	73,321
368	245,857	245,922	245,890		245,890	3.04%	743	7,475	198,904		206,379	39,543
369	34,690	34,690	34,690		34,690	3.57%	743	1,238	44,521		45,759	(11,069)
370	26,115	26,115	26,115		26,115	3.57%	743	932	28,926		29,858	(3,743)
371	347,884	347,884	347,884		347,884	3.95%	753	13,741	321,277		335,018	12,866
381	238,752	238,752	238,752		238,752	3.80%	788	9,073	232,773		241,846	(3,094)
382	-	-	-		-		788	-			-	-
383	41,229	41,229	41,229		41,229	3.75%	788	1,546	34,196		35,742	5,487
384	740,499	741,086	740,793		740,793	9.66%	804	71,561	1,382,178		1,453,739	(712,653)
385	19,949	19,949	19,949		19,949	10.00%	788	1,995	7,510		9,505	10,444
386	13,772	13,772	13,772		13,772	3.13%	788	431	15,418		15,849	(2,077)
387	215,919	222,821	219,370		219,370	3.90%	788	8,555	170,059		178,614	44,207
388	-	-	-		-		788	-			-	-
391	-	-	-		-		788	-			-	-

<u>\$ 8,226,051</u>	<u>\$ 8,323,968</u>	<u>\$ 8,275,010</u>	<u>\$ -</u>	<u>\$ 8,275,010</u>	<u>\$ 270,421</u>	<u>\$ 4,412,211</u>	<u>\$ 5,591</u>	<u>\$ 4,688,223</u>	<u>\$ 3,635,745</u>
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Amount of depreciation expense charged to:

A/C#	Amount Charged
733	-
738	19,029
743	77,325
753	13,741
788	88,765
Deprec Expense	<u>198,860</u>
804 (Clearing)	<u>71,561</u>
	<u>\$ 270,421</u>



VILLAGE OF AKRON
ELECTRIC DEPARTMENTOPERATING PROPERTY ANALYSIS, INCLUDING ADDITIONS AND
DEPRECIATION CALCULATIONS
Rate Year

A/C#	5/31/2017 Beg. of Yr. Bal.	Rate Year End of Yr. Bal.	Avg. Gross Bal.	Less: Contributions for Extension	Avg. Balance Subject to Depreciation	Dep. Rate	Depreciation Expense A/C#	Amt.	Depreciation Reserves Beg. of Yr. Bal.	Salvage/ (Retirements)	Rate End of Yr. Bal.	Remaining Cost
301	\$ 45	\$ 45	\$ 45		\$ 45			-	-		\$ -	\$ 45
302	10	10	10		10			-	-		-	10
303	-	-	-		-			-	-		-	-
311	44,484	44,484	44,484		44,484			-	-		-	44,484
312	3,358,244	3,358,244	3,358,244		3,358,244	2.00%	788	67,165	375,882		443,047	2,915,197
321	-	-	-		-			-	-		-	-
322	-	-	-		-			-	-		-	-
323	-	-	-		-			-	-		-	-
325	-	-	-		-			-	-		-	-
331	-	-	-		-		711	-	-		-	-
332	-	-	-		-		711	-	-		-	-
333	-	-	-		-		711	-	-		-	-
334	-	-	-		-		711	-	-		-	-
342	-	-	-		-		717	-	-		-	-
344	-	-	-		-		717	-	-		-	-
345	-	-	-		-		717	-	-		-	-
351	-	-	-		-		733	-	-		-	-
352	-	-	-		-		733	-	-		-	-
353	-	-	-		-		733	-	-		-	-
354	-	-	-		-		738	-	-		-	-
358	501,120	501,120	501,120		501,120	4.00%	738	20,045	371,690		391,734	109,386
359	82,430	82,430	82,430		82,430	1.67%	743	1,377	50,416		51,792	30,638
361	548,347	871,482	709,915		709,915	2.77%	743	19,665	505,487		525,152	346,330
362	-	-	-		-		743	-	-		-	-
363	908,988	908,988	908,988		908,988	2.45%	743	22,270	240,939		263,209	645,779
364	-	-	-		-		743	-	-		-	-
365	436,847	436,847	436,847		436,847	2.86%	743	12,494	296,382		308,876	127,971
366	379,641	379,641	379,641		379,641	3.45%	743	13,098	236,848		249,945	129,696
367	131,592	131,592	131,592		131,592	2.87%	743	3,777	58,271		62,047	69,545
368	245,922	245,922	245,922		245,922	3.04%	743	7,476	206,379		213,855	32,067
369	34,690	34,690	34,690		34,690	3.57%	743	1,238	45,759		46,998	-
370	26,115	26,115	26,115		26,115	3.57%	743	932	29,858		30,791	(4,676)
371	347,884	347,884	347,884		347,884	3.95%	753	13,741	335,018		348,760	(876)
381	238,752	253,752	246,252		246,252	3.80%	788	9,358	241,846		251,203	2,549
382	-	-	-		-		788	-	-		-	-
383	41,229	59,904	50,567		50,567	3.75%	788	1,896	35,742		37,638	-
384	741,086	843,086	792,086		792,086	9.66%	804	76,516	1,453,739	(229,000)	1,301,254	(458,168)
385	19,949	19,949	19,949		19,949	10.00%	788	1,995	9,505		11,500	8,449
386	13,772	13,772	13,772		13,772	3.13%	788	431	15,849		16,280	(2,508)
387	222,821	222,821	222,821		222,821	3.90%	788	8,690	178,614		187,304	35,517
388	-	-	-		-	10.00%	788	-	-		-	-
391	-	-	-		-	2.80%	788	-	-		-	-

<u>\$ 8,323,968</u>	<u>\$ 8,782,778</u>	<u>\$ 8,553,373</u>	<u>\$ -</u>	<u>\$ 8,553,373</u>	<u>\$ 282,163</u>	<u>\$ 4,688,223</u>	<u>\$ (229,000)</u>	<u>\$ 4,741,386</u>	<u>\$ 4,031,435</u>
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Amount of depreciation expense charged to:

A/C#	Amount Charged
733	-
738	20,045
743	82,326
753	13,741
788	89,535
Deprec Expense	<u>205,647</u>
804	<u>76,516</u>
	<u>\$ 282,163</u>

PILOT Calculation (all property located within the Village)

A/C# 311 to 371	\$ 7,046,304	Balance as of 5/31/17
Accum Deprec	(2,752,928)	Balance at Beg of Yr
Net Book Value	\$ 4,293,376	
Equalization Rate	100.00%	Fiscal Yr 2016-2017
Equalized NBV	\$ 4,293,376	
Prop Tax Rate	\$ 6.39	2016-2017 Tax Rate
PILOT	<u>\$ 27,435</u>	
PILOT - Rounded	<u>27,000</u>	

**VILLAGE OF AKRON
ELECTRIC DEPARTMENT**

FORECASTED CAPITAL IMPROVEMENTS

The Department has identified certain capital improvements expected to be completed during the Rate Year. These improvements include material costs and capitalized labor, and are reported net of retirement values.

