

**SALAMANCA BOARD OF PUBLIC UTILITIES  
ELECTRIC DEPARTMENT**

**RATE REQUEST**

**BASED ON THE YEAR ENDED MARCH 31, 2021 (BASE YEAR)  
FORECAST PERIOD JANUARY 1, 2022 (EFFECTIVE DATE  
OF RATE INCREASE) TO DECEMBER 31, 2022  
Issued August 17, 2021**

**SALAMANCA BOARD OF PUBLIC UTILITIES  
ELECTRIC DEPARTMENT**

**RATE REQUEST**

**BASED ON THE YEAR ENDED MARCH 31, 2021 (BASE YEAR)  
FORECAST PERIOD JANUARY 1, 2022 (EFFECTIVE DATE  
OF RATE INCREASE) TO DECEMBER 31, 2022  
Issued August 17, 2021**

**C O N T E N T S**

	<b>Exhibit</b>
Forecasted Statement of Operations - Adjusted Base Year and Rate Year	1
Summary of Normalization and Rate Year Adjustments	1-A
Forecasted Rate of Return Calculation - Capitalization Matrix Based on the Year Ended March 31, 2021, Adjusted for Rate Year	
Adjustments and Revenue Increase Request	2
Summary of Significant Forecast Assumptions	3
• <i>Operating Revenues</i>	
• <i>Operating Expenses</i>	
• <i>Indebtedness</i>	
• <i>Rate of Return</i>	
 <b>SUPPLEMENTAL INFORMATION</b>	
 <i><b>Historical Data</b></i>	
Balance Sheets, 2019 - 2021	4
Income Statements (Including kWh sold) - 2019 - 2021	5
Statements of Surplus, 2019 - 2021	6
 <i><b>Pro-Forma Data</b></i>	
Rate of Return Study Rate Base	7
Rate of Return Study Cash Working Capital	8
Detail of Rate Base	9
Detail of Rate of Return	10
Revenue Change	11
Calculation of Average Line Loss and Factor of Adjustment	12
Comparison of Present and Proposed Rates and Monthly Bills	13
Operating Property Analysis, Including Additions and Depreciation Calculations - Linking Period and Rate Year	14
Forecasted Capital Improvements - Linking Period and Rate Year	15
 <b>Revised Tariff Leaves</b>	
	 <b>Workpaper</b>
 <b>Select Workpapers</b>	
Weather Normalization of Revenues	A
Weather Normalization Revenues (kWh Usage)	A-1
Weather Normalization Calculations (Heating Degree Data)	A-2
Expense Allocation (Fiscal 2021)	B
Expense Allocation (Fiscal 2020)	B-1
Expense Allocation (Fiscal 2019)	B-2
Projected Costs for Rate Year	C
Purchased Power Adjustment Reconciliation	D
Forecasted Salaries - Rate Year	E
Actual Salaries and Allocations - Fiscal 2021	E-1
Fringe Benefit and Supervision Allocation - Rate Year	F
Calculation of PILOT Payment	G

**SALAMANCA BOARD OF PUBLIC UTILITIES  
ELECTRIC DEPARTMENT**

**FORECASTED STATEMENT OF OPERATIONS  
Adjusted Base Year and Rate Year**

	Base Year March 31, 2021	Normalizing Adjustments	Adjusted Base Year	Rate Year Adjustments	Normalized Rate Year Before Revenue Increase	Revenue Increase Request	Rate Year After Increase	Note Reference
<b>Revenues</b>								
Operating revenues - Base	\$ 2,243,813	\$ 39,507	\$ 2,283,320	\$ -	\$ 2,283,320	\$ 255,167	\$ 2,538,487	1
Operating revenues - PPAC	2,521,793	20,321	2,542,114	26,394	2,568,508	-	2,568,508	1
Operating revenues - Seneca Nation entities	1,273,569	403,098	1,676,667	-	1,676,667	-	1,676,667	1
Late charges	-	24,177	24,177	-	24,177	-	24,177	1
Rent from Electric Property	24,036	(36)	24,000	-	24,000	-	24,000	1
Miscellaneous operating revenues	20,539	(539)	20,000	-	20,000	-	20,000	1
Total revenues	<u>6,083,750</u>	<u>486,528</u>	<u>6,570,278</u>	<u>26,394</u>	<u>6,596,672</u>	<u>255,167</u>	<u>6,851,839</u>	
<b>Expenses</b>								
Purchased power, and related costs	4,804,045	401,808	5,205,853	-	5,205,853	-	5,205,853	2.a.
Labor, net of capitalized labor	558,424	-	558,424	21,302	579,726	-	579,726	2.b.1
FICA, medical, retirement, workers' compensation, etc.	225,739	(16,591)	209,148	27,165	236,313	-	236,313	2.b.2
Contractual/material expenses								
Maintenance of poles and fixtures	14,340	-	14,340	(4,461)	9,879	-	9,879	2.b.3
Distribution	97,611	-	97,611	(1,211)	96,400	-	96,400	2.b.3
Street lights	14,413	-	14,413	(2,473)	11,940	-	11,940	2.b.3
Consumer accounting and collection	44,412	-	44,412	(2,385)	42,027	-	42,027	2.b.3
Sales expense	4,478	-	4,478	2,480	6,958	-	6,958	2.b.3
Administrative and general	127,880	-	127,880	(17,402)	110,478	-	110,478	2.b.3
Allocation of employee benefits	(117,013)	-	(117,013)	(37,066)	(154,079)	-	(154,079)	2.b.9
Insurance	22,052	-	22,052	1,317	23,369	-	23,369	2.b.4
Uncollectible accounts	32,349	-	32,349	(9,344)	23,005	-	23,005	2.b.5
Depreciation	262,552	-	262,552	65,917	328,469	-	328,469	2.b.6
Rent	6,105	-	6,105	(5)	6,100	-	6,100	2.b.7
Taxes	2,506	-	2,506	182	2,688	-	2,688	2.b.7
PILOT to City of Salamanca	-	-	-	55,705	55,705	-	55,705	2.b.7
Amortization of rate filing costs	-	-	-	6,333	6,333	-	6,333	2.b.10
Contractual appropriations of income - IEEP	82,268	-	82,268	26,394	108,662	-	108,662	2.b.8
Total expenses	<u>6,182,161</u>	<u>385,217</u>	<u>6,567,378</u>	<u>132,448</u>	<u>6,699,826</u>	<u>-</u>	<u>6,699,826</u>	
<b>Operating income (loss) (*)</b>	<b><u>\$ (98,411)</u></b>	<b><u>\$ 101,311</u></b>	<b><u>\$ 2,900</u></b>	<b><u>\$ (106,054)</u></b>	<b><u>\$ (103,154)</u></b>	<b><u>\$ 255,167</u></b>	<b><u>\$ 152,013</u></b>	
<b>Rate Base</b>	<b><u>\$ 5,241,813</u></b>				<b><u>\$ 7,564,515</u></b>		<b><u>\$ 7,564,515</u></b>	
<b>Rate of Return</b>	<b><u>-1.88%</u></b>				<b><u>-1.36%</u></b>		<b><u>2.01%</u></b>	
<b>Return on Surplus</b>	<b><u>-2.21%</u></b>				<b><u>-2.73%</u></b>		<b><u>2.23%</u></b>	

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

**SALAMANCA BOARD OF PUBLIC UTILITIES  
ELECTRIC DEPARTMENT**

**SUMMARY OF NORMALIZATION AND RATE YEAR ADJUSTMENTS**

**Base Year Normalization Adjustments**

a) Operating revenues	
Weather normalization (increase) of Base revenues	\$ 39,507
b) To reflect increase in purchased power due to revenue weather normalization	20,857
c) To adjust PPAC revenues for under billing in Fiscal Year 2021	20,321
d) Seneca Nation revenues	
Normalization to consider effect of COVID-19 (shut-down and reduced operations)	
Adjusted to reflect 3 year average (before COVID-19 period)	403,098
e) Seneca Nation Purchased Power	
Normalization to consider effect of COVID-19 (shut -down and reduced operations)	
Adjusted to reflect 3 year average (before COVID-19 period)	380,951
f) To adjust late charge revenues to equal two year average (as a % of gross sales)	24,177
g) To adjust rent from electric property to equal last two year average (rounded)	(36)
h) To adjust miscellaneous revenues to equal two year average (2019 and 2021)	(539)
i) To remove effect of GASB 68 Net Pension Liability adjustment (decrease in pension cost)	(16,591)
<b>Total normalization adjustments</b>	<b><u>\$ 101,311</u></b>

**Rate Year Adjustments**

j) To increase IEEP contributions as a result of weather normalization	\$ 26,394
k) To increase PPAC revenues due to increase in IEEP contributions	26,394
l) To reflect "net" increase in expensed labor dollars due to anticipated wage increases, reduced by retirements/resignations (net of replacements), net of amounts to be allocated to capital accounts	21,302
m) To reflect net changes in employee benefits due to payroll tax calculation or allocated budget amounts for shared employee benefit costs	27,165
n) <u>Contractual/material expenses</u>	
Maintenance of poles and fixtures - 3 year average with no inflation factor	(4,461)
Distribution - 3 year average with no inflation factor	(1,211)
Street lights - 3 year average with no inflation factor	(2,473)
Consumer accounting and collection - 3 year average with no inflation factor	(2,385)
Sales expense - 3 year average with no inflation factor	2,480
Administrative and general - 3 year average with no inflation factor	(17,402)
o) To adjust allocation of employee benefits and supervision costs, based on forecasted direct salaries multiplied by employee benefits and supervision overhead rate	(37,066)
p) To reflect increase in general liability insurance costs based on known premiums	1,317
q) To reflect anticipated decrease in uncollectible accounts receivable, based on 3 year average	(9,344)
r) To reflect increase in annual depreciation expense, as the result of anticipated capital improvements to be made during the period April 1, 2021 through December 31, 2022	65,917
s) To reflect PILOT payment to the City of Salamanca based on past year contributions	55,705
t) To reflect increase in taxes paid to other taxing jurisdictions (3 year average)	182
u) To reflect decrease in rental costs for use of City owned building and railroad right of way	(5)
v) To reflect amortization of rate filing costs over 3 year period of benefit	6,333
<b>Total Rate Year Adjustments</b>	<b><u>\$ (106,054)</u></b>

**SALAMANCA BOARD OF PUBLIC UTILITIES  
ELECTRIC DEPARTMENT**

**FORECASTED RATE OF RETURN CALCULATION  
CAPITALIZATION MATRIX**

**Based on the Year Ended March 31, 2021,  
Adjusted for Rate Year Adjustments and Revenue Increase Request**

		<u>Amount</u>	<u>Percent</u>	<u>Cost Rate</u>	<u>Rate of Return</u>
<b><u>2021 (Base Year)</u></b>					
Long-term debt	Exhibit 10	\$ 368,604	7.8%	1.00%	0.08%
Customer deposits	Exhibit 10	184,627	3.9%	0.00%	0.00%
Net surplus	Exhibit 10	<u>4,199,911</u>	<u>88.4%</u>	-2.21%	<u>-1.96%</u>
Total		<b><u>\$ 4,753,142</u></b>	<b><u>100.00%</u></b>		<b><u>-1.88%</u></b>
<b><u>Rate Year Before Revenue Increase</u></b>					
Long-term debt	Exhibit 10	\$ 2,793,209	39.8%	1.82%	0.72%
Customer deposits	Exhibit 10	187,313	2.7%	0.00%	0.00%
Net surplus	Exhibit 10	<u>4,028,958</u>	<u>57.5%</u>	-2.73%	<u>-1.57%</u>
Total		<b><u>\$ 7,009,480</u></b>	<b><u>100.00%</u></b>		<b><u>-0.85%</u></b>
<b><u>Rate Year After Revenue Increase</u></b>					
Long-term debt	Exhibit 10	\$ 2,793,209	39.8%	1.82%	0.73%
Customer deposits	Exhibit 10	187,313	2.7%	0.00%	0.00%
Net surplus	Exhibit 10	<u>4,028,958</u>	<u>57.5%</u>	2.23%	<u>1.28%</u>
Total		<b><u>\$ 7,009,480</u></b>	<b><u>100.00%</u></b>		<b><u>2.01%</u></b>

**SALAMANCA BOARD OF PUBLIC UTILITIES  
ELECTRIC DEPARTMENT****SUMMARY OF SIGNIFICANT FORECAST ASSUMPTIONS  
Based on the Year Ended March 31, 2021 (Base Year)****NOTE 1 - OPERATING REVENUES***Base Revenues*

Base revenues of the Salamanca Board of Public Utilities - Electric Department (Department), include base revenues from the Residential, Commercial, Industrial, Public Street Lighting and Security Lighting rate classes. For purposes of this rate filing, they do not include revenues reported for sales to the Seneca Nation entities, which is governed by an Electric Service Agreement (Agreement) effective September 22, 2006 under PSC Case No. 06-E-0447 (see discussion below regarding revenues from this Agreement).

Customer consumption (in kWh) 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 NYSERDA website (<https://www.nyserda.ny.gov/About/Publications/EA-Reports-and-Studies/Weather-Data/Monthly-Cooling-and-Heating-Degree-Day-Data>) for heating degree days for the ten (10) year period 2011 - 2021. This data was specific to the Buffalo, New York area. The weather normalization model used in this rate filing, was previously provided by the State of New York Department of Public Service, for use in prior municipal electric rate filings with that office.

As the Department experienced minimal growth/decline in its customer base over the last five years (fiscal years 2017 through 2021), any impact on Base Revenues, as a result of customer growth or decline, has been ignored in this forecast. The total number of customers serviced during this five year period ranged from a low of 3,616 (2020) to a high of 3,648 (2018). The number of customers serviced during the Base Year (2021) was 3,634.