Rate Year - Per Superintendent's Capital Budget

<u>Account</u>	<u>Type</u>	<u>Capitalized Labor</u>	<u>Capitalized Material/ Vendor Costs</u>	<u>Total Cost</u>	<u>Value of Asset(s) Retired</u>	<u>Net Additions</u>
361	(a) Engineering fees and internal labor for substation upgrade	\$ 18,540	\$ 56,250	\$ 74,790	\$ -	\$ 74,790
361	Refurbish regulator	2,870	81,500	84,370	-	84,370
361	Refurbish back up regulator	-	60,975	60,975	-	60,975
361	Updating relays and cabinet doors	-	40,000	40,000	-	40,000
361	Conductor replacement line to switch yard	-	63,000	63,000	-	63,000
381	Digitizing feeder maps - SCADA	-	15,000	15,000	-	15,000
383	Hot stick tools and related accessories	-	18,675	18,675	-	18,675
384	(b) Bucket Truck	-	265,000	265,000	(185,000)	80,000
384	(c) Pick-up Trucks (2)	-	66,000	66,000	(44,000)	22,000
		<u>\$ 21,410</u>	<u>\$ 666,400</u>	<u>\$ 687,810</u>	<u>\$ (229,000)</u>	<u>\$ 458,810</u>

- (a) The Department wishes to upgrade its existing substation over the next four years. During the Rate Year (2017-2018), it is expected that engineering fees will be incurred to design the specific upgrades. These engineering fees are expected to be \$56,250. Actual work on the upgrade will take place during fiscal years 2019, 2020 and 2021, which are outside the Rate Year. It is the Village's intent to finance the upgrade with long-term borrowing. Total costs, including engineering fees, will be approximately \$1,675,000. The Village will review its options for additional rate remediation after the start of construction on the upgrade.
- (b) The Department intends to replace a bucket truck during the Rate Year. The cost of the new bucket truck is estimated at \$265,000. The previous bucket truck, with a historic cost of approximately \$185,000, will be retired. The addition of the new bucket truck is reported above, net of the retirement value.
- (c) The Department intends to replace two pick-up trucks during the Rate Year. The cost of the new pick-up trucks is estimated at \$33,000/each (total of \$66,000). The former pick-up trucks will be retired at a cost of \$22,000 each.

Revised Tariff Leaves

PSC NO: 1 ELECTRICITY
COMPANY: VILLAGE OF AKRON
INITIAL EFFECTIVE DATE: 09/01/2017

LEAF: 1
REVISION: 2
SUPERSEDING REVISION: 1

COVER

VILLAGE OF AKRON
CONCURRENCE TARIFF

PSC NO: 1 ELECTRICITY
COMPANY: VILLAGE OF AKRON
INITIAL EFFECTIVE DATE: 09/01/2017

LEAF: 2
REVISION: 2
SUPERSEDING REVISION: 1

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PSC NO: 1 ELECTRICITY
COMPANY: VILLAGE OF AKRON
INITIAL EFFECTIVE DATE: 09/01/2017

LEAF: 3
REVISION: 2
SUPERSEDING REVISION: 1

GENERAL INFORMATION

A. CONCURRENCE:

The Village of Akron concurs in and agrees to abide by the rules and regulations as set forth in the generic tariff filed by the New York Municipal Power Agency (NYMPA) in Case No. 97-E-1575.

B. TERRITORY TO WHICH SCHEDULE APPLIES:

These rates, rules and regulations are applicable to the Village of Akron, Erie County, New York.

PSC NO: 1 ELECTRICITY
COMPANY: VILLAGE OF AKRON
INITIAL EFFECTIVE DATE: 09/01/2017

LEAF: 4
REVISION: 4
SUPERSEDING REVISION: 3

SERVICE CLASSIFICATION NO. 1
Residential

APPLICABLE TO USE OF SERVICE FOR:

Single-phase residential purpose usage in an individual residence; in an individual flat or individual apartment in a multiple-family dwelling; for residential purposes in a rooming house where not more than four (4) rooms are available for rent; and for single phase farm service when supplied through the farm residence meter; used exclusively in connection with religious purposes, and including the operation by such corporation or association of a school, notwithstanding that secular subjects are taught at such school; for single-phase service exclusively in connection with a community residence as defined in subdivision 28, 28A or 28B of section 1.03 of the Mental Hygiene Law, provided that such residence is operated by a not-for-profit corporation and if supervisory staff is on site on a twenty-four hour per day basis that the residence provides living accommodations for fourteen or fewer residents; and use for any post or hall owned or leased by a not-for-profit organization that is a veterans organization.

CHARACTER OF SERVICE:

Continuous, 60 cycle, alternating current, 120 volt, 2 wire or 120/240 volt, 3 wire, single phase only.

MONTHLY RATE:

	<u>Rate</u>
Customer Service Charge	\$2.34
Energy Charge, per kWh	\$.0251

MINIMUM CHARGE:

The minimum charge is the customer charge.

PSC NO: 1 ELECTRICITY
COMPANY: VILLAGE OF AKRON
INITIAL EFFECTIVE DATE: 09/01/2017

LEAF: 4.1
REVISION: 3
SUPERSEDING REVISION: 2

SERVICE CLASSIFICATION NO. 1 (CONT'D)
Residential

TERM:

If an extension of lines or the installation of a new service lateral or of new transformers or other special facilities is required, service will be for an initial term of one year. In other cases, one month. Service may be terminated as provided in Rule XIII of the NYMPA generic tariff.