Based on the weather normalization calculations described in Workpaper A, Base Revenues during the Rate Year are expected to increase \$39,507 (1.76% 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 over billing or under billing of PPAC revenues had occurred during the fiscal period. For the fiscal year ended March 31, 2021 (Base Year), the Department under billed its customers \$20,321 in PPAC revenues (see Workpaper E). This under billing will be recovered from the Department’s customers via the PPAC process during the fiscal year ending March 31, 2022. As such, PPAC revenues were increased by \$20,321 as a normalization adjustment in the Rate Year.

In addition, PPAC revenues include certain other costs that are passed onto the customer as part of the PPAC process. The Department currently bills its customers at a rate of .001/kWh for its contributions to the Independent Energy Efficiency Program (IEEP). All PPAC revenues collected from these billings are remitted to the IEEP for energy efficiency projects, and the revenues generated and the expenses incurred under this program do not enter into the determination of the Department’s net operating income. As such, they are considered “revenue neutral.” During the Base Year (2021), the Department suspended these charges to its customers during the winter months (to remove this additional burden to its customers), and as such, remittances to the IEEP were also suspended for that period.

Forecasted revenues generated by this process are based on kWh sold (and ignore any future suspension of customer billing and related cost). As kWh consumption is expected to increase during the Rate Year (due to weather normalization described above), PPAC revenues related to this process are also expected to increase. As such, PPAC revenues have been increased by \$26,394. Conversely, contributions to the IEEP (classified as an expense) have also been increased by \$26,394 to remain “revenue neutral” in the determination of net operating income.

SALAMANCA BOARD OF PUBLIC UTILITIES  
ELECTRIC DEPARTMENTSUMMARY OF SIGNIFICANT FORECAST ASSUMPTIONS  
Based on the Year Ended March 31, 2021 (Base Year)

## NOTE 1 - OPERATING REVENUES - Continued

*PPAC Revenues - Continued*

The Department bills its customers for charges related to the Clean Energy Standards Act (CES) through the PPAC process. These customer charges (PPAC revenues) are equal to the CES charges paid to the New York Municipal Power Agency (NYMPA). As such, these transactions are “revenue neutral” in the determination of net operating income. See further discussion in “Purchased Power” below. CES revenues included in PPAC revenues for the Base Year, totaled \$452,127, which were equal to CES related costs.

*Operating Revenues - Seneca Nation Entities*

The Department operates under an Electric Service Agreement (Agreement) with the Seneca Territory Gaming Corporation (STGC), and its related entities. The Agreement became effective September 22, 2006, with the approval of PSC Case No. 06-E-0447.

The Agreement sets terms and provisions specifying charges and rates to be charged by the Department to the STGC and its related entities. Under the Agreement, the STGC does not pay the rates for large customers set forth in the Department’s existing tariffs, but pays charges and rates as set forth in the Agreement. Because of this, operating revenues of the STGC are reported separately in this rate filing. Additional provisions of the Agreement are provided in PSC Case No. 06-E-0447.

Operating revenues from the STGC during the fiscal years 2020 and 2021 (2021 being the Base Year) had been compromised due to the COVID-19 pandemic and the protocols put in place to help mitigate the pandemic. As such, the Seneca Nation entities served under the Agreement were either closed for business or severely compromised in their ability to conduct normal operations. With certain relief from the pandemic conditions, the Department is hopeful that revenues from the STGC and related entities will somewhat normalize in future periods. As such, the Department believes it can achieve “pre-pandemic” operations as it relates to kWh consumption, revenues and related costs. For purposes of this rate filing, the Department has projected kWh consumption, revenues, power costs, net margin and gross margin percentage in the Rate Year to equal the three (3) year average for Years 2017 through 2019, as follows:

<u>Fiscal Year</u>	<u>kWh sold</u>	<u>Revenues</u>	<u>Power Cost</u>	<u>Net Margin</u>	<u>Gross Margin Percentage</u>
March 31, 2017	25,650,440	1,842,321	1,730,807	111,514	6.05%
March 31, 2018	24,847,720	1,554,976	1,466,483	88,493	5.69%
March 31, 2019	25,506,200	1,632,704	1,512,385	120,319	7.37%
March 31, 2020	24,196,640 (a)	1,461,110	1,346,461	114,649	7.85%
March 31, 2021	19,648,760 (b)	1,273,569	1,188,941	84,628	6.64%
5 year average	<u>23,969,952</u>	<u>1,552,936</u>	<u>1,449,015</u>	<u>103,921</u>	<u>6.69%</u>
4 year average (2017-2020)	<u>25,050,250</u>	<u>1,622,778</u>	<u>1,514,034</u>	<u>108,744</u>	<u>6.70%</u>
3 year average (2017-2019)	<u>25,334,787</u>	<u>1,676,667</u>	<u>1,569,892</u>	<u>106,775</u>	<u>6.37%</u>

(a) - partially effected by COVID-19 shutdown

(b) significantly effected by COVID-19 shutdown and reduced operations

SALAMANCA BOARD OF PUBLIC UTILITIES  
ELECTRIC DEPARTMENTSUMMARY OF SIGNIFICANT FORECAST ASSUMPTIONS  
Based on the Year Ended March 31, 2021 (Base Year)

## NOTE 1 - OPERATING REVENUES - Continued

*Base Revenue, Revenue Increase Rate*

Increase in Base Revenues (as a result of a 11.18% increase in base rates effective January 1, 2022) 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 \$255,167. Base Revenues in the Rate Year are expected to be \$2,538,487 (versus normalized Base Year revenues of \$2,283,320).

*Other Revenues*

Other revenues consist of late charges, rents and miscellaneous electric revenues. These revenue sources, in general, are normally of an insignificant amount (as compared to total revenues), and can be quite volatile from year to year.

Due to COVID-19 pandemic protocols, late charges were not assessed during 2021 (Base Year). With COVID-19 protocols expected to be released in future periods, late charges are expected to return to "pre-pandemic" levels. As such, late charges are expected to equal the two-year average (2019-2020) of late charges to gross electric billings (as a percentage). This average percentage of 0.37% multiplied by normalized gross electric billings before the requested revenue increase reflects late charges of \$24,177 in the Rate Year, as described below:

<u>Fiscal Year</u>	<u>Gross Electric Revenues</u>	<u>Late Charges</u>	<u>%</u>
March 31, 2019	\$ 6,211,109	\$ 25,004	0.40%
March 31, 2020	5,838,631	19,620	0.34%
March 31, 2021 (a)	-	-	-
Total	<u>\$ 12,049,740</u>	<u>\$ 44,624</u>	<u>0.37%</u>
<u>Normalized Gross Revenues</u>			
Rate Year	\$ 6,528,495		
x late charge %	0.37%		
Late charges - Rate Year	24,177		
Late charges - Base Year	-		
Increase in Rate Year	<u>\$ 24,177</u>		

(a) No late charges assessed (COVID-19 protocols)



SALAMANCA BOARD OF PUBLIC UTILITIES  
ELECTRIC DEPARTMENTSUMMARY OF SIGNIFICANT FORECAST ASSUMPTIONS  
Based on the Year Ended March 31, 2021 (Base Year)

## NOTE 1 - OPERATING REVENUES - Continued

*Other Revenues- Continued*

Rent from electric property includes rental of the Department owned building by the City's Water and Sewer Departments (for their allocated use of the building) and pole attachments for Atlantic Broadband, Charter Communications, Den's Auto and the Seneca Nation. Rental income is evidenced by agreements entered into with each entity. Rental income from electric property is expected to equal the two (2) year average for Years 2020 and 2021 (rounded for rate filing presentation). Rental income information is as follows:

<u>Fiscal Year</u>	<u>Rent from Electric Prop.</u>
March 31, 2019	\$ 17,735
March 31, 2020	24,606
March 31, 2021	<u>24,036</u>
Total	<u>\$ 66,377</u>
Rate Year - Forecasted	<u>\$ 24,000</u>

Miscellaneous revenues can be quite volatile from year to year. Miscellaneous revenues in the Rate Year are expected to equal the two-year average (Years 2019 and 2021) of these revenue sources. Miscellaneous revenues in Year 2020 were unusually elevated due to numerous material and jobbing projects that are not expected to re-occur with any consistency in future periods, and therefore have been ignored in this rate filing. Miscellaneous electric revenues are expected to total \$20,000 (rounded) during the Rate Year, as follows:

<u>Fiscal Year</u>	<u>Miscellaneous Revenue</u>
March 31, 2019	\$ 19,762
March 31, 2020	60,159
March 31, 2021	<u>20,364</u>
Total	<u>\$ 100,285</u>
Rate Year - Forecasted	<u>\$ 20,000</u>

SALAMANCA BOARD OF PUBLIC UTILITIES  
ELECTRIC DEPARTMENTSUMMARY OF SIGNIFICANT FORECAST ASSUMPTIONS  
Based on the Year Ended March 31, 2021 (Base Year)

## NOTE 2 - OPERATING EXPENSES

a. Purchased Power - The Electric Department includes in its purchased power, the following items:

- Hydropower charges (billed by the New York Power Authority)
- Supplemental power (billed by the New York Municipal Power Agency)\*
- Transmission costs (billed by NYSEG)
- Transmission Congestion Charges (also known as TCC's)

The cost of electricity purchased for distribution is forecasted to be \$5,205,853 during the Rate Year. This forecasted amount is based on: (a) actual purchased power costs incurred during the Base Year, adjusted for weather normalization calculations described in Workpaper A, and (b) the anticipated increase in purchased power costs due to the normalization of the operations of the STGC and its related entities (see related discussion in Note 1). 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 weather normalization adjustments, is expected to be \$20,857 (Workpaper A). Increases in purchased power due to the normalization of operations of the STGC and its related entities, is expected to be \$380,951 to maintain the average gross margin percentage achieved in previous years (see related discussion in Note 1).

\* - *Supplemental power costs include CES charges. CES charges in the Base Year totaled \$452,127 and were equal to CES billed to customers.*

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

(1) Labor (charged to expense accounts)

Labor charged to expense accounts include:

- Salaries of the line crew laborers (allocated via the work order system based on the work performed).
- Salaries of the General Manager, Supervisor, Office Manager, clerical employees, and other operational employees (allocated to the Electric Department based on estimated level of effort).

Total salaries incurred during Base Year 2021 were \$603,870, of which \$45,446 was capitalized to operating property via the Department's work order system. Salaries charged to the various expense accounts of the Department totaled \$558,424 during Base Year 2021.

Total salaries to be incurred during the Rate Year are projected to be \$646,033, of which \$66,307 will be capitalized to operating property, and \$579,726 will be expensed in the forecasted statement of operations. (See Exhibit 15 for capitalized salaries).

The slight change in total salaries (\$21,302 decrease) is due to numerous reasons. Increases in hourly rates as a result of union contracts, have been offset by the impending retirement of the current Office Manager and a clerical worker, the resignation of a lineman and lineman apprentice and the re-allocation of time of the stores (inventory) clerk. Salaries in the Rate Year include replacement of the Office Manager, lineman and lineman apprentices at estimated salaries or hourly rates, which are at amounts less than the Base Year salaries and wages. See Workpapers E and E-1 for forecasted Rate Year labor and Base Year (2021) labor.

SALAMANCA BOARD OF PUBLIC UTILITIES  
ELECTRIC DEPARTMENTSUMMARY OF SIGNIFICANT FORECAST ASSUMPTIONS  
Based on the Year Ended March 31, 2021 (Base Year)

## NOTE 2 - OPERATING EXPENSES - Continued

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

## (2) Employee Benefits

Employee benefits include medical/dental insurance, workers' compensation, New York State retirement contributions, FICA and uniforms and safety boots. Costs in Base Year 2021, represent the Electric Department's share of actual invoiced amounts (or via calculation on labor dollars for FICA), and is primarily based on a ratio of Electric Department labor dollars to total Salamanca Board of Public Utilities labor dollars.

In addition, amounts reported as NYS Retirement costs in fiscal year 2021 (Base Year) included an increase in retirement expense as a result of GASB No. 68, *Net Pension Liability* calculations. For rate filing purposes, the GASB No. 68 pension expense (totaling \$16,591) has been removed from NYS Retirement costs, as a normalization adjustment. NYS Retirement costs in the Rate Year do not include any effect of GASB No. 68, and only represent the Department's share of the City's annual retirement contribution.

Rate Year employee benefit costs are based on (1) actual invoiced amounts or insurance carrier quotes, (2) calculation (FICA), or (3) budgeted amounts based on historic trend. Rate Year employee benefit costs are expected to be approximately 39% of total labor dollars. Net increase in employee benefits costs is expected to be as follows:

Type	Base Year 2021	Rate Year	Rate Year Increase (Decrease)
Medical/Dental insurance (a)	\$ 51,898	\$ 66,805	\$ 14,907
NYS retirement (b)	83,905	86,932	3,027
GASB 68 - NYS retirement (b)	16,591	-	(16,591)
Workers' compensation (c)	20,948	21,804	856
Uniforms and safety boots €	6,201	11,350	5,149
FICA (d)	46,196	49,422	3,226
	<u>\$ 225,739</u>	<u>\$ 236,313</u>	<u>\$ 10,574</u>

- (a) Medical insurance, which includes dental coverage, is based on quoted premiums from the Salamanca Board of Public Utilities (BPU) insurance providers. These premiums have been included in the BPU's entity-wide budgets and have been allocated to the Electric Department based on level of effort within the Department.

SALAMANCA BOARD OF PUBLIC UTILITIES  
ELECTRIC DEPARTMENTSUMMARY OF SIGNIFICANT FORECAST ASSUMPTIONS  
Based on the Year Ended March 31, 2021 (Base Year)

## NOTE 2 - OPERATING EXPENSES - Continued

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

## (2) Employee Benefits - Continued

- (b) In general, retirement costs have remained fairly consistent over the past 3-5 years. The costs reported in the Rate Year are expected to be similar to the retirement contributions made in December 2020, as required by the New York State Retirement System. Retirement cost included in the Rate Year is based on tier percentages provided to the BPU by OSC, multiplied by the projected salary of each employee (based on level of effort within the Department). As described above, the NYS Retirement cost presented in the Rate Year does not include the effect of GASB No. 68.
- (c) Workers' compensation premiums are expected to remain relatively flat based on the BPU's overall claim experience. Total Village-wide workers' compensation premiums have been allocated to the Electric Department based on level of effort within the Department.
- (d) FICA is calculated at 7.65% of total gross salaries.
- (e) Uniforms and safety boots are based on approved budget amounts for the fiscal year ended March 31, 2022.