TERMS OF PAYMENT:

All bills are due when rendered. Full payment must be received on or before the date shown on the bill to avoid a late payment charge of 1.5% as provided in Rule VIII of the NYMPA generic tariff.

BASE PURCHASED POWER PER KILOWATT-HOUR:

The base purchased power cost per kilowatt-hour is \$.007098.

FACTOR OF ADJUSTMENT:

The factor of adjustment pursuant to Rule IX.D of the NYMPA generic tariff is 1.031757.

PURCHASED POWER ADJUSTMENT:

The charges set forth in this service classification shall be subject to a purchased power adjustment as explained in Rule IX of the NYMPA generic tariff.

PSC NO: 1 ELECTRICITY
COMPANY: VILLAGE OF AKRON
INITIAL EFFECTIVE DATE: 09/01/2017

LEAF: 5
REVISION: 4
SUPERSEDING REVISION: 3

SERVICE CLASSIFICATION NO. 2
General Service - Non-Demand Metered

APPLICABLE TO USE OF SERVICE FOR:

Small commercial and small general service not specifically provided for in other rate schedules.

CHARACTER OF SERVICE:

Continuous, 60 cycle, alternating current, 120 volt, 2 wire or 120/240 volt, 3 wire, single phase only.

MONTHLY RATE:

	<u>Rate</u>
Customer Service Charge	\$2.34
Energy Charge, per kWh	\$.0297

MINIMUM CHARGE:

The minimum charge is the customer charge.

TERMS OF PAYMENT:

All bills are due when rendered. Full payment must be received on or before the date shown on the bill to avoid a late payment charge of 1.5% as provided in Rule VIII of the NYMPA generic tariff.

TERM:

If extension of lines or the installation of a new service lateral or of new transformers or other special facilities is required, service will be for an initial term of one year. In other cases, one month. Service may be terminated as provided in the NYMPA generic tariff.

PURCHASED POWER ADJUSTMENT:

The charges set forth in this service classification shall be subject to a purchased power adjustment as explained in Rule IX of the NYMPA generic tariff.

BASE PURCHASED POWER PER KILOWATT-HOUR:

The base purchased power cost per kilowatt-hour is \$.007098.

FACTOR OF ADJUSTMENT:

The factor of adjustment pursuant to Rule IX.D of the NYMPA generic tariff is 1.031757.

PSC NO: 1 ELECTRICITY
COMPANY: VILLAGE OF AKRON
INITIAL EFFECTIVE DATE: 09/01/2017

LEAF: 6
REVISION: 4
SUPERSEDING REVISION: 3

SERVICE CLASSIFICATION NO. 3
General Service - Demand Metered

APPLICABLE TO USE OF SERVICE FOR:

Large Commercial and small general service not specifically provided for in other rate schedules.

CHARACTER OF SERVICE:

Continuous, 60 cycle, alternating current, 120 volt 2 wire, or 120/240 volt 3 wire, single phase only.

MONTHLY RATE:

	<u>Rate</u>
Demand Charge, per kW	\$1.95
Energy Charge, per kWh	\$.0202

MINIMUM CHARGE:

The minimum monthly charge is the demand charge computed under "DETERMINATION OF DEMAND" below.

DETERMINATION OF DEMAND:

The billing demand shall be taken as the maximum 15 minute integrated kilowatt demand recorded during the month. The demand will be measured:

1. Whenever it is determined that the customer's demand will be more than 10 KW, or
2. Whenever the customer's consumption has exceeded 1500 KWH in any two consecutive months, or
3. Whenever the customer's connected load exceeds 15 KW.

PSC NO: 1 ELECTRICITY
COMPANY: VILLAGE OF AKRON
INITIAL EFFECTIVE DATE: 09/01/2017

LEAF: 7
REVISION: 4
SUPERSEDING REVISION: 3

SERVICE CLASSIFICATION NO. 3 (CONT'D)
General Service - Demand Metered

TERMS OF PAYMENT:

All bills are due when rendered. Full payment must be received on or before the date shown on the bill to avoid a late payment charge of 1.5% as provided in Rule VIII of the NYMPA generic tariff.

TERM:

If an extension of lines or the installation of a new service lateral or of new transformers or other special facilities is required, service will be for an initial term of one year. In other cases, one month. Service may be terminated as provided in the NYMPA generic tariff.

BASE PURCHASED POWER PER KILOWATT-HOUR:

The base purchased power cost per kilowatt-hour is \$.007098.

FACTOR OF ADJUSTMENT:

The factor of adjustment pursuant to Rule IX.D of the NYMPA generic tariff is 1.031757.

PURCHASED POWER ADJUSTMENT:

The charges set forth in this service classification shall be subject to a purchased power adjustment as explained in Rule IX of the NYMPA generic tariff.

PSC NO: 1 ELECTRICITY
COMPANY: VILLAGE OF AKRON
INITIAL EFFECTIVE DATE: 09/01/2017

LEAF: 8
REVISION: 4
SUPERSEDING REVISION: 3

SERVICE CLASSIFICATION NO. 4

Large General Service

APPLICABLE TO USE OF SERVICE FOR:

Industrial and large general service purpose not specifically provided for in other rate schedules.

CHARACTER OF SERVICE:

Continuous, 60 cycle, alternating current, three phase only with voltage and phase wiring depending on characteristics of loan and current for which service is supplied and approximately the following: 120/208 volt - 4 wire, 277/480 volt - 4 wire, 240 volt - 3 wire, 120/240 volt - 4 wire, 480 volt - 3 wire, 240/480 volt - 4 wire, 4800 volt - 3 wire, 7200/12470 4 wire.

MONTHLY RATE:

	<u>Rate</u>
Demand Charge, per kWh	\$2.97
Energy Charge, per kWh	\$.0195

MINIMUM CHARGE:

The minimum charge is \$23.87 or not less than the demand charge for 75% of the actual demand during the preceding 11 months, or during the first year of service, nor less than 75% of that which the customer has contracted for, whichever is greater.

DETERMINATION OF DEMAND:

The billing demand will be taken as the maximum 15 minute integrated kilowatt demand recorded during the month.