## (3) Contractual/Material Expenses

Contractual and material expenses consist of materials, supplies, and/or services provided by outside vendors which are charged to the pole maintenance, distribution, street lights, consumer accounting, sales and administrative and general cost categories. These costs also include the allocation of truck overhead costs, employee benefit and supervision overhead costs and stores overhead costs as processed through the Department's work orders for these types of tasks.

During the Rate Year, these costs are expected to equal the three-year average (2019-2021) of these categories, with no adjustment for inflation factors (see Workpaper C).

	Base Year 2021	Rate Year	Rate Year Increase (Decrease)
Maintenance of poles	\$ 14,340	\$ 9,879	\$ (4,461)
Distribution	97,611	96,400	(1,211)
Street lights	14,413	11,940	(2,473)
Consumer accounting	44,412	42,027	(2,385)
Sales expense	4,478	6,958	2,480
Administrative and general	127,880	110,478	(17,402)

SALAMANCA BOARD OF PUBLIC UTILITIES  
ELECTRIC DEPARTMENTSUMMARY OF SIGNIFICANT FORECAST ASSUMPTIONS  
Based on the Year Ended March 31, 2021 (Base Year)

## NOTE 2 - OPERATING EXPENSES - Continued

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

## (4) Insurance

Insurance expense represents the Electric Department's share of general property and liability insurance. Known premiums for the fiscal year ending May 31, 2022 are \$23,369 (paid in April 2021). Premiums in the Rate Year are expected to be \$23,369, which is based on the premium paid in April 2021.

Fiscal Year 2022 actual charges (paid April 2021)	\$ 23,369
Base Year 2021 amounts	<u>22,052</u>
Rate Year increase	<u>\$ 1,317</u>

## (5) Uncollectible Accounts

The Electric Department has had reasonably good results in its collection of customer receivables. Uncollectible accounts during the Rate Year are expected to equal the three-year average (2019-2021), as a percent of gross normalized electric billings. This average percentage of 0.35% multiplied by normalized gross electric billings before the revenue increase reflects uncollectible accounts of \$23,005 in the Rate Year, as described below:

Fiscal Year	Gross Revenues	Uncollectible Accounts	%
March 31 2019	\$ 6,273,610	\$ 32,349	0.52%
March 31, 2020	5,943,016	13,760	0.23%
March 31, 2021	<u>6,083,574</u>	<u>18,376</u>	<u>0.30%</u>
Total	<u>\$ 18,300,200</u>	<u>\$ 64,485</u>	<u>0.35%</u>
<u>Normalized Gross Revenues</u>			
Rate Year	\$ 6,528,495		
x Uncollectible %	<u>0.35%</u>		
Uncollectible Accounts - Rate Year	23,005		
Uncollectible Accounts - Base Year	<u>32,349</u>		
Decrease in Rate Year	<u>\$ (9,344)</u>		

## (6) Depreciation Expense

Depreciation expense (Exhibit 14) has been calculated based on existing operating property plus (1) net operating property additions for the period April 1, 2021 to December 31, 2021 (known as the "linking" period), plus (2) future operating property acquisitions detailed in Exhibit 15. Future operating property acquisitions include anticipated costs for engineering, contractor, material, capitalized labor, employee benefits and supervision overhead costs, material overhead, and truck overhead. Future operating property acquisitions are reported "net" of anticipated retirement values.

SALAMANCA BOARD OF PUBLIC UTILITIES  
ELECTRIC DEPARTMENTSUMMARY OF SIGNIFICANT FORECAST ASSUMPTIONS  
Based on the Year Ended March 31, 2021 (Base Year)

## NOTE 2 - OPERATING EXPENSES - Continued

b. Other Operating Expenses - Continued

## (6) Depreciation Expense - Continued

Depreciation charges are calculated using rates that are consistent with rates used in prior years, as approved by the PSC in the Department's last rate filing. Depreciation charges are calculated on operating property balances, net of any contributed amounts, as required.

Depreciation expense, Rate Year	\$ 328,469
Depreciation expense, Base Year	<u>262,552</u>
Rate Year increase	<u>\$ 65,917</u>

## (7) Rent, Taxes and PILOT to the City of Salamanca

*Rent*

The Department pays rent to the City of Salamanca for its share of costs related to the City owned office building. In addition, the Department pays a nominal rental fee for the railroad right of way. Rental costs for these items have approximated \$6,100 per year for the years ended 2019, 2020 and 2021 (Base Year). Rent costs in the Rate Year are expected to be \$6,100.

*Taxes*

The Department pays annual property taxes to taxing jurisdictions outside the City of Salamanca boundaries. These taxes have averaged \$2,688 for the three-year period (2019 through 2021), with a range of \$2,506 to \$2,794 during that period. Tax expense in the Rate Year is expected to be equal to the three-year average of \$2,688.

*PILOT to the City of Salamanca*

For many years, the Department has made an annual contribution to the City of Salamanca. To this point, this annual contribution was not recovered by the Department's Base Rates but was rather a distribution from the Department's accumulated Surplus (similar to a dividend distribution).

As part of this Rate Filing, the Department wishes to make a Payment in Lieu of Taxes (PILOT) to the City's General Fund, which will be recovered through future Base Rates and related Base revenues.

Past year contributions were approximately \$55,000 per annum. The contribution made in 2021 (Base Year) was \$55,705.

Based on the experience of other municipal electric utilities located in New York State, a PILOT has been established based on the net book value of certain operating property located within the municipality, multiplied by the municipality's current property tax rate (adjusted for the current equalization rate). Based on this model, the Department has calculated a projected PILOT based on the Rate Year net book value of its operating property located with the City of Salamanca boundaries. These calculations can be seen in Workpaper G to this Rate Filing.

SALAMANCA BOARD OF PUBLIC UTILITIES  
ELECTRIC DEPARTMENTSUMMARY OF SIGNIFICANT FORECAST ASSUMPTIONS  
Based on the Year Ended March 31, 2021 (Base Year)

## NOTE 2 - OPERATING EXPENSES - Continued

*b. Other Operating Expenses* - Continued

## (7) Rent, Taxes and PILOT to the City of Salamanca - Continued

While the calculated PILOT (per Workpaper G) reports a PILOT of \$512,386, the Department wishes to maintain this PILOT at current contribution amounts (see discussion above). As such, the PILOT in the Rate Year to be covered by Base Rates will be \$55,705, the amount of the 2021 (Base Year) contribution.

## (8) Contractual Appropriations of Income - IEEP Contributions

The Department participates in the Independent Energy Efficiency Program (IEEP) to offer programs and make capital improvements to promote energy efficiency by and for its customers. As previously described, contributions to the IEEP are based on kWh sold multiplied by .001 per kWh. Expected kWh sold in the Rate Year, due to weather normalization and normalized operations of the STGC and its related entities, is expected to approximate 108,662,000 kWh, which calls for a \$108,662 contribution to the IEEP during the Rate Year. These costs and related revenues (recovered by the PPAC process) are "revenue neutral" to the operations of the Department. This represents a \$26,394 increase from the Base Year 2021, and is solely due to an anticipated increase in kWh consumption due to weather normalization and normalized operations of the STGC and its related entities.

## (9) Allocation of Employee Benefits and Supervision Costs

The Department allocates a portion of its employee benefits and supervision costs to the various tasks performed by the line crew/laborers. It is the Department's policy to allocate employee benefits and supervision costs to capital (operating property) transactions and distribution system repair expense accounts based on the task performed. Specific to the Department's operations, supervision costs are required to be allocated to the capital transactions and expense accounts, as the salary of the Supervisor does not go through the Department's work order. As such, there needs to be a mechanism to capture this cost within the cost of the task being performed.

Employee benefits and Supervision costs are reported in the Electric Department's general ledger (Accounts 785 and 741, respectively) at gross amounts, therefore, there is a need to have a "credit" account to properly allocate these costs to the various capital and expense accounts, without losing the integrity of the actual amount of these costs in the general ledger. The Department has used Account 792 - Miscellaneous Credits Transferred for this "credit" account in previously submitted Annual Reports.

The allocation of employee benefit and supervision costs is based on direct labor dollars charged by the line crew/laborers for capital and repair tasks multiplied by an overhead percentage representative of those costs to direct labor dollars. The overhead rate used for employee benefits and supervision costs in the Rate Year is 60% (40% for employee benefits and 20% for supervision). This overhead rate is not applied to labor dollars of the line crew/laborers for vacation, sick and personal time, as well as other administrative type tasks (salaries that are not associated with installation or repair/maintenance tasks).

Direct labor dollars anticipated to be capitalized and/or charged to repair expense accounts during the Rate Year (adjusted for salary increases previously described) is \$256,799 (Workpaper F). As such, the allocation of employee benefits based on these labor dollars will be \$154,079 (\$256,799 x 60%).

SALAMANCA BOARD OF PUBLIC UTILITIES  
ELECTRIC DEPARTMENTSUMMARY OF SIGNIFICANT FORECAST ASSUMPTIONS  
Based on the Year Ended March 31, 2021 (Base Year)

## NOTE 2 - OPERATING EXPENSES - Continued

b. Other Operating Expenses - Continued

## (10) 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 \$6,333 per annum for each of the next three years.

## NOTE 3 - INDEBTEDNESS

The Electric Department's indebtedness at the end of the Rate Year consists of existing debt obligations and anticipated future borrowings.

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

Serial Bond, issued March 2020, interest at 2.5%, due March 2025 (a)	\$ 35,960
Serial Bond, to be issued January 2022, interest at 2.0% due January 2042	4,583,000
Serial Bond, to be issued January 2022, interest at 2.0% due January 2027	117,000
Serial Bond, to be issued January 2022, interest at 2.0% due January 2027	300,000
	<u>\$ 5,035,960</u>

- (a) Bond issued for purchase of digger derrick truck
- (b) Bond to be issued for upgrade and renovations of Rochester Street substation
- (c) Bond to be issued for purchase of Arbor tree trimming truck
- (d) Bond to be issued for purchase 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 March 31, 2021, 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 March 31, 2021. These rates of return were negative (1.88)% and (2.21)% respectively. The rate of return for the Forecasted Rate Year of 2.01% is calculated using Base Year 2021 amounts and applying forecasted changes to the Electric Department's operation, rate base, debt service, and surplus, as described herein.



**SALAMANCA BOARD OF PUBLIC UTILITIES  
ELECTRIC DEPARTMENT**

**BALANCE SHEETS**

	<b>Fiscal 2019</b>	<b>Fiscal 2020</b>	<b>Fiscal 2021</b>	<b>2019-2021 Average Balance</b>
<b>ASSETS</b>				
Plant in service	\$ 11,239,729	\$ 11,457,525	\$ 11,665,728	\$ 11,561,627
Construction work in progress	4,970	21,117	22,827	21,972
Non-operating property	-	-	-	-
Depreciation and amortization reserve	(4,743,809)	(4,876,647)	(4,908,858)	(4,892,753)
Contribution for extensions	(2,105,723)	(2,127,675)	(2,127,675)	(2,127,675)
Net plant	<u>4,395,167</u>	<u>4,474,320</u>	<u>4,652,022</u>	<u>4,563,171</u>
Depreciation reserve cash funds	-	-	-	-
Miscellaneous special cash funds	88,945	120,967	120,997	120,982
Cash	126,847	164,071	113,739	138,905
Working funds	-	-	-	-
Loans to operating Municipality	-	-	-	-
Materials and supplies	135,383	146,093	140,341	143,217
Receivables from operating municipalities	27,875	30,794	31,261	31,028
Accounts receivable	806,132	774,432	958,807	866,620
Reserve for uncollectibles	(48,630)	(40,877)	(58,773)	(49,825)
Prepayments	52,775	-	-	-
Miscellaneous current assets	-	-	-	-
Deferred outflows - GASB 68	<u>255,262</u>	<u>299,806</u>	<u>163,171</u>	<u>231,489</u>
<b>Total assets</b>	<b><u>\$ 5,839,756</u></b>	<b><u>\$ 5,969,606</u></b>	<b><u>\$ 6,121,565</u></b>	<b><u>\$ 6,045,586</u></b>
<b>LIABILITIES</b>				
Accounts payable	583,303	619,918	645,437	632,678
Payables to operating Municipality	272,640	220,070	385,070	302,570
Customer deposits	180,146	181,940	187,313	184,627
Taxes accrued	13,161	12,182	14,030	13,106
Interest accrued	14,031	13,213	12,556	12,885
Miscellaneous other current liabilities	155,705	186,772	157,975	172,374
Total current liabilities	<u>1,218,986</u>	<u>1,234,095</u>	<u>1,402,381</u>	<u>1,318,238</u>
Bonds and Loans payable	101,110	157,307	354,310	255,809
Reserves	25,004	38,254	42,024	40,139
Net Pension Liability - GASB 68	235,121	76,807	148,784	112,796
Deferred Inflows - GASB 68	41,489	248,900	56,879	152,890
Total liabilities	<u>1,621,710</u>	<u>1,755,363</u>	<u>2,004,378</u>	<u>1,879,871</u>
Contributions to municipality	(3,138,747)	(3,208,949)	(3,269,154)	(3,239,052)
Surplus	<u>7,356,793</u>	<u>7,423,192</u>	<u>7,386,341</u>	<u>7,404,767</u>
Total surplus	<u>4,218,046</u>	<u>4,214,243</u>	<u>4,117,187</u>	<u>4,165,715</u>
<b>Total liabilities and surplus</b>	<b><u>\$ 5,839,756</u></b>	<b><u>\$ 5,969,606</u></b>	<b><u>\$ 6,121,565</u></b>	<b><u>\$ 6,045,586</u></b>