PSC NO: 1 ELECTRICITY
COMPANY: VILLAGE OF AKRON
INITIAL EFFECTIVE DATE: 09/01/2017

LEAF: 9
REVISION: 4
SUPERSEDING REVISION: 3

SERVICE CLASSIFICATION NO. 4 (CONT'D)

Large General Service

TERMS OF PAYMENT:

All bills are due when rendered. Full payment must be received on or before the date shown on the bill to avoid a late payment charge of 1.5% as provided in Rule VIII of the NYMPA generic tariff.

TERM:

If an extension of lines or the installation of a new service lateral or of new transformers or other special facilities is required, service will be for an initial term of one year. In other cases, one month. Service may be terminated as provided in the NYMPA generic tariff.

SPECIAL PROVISIONS:

- A. A customer may obtain single phase, 120 volt, service for lighting either
1. By providing at his own expense, on his side of the meter, the necessary equipment to obtain such service from the three phase circuit, or
 2. By making a separate application for such service and paying for it separately.
- B. When the customer owns all equipment required to take service at primary voltage, the billing demand as determined above shall be reduced 5%.

BASE PURCHASED POWER PER KILOWATT-HOUR:

The base purchased power cost per kilowatt-hour is \$.007098.

FACTOR OF ADJUSTMENT:

The factor of adjustment pursuant to Rule IX.D of the NYMPA generic tariff is 1.031757.

PURCHASED POWER ADJUSTMENT:

The charges set forth in this service classification shall be subject to a purchased power adjustment as explained in Rule IX of the NYMPA generic tariff.

PSC NO: 1 ELECTRICITY
COMPANY: VILLAGE OF AKRON
INITIAL EFFECTIVE DATE: 09/01/2017

LEAF: 10
REVISION: 4
SUPERSEDING REVISION: 3

SERVICE CLASSIFICATION NO. 5
Private Outdoor Lighting

APPLICABLE TO USE OF SERVICE FOR:

Driveways, roadways, parking areas and protection of property. Monthly charges are assessed at a flat rate per fixture.

CHARACTER OF SERVICE:

Unmetered service for a limited period, dusk to dawn illumination, approximately 4000 hours per year, 60 cycle alternating current at approximately 120/240 volts.

MONTHLY RATE:

Facilities Charge, per unit:	<u>Rate</u>
100 watt high pressure sodium unit	\$6.10
150 watt high pressure sodium unit	\$7.97
250 watt high pressure sodium unit	\$9.34
400 watt high pressure sodium unit	\$17.48

SPECIAL PROVISIONS:

- A. Upon application, the Village will furnish, install, own, operate and maintain a photo-electrically controlled high pressure sodium luminaire complete with bracket, ballast and lamp at the wattage desired under the rate charge designated. The Village shall furnish a service span of 100 feet. Where the service span exceeds 100 feet, the customer shall pay for the additional cable used.
- B. The lighting unit will be installed only on private property owned or leased by the customer. The customer shall furnish the necessary pole or other support, except as noted hereinafter, and which shall provide a proper mounting height for appropriate light distribution from the unit. Where a Village pole is appropriately located on the premises, the Village may waive the requirement that the support be furnished by the customer and install the unit on its own pole.

BASE PURCHASED POWER PER KILOWATT-HOUR:

The base purchased power cost per kilowatt-hour is \$.007098.

FACTOR OF ADJUSTMENT:

The factor of adjustment pursuant to Rule IX.D of the NYMPA generic tariff is 1.031757.

TERM:

One year from date of installation and thereafter from year to year until cancelled upon thirty (30) days written notice.

PSC NO: 1 ELECTRICITY
COMPANY: VILLAGE OF AKRON
INITIAL EFFECTIVE DATE: 09/01/2017

LEAF: 11
REVISION: 3
SUPERSEDING REVISION: 2

CHARGES

A. RECONNECTION CHARGE:

When service has been discontinued, either by the Municipality as provided in Rule (XIII) of the NYMPA generic tariff or at the request of the consumer and the same consumer applies for reconnection of service at the same premises within four (4) months, there shall be a reconnection charge payable before service will be reestablished. The charge shall be \$30.00 during the normal Electric Department working hours of 7:00 AM to 3:00 PM, Monday through Friday, and \$75.00 during all other hours.

PSC NO: 1 ELECTRICITY
COMPANY: VILLAGE OF AKRON
INITIAL EFFECTIVE DATE: 09/01/2017

LEAF: 12
REVISION: 0
SUPERSEDING REVISION:

PURCHASED POWER ADJUSTMENT CHARGE

APPLICABILITY:

All customers receiving service under any of the Village of Akron's Electric Department's Service Classification are subject to purchased power adjustment charges ("PPAC").

ADJUSTMENT CHARGE:

The PPAC shall be the amount which shall be added to each kilowatt-hour of each rate schedule to reflect and recover all purchased power and transmission costs billed to the Village of Akron Electric Department from all service providers.

CALCULATION OF THE PURCHASED POWER ADJUSTMENT CHARGE:

The PPAC shall equal the total cost of all power and transmission costs billed to the Village of Akron Electric Department in each month divided by the kWh purchases in that month, less the base cost of purchased power measured at system input level adjusted by a loss factor (Factor of Adjustment). The resultant cost per kWh shall be rounded to the nearest \$0.000001 and applied as a charge or credit to all kilowatt-hours billed in the following month.

The Base Cost of power is \$0.007098 per kWh.
The Factor of Adjustment is 1.031757.

ANNUAL RECONCILIATION:

At the end of each fiscal year, the Village of Akron will perform a reconciliation to determine whether there was an under- or over-collection of purchased power expense during the preceding year. The calculation is as follows:

Total Purchased Power Cost - (kWh sold x Base Cost of Purchased Power x Factor of Adjustment).

The result will then be compared to the actual PPAC revenues recovered during this period to determine if a PPA Reconciliation Surcharge or Refund is applicable. The resultant Surcharge or Refund will be included as a line item in the following month(s) calculation(s) of PPAC in order to adjust revenues to more accurately reflect actual expenses. The number of months over which the Surcharge or Refund will be included will depend on the size of the Surcharge or Refund. If the Surcharge/Refund is under \$10,000 it will be included in one month. Surcharges/Refunds between \$10,000 and \$20,000 will be split between two months and any Surcharges/Refunds over \$20,000 will be charged/credited in \$10,000/month increments until complete in order to minimize the impact on rate payers.

Workpapers

**VILLAGE OF AKRON
ELECTRIC DEPARTMENT**

WEATHER NORMALIZATION OF REVENUES (BASED ON MAY 31, 2016 YEAR END)

Assume non-weather load to be average of lowest two months kWh Sales

From 5/31/16 Annual Report: Actual kWh & Actual Base Revenue

	kWh Sold			Base Revenue		
	Winter	Summer	Total	Winter	Summer	Summer
	Nov-April kWh	May-Oct kWh	May-Oct kWh	Nov-April kWh	May-Oct kWh	May-Oct kWh
601 Residential	10,582,867	6,303,743	16,886,610	\$ 224,250	\$ 139,657	\$ 363,907
602 Commercial	1,105,753	903,931	2,009,684	\$ 27,438	\$ 19,828	\$ 47,266
Total	11,688,620	7,207,674	18,896,294	\$ 251,688	\$ 159,485	\$ 411,173

Weather Normalization - Sales

	Nov-April kWh Non-Weather kWh	Nov-April kWh Weather kWh	Increase/(Decrease) 14.06% Weather Load	Adjusted Nov-Apr kWh
601 Residential	4,463,154	6,119,713	6,980,145	11,443,299
602 Commercial	597,630	508,123	579,565	1,177,195
Total	5,060,784	6,627,836	7,559,710	12,620,494

	kWh Adjustment	% Adjustment
After Adjustment	12,620,494	
Before Adjustment	11,688,620	
Adjustment	931,874	7.97%

	Nov-April kWh Non-Weather \$	Nov-April kWh Weather \$	
601 Residential	\$ 224,250	242,128	
602 Commercial	\$ 27,438	29,625	
Total	\$ 251,688	271,753	\$ 20,065

Weather Normalization - Purchased Power

Change in kWh 931,874

Base Cost of Power	\$ 0.007098
FOA - RY	1.031757
	\$ 0.007323

Adjustment \$ 6,824

	Staff Adjustment	Revenue Req. Effect
Revenue	\$ 20,065	\$ (20,065)
Purchased Power	\$ 6,824	\$ 6,824
Net		\$ (13,241)

**VILLAGE OF AKRON
ELECTRIC DEPARTMENT**

WEATHER NORMALIZATION OF REVENUES (BASED ON MAY 31, 2016 YEAR END)

5/31/2016 Sales - From Annual Report

601-Residential

	<u>kWh</u>	<u>Lowest Two Months</u>	<u>Base Revenues</u>
June	472,253	472,253	\$ 10,497
July	1,017,356	0	22,601
August	1,116,799	0	24,560
September	1,109,908	0	24,445
October	1,015,465	1,015,465	22,595
November	1,178,423	0	25,895
December	1,556,539	0	33,314
January	2,028,562	0	42,629
February	1,954,953	0	41,172
March	2,075,952	0	43,570
April	1,788,438	0	37,670
May	1,571,962	0	34,959
TOTALS	16,886,610		\$ 363,907
AVERAGES		743,859	

602-Commercial

	<u>kWh</u>	<u>Lowest Two Months</u>	<u>Base Revenues</u>
June	66,946	66,946	\$ 1,597
July	149,465	0	3,584
August	185,780	0	4,188
September	162,860	0	3,476
October	132,264	132,264	3,223
November	142,943	0	3,466
December	155,714	0	3,816
January	198,078	0	4,574
February	202,847	0	4,701
March	215,247	0	5,736
April	190,924	0	5,145
May	206,616	0	3,760
TOTALS	2,009,684		\$ 47,266
AVERAGES		99,605	

**VILLAGE OF AKRON
ELECTRIC DEPARTMENT**

WEATHER NORMALIZATION OF REVENUES (BASED ON MAY 31, 2016 YEAR END)

Heating Degree Data

<https://www.nyserda.ny.gov/About/Publications/EA-Reports-and-Studies/Weather-Data/Monthly-Cooling-and-Heating-Degree-Day-Data>

Buffalo, New York

Season	Nov	Dec	Jan	Feb	Mar	Apr	Total	% Deviation from 10 Year Average
2006-07	604	857	1,115	1,290	923	674	5,463	
2007-08	772	1,101	1,085	1,148	1,035	426	5,567	
2008-09	750	1,096	1,434	1,050	911	550	5,791	
2009-10	625	1,121	1,287	1,128	829	413	5,403	
2010-11	697	1,199	1,350	1,124	1,022	580	5,972	
2011-12	556	914	1,069	961	549	590	4,639	
2012-13	761	888	1,089	1,085	987	553	5,363	
2013-14	816	1,143	1,389	1,262	1,181	572	6,363	
2014-15	812	974	1,376	1,510	1,109	574	6,355	
2015-16	562	709	1,176	1,025	772	649	4,893	14.06%
							5,581	Ten Year Average of November - April

**VILLAGE OF AKRON
ELECTRIC DEPARTMENT**

**EXPENSE ALLOCATION
Fiscal Year May 31, 2016**

Expense	Fiscal Yr. 2016 Amount	Comment
Purchased Power	\$ 1,621,843	Account 721, PSC Report page 306
Labor	312,521	PSC Report, page 102. Total salaries less salaries capitalized (\$331,914 less \$19,393)
Taxes and PILOT	-	Account 403, PSC Report page 106
Uncollectible revenues	9,311	Account 404, PSC Report page 106
Rent	22,200	Account 786, PSC Report page 307
FICA, Medical, Retirement, Workers Comp, etc.	208,296	Actual per client (portion of Account 785, PSC Report page 307)
Insurance	15,394	Account 783, PSC Report page 307
Depreciation	122,989	Accounts 738, 743, 753, 788, PSC Report pages 306 and 307
Contractual		
Transmission	-	Represents an allocation of remaining costs based on cost of individual category. (See below)
Maint. Poles	-	Represents an allocation of remaining costs based on cost of individual category. (See below)
Distribution	97,016	Represents an allocation of remaining costs based on cost of individual category. (See below)
Street Lights	1,409	Represents an allocation of remaining costs based on cost of individual category. (See below)
Consumer Accounting and Collection	10,525	Represents an allocation of remaining costs based on cost of individual category. (See below)
Sales Expense	-	Represents an allocation of remaining costs based on cost of individual category. (See below)
General & Administ.	120,896	Represents an allocation of remaining costs based on cost of individual category. (See below)
PSC Annual Assessment	25,802	Included in Account 781, PSC Report page 307
	<u>\$ 2,568,202</u>	