**SALAMANCA BOARD OF PUBLIC UTILITIES  
ELECTRIC DEPARTMENT**

**INCOME STATEMENTS  
(INCLUDING kWh SALES BY RATE CLASS)**

	<b>Fiscal 2019</b>	<b>Fiscal 2020</b>	<b>Fiscal 2021</b>	<b>Three Year Average</b>
<b>Operating revenues</b>				
A/C 601 Residential sales	\$ 2,217,112	\$ 2,116,993	\$ 2,443,193	\$ 2,259,099
A/C 602 Commercial sales	387,956	383,957	396,968	389,627
A/C 603 Industrial sales	1,486,748	1,591,498	1,598,701	1,558,982
A/C 604 Public street lighting - operating municipality	153,181	161,206	172,552	162,313
A/C 605 Public Street lighting - other	18,449	19,207	20,536	19,397
A/C 606 Other sales to operating municipality	130,373	106,086	114,229	116,896
A/C 607 Other sales to other public authorities	1,632,704	1,461,110	1,273,566	1,455,793
A/C 608 Sales to other distributors	-	-	-	-
A/C 609 Sales to HDL Customers	190,835	-	-	63,612
A/C 610 Security lighting	18,756	18,194	19,428	18,793
A/C 621 Rent from electric property	17,735	24,606	25,629	22,657
A/C 622 Miscellaneous electric revenues	19,842	60,300	18,948	33,030
<b>Total operating revenues</b>	<b>6,273,691</b>	<b>5,943,157</b>	<b>6,083,750</b>	<b>6,100,199</b>
<b>Operation and maintenance expense</b>				
Electricity purchased	4,799,310	4,531,163	4,804,045	4,711,506
Transmission expense	-	-	-	-
Poles, towers and fixtures	16,880	29,787	40,757	29,141
Distribution expense	361,323	271,180	277,429	303,311
Street lighting and signal expense	35,953	33,301	40,965	36,740
Customer accounting and collection	126,037	134,612	126,228	128,959
Sales expense	10,623	37,004	12,728	20,118
Administrative and general expense	572,642	580,979	617,348	590,323
Miscellaneous expense transferred	(137,752)	(132,249)	(117,013)	(129,005)
Depreciation	250,683	263,946	262,551	259,060
Taxes - electric	2,765	2,794	2,506	2,688
Uncollectible revenues	18,376	13,760	32,349	21,495
<b>Total operation and maintenance expense</b>	<b>6,056,840</b>	<b>5,766,277</b>	<b>6,099,893</b>	<b>5,974,337</b>
<b>Income from operations</b>	<b>216,851</b>	<b>176,880</b>	<b>(16,143)</b>	<b>125,863</b>
<b>Other income (expense)</b>				
Interest income	-	-	-	-
Interest expense	(3,273)	(2,702)	(3,692)	(3,222)
Contractual appropriations of income	(74,207)	(111,091)	(82,268)	(89,189)
Miscellaneous interest deductions	(1,077)	(1,548)	-	(875)
Other	(138)	(3,255)	-	(1,131)
<b>Total other income (expense)</b>	<b>(78,695)</b>	<b>(118,596)</b>	<b>(85,960)</b>	<b>(94,417)</b>
<b>Net Income</b>	<b>\$ 138,156</b>	<b>\$ 58,284</b>	<b>\$ (102,103)</b>	<b>\$ 31,446</b>
<b>kWh Sales</b>				
A/C 601 Residential sales	44,574,368	40,766,581	43,105,651	42,815,533
A/C 602 Commercial sales	7,806,781	7,349,112	6,937,127	7,364,340
A/C 603 Industrial sales	34,054,758	33,161,669	29,769,576	32,328,668
A/C 604 Public street lighting - operating municipality	2,141,448	2,141,448	2,141,448	2,141,448
A/C 605 Public street lighting - other	262,716	262,716	262,716	262,716
A/C 606 Other sales to operating municipality	2,897,027	2,775,026	2,626,685	2,766,246
A/C 607 Other sales to other public authorities	25,506,200	24,196,640	19,648,760	23,117,200
A/C 609 Sales to HDL Customers	2,732,880	-	-	910,960
A/C 610 Security lighting	351,528	355,128	353,848	353,501
<b>Total kWh sold</b>	<b>120,327,706</b>	<b>111,008,320</b>	<b>104,845,811</b>	<b>112,060,612</b>

**SALAMANCA BOARD OF PUBLIC UTILITIES  
ELECTRIC DEPARTMENT**

**STATEMENTS OF SURPLUS**

	<u>Fiscal 2019</u>	<u>Fiscal 2020</u>	<u>Fiscal 2021</u>
<b>BALANCE, <i>beginning of year</i></b>	\$ 4,148,170	\$ 4,218,046	\$ 4,214,243
Add:			
Net income (loss)	138,156	58,284	(102,103)
Deduct:			
Contributions to municipality	(58,402)	(70,202)	(60,205)
Prior period adjustment - various adjustments	<u>(9,878)</u>	<u>8,115</u>	<u>65,252</u>
<b>BALANCE, <i>end of year</i></b>	<u><u>\$ 4,218,046</u></u>	<u><u>\$ 4,214,243</u></u>	<u><u>\$ 4,117,187</u></u>

**SALAMANCA BOARD OF PUBLIC UTILITIES  
ELECTRIC DEPARTMENT**

**RATE OF RETURN STUDY**

**RATE BASE**

**Based on the Year Ended March 31, 2021 (Base Year)**

			(a)	(b)	(c)	(d)	(e)
		<u>Reference (Page, Column, Row)</u>	<u>Fiscal Year</u>	<u>Adjustments</u>	<u>Adjusted Year</u>	<u>Revenue Change</u>	<u>Year After Revenue Change</u>
35	Utility Plant in Service	RB, Ln 5 (c)	\$ 11,561,627	\$ 2,385,032	\$ 13,946,659	\$ -	\$ 13,946,659
36	Construction Work in Progress	RB, Ln 8 (c)	21,972	(21,972)	-	-	-
37	Total Utility Plant	ROR, Ln 35 plus Ln 36	11,583,599	2,363,060	13,946,659	-	13,946,659
38							
39	Accumulated Provision for Depre and Amort	RB, Ln 14 (c)	(4,892,753)	(87,225)	(4,979,978)	-	(4,979,978)
40							
41	Contributions for Extensions	RB, Ln 17 (c)	(2,127,675)	-	(2,127,675)	-	(2,127,675)
42							
43	Net Utility Plant	ROR, Total Ln 37, Ln 39, Ln 41	4,563,171	2,275,836	6,839,007	-	6,839,007
44							
45	Materials and Supplies	RB, Ln 21 (c)	143,217	(2,876)	140,341	-	140,341
46							
47	Prepayments (including prepaid rate filing costs)	RB, Ln 24 (c)	-	15,834	15,834	-	15,834
48							
49	Cash Working Capital	ROR, Ln 74	535,426	33,909	569,334	N/A	569,334
50							
51	<u>Other: (Detail)</u>						
52							
53							
54							
55							
56	Rate Base	ROR, Total Ln 43=>Ln 54	\$ 5,241,814	\$ 2,322,702	\$ 7,564,515	\$ -	\$ 7,564,515

**SALAMANCA BOARD OF PUBLIC UTILITIES  
ELECTRIC DEPARTMENT**

**RATE OF RETURN STUDY  
CASH WORKING CAPITAL  
Based on the Year Ended March 31, 2021 (Base Year)**

		(a)	(b)	(c)	(d)	(e)
	<u>Reference (Page, Column, Row)</u>	<u>Fiscal Year</u>	<u>Adjustments</u>	<u>Adjusted Year</u>	<u>Revenue Change</u>	<u>Year After Revenue Change</u>
57 <u>Cash Working Capital</u>						
58 Total Operating Expenses	ROR, Ln 22	\$ 6,182,162	\$ 517,665	\$ 6,699,827	\$ -	\$ 6,699,827
59						
60 Deduct:						
61 Fuel	ROR, Ln 6	-	-	-	N/A	-
62 Purchased Power	ROR, Ln 7	4,804,045	401,808	5,205,853	N/A	5,205,853
63 Depreciation	ROR, Ln 16	262,552	65,917	328,469	N/A	328,469
64 Other Taxes	ROR, Ln 17	2,506	55,887	58,393	N/A	58,393
65 Uncollectibles	ROR, Ln 18	32,349	(9,344)	23,005	N/A	23,005
66						
67						
68 Adjusted Amount	ROR, Ln 58 minus Ln 61=>Ln 67	1,080,710	3,397	1,084,107	-	1,084,107
69						
70 Working Capital - Operating Expenses @ 1/8	ROR, Ln 68/8	135,089	425	135,513	N/A	135,513
71						
72 Working Capital - Purchased Power @ 1/12	ROR, Ln 61/12	400,337	33,484	433,821	N/A	433,821
73						
74 Total Cash Working Capital	ROR, Total Ln 70, Ln 72	<u>\$ 535,426</u>	<u>\$ 33,909</u>	<u>\$ 569,334</u>	<u>N/A</u>	<u>\$ 569,334</u>

**SALAMANCA BOARD OF PUBLIC UTILITIES  
ELECTRIC DEPARTMENT**

**DETAIL OF RATE BASE  
Based on the Year Ended March 31, 2021 (Base Year)**

		(a)	(b)	(c)	(d)	(e)	(f)	
		Balance at	Balance at	Avg	Bal. At Beg.	Bal. At End	Avg.	
	<u>Reference (Page, Column, Row)</u>	Beg of Year	End of Year	Balance	of Rate Year	of Rate Year	Balance	
1	<u>Utility Plant in Service</u>							
2	Operating Property - Electric	Pg 104, Ln 2 (c) & (d)	\$ 11,457,525	\$ 11,665,728	\$ 11,561,627	\$ 11,733,547	\$ 16,159,771	\$ 13,946,659
3	Operating Property - Other Operations	Pg 104, Ln 3 (c) & (d)	-	-	-	-	-	-
4	Operating Property - General	Pg 104, Ln 4 (c) & (d)	-	-	-	-	-	-
5	Utility Plant in Service		<u>\$ 11,457,525</u>	<u>\$ 11,665,728</u>	<u>\$ 11,561,627</u>	<u>\$ 11,733,547</u>	<u>\$ 16,159,771</u>	<u>\$ 13,946,659</u>
6								
7								
8	Construction Work in Progress	Pg 104, Ln 5 (c) & (d)	<u>\$ 21,117</u>	<u>\$ 22,827</u>	<u>\$ 21,972</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)	\$ 4,876,647	\$ 4,908,858	\$ 4,892,753	\$ 5,123,898	\$ 4,836,057	\$ 4,979,978
13	Accumulated Provision for Amortization	Pg 105, Ln 20 (c) & (d)	-	-	-	-	-	-
14	Accumulated Provision for Depre and Amort		<u>\$ 4,876,647</u>	<u>\$ 4,908,858</u>	<u>\$ 4,892,753</u>	<u>\$ 5,123,898</u>	<u>\$ 4,836,057</u>	<u>\$ 4,979,978</u>
15								
16								
17	Contributions for Extensions	Pg 105, Ln 21 (c) & (d)	<u>\$ 2,127,675</u>	<u>\$ 2,127,675</u>	<u>\$ 2,127,675</u>	<u>\$ 2,127,675</u>	<u>\$ 2,127,675</u>	<u>\$ 2,127,675</u>
18								
19								
21	Materials and Supplies	Pg 104, Ln 18 (c) & (d)	<u>146,093</u>	<u>140,341</u>	<u>\$ 143,217</u>	<u>\$ 140,341</u>	<u>\$ 140,341</u>	<u>\$ 140,341</u>
22								
23								
24	Prepayments (including prepaid rate filing costs)	Pg 104, Ln 23 (c) & (d)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 19,000</u>	<u>\$ 12,667</u>	<u>\$ 15,834</u>

**SALAMANCA BOARD OF PUBLIC UTILITIES  
ELECTRIC DEPARTMENT**

**DETAIL OF RATE OF RETURN  
Based on the Year Ended March 31, 2021 (Base Year)**

		(a) Balance at Beg of Year	(b) Balance at End of Year	(c) Avg Balance	(d) Bal. At Beg. of Rate Year	(e) Bal. At End of Rate Year	(f) Avg. Balance
<b>Capital Structure</b>	<b>Reference (Page, Column, Row)</b>						
<b>Debt</b>							
Bonds	Pg 105, Ln 2 (c) & (d)	\$ 157,307	\$ 105,623	\$ 131,465	\$ 53,940	\$ 5,035,960	\$ 2,544,950
Equipment Obligations - Long-Term	Pg 105, Ln 3 (c) & (d)	-	248,687	124,344	149,212	49,737	99,475
Miscellaneous Long-Term Debt	Pg 105, Ln 4 (c) & (d)	76,807	148,784	112,796	148,784	148,784	148,784
Notes Payable	Pg 105, Ln 9 (c) & (d)	-	-	-	-	-	-
Matured Long-Term Debt	Pg 105, Ln 12 (c) & (d)	-	-	-	-	-	-
Unamortized Premium on Debt	Pg 105, Ln 28 (c) & (d)	-	-	-	-	-	-
Unamortized Debt Discount and Expense	Pg 104, Ln 28 (c) & (d)	-	-	-	-	-	-
Debt		\$ 234,114	\$ 503,094	\$ 368,604	\$ 351,936	\$ 5,234,481	\$ 2,793,209
Customer Deposits	Pg 105, Ln 10 (c) & (d)	\$ 181,940	\$ 187,313	\$ 184,627	\$ 187,313	\$ 187,313	\$ 187,313
<b>Surplus</b>							
Contributions - Operating Municipality	Pg 105, Ln 32 (c) & (d)	\$ (3,208,949)	\$ (3,269,154)	\$ (3,239,052)	\$ (3,269,154)	\$ (3,269,154)	\$ (3,269,154)
Surplus	Pg 105, Ln 33 (c) & (d)	7,423,192	7,386,341	7,404,767	7,287,930	7,223,309	7,255,620
Balance Sheet effect of GASB 68	Pg 104, Ln 37 (c) & (d)	25,901	42,492	34,197	42,492	42,492	42,492
Surplus		\$ 4,240,144	\$ 4,159,679	\$ 4,199,912	\$ 4,061,268	\$ 3,996,647	\$ 4,028,958
<b>Interest Costs</b>							
<b>Interest on Debt</b>							
Bonds	Pg 252, Ln 20 (k)			\$ 3,692			\$ 50,899
Equipment Obligations - Long-Term	Pg 252, Ln 28 (k)			-			-
Miscellaneous Long Term-Debt	Pg 252, Ln 35 (k)			-			-
Notes Payable	Pg 250, Ln 22 (g)			-			-
Matured Long-Term Debt	N/A			-			-
Unamortized Premium on Debt (Credit)	Pg 106, Ln 36 (c)			-			-
Amortization of Debt Discount and Expense	Pg 106, Ln 35 (c)			-			-
							-
Interest on Debt				\$ 3,692			\$ 50,899
Cost Rate				1.00%			1.82%
Interest on Customer Deposits	Pg 309, Ln 10 (f)			\$ -			\$ -
Cost Rate				0.00%			0.00%