Cost Category (per PSC Report, excluding depreciation and separately stated costs)	Actual	%	Allocated Remaining Cost**
Transmission	\$ -	0.00%	\$ -
Maint. Poles	-	0.00%	-
Distribution	238,299	42.21%	97,016
Street Lights	3,460	0.61%	1,409
Consumer Accounting and Collection	25,853	4.58%	10,525
Sales Expense	-	0.00%	-
General & Administrative	296,955	52.60%	120,896
Total Cost in P&L (not incl. interest expense)	<u>\$ 564,567</u>	<u>100.00%</u>	<u>\$ 229,846</u>

** Contractual Costs

**VILLAGE OF AKRON
ELECTRIC DEPARTMENT**

**EXPENSE ALLOCATION
Fiscal Year May 31, 2015**

Expense	Fiscal Yr. 2015 Amount	Comment
Purchased Power	\$ 1,704,830	Account 721, PSC Report page 306
Labor	321,079	PSC Report, page 102. Total salaries less salaries capitalized (\$344,144 less \$23,065)
Taxes and PILOT	-	Account 403, PSC Report page 106
Uncollectible revenues	-	Account 404, PSC Report page 106
Rent	22,200	Account 786, PSC Report page 307
FICA, Medical, Retirement, DBL, Workers Comp, etc.	227,551	Actual per client (portion of Account 785, PSC Report page 307)
Insurance	36,316	Account 783, PSC Report page 307
Depreciation	120,146	Accounts 738, 743, 753, 788, PSC Report pages 306 and 307
Contractual		
Transmission	-	Represents an allocation of remaining costs based on cost of individual category. (See below)
Maint. Poles	-	Represents an allocation of remaining costs based on cost of individual category. (See below)
Distribution	114,336	Represents an allocation of remaining costs based on cost of individual category. (See below)
Street Lights	2,327	Represents an allocation of remaining costs based on cost of individual category. (See below)
Consumer Accounting and Collection	5,808	Represents an allocation of remaining costs based on cost of individual category. (See below)
Sales Expense	-	Represents an allocation of remaining costs based on cost of individual category. (See below)
General & Administ.	98,635	Represents an allocation of remaining costs based on cost of individual category. (See below)
PSC Annual Assessment	28,789	Included in Account 785, PSC Report page 307
	<u>\$ 2,682,017</u>	

Cost Category (per PSC Report, excluding depreciation and separately stated costs)	Actual	%	Allocated Remaining Cost**
Transmission	\$ -	0.00%	\$ -
Maint. Poles	-	0.00%	-
Distribution	280,368	51.71%	114,336
Street Lights	5,706	1.05%	2,327
Consumer Accounting and Collection	14,241	2.63%	5,808
Sales Expense	-	0.00%	-
General & Administrative	241,870	44.61%	98,635
Total Cost in P&L (not incl. interest expense)	<u>\$ 542,185</u>	<u>100.00%</u>	<u>\$ 221,106</u>

**VILLAGE OF AKRON
ELECTRIC DEPARTMENT**

**EXPENSE ALLOCATION
Fiscal Year May 31, 2014**

Expense	Fiscal Yr. 2014 Amount	Comment
Purchased Power	\$ 2,150,620	Account 721, PSC Report page 306
Labor	294,190	PSC Report, page 102. Total salaries less salaries capitalized (\$323,114 less \$28,924)
Taxes and PILOT	-	Account 403, PSC Report page 106
Uncollectible revenues	3,788	Account 404, PSC Report page 106
Rent	24,713	Account 786, PSC Report page 307
FICA, Medical, Retirement, DBL, Workers Comp, etc.	183,721	Actual per client (portion of Account 785, PSC Report page 307)
Insurance	39,068	Account 783, PSC Report page 307
Depreciation	118,846	Accounts 738, 743, 753, 788, PSC Report pages 306 and 307
Contractual		
Transmission	-	Represents an allocation of remaining costs based on cost of individual category. (See below)
Maint. Poles	-	Represents an allocation of remaining costs based on cost of individual category. (See below)
Distribution	161,572	Represents an allocation of remaining costs based on cost of individual category. (See below)
Street Lights	4,920	Represents an allocation of remaining costs based on cost of individual category. (See below)
Consumer Accounting and Collection	11,880	Represents an allocation of remaining costs based on cost of individual category. (See below)
Sales Expense	-	Represents an allocation of remaining costs based on cost of individual category. (See below)
General & Administ.	109,231	Represents an allocation of remaining costs based on cost of individual category. (See below)
PSC Annual Assessment	40,777	Included in Account 781, PSC Report page 307
	<u>\$ 3,143,326</u>	

Cost Category (per PSC Report, excluding depreciation and separately stated costs)	Actual	%	Allocated Remaining Cost**
Transmission	\$ -	0.00%	\$ -
Maint. Poles	-	0.00%	-
Distribution	326,843	56.18%	161,572
Street Lights	9,952	1.71%	4,920
Consumer Accounting and Collection	24,033	4.13%	11,880
Sales Expense	-	0.00%	-
General & Administrative	220,964	37.98%	109,231
Total Cost in P&L (not incl. interest expense)	<u>\$ 581,792</u>	<u>100.00%</u>	<u>\$ 287,603</u>