**SALAMANCA BOARD OF PUBLIC UTILITIES  
ELECTRIC DEPARTMENT**

**REVENUE CHANGE  
For the Historic Year Ended March 31, 2021  
and the Rate Year**

	<u>Reference (Page, Column, Row)</u>	<u>Amount</u>	
106 Rate Base	ROR, Ln 30 (e)	7,564,515	
107			
108 Rate of Return	ROR, Ln 32 (e)	2.00%	
109			
110 Required Operating Income	ROR, Ln 106 * Ln 108	151,290	
111			
112 Adjusted Operating Income	ROR, Ln 28 (c)	(102,978)	
113			
114 Deficiency (Surplus)	ROR, Ln 110 - Ln 112	254,268	
115			
116 Retention Factor	ROR, Ln 132	0.9965	
117			
118 Revenue Increase (Decrease)	ROR, Ln 114 / Ln 116	255,167	
119			
120			
121			
122 Calculation of the Retention Factor:		<u>Factor</u>	<u>Proof</u>
123 Sales Revenues		1.0000	255,167
124 - Revenue Taxes	N/A	N/A	N/A
125 - Uncollectibles	ROR, Ln 18/Ln 1	0.0035	899
126			
127			
128 Sub-Total	ROR, Ln 123-Total Ln 124=>Ln 127	0.9965	254,268
129			
130 Federal Income Tax @ 35%	N/A	0.00	0
131			
132 Retention Factor	ROR, Ln 128 - Ln 130	0.9965	254,268



**SALAMANCA BOARD OF PUBLIC UTILITIES  
ELECTRIC DEPARTMENT**

**CALCULATION OF AVERAGE LINE LOSS AND FACTOR OF ADJUSTMENT  
Based on Line Losses for Fiscal Years 2016 Through 2021**

	<b>kWh Purchases</b>	<b>kWh Line Losses</b>	<b>Annual Line Loss</b>	<b>kWh Electric Dept. Use</b>	<b>kWh Sales</b>
Fiscal Year 2016	117,226,183	3,044,477	0.025971	-	114,181,706
Fiscal Year 2017	119,229,705	5,529,783	0.046379	-	113,699,922
Fiscal Year 2018	116,854,799	2,145,043	0.018356	-	114,709,756
Fiscal Year 2019	124,834,333	4,437,201	0.035545	69,426	120,327,706
Fiscal Year 2020	114,134,611	2,961,331	0.025946	164,960	111,008,320
Fiscal Year 2021	109,377,368	4,371,502	0.039967	160,055	104,845,811
	<u>701,656,999</u>	<u>22,489,337</u>		<u>394,441</u>	<u>678,773,221</u>
<b>Average Line Loss</b>			<u><b>0.032052</b></u>		

	<b>kWh Purchases</b>	<b>kWh Sales</b>	<b>Annual Factor Of Adjustment</b>
Fiscal Year 2016	117,226,183	114,181,706	1.026663
Fiscal Year 2017	119,229,705	113,699,922	1.048635
Fiscal Year 2018	116,854,799	114,709,756	1.018700
Fiscal Year 2019	124,834,333	120,327,706	1.037453
Fiscal Year 2020	114,134,611	111,008,320	1.028163
Fiscal Year 2021	109,377,368	104,845,811	1.043221
	<u>701,656,999</u>	<u>678,773,221</u>	
<b>Average Factor of Adjustment</b>			<u><b>1.033713</b></u>

SALAMANCA BOARD OF PUBLIC UTILITIES  
ELECTRIC DEPARTMENT

## COMPARISON OF PRESENT AND PROPOSED RATES

	<u>Present</u>	<u>Proposed</u>	<u>Increase</u> <u>\$</u>	<u>Increase</u> <u>%</u>
<b><u>S.C. No. 1</u></b>				
Customer Charge	\$ 2.08	\$ 2.31	\$ 0.23	11.18%
Energy charge, per kWh	\$ 0.0249	\$ 0.0277	\$ 0.0028	11.18%
<b><u>S.C. No. 2</u></b>				
Customer Charge	\$ 2.08	\$ 2.31	\$ 0.23	11.18%
Energy charge, per kWh	\$ 0.0263	\$ 0.0292	\$ 0.0029	11.18%
<b><u>S.C. No. 3</u></b>				
Demand Charge, per kW	\$ 3.90	\$ 4.34	\$ 0.44	11.18%
Energy Charge, per kWh	\$ 0.0104	\$ 0.0116	\$ 0.0012	11.18%
<b><u>S.C. No. 6</u></b>				
Facilities Charge per Fixture				
175 Watt, Mercury	\$ 5.20	\$ 5.78	\$ 0.58	11.18%
250 Watt, Mercury	\$ 7.38	\$ 8.25	\$ 0.87	11.80%

SALAMANCA BOARD OF PUBLIC UTILITIES  
ELECTRIC DEPARTMENT

## COMPARISON OF MONTHLY BILLS

## S.C. No. 1

<u>kWh</u>	<u>Present</u>	<u>Proposed</u>	<u>Increase</u> <u>\$</u>	<u>Increase</u> <u>%</u>
0	\$ 2.08	\$ 2.31	\$ 0.23	11.06%
2	\$ 2.19	\$ 2.42	\$ 0.24	10.76%
10	\$ 2.63	\$ 2.88	\$ 0.26	9.83%
25	\$ 3.44	\$ 3.74	\$ 0.30	8.71%
50	\$ 4.81	\$ 5.18	\$ 0.37	7.70%
75	\$ 6.17	\$ 6.61	\$ 0.44	7.13%
100	\$ 7.53	\$ 8.04	\$ 0.51	6.77%
150	\$ 10.26	\$ 10.91	\$ 0.65	6.34%
200	\$ 12.98	\$ 13.77	\$ 0.79	6.09%
250	\$ 15.71	\$ 16.64	\$ 0.93	5.92%
500	\$ 29.33	\$ 30.96	\$ 1.63	5.56%
750	\$ 42.96	\$ 45.29	\$ 2.33	5.42%
1,000	\$ 56.59	\$ 59.62	\$ 3.03	5.35%
1,500	\$ 83.84	\$ 88.27	\$ 4.43	5.28%
2,000	\$ 111.09	\$ 116.92	\$ 5.83	5.25%
5,000	\$ 274.61	\$ 288.84	\$ 14.23	5.18%
PPA/kWh include.*	0.029606	0.029606		

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

SALAMANCA BOARD OF PUBLIC UTILITIES  
ELECTRIC DEPARTMENT

## COMPARISON OF MONTHLY BILLS

## S.C. No. 2

<u>kWh</u>	<u>Present</u>	<u>Proposed</u>	<u>Increase</u> <u>\$</u>	<u>Increase</u> <u>%</u>
0	\$ 2.08	\$ 2.31	\$ 0.23	11.06%
2	\$ 2.19	\$ 2.43	\$ 0.24	10.76%
10	\$ 2.64	\$ 2.90	\$ 0.26	9.81%
25	\$ 3.48	\$ 3.78	\$ 0.30	8.70%
50	\$ 4.88	\$ 5.25	\$ 0.37	7.69%
75	\$ 6.27	\$ 6.72	\$ 0.45	7.13%
100	\$ 7.67	\$ 8.19	\$ 0.52	6.78%
150	\$ 10.47	\$ 11.13	\$ 0.66	6.35%
200	\$ 13.26	\$ 14.07	\$ 0.81	6.11%
250	\$ 16.06	\$ 17.01	\$ 0.95	5.95%
500	\$ 30.03	\$ 31.71	\$ 1.68	5.59%
750	\$ 44.01	\$ 46.41	\$ 2.41	5.46%
1,000	\$ 57.99	\$ 61.12	\$ 3.13	5.40%
1,500	\$ 85.94	\$ 90.52	\$ 4.58	5.33%
2,000	\$ 113.89	\$ 119.92	\$ 6.03	5.29%
5,000	\$ 281.61	\$ 296.34	\$ 14.73	5.23%
10,000	\$ 561.14	\$ 590.37	\$ 29.23	5.21%
PPA/kWh include.*	0.029606	0.029606		

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

SALAMANCA BOARD OF PUBLIC UTILITIES  
ELECTRIC DEPARTMENT

## COMPARISON OF MONTHLY BILLS

## S.C. No. 3

<u>kW</u>	<u>kWh</u>	<u>Present</u>	<u>Proposed</u>	<u>Increase</u> <u>\$</u>	<u>Increase</u> <u>%</u>
50	1,000	\$ 235.01	\$ 258.21	\$ 23.20	9.87%
	1,500	\$ 255.01	\$ 278.81	\$ 23.80	9.33%
	2,000	\$ 275.01	\$ 299.41	\$ 24.40	8.87%
75	2,000	\$ 372.51	\$ 407.91	\$ 35.40	9.50%
	3,000	\$ 412.52	\$ 449.12	\$ 36.60	8.87%
	4,000	\$ 452.52	\$ 490.32	\$ 37.80	8.35%
100	5,000	\$ 590.03	\$ 640.03	\$ 50.00	8.47%
	7,500	\$ 690.05	\$ 743.05	\$ 53.00	7.68%
	10,000	\$ 790.06	\$ 846.06	\$ 56.00	7.09%
PPA/kWh include.*		0.029606	0.029606		

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

SALAMANCA BOARD OF PUBLIC UTILITIES  
ELECTRIC DEPARTMENT

## COMPARISON OF MONTHLY BILLS

## S.C. No. 4

<u>Type of Lamps</u>	<u># of Units</u>	<u>Present</u>	<u>Proposed</u>	<u>Increase \$</u>	<u>Increase %</u>
175 Watt, Mercury	1	\$ 5.20	\$ 5.78	\$ 0.58	11.15%
	10	\$ 52.00	\$ 57.80	\$ 5.80	11.15%
	20	\$ 104.00	\$ 115.60	\$ 11.60	11.15%
250 Watt, Mercury	1	\$ 7.38	\$ 8.25	\$ 0.87	11.79%
	10	\$ 73.80	\$ 82.50	\$ 8.70	11.79%
	20	\$ 147.60	\$ 165.00	\$ 17.40	11.79%

SALAMANCA BOARD OF PUBLIC UTILITIES  
ELECTRIC DEPARTMENTOPERATING PROPERTY ANALYSIS,  
Including Additions and Depreciation Calculations  
Linking Period Through Rate Year

A/C#	3/31/21 Beg of Yr. Bal.	Actual Additions 4/1/21 to 6/30/2021	Actual Retirements 4/1/21 to 6/30/2021	Estimated Additions, net of Retirements 7/1/2021 to 12/31/2021	Projected 12/31/21 End of Year Bal	Rate Year Forecasted Additions	Rate Year Forecasted Retirements	Projected 12/31/22 End of Rate Yr. Bal
301	\$ 35	\$ -	\$ -	\$ -	\$ 35	\$ -	\$ -	\$ 35
302	-	-	-	-	-	-	-	-
303	-	-	-	-	-	-	-	-
311	71,280	-	-	-	71,280	-	-	71,280
312	693,762	-	-	-	693,762	-	-	693,762
321	-	-	-	-	-	-	-	-
322	-	-	-	-	-	-	-	-
323	-	-	-	-	-	-	-	-
325	-	-	-	-	-	-	-	-
331	-	-	-	-	-	-	-	-
332	-	-	-	-	-	-	-	-
333	-	-	-	-	-	-	-	-
334	-	-	-	-	-	-	-	-
342	-	-	-	-	-	-	-	-
344	-	-	-	-	-	-	-	-
345	-	-	-	-	-	-	-	-
351	-	-	-	-	-	-	-	-
352	-	-	-	-	-	-	-	-
353	7,759	-	-	-	7,759	-	-	7,759
354	-	-	-	-	-	-	-	-
358	1,531,603	11,343	(4,920)	18,277	1,556,303	53,385	(13,893)	1,595,794
359	2,211	-	-	-	2,211	-	-	2,211
361	4,120,727	-	-	2,402	4,123,129	4,563,202	(423,111)	8,263,219
362	19,747	-	-	-	19,747	-	-	19,747
363	939,208	611	(1,586)	4,148	942,381	11,673	(5,327)	948,727
364	39,280	-	-	-	39,280	-	-	39,280
365	2,212,561	1,637	(948)	31,695	2,244,945	73,438	(28,994)	2,289,389
366	226,857	341	-	72	227,270	908	(356)	227,822
367	1,170	-	-	-	1,170	-	-	1,170
368	312,202	-	(163)	907	312,946	5,504	(5,278)	313,172
369	-	-	-	-	-	-	-	-
370	32,893	-	(212)	301	32,982	2,056	(1,654)	33,383
371	442,591	1,123	(230)	3,023	446,507	28,768	(23,239)	452,036
381	57,204	-	-	-	57,204	-	-	57,204
382	18,864	-	-	-	18,864	-	-	18,864
383	-	-	-	-	-	-	-	-
384	812,613	-	-	-	812,613	417,000	(227,856)	1,001,757
385	66,284	-	-	-	66,284	-	-	66,284
386	3,944	-	-	-	3,944	-	-	3,944
387	52,931	-	-	-	52,931	-	-	52,931
388	-	-	-	-	-	-	-	-
391	-	-	-	-	-	-	-	-
392	-	-	-	-	-	-	-	-
393	-	-	-	-	-	-	-	-
	<u>\$ 11,665,726</u>	<u>\$ 15,055</u>	<u>\$ (8,059)</u>	<u>\$ 60,825</u>	<u>\$ 11,733,547</u>	<u>\$ 5,155,933</u>	<u>\$ (729,708)</u>	<u>\$ 16,159,771</u>

(a)

(a)

(a) - Includes capitalized salaries, materials, engineering, contracted and related overheads.

SALAMANCA BOARD OF PUBLIC UTILITIES  
ELECTRIC DEPARTMENTDEPRECIATION CALCULATIONS  
Linking Period Year Ended March 31, 2021

A/C#	5/31/21	12/31/2021	g	Less:	Avg. Balance	Dep.	Depreciation Reserves			12/31/2021	Remaining	
	Beg of	End of	Gross	Contributions	Subject to		Depreciation Expense	Beg of	(Retirements)	End of		
	Yr. Bal.	Yr. Bal.	Bal.	for Extension	Depreciation	Rate	A/C#	Amt. (A)	Yr. Bal.	Salvage	Yr. Bal.	Cost
301	\$ 35	\$ 35	\$ 35	\$ -	\$ 35	-		\$ -	\$ -	\$ -	\$ -	35
302	-	-	-	-	-	-		-	-	-	-	-
303	-	-	-	-	-	-		-	-	-	-	-
311	71,280	71,280	71,280	-	71,280	-	743 & 788	-	-	-	-	71,280
312	693,762	693,762	693,762	-	693,762	1.70%	743 & 788	8,845	258,389	-	267,234	426,528
321	-	-	-	-	-	-		-	-	-	-	-
322	-	-	-	-	-	-		-	-	-	-	-
323	-	-	-	-	-	-		-	-	-	-	-
325	-	-	-	-	-	-		-	-	-	-	-
331	-	-	-	-	-	-	711	-	-	-	-	-
332	-	-	-	-	-	-	711	-	-	-	-	-
333	-	-	-	-	-	-	711	-	-	-	-	-
334	-	-	-	-	-	-	711	-	-	-	-	-
342	-	-	-	-	-	-	717	-	-	-	-	-
344	-	-	-	-	-	-	717	-	-	-	-	-
345	-	-	-	-	-	-	717	-	-	-	-	-
351	-	-	-	-	-	-	733	-	-	-	-	-
352	-	-	-	-	-	-	733	-	-	-	-	-
353	7,759	7,759	7,759	-	7,759	2.20%	738	128	7,759	-	7,887	(128)
354	-	-	-	-	-	-	733	-	-	-	-	-
358	1,531,603	1,556,303	1,543,953	(268,132)	1,275,821	3.00%	738	28,706	491,195	(10,419)	509,482	1,046,821
359	2,211	2,211	2,211	-	2,211	3.00%	738	50	2,211	-	2,261	(50)
361	4,120,727	4,123,129	4,121,928	(1,699,623)	2,422,305	3.00%	743	54,502	1,902,529	-	1,957,031	2,166,098
362	19,747	19,747	19,747	-	19,747	3.00%	743	444	6,433	-	6,877	12,870
363	939,208	942,381	940,795	-	940,795	3.00%	743	21,168	221,843	(3,995)	239,016	703,365
364	39,280	39,280	39,280	-	39,280	3.00%	743	884	19,332	-	20,216	19,064
365	2,212,561	2,244,945	2,228,753	-	2,228,753	3.00%	743	50,147	1,020,999	(21,745)	1,049,401	1,195,544
366	226,857	227,270	227,064	-	227,064	3.00%	743	5,109	197,615	(267)	202,457	24,813
367	1,170	1,170	1,170	-	1,170	3.00%	743	26	1,264	-	1,290	(120)
368	312,202	312,946	312,574	-	312,574	3.00%	743	7,033	252,775	(3,959)	255,849	57,097
369	-	-	-	-	-	-	743	-	-	-	-	-
370	32,893	32,982	32,937	-	32,937	3.33%	743	823	1,443	(1,241)	1,025	31,957
371	442,591	446,507	444,549	(159,920)	284,629	3.33%	753	7,109	15,774	(17,429)	5,454	441,053
381	57,204	57,204	57,204	-	57,204	10.00%	788	4,290	64,661	-	68,951	(11,747)
382	18,864	18,864	18,864	-	18,864	16.00%	788	2,264	41,243	-	43,507	(24,643)
383	-	-	-	-	-	-	788	-	-	-	-	-
384	812,613	812,613	812,613	-	812,613	12.50%	804	76,182	281,626	-	357,808	454,805
385	66,284	66,284	66,284	-	66,284	6.67%	788	3,316	44,153	-	47,469	18,815
386	3,944	3,944	3,944	-	3,944	3.00%	804	89	3,944	-	4,033	(89)
387	52,931	52,931	52,931	-	52,931	7.50%	788	2,977	73,673	-	76,650	(23,719)
388	-	-	-	-	-	-	788	-	-	-	-	-
391	-	-	-	-	-	5.00%	788	-	-	-	-	-
	\$ 11,665,726	\$ 11,733,547	\$ 11,699,636	\$ (2,127,675)	\$ 9,571,961			\$ 274,092	\$ 4,908,861	\$ (59,055)	\$ 5,123,898	\$ 6,609,649

Amount of depreciation expense charged to:

A/C#	Amount Charged
711	\$ -
717	-
733	-
738	28,884
743	148,981
753	7,109
788	12,847
804	76,271
	<u>\$ 274,092</u>

(included in overhead allocation)

197,821	Depreciation Expense - Linking period of 4/1/2021 to 12/31/2021
76,271	Depreciation charges on trucks allocated through work orders - Linking period of 4/1/2021 to 12/31/2021
<u>\$ 274,092</u>	

(A) - Depreciation expense during the linking period of 4/1/2021 to 12/31/2021 is presented as 9 months of annual depreciation expense.



SALAMANCA BOARD OF PUBLIC UTILITIES  
ELECTRIC DEPARTMENTDEPRECIATION CALCULATIONS  
Rate Year

A/C#	12/31/2021		12/31/2022		Avg. Gross Bal.	Less: Contributions for Extension	Avg. Balance Subject to Depreciation	Dep. Rate	Depreciation Reserves				12/31/2022 End of Yr. Bal.	Remaining Cost
	Beg of Yr. Bal.	End of Yr. Bal.	Beg of Yr. Bal.	End of Yr. Bal.					Depreciation Expense A/C#	Amt.	Beg of Yr. Bal.	(Retirements) Salvage		
301	\$ 35	\$ 35	\$ 35	\$ 35	\$ 35	\$ -	\$ 35	-		\$ -	\$ -	\$ -	\$ -	\$ 35
302	-	-	-	-	-	-	-	-		-	-	-	-	-
303	-	-	-	-	-	-	-	-		-	-	-	-	-
311	71,280	71,280	71,280	71,280	71,280	-	71,280	-	743 & 788	-	-	-	-	71,280
312	693,762	693,762	693,762	693,762	693,762	-	693,762	1.70%	743 & 788	11,794	267,234	-	279,028	414,734
321	-	-	-	-	-	-	-	-		-	-	-	-	-
322	-	-	-	-	-	-	-	-		-	-	-	-	-
323	-	-	-	-	-	-	-	-		-	-	-	-	-
325	-	-	-	-	-	-	-	-		-	-	-	-	-
331	-	-	-	-	-	-	-	-	711	-	-	-	-	-
332	-	-	-	-	-	-	-	-	711	-	-	-	-	-
333	-	-	-	-	-	-	-	-	711	-	-	-	-	-
334	-	-	-	-	-	-	-	-	711	-	-	-	-	-
342	-	-	-	-	-	-	-	-	717	-	-	-	-	-
344	-	-	-	-	-	-	-	-	717	-	-	-	-	-
345	-	-	-	-	-	-	-	-	717	-	-	-	-	-
351	-	-	-	-	-	-	-	-	733	-	-	-	-	-
352	-	-	-	-	-	-	-	-	733	-	-	-	-	-
353	7,759	7,759	7,759	7,759	7,759	-	7,759	2.20%	733	171	7,887	-	8,058	(299)
354	-	-	-	-	-	-	-	-	733	-	-	-	-	-
358	1,556,303	1,595,794	1,576,049	1,595,794	1,576,049	(268,132)	1,307,917	3.00%	738	39,237	509,482	(13,893)	534,826	1,060,968
359	2,211	2,211	2,211	2,211	2,211	-	2,211	3.00%	738	66	2,261	-	2,327	(116)
361	4,123,129	8,263,219	6,193,174	8,263,219	6,193,174	(1,699,623)	4,493,551	3.00%	743	134,807	1,957,031	(423,111)	1,668,726	6,594,493
362	19,747	19,747	19,747	19,747	19,747	-	19,747	3.00%	743	592	6,877	-	7,470	12,277
363	942,381	948,727	945,554	948,727	945,554	-	945,554	3.00%	743	28,367	239,016	(5,327)	262,056	686,672
364	39,280	39,280	39,280	39,280	39,280	-	39,280	3.00%	743	1,178	20,216	-	21,394	17,886
365	2,244,945	2,289,389	2,267,167	2,289,389	2,267,167	-	2,267,167	3.00%	743	68,015	1,049,401	(28,994)	1,088,422	1,200,967
366	227,270	227,822	227,546	227,822	227,546	-	227,546	3.00%	743	6,826	202,457	(356)	208,927	18,895
367	1,170	1,170	1,170	1,170	1,170	-	1,170	3.00%	743	35	1,290	-	1,325	(155)
368	312,946	313,172	313,059	313,172	313,059	-	313,059	3.00%	743	9,392	255,849	(5,278)	259,963	53,210
369	-	-	-	-	-	-	-	-	743	-	-	-	-	-
370	32,982	33,383	33,182	33,383	33,182	-	33,182	3.33%	743	1,105	1,025	(1,654)	476	32,908
371	446,507	452,036	449,271	452,036	449,271	(159,920)	289,351	3.33%	753	9,635	5,454	(23,239)	(8,150)	460,186
381	57,204	57,204	57,204	57,204	57,204	-	57,204	10.00%	788	5,720	68,951	-	74,672	(17,468)
382	18,864	18,864	18,864	18,864	18,864	-	18,864	16.00%	788	3,018	43,507	-	46,525	(27,661)
383	-	-	-	-	-	-	-	-	788	-	-	-	-	-
384	812,613	1,001,757	907,185	1,001,757	907,185	-	907,185	12.50%	804	113,398	357,808	(227,856)	243,351	758,406
385	66,284	66,284	66,284	66,284	66,284	-	66,284	6.67%	788	4,421	47,469	-	51,890	14,394
386	3,944	3,944	3,944	3,944	3,944	-	3,944	3.00%	788	118	4,033	-	4,151	(207)
387	52,931	52,931	52,931	52,931	52,931	-	52,931	7.50%	788	3,970	76,650	-	80,620	(27,689)
388	-	-	-	-	-	-	-	-	788	-	-	-	-	-
391	-	-	-	-	-	-	-	5.00%	788	-	-	-	-	-
	<u>\$ 11,733,547</u>	<u>\$ 16,159,771</u>	<u>\$ 13,946,659</u>	<u>\$ 16,159,771</u>	<u>\$ 13,946,659</u>	<u>\$ (2,127,675)</u>	<u>\$ 11,818,984</u>			<u>\$ 441,867</u>	<u>\$ 5,123,898</u>	<u>\$ (729,708)</u>	<u>\$ 4,836,057</u>	<u>\$ 11,323,715</u>

Amount of depreciation expense charged to:

A/C#	Amount Charged
711	\$ -
717	-
733	-
738	39,475
743	262,111
753	9,635
788	17,248
804	113,398
	<u>\$ 441,867</u>

(included in overhead allocation)

328,469 Depreciation Expense - Rate Year  
113,398 Depreciation charges on trucks allocated through work orders - Rate Year  
\$ 441,867

**SALAMANCA BOARD OF PUBLIC UTILITIES  
ELECTRIC DEPARTMENT**

**FORECASTED CAPITAL IMPROVEMENTS  
Linking Period and Rate Year**

The Department has identified certain capital improvements expected to be completed during Fiscal Year 2019 and the Rate Year. These improvements include material costs, capitalized labor and overheads, and is net of retirements in the chart below.