** Contractual Costs

**VILLAGE OF AKRON
ELECTRIC DEPARTMENT**

PROJECTED COSTS FOR RATE YEAR

<u>Expense</u>	<u>(Workpaper B) Fiscal Yr. 2016 Amount</u>	<u>(Workpaper B-1) Fiscal Yr. 2015 Amount</u>	<u>(Workpaper B-2) Fiscal Yr. 2014 Amount</u>	<u>Three Year Average</u>	<u>Costs Adjusted for Known or Calculated Changes</u>	<u>Cost Determined by:</u>
Purchased Power	\$ 1,621,843	\$ 1,704,830	\$ 2,150,620	\$ 1,825,764	\$ 1,628,667	Calculated - Weather Normalization Adjustment
Labor	312,521	321,079	294,190	309,263	293,848	Forecasted salaries in the Rate Year consider wage increases that were implemented 6/1/16, and expected to be implemented on 6/1/17. Salary increases are based on contractual and approved increases for union laborers and anticipated increases for non-union employees. Capitalized salaries are expected to be \$21,410 in the Rate Year based on the Department's Capital Improvement Plan. Total salaries are expected to be \$315,258 less capitalized salaries of \$21,410. PILOT to be paid the the Village of Akron, based on the net book value of operating property multiplied by the current Village tax rate.
PILOT	-	-	-	-	27,000	Estimated at a benchmark of 0.1525% of normalized gross revenues
Uncollectible revenues	9,311	-	3,788	4,366	3,733	None expected in Rate Year, as PILOT becomes effective in Rate Year (see above)
Rent	22,200	22,200	24,713	23,038	-	Based on Village budgeted amounts from vendor quotes and calculation of FICA on expected salaries. Actual invoiced amount for general liability insurance in FY 2016, adjusted for a 1% increase in the Rate Year. Note: Accounting error in FY 2016, understated insurance for FY 2016.
FICA, Medical, Retirement, DBL, Workers' Comp, etc.	208,296	227,551	183,721	206,523	195,176	Calculated at Exhibit 14. Increase is due to asset additions, and error in prior year of not depreciating building costs.
Insurance	15,394	36,316	39,068	30,259	37,027	3-Year average (2014-2016)
Depreciation	122,989	120,146	118,846	120,660	205,647	3-Year average (2014-2016)
Contractual						3-Year average (2014-2016)
Transmission	-	-	-	-	-	3-Year average (2014-2016)
Maint. Poles	-	-	-	-	-	3-Year average (2014-2016)
Distribution	97,016	114,336	161,572	124,308	124,308	3-Year average (2014-2016)
Street Lights	1,409	2,327	4,920	2,885	2,885	3-Year average (2014-2016)
Consumer Accounting and Collection	10,525	5,808	11,880	9,404	9,404	3-Year average (2014-2016)
Sales Expense	-	-	-	-	-	3-Year average (2014-2016)
General & Administ.	120,896	98,635	109,231	109,587	109,587	3-Year average (2014-2016)
PSC Annual Assessment	25,802	28,789	40,777	31,789	18,929	Calculated - Anticipated operating revenues less \$500,000; multiplied by .73% Temp Assessment and .0239% General Assessment
Amortization of Rate Filing Costs	-	-	-	-	5,933	Cost of Rate Filing (\$17,800) amortized over 3 years, the period of expected benefit.
	<u>\$ 2,568,202</u>	<u>\$ 2,682,017</u>	<u>\$ 3,143,326</u>	<u>\$ 2,797,848</u>	<u>\$ 2,662,144</u>	

**VILLAGE OF AKRON
ELECTRIC DEPARTMENT**

**PURCHASED POWER ADJUSTMENT RECONCILIATION
Fiscal Year May 31, 2016**

Total Sales per annual report										
Month	(Note A) KWH Sales	PPAC \$ per KWH	PPAC Revenues	NYPA Billing Month	Total Power Bill (\$)	Surcharge (Credit) \$ [1]	Total Delivered KWH	Base Cost of Power \$ per KWH	[Note 1] Difference in Present and Base Costs	[Note 2] Net (Overcollection) Undercollection
06/15	1,903,754	0.019519	31,907	05/15	106,020	2,658	4,186,346	0.007098	78,963	47,056
07/15	3,984,841	0.024915	77,780	06/15	135,026	2,689	4,417,694	0.007098	106,358	28,578
08/15	4,286,828	0.021318	106,792	07/15	115,284	2,689	4,259,154	0.007098	87,742	(19,050)
09/15	4,273,734	0.025764	90,866	08/15	130,546	4,581	4,223,506	0.007098	105,149	14,283
10/15	3,933,236	0.019842	101,341	09/15	105,705	4,581	4,197,886	0.007098	80,489	(20,852)
11/15	4,183,330	0.026885	83,006	10/15	137,832	4,581	4,305,438	0.007098	111,853	28,847
12/15	4,308,852	0.020984	115,844	11/15	143,661	(15,572)	4,679,008	0.007098	94,877	(20,967)
01/16	4,832,935	0.026796	101,414	12/15	201,878	(15,572)	5,647,148	0.007098	146,223	44,809
02/16	5,068,097	0.026977	135,807	01/16	191,048	(15,572)	5,290,748	0.007098	137,922	2,115
03/16	5,065,225	0.026511	136,645	02/16	161,210	3,820	5,044,260	0.007098	129,226	(7,419)
04/16	5,088,739	0.027288	136,950	03/16	149,452	3,820	4,579,810	0.007098	120,765	(16,185)
05/16	5,870,578	0.021028	145,630	04/16	110,151	3,820	4,156,710	0.007098	84,467	(61,163)
Total										
	52,800,149		1,263,982		1,687,813	\$ (13,477)	54,987,708		1,284,033	20,051

[1] Credits and Surcharges are as follows:
Please enter nature, amt. & months affected)

(Note A) - PPAC is not charged for public street lighting to Op Muni.

PSC Annual Fees: Jun through May	20,031
NYPA VIP Program	23,939
TCC's	3,012
National Grid Refund	(60,459)
Total Surcharges (above)	(13,477)

[Note 1]
Difference in Present and Base Costs =
[Total Power Bill + Surcharges - Credits] -
[Total Delivered KWH x Base Cost of Power]

[Note 2]
Net (Overcollection) Undercollection=Difference in
Present and Base Costs-PPAC Revenues collected