<u>Linking Period 4/1/2021 to 12/31/2021</u>											
<u>Projects (represents 9/12ths of average)</u>	<u>Labor</u>	<u>Material</u>	<u>Engineer</u>	<u>Contractor</u>	<u>Truck Overhead**</u>	<u>Material Overhead**</u>	<u>Employee Ben Overhead**</u>	<u>Total Cost</u>	<u>Retired Equipment</u>	<u>Account Number</u>	
Poles and related fixtures (actual 4/1/21 to 6/30/21)	\$ 5,274	\$ 1,442	\$ -	\$ -	\$ 1,319	\$ 144	\$ 3,164	\$ 11,343	\$ -	358	
Distribution Overhead Conductors (actual 4/1/21 to 6/30/21)	286	74	-	-	72	7	172	611	-	363	
Line Transformers (actual 4/1/21 to 6/30/21)	854	52	-	-	214	5	512	1,637	-	365	
Overhead Services (actual 4/1/2021 to 6/30/21)	176	14	-	-	44	1	106	341	-	366	
Consumer Meters (actual 4/1/21 to 6/30/21)	-	-	-	-	-	-	-	-	(368)	368	
Consumer Meters Installation (actual 4/1/21 to 6/30/21)	-	-	-	-	-	-	-	-	(369)	368	
Street Lighting (actual 4/1/21 to 6/30/21)	589	30	-	-	147	3	353	1,123	-	371	
Poles and related fixtures (estimated 7/1/21 to 12/31/21)	11,000	7,587	-	-	2,750	759	6,600	28,696	(10,419)	358	
Distribution substation equipment (estimated 7/1/21 to 12/31/21)	1,200	165	-	-	300	17	720	2,402	-	361	
Distribution Overhead Conductors (estimated 7/1/21 to 12/31/21)	3,200	2,021	-	-	800	202	1,920	8,143	(3,995)	363	
Line Transformers (estimated 7/1/21 to 12/31/21)	22,600	10,573	-	-	5,650	1,057	13,560	53,440	(21,745)	365	
Overhead Services (estimated 7/1/21 to 12/31/21)	100	140	-	-	25	14	60	339	(267)	366	
Consumer Meters (estimated 7/1/21 to 12/31/21)	500	2,913	-	-	125	291	300	4,129	(3,222)	368	
Other Prop on Consumer Premises (estimated 7/1/21 to 12/31/21)	200	1,065	-	-	50	107	120	1,542	(1,241)	370	
Street Lighting (estimated 7/1/21 to 12/31/21)	3,750	12,286	-	-	938	1,229	2,250	20,452	(17,429)	371	
<b>Total Anticipated Cap Improv. - Linking Period 4/1/2021 to 12/31/2021</b>	<b>\$ 49,729</b>	<b>\$ 38,362</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 12,432</b>	<b>\$ 3,836</b>	<b>\$ 29,837</b>	<b>\$ 134,197</b>	<b>\$ (59,055)</b>		
<u>Rate Year</u>											
<u>Project</u>	<u>Labor</u>	<u>Material</u>	<u>Engineer</u>	<u>Contractor</u>	<u>Truck Overhead</u>	<u>Material Overhead</u>	<u>Employee Ben Overhead</u>	<u>Total Cost</u>	<u>Retired Equipment</u>	<u>Account Number</u>	
Rochester Street Substation Upgrades	\$ -	\$ -	\$ -	\$ 4,560,000	\$ -	\$ -	\$ -	\$ 4,560,000	\$ (423,111)	361	
Tree Trimming Arbor truck	-	-	-	117,000	-	-	-	117,000	-	384	
Bucket Truck	-	-	-	300,000	-	-	-	300,000	(227,856)	384	
	-	-	-	4,977,000	-	-	-	4,977,000	(650,967)		
<u>Re-occurring Capital Improvements</u>											
Poles and related fixtures	25,000	6,486	-	-	6,250	649	15,000	53,385	(13,893)	358	
Distribution substation equipment	1,000	1,229	-	-	250	123	600	3,202	-	361	
Distribution Overhead Conductors	5,000	2,203	-	-	1,250	220	3,000	11,673	(5,327)	363	
Line Transformers	18,000	36,489	-	-	4,500	3,649	10,800	73,438	(28,994)	365	
Overhead Services	200	489	-	-	50	49	120	908	(356)	366	
Consumer Meters	2,000	1,640	-	-	500	164	1,200	5,504	(5,278)	368	
Other Prop on Consumer Premises	1,000	187	-	-	250	19	600	2,056	(1,654)	370	
Street Lighting	14,107	2,427	-	-	3,527	243	8,464	28,768	(23,239)	371	
	66,307	51,150	-	-	16,577	5,115	39,784	178,933	(78,741)		
<b>Total Anticipated Capital Improvements - Rate Year</b>	<b>\$ 66,307</b>	<b>\$ 51,150</b>	<b>\$ -</b>	<b>\$ 4,977,000</b>	<b>\$ 16,577</b>	<b>\$ 5,115</b>	<b>\$ 39,784</b>	<b>\$ 5,155,933</b>	<b>\$ (729,708)</b>		

\*\*Overhead Percentages calculated at Workpaper G

Truck overhead costs calculated at 25% of Direct Labor cost

Material overhead costs calculated at 10% of Material cost

Employee benefits and supervision overhead costs calculated at 60% of Labor Costs

## **Revised Tariff Leaves**

PSC NO: 1 ELECTRICITY

LEAF: 1

COMPANY: SALAMANCA BOARD OF PUBLIC UTILITIES

REVISION: 2

INITIAL EFFECTIVE DATE: 01/01/2022

SUPERSEDING REVISION: 1

COVER

SALAMANCA BOARD OF PUBLIC UTILITIES

CONCURRENCE TARIFF

PSC NO: 1 ELECTRICITY

LEAF: 2

COMPANY: SALAMANCA BOARD OF PUBLIC UTILITIES

REVISION: 4

INITIAL EFFECTIVE DATE: 01/01/2022

SUPERSEDING REVISION: 3

## TABLE OF CONTENTS

	<u>LEAF #</u>
I. GENERAL INFORMATION	
A. CONCURRENCE	3
B. TERRITORY TO WHICH SCHEDULE APPLIES	3
II. SERVICE CLASSIFICATION NO. 1	4
III. SERVICE CLASSIFICATION NO. 2	6
IV. SERVICE CLASSIFICATION NO. 3	8
V. SERVICE CLASSIFICATION NO. 6	11
VI. SERVICE CLASSIFICATION RIDER NO. 3-1	12
SERVICE CLASSIFICATION RIDER NO. 3-1 (CONTD)	13
SERVICE CLASSIFICATION RIDER NO. 3-1 (CONTD)	13-1
VII. CHARGES	
A. RECONNECTION CHARGE	14
B. INSUFFICIENT FUNDS CHECK CHARGE	14
VIII. SERVICE CLASSIFICATION 1 AND 2 AMENDMENT	15
SERVICE CLASSIFICATION 1 AND 2 AMENDMENT (CONTD)	16

PSC NO: 1 ELECTRICITY

LEAF: 3

COMPANY: SALAMANCA BOARD OF PUBLIC UTILITIES

REVISION: 2

INITIAL EFFECTIVE DATE: 01/01/2022

SUPERSEDING REVISION: 1

## GENERAL INFORMATION

A. CONCURRENCE:

Salamanca Board of Public Utilities 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:

The City of Salamanca and portions of the Townships of Great Valley, Salamanca, and Red House.

PSC NO: 1 ELECTRICITY  
COMPANY: SALAMANCA BOARD OF PUBLIC UTILITIES  
INITIAL EFFECTIVE DATE: 01/01/2022

LEAF: 4  
REVISION: 4  
SUPERSEDING REVISION: 3

SERVICE CLASSIFICATION NO. 1

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; use exclusively in connection with religious purposes by corporations or associations organized and conducted in good faith for religious purposes, and including the operation by such corporation or association of a school, not withstanding 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, alternating current, single phase, approximately 60 Cycles, 115 Volt, 2 wire, or 115/230 volt 3 wire.

MONTHLY RATE:

	<u>Rate</u>
Energy charge, per kWh	\$0.0277
Customer Charge	\$2.31

PSC NO: 1 ELECTRICITY  
COMPANY: SALAMANCA BOARD OF PUBLIC UTILITIES  
INITIAL EFFECTIVE DATE: 01/01/2022

LEAF: 5  
REVISION: 4  
SUPERSEDING REVISION: 3

SERVICE CLASSIFICATION NO. 1 (CONT'D)

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.

MINIMUM CHARGE:

The minimum charge is the customer charge.

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 purchase power cost per kilowatt-hour pursuant to Rule IX.B of the NYMPA generic tariff is \$0.012663.

FACTOR OF ADJUSTMENT:

The factor of adjustment pursuant to Rule IX.D of the NYMPA generic tariff is 1.033713.



PSC NO: 1 ELECTRICITY  
COMPANY: SALAMANCA BOARD OF PUBLIC UTILITIES  
INITIAL EFFECTIVE DATE: 01/01/2022

LEAF: 6  
REVISION: 4  
SUPERSEDING REVISION: 3

SERVICE CLASSIFICATION NO. 2

APPLICABLE TO USE OF SERVICE FOR:

All purposes not otherwise specifically provided for in other "service classifications" in this schedule.

CHARACTER OF SERVICE:

Continuous, alternating current, at approximately 60 Cycles, at secondary voltage ranging from 115 to 460 volts. Department will indicate, upon application, the type or types of service available and appropriate for the customer's requirements - single or three-phase; two (2), three (3), or four (4) wires; and the voltage.

MONTHLY RATE:

	<u>Rate</u>
Energy charge, per kWh	\$0.0292
Customer Charge	\$2.31

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.

MINIMUM CHARGE:

The minimum charge is the customer charge.

TERM:

One (1) month and thereafter until terminated with three (3) days advance notice to the Salamanca Board of Public Utilities' Electric Department. In case service is resumed by customer at the same location within the same billing period, service will be billed for the entire billing period without giving effect to the temporary suspension.

SPECIAL PROVISIONS:

Customers taking service for a welder, X-ray machines, or other equipment or appliances having highly fluctuating demand which causes undue voltage disturbances upon the circuit from which service is taken, shall install or pay for the necessary circuit protection equipment to be installed.

Issued by: Dennis Hensel, General Manager, 225 Wildwood Avenue, Salamanca, NY 14779

PSC NO: 1 ELECTRICITY  
COMPANY: SALAMANCA BOARD OF PUBLIC UTILITIES  
INITIAL EFFECTIVE DATE: 01/01/2022

LEAF: 7  
REVISION: 4  
SUPERSEDING REVISION: 3

SERVICE CLASSIFICATION NO. 2 (CONT'D)

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 purchase power cost per kilowatt-hour pursuant to Rule IX.B of the NYMPA generic tariff is \$0.012663.

FACTOR OF ADJUSTMENT:

The factor of adjustment pursuant to Rule IX.D of the NYMPA generic tariff is 1.033713.

PSC NO: 1 ELECTRICITY  
COMPANY: SALAMANCA BOARD OF PUBLIC UTILITIES  
INITIAL EFFECTIVE DATE: 01/01/2022

LEAF: 8  
REVISION: 2  
SUPERSEDING REVISION: 1

SERVICE CLASSIFICATION NO. 3

APPLICABLE USE OF SERVICE FOR:

Sixty cycle primary or secondary service for all purposes not otherwise specifically provided for in other "service classifications" in this schedule when the active demand is fifty (50) kilowatts or more and/or the monthly use of energy is ten thousand (10,000) KWH or more.

CHARACTER OF SERVICE:

Continuous, single or three-phase, approximately 60 cycle alternating current. The Municipality will indicate voltage available and appropriate. Characteristics depend upon available circuits.

ADJUSTMENT OF CHARGES IN ACCORDANCE WITH CHANGES IN PURCHASED POWER COST:

The energy charges for electric service under this Service Classification shall be increased by the amount per KWH that the purchased power cost of the Salamanca Board of Public Utilities is above the base purchased power cost, multiplied by the Factor of Adjustment.

MONTHLY RATE:

	<u>Rate</u>
Active demand charge, per kW	\$4.34
Energy charge, per kWh	\$0.0116

If the customer requests the addition of Pulse Initiator and/or Demand Threshold with End of Interval Equipment, to the Demand Metering Installation, and addition flat charge of \$5.00 per month will be applicable.

MONTHLY CHARGE:

The minimum monthly demand charge is the charge computer under "rate"; "the active demand" being determined in accordance with the provisions included under "determination of demand."

PSC NO: 1 ELECTRICITY  
COMPANY: SALAMANCA BOARD OF PUBLIC UTILITIES  
INITIAL EFFECTIVE DATE: 01/01/2022

LEAF: 9  
REVISION: 4  
SUPERSEDING REVISION: 3

SERVICE CLASSIFICATION NO. 3 (CONT'D)

DETERMINATION OF DEMAND:

The "active demand" shall be the maximum fifteen (15) minute integrated kilowatt demand. For billing purposes the demand shall be the greatest of the following:

1. The demand occurring during the month for which charge is made.
2. One-half (1/2) the highest demand occurring during any of the preceding eleven (11) months.
3. Fifty (50) kilowatts

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:

One (1) year from commencement of service under this "service classification" and thereafter until canceled by customer upon ninety (90) days prior notice to the Salamanca Board of Public Utilities' Electric Department. Cancellation by customer followed by resumption of service at the same location within one (1) year shall not modify in any way the "determination of demand," as above provided.

SPECIAL PROVISIONS:

- A. Written application of service upon a Salamanca Board of Public Utilities form is required, to which a rider, whenever applicable, shall be attached.
- B. A discount of five percent (5%) of the monthly bill will be granted to customers who supply their own transformers, transformer platform (or pad), lightning arrestors, and cutouts, and take service at primary voltage (4,800 Volts).
- C. Municipality shall not be required to provide facilities to supply service in excess of the amount of the active demand specified in the written application for service.

PSC NO: 1 ELECTRICITY  
COMPANY: SALAMANCA BOARD OF PUBLIC UTILITIES  
INITIAL EFFECTIVE DATE: 01/01/2022

LEAF: 10  
REVISION: 4  
SUPERSEDING REVISION: 3

SERVICE CLASSIFICATION NO. 3 (CONT'D)

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 purchase power cost per kilowatt-hour pursuant to Rule IX.B of the NYMPA generic tariff is \$0.012663.

FACTOR OF ADJUSTMENT:

The factor of adjustment pursuant to Rule IX.D of the NYMPA generic tariff is 1.033713.

PSC NO: 1 ELECTRICITY  
COMPANY: SALAMANCA BOARD OF PUBLIC UTILITIES  
INITIAL EFFECTIVE DATE: 01/01/2022

LEAF: 11  
REVISION: 4  
SUPERSEDING REVISION: 3

SERVICE CLASSIFICATION NO. 6

APPLICABLE TO USE OF SERVICE FOR:

Security lighting on consumer's premises. Fixture, energy, original installation (on consumer's support), and continuing maintenance will be provided by the Utility.