**VILLAGE OF AKRON
ELECTRIC DEPARTMENT**

FORECASTED SALARIES - FISCAL YEAR ENDED MAY 31, 2017

		FISCAL 2016-17						
		(A)	(B)	(c)	(c x 2080 hrs) (D)	(d x b) (e)	(F)	(G)
Title	EMPLOYEE NAME	HIRE DATE/TERM DATE	ELECTRIC ALLOCATION %	CURRENT HOURLY PAY RATE	TOTAL ANNUAL SALARY	ELECTRIC ALLOCATED SALARY	ESTIMATED OT	TOTAL
Mayor	Carl E. Patterson	4/1/15-3/31/19	25%	N/A	\$ 8,885	\$ 2,221	\$ -	\$ 2,221
Trustee	E. Peter Forestel II	4/1/13-3/31/17	25%	N/A	6,068	1,517	-	1,517
Trustee	Michael R. Middaugh	4/1/15-3/31-19	25%	N/A	6,068	1,517	-	1,517
Trustee	Brian T. Perry	4/1/13-3/31/19	25%	N/A	6,068	1,517	-	1,517
Trustee	Keith Hatswell	4/1/13-3/31/17	25%	N/A	6,068	1,517	-	1,517
Mgr of Public Works	Jon R. Cummings	8/21/2006	100%	30.63	63,710	63,710	2,297	66,008
Village Clerk	Daniel P. Borchert	7/19/2001	25%	28.76	59,831	14,958	-	14,958
Treasurer	Tammy L . Kelley	10/21/1985	25%	28.17	58,595	14,649	-	14,649
Working Crew Chief	Thomas A Whitbeck	3/17/2002	100%	27.03	56,222	56,222	3,041	59,263
Clerk-Typist	Sydnee Shephard	RETIRED	25%	17.44	36,275	9,069	-	9,069
Meter Reader	Adam Kowalik	4/13/2007	34%	10.82	22,506	7,652	-	7,652
Lineworker	Bradley J Baer	9/3/2013	100%	26.10	54,288	54,288	1,370	55,658
Lineworker Apprentice	Michael D. Capan	7/8/2013	100%	24.12	50,170	50,170	1,266	51,436
Clerk-Typist	Debra Forrestel	12/31/2016	25%	16.40	34,112.00	8,528.00	-	8,528.00
Sec. to the Mayor	Jayne Detine	12/19/2006	25%	19.17	39,873.60	9,968.40	2,730.03	12,698.43
Deputy Clerk-Treasuer	Sarah Kyre	3/14/2016	25%	17.63	36,670.40	9,167.60	-	9,167.60
TOTAL COMPENSATION - FISCAL YEAR ENDED MAY 31, 2017					\$ 545,410	\$ 306,671	\$ 10,705	\$ 317,376

**VILLAGE OF AKRON
ELECTRIC DEPARTMENT**

FORECASTED SALARIES - RATE YEAR

		FISCAL 2017-18						
		(c x 2080 hrs)		(d x b)				
Title	EMPLOYEE NAME	(A) HIRE DATE/TERM DATE	(B) ELECTRIC ALLOCATION %	(c) CURRENT HOURLY PAY RATE	(D) TOTAL ANNUAL SALARY	(e) ELECTRIC ALLOCATED SALARY	(F) ESTIMATED OT - ELECTRIC	(G) TOTAL
Mayor	Carl E. Patterson	4/1/15-3/31/19	25%	N/A	\$ 9,062	\$ 2,266	\$ -	\$ 2,266
Trustee	E. Peter Forestel II	4/1/13-3/31/17	25%	N/A	6,189	1,547	-	1,547
Trustee	Michael R. Middaugh	4/1/15-3/31/19	25%	N/A	6,189	1,547	-	1,547
Trustee	Brian T. Perry	4/1/15-3/31/19	25%	N/A	6,189	1,547	-	1,547
Trustee	Keith Hatswell	4/1/13-3/31/17	25%	N/A	6,189	1,547	-	1,547
Mgr of Public Works	Jon R. Cummings	8/21/2006	100%	31.25	65,000	65,000	2,344	67,344
Village Clerk	Daniel P. Borchert	7/19/2001	25%	29.34	61,027	15,257	-	15,257
Treasurer	Tammy L. Kelley	10/21/1985	25%	28.73	59,758	14,940	-	14,940
Working Crew Chief	Thomas A Whitbeck	3/17/2002	100%	27.62	57,450	57,450	3,107	60,557
Meter Reader	Adam Kowalik	4/13/2007	34%	11.04	22,963	7,807	-	7,807
Lineworker	Bradley J Baer	9/3/2013	100%	26.62	55,370	55,370	1,398	56,767
Lineworker Apprentice	Michael D. Capan	7/8/2013	100%	24.60	51,168	51,168	1,292	52,460
Clerk-Typist	Debra Forrestel	12/31/2016	25%	17.40	36,192.00	9,048.00	-	9,048.00
Sec. to the Mayor	Jayne Detine	12/19/2006	25%	19.55	40,664.00	10,166.00	3,108.45	13,274.45
Deputy Clerk Treasurer	Sarah Kyre	3/14/2016	25%	17.98	37,398.40	9,349.60	-	9,349.60
TOTAL COMPENSATION - FISCAL YEAR ENDED MAY 31, 2018					\$ 520,808	\$ 304,009	\$ 11,249	\$ 315,258

Total Electric Fund Salaries	\$ 315,258
Less: Capitalized Salaries for:	
Regulator	(2,870)
Substation Upgrade	(18,540)
Expensed Salaries in Rate Year	\$ 293,848

**VILLAGE OF AKRON
ELECTRIC DEPARTMENT**

PSC REGULATORY ASSESSMENT (GENERAL AND TEMPORARY)

	Assessable Intrastate <u>Revenues</u>	Assessment <u>Rate</u>	<u>Assessment</u>
<u>BASE YEAR ASSESSMENT</u>			
Temporary Assessment	\$ 2,580,174 *	0.778%	\$ 20,074.69
General Assessment	\$ 2,580,174 *	0.222%	5,727.05
			<u>25,801.74</u>
 <u>RATE YEAR ASSESSMENT</u>			
Temporary Assessment	\$ 1,953,408 *	0.730%	\$ 14,259.88
General Assessment	\$ 1,953,408 *	0.239%	4,668.65
			<u>\$ 18,928.52</u>

* - Assessable Intrastate Revenues are net of \$500,000 revenue exclusion.

Assessable Intrastate Revenues in the Rate Year are based on Normalized revenues.

Note: As Temporary Assessment is passed onto the customers via the PPAC, PPAC revenues in the Rate Year will have to be reduced by \$5,815 (\$20,075 less \$14,260 noted above).