MONTHLY RATE: (Per Fixture)

	<u>Rate</u>
175 Watt Fixture	\$5.78
250 Watt Fixture	\$8.25

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 purchase power cost per kilowatt-hour pursuant to Rule IX.B of the NYMPA generic tariff is \$0.012663.

FACTOR OF ADJUSTMENT:

The factor of adjustment pursuant to Rule IX.D of the NYMPA generic tariff is 1.033713.

PSC NO: 1 ELECTRICITY  
COMPANY: SALAMANCA BOARD OF PUBLIC UTILITIES  
INITIAL EFFECTIVE DATE: 01/01/2022

LEAF: 12  
REVISION: 2  
SUPERSEDING REVISION: 1

SERVICE CLASSIFICATION RIDER NO. 3-1

INTERRUPTIBLE SERVICE CREDIT PROGRAM:

The Salamanca Board of Public Utilities (BPU) offers to its Service Classification No. 3 customers, the opportunity to voluntarily participate in the Interruptible Service Credit Program. The program is designed to offer a rebate/credit to participating customers in proportion to the BPU's realized incremental power cost savings associated with lower BPU Municipal Utility System peak power demands. The program will be implemented in accordance with the following provisions:

- (1) Each participating customer shall enter into a written contractual agreement with the BPU. This agreement to participate will be an integral part of the tariff rider.
- (2) A program participant must give a minimum commitment for interruptible/curtailable load of 50 kW in each month.
- (3) The BPU is solely responsible for determining the need for load curtailment requests.
- (4) The credit amount will be \$7.29 per interrupted KW per month for primary metered customers and \$7.42 per interrupted KW per month for secondary metered customers.

PSC NO: 1 ELECTRICITY  
COMPANY: SALAMANCA BOARD OF PUBLIC UTILITIES  
INITIAL EFFECTIVE DATE: 01/01/2022

LEAF: 13  
REVISION: 2  
SUPERSEDING REVISION: 1

SERVICE CLASSIFICATION RIDER NO. 3-1 (CONT'D)

- (5) Credit will only be given for load curtailed/interrupted consistently (every time the BPU requests a customer to shed load during a billing period) that results in an actual peak demand reduction for the System on that would have been the highest demand usage day during that billing period. Failure of a customer to interrupt load when requested on that peak day will be cause to deny any credit to that customer for that billing period (even though the customer may have participated on non-peak days during that period).
- (6) In a particular billing period, if the actual peak demand reduction is lower than the total interruptible load commitment, then the credit due to each program participant will be proportionately reduced.
- (7) The BPU will have the responsibility of determining the realized savings brought about by the load interruptions and the credit due to the program participants.
- (8) Customers opting for this program will be required to participate for a minimum period of one year.
- (9) The BPU will install, own and maintain special metering and communications equipment required for this program and the verification of Contract Load Shed Commitments. The BPU may inspect its facilities located on customer's property, at all reasonable times.
- (10) This rider shall not apply to service interruptions resulting from System emergency operating conditions.



PSC NO: 1 ELECTRICITY  
COMPANY: SALAMANCA BOARD OF PUBLIC UTILITIES  
INITIAL EFFECTIVE DATE: 01/01/2022

LEAF: 13.1  
REVISION: 1  
SUPERSEDING REVISION: 0

SERVICE CLASSIFICATION RIDER NO. 3-1 (CONT'D)  
FORM

Agreement to Participate in the  
Salamanca Board of Public Utilities'  
Electrical Load Interruption Program:

\_\_\_\_\_, voluntarily agrees to participate in the Salamanca Board of Public Utilities' Program wherein certain electrical loads would be shed by the Customer when requested by the BPU. A monthly credit will be afforded to the Customer (on that Customer's retail electric billing) whenever the Customer sheds load that contributes to a reduced incremental bulk power purchase by the BPU.

Specifically, each participating Customer will agree to shed load totaling at least 50 kw, at the times requested by the BPU. The Customer must agree to remain in the Program for at least a one year period from the time of "sign-on". Credits will be calculated monthly by the BPU, and at the rate of \$7.29 per shed kw per month for Primary metered Customers and \$7.42 per shed kw per month for Secondary metered Customers, and will be based directly on the contribution of that Customer to the total avoided incremental bulk power purchase of the BPU on the peak loading day during that month.

Equipment will be installed by the BPU to monitor and document usage by the Customer, so that the actual load shed during that period of time requested by the BPU, will be recorded for use in determining the appropriate credit amount.

\_\_\_\_\_

\_\_\_\_\_

PSC NO: 1 ELECTRICITY  
COMPANY: SALAMANCA BOARD OF PUBLIC UTILITIES  
INITIAL EFFECTIVE DATE: 01/01/2022

LEAF: 14  
REVISION: 2  
SUPERSEDING REVISION: 1

## 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 customer and the same consumer applies for reconnection of service at the same premise within four (4) months, there shall be a reconnection charge payable before service will be reestablished, in the amounts as follows:

\$ 20.00 during the regular working hours of the Electric Department, Monday through Friday;

B. INSUFFICIENT FUNDS CHECK CHARGE:

Any checks received in payment for electric service which are returned to the municipality for insufficient funds or are otherwise dishonored by the bank, shall bear a nonrecurring charge of \$20.00 for each check that has to be processed by the municipality. If two checks have been returned by the bank, the customer who issued the dishonored checks may be required by the municipality to render future payments by cash, money order, certified or cashiers check.

Post-dated checks shall be returned to the customer as invalid for the transaction. Only United States currency shall be accepted for payment of accounts due the municipality.

PSC NO: 1 ELECTRICITY  
COMPANY: SALAMANCA BOARD OF PUBLIC UTILITIES  
INITIAL EFFECTIVE DATE: 01/01/2022

LEAF: 15  
REVISION: 3  
SUPERSEDING REVISION: 2

## SERVICE CLASSIFICATION 1 AND 2 AMENDMENT

### PURCHASE OF RENEWABLE ENERGY FROM NEWDISTRIBUTED GENERATION

#### ELIGIBILITY:

Residential or non-residential customers who receive service under Service Classification No.1 or 2 and own or operate Solar or Wind Electric Generating Equipment with a rated capacity of no more than fifteen kilowatts (15kW) located and used at their premises. Service will be provided to eligible customers on a first come first served basis through the SBPU's secondary distribution system until the total rated generating capacity of the individual facilities is equal to 200kW, or one-percent of the SBPU's average system load.

#### REQUIREMENTS FOR INTERCONNECTION:

The generating equipment must be designed, installed, interconnected, tested and operated in accordance with the applicable government, industry and SBPU requirements and must comply with the New York State Standardized Interconnection Requirements and Application Process for New Distributed Generators Connected in Parallel with Utility Distribution Systems which is available on the New York State Public Service Commission website. The system design output shall not exceed 100% of the prior 12 months of metered energy consumption.

#### METERING:

The SBPU will provide one revenue meter for the purpose of billing. This meter will have bidirectional energy flow capability to determine the net amount of energy delivered or received by the SBPU. The charge for this meter will be included in the applicable monthly service charge.

#### INTERCONNECTION COSTS:

Customers receiving service under this service classification will be responsible for 100% of the necessary interconnection costs. These costs shall include the cost of installing any equipment deemed necessary by the SBPU to protect the safety and adequacy of electric service to other customers as required under Standard Interconnection Requirements.

#### CUSTOMER CHARGES:

The Customer will pay the rates and charges of the Customer's applicable Service Classification for net energy supplied.

#### CUSTOMER CREDIT:

1. If a customer produces more energy than consumed during an individual monthly billing cycle a kWh credit will be carried forward until consumed or the end of March.

PSC NO: 1 ELECTRICITY  
COMPANY: SALAMANCA BOARD OF PUBLIC UTILITIES  
INITIAL EFFECTIVE DATE: 01/01/2022

LEAF: 16  
REVISION: 3  
SUPERSEDING REVISION: 2

SERVICE CLASSIFICATION 1 AND 2 AMENDMENT (CONTD.)

2. If a customer produces more energy than consumed during the twelve month period ending March 31, the SBPU will issue a credit to the customer with the utility billing issued in April. The credit will be calculated by multiplying the kWh credit balance by the average of the Present Purchased Power Cost from the SBPU's Purchased Power Statement, as filed during the past 12 months.
3. Upon payment of the credit, the kWh credit balance shall be reset to zero.

## **Workpapers**

**SALAMANCA BOARD OF PUBLIC UTILITIES  
ELECTRIC DEPARTMENT**

**WEATHER NORMALIZATION OF REVENUES (BASED ON MARCH 31, 2021)**

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

**From 5/31/21 Annual Report: Actual kWh & Actual Base Revenue**

	<b>kWh Sold</b>			<b>Base Revenue</b>		
	Winter	Summer	Total	Winter	Summer	Summer
	Nov-April kWh	May-Oct kWh	kWh	Nov-April \$	May-Oct \$	\$
601 Residential	27,622,559	15,475,488	43,098,047	\$ 725,764	\$ 423,144	\$ 1,148,908
602 Commercial	16,195,466	13,574,110	29,769,576	\$ 360,698	\$ 323,979	\$ 684,677
Total	43,818,025	29,049,598	72,867,623	\$ 1,086,462	\$ 747,123	\$ 1,833,585

**Weather Normalization - Sales**

	Nov-April kWh Non-Weather kWh	Nov-April kWh Weather kWh	Increase/(Decrease) 8.89% Weather Load	Adjusted Nov-Apr kWh
601 Residential	13,451,262	14,171,297	15,431,125	28,882,387
602 Commercial	12,443,742	3,751,724	4,085,252	16,528,994
Total	25,895,004	17,923,021	19,516,377	45,411,381

	kWh Adjustment	% Adjustment
After Adjustment	45,411,381	
Before Adjustment	43,818,025	
Adjustment	1,593,356	3.64%

	Nov-April Non-Weather \$	Nov-April Weather \$	
601 Residential	\$ 725,764	752,155	
602 Commercial	\$ 360,698	373,814	
Total	\$ 1,086,462	1,125,969	\$ 39,507

**Weather Normalization - Purchased Power**

Change in kWh 1,593,356

Base Cost of Power	\$ 0.012663
FOA - Rate Year	1.033713
	\$ 0.013090

Adjustment \$ 20,857

	Staff Adjustment	Revenue Req. Effect
Revenue	\$ 39,507	\$ (39,507)
Purchased Power	\$ 20,857	\$ 20,857
Net		\$ (18,650)

**SALAMANCA BOARD OF PUBLIC UTILITIES  
ELECTRIC DEPARTMENT**

**WEATHER NORMALIZATION OF REVENUES - kWh Usage (BASED ON MARCH 31, 2021)**

**5/31/2018 Sales - From Annual Report**

**601-Residential**

	<u>kWh</u>	<u>Lowest Two Months</u>	<u>Base Revenues</u>
June	2,433,034	0	\$ 66,910
July	2,407,943	0	66,218
August	2,523,087	0	69,126
September	2,225,274	2,225,274	61,731
October	2,258,480	2,258,480	62,553
November	3,209,484	0	86,233
December	3,963,918	0	105,056
January	5,693,376	0	148,092
February	5,455,034	0	142,154
March	5,294,724	0	138,112
April	4,006,023	0	106,117
May	3,627,670	0	96,606
<b>TOTALS</b>	<b>43,098,047</b>		<b>\$ 1,148,908</b>
<b>AVERAGES</b>		<b>2,241,877</b>	

**602-Commercial**

	<u>kWh</u>	<u>Lowest Two Months</u>	<u>Base Revenues</u>
June	2,205,879	0	\$ 53,319
July	2,427,636	0	55,884
August	2,360,066	0	54,561
September	2,432,615	0	56,561
October	2,005,407	2,005,407	50,995
November	2,430,431	0	55,721
December	2,770,974	0	59,950
January	2,738,362	0	60,131
February	3,083,838	0	66,151
March	2,736,979	0	62,065
April	2,434,882	0	56,680
May	2,142,507	2,142,507	52,659
<b>TOTALS</b>	<b>29,769,576</b>		<b>\$ 684,677</b>
<b>AVERAGES</b>		<b>2,073,957</b>	

**SALAMANCA BOARD OF PUBLIC UTILITIES  
ELECTRIC DEPARTMENT**

**WEATHER NORMALIZATION CALCULATIONS - HEATING DEGREE DATA (BASED ON MARCH 31, 2021)**

Heating Degree Data

<https://www.nyscda.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
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	
2016-17	564	1,044	1,046	840	988	436	4,918	
2017-18	751	1,224	1,259	923	1,036	767	5,960	
2018-19	879	983	1,301	1,044	1,037	597	5,841	
2019-20	871	976	987	1,034	732	649	5,249	
2020-21	555	969	1,102	1,123	762	503	5,014	8.89%
							5,460	Ten Year Average of November - April



**SALAMANCA BOARD OF PUBLIC UTILITIES  
ELECTRIC DEPARTMENT**

**EXPENSE ALLOCATION  
Fiscal Year March 31, 2021**

Expense	Fiscal Yr. 2021 Amount	Comment
Purchased Power	\$ 4,804,045	Account 721, PSC Report page 306
Labor	558,424	PSC Report, page 102. Total salaries less salaries capitalized (\$603,870 less \$45,446)
Taxes	2,506	Account 403, PSC Report page 106
Uncollectible revenues	32,349	Account 404, PSC Report page 106
Rent	6,105	Account 786, PSC Report page 307
FICA, Medical, Wcomp, Retirement, Training	225,739	Actual per client
Insurance	22,052	Account 783, PSC Report page 307
Depreciation	262,552	Accounts 733, 738, 743, 753, 788, PSC Report pages 306 and 307
Contractual/Vendor		
Transmission	-	Represents an allocation of remaining costs based on cost of individual category. (See below)
Maint. Poles	14,340	Represents an allocation of remaining costs based on cost of individual category. (See below)
Distribution	97,611	Represents an allocation of remaining costs based on cost of individual category. (See below)
Street Lights	14,413	Represents an allocation of remaining costs based on cost of individual category. (See below)
Consumer Accounting and Collection	44,412	Represents an allocation of remaining costs based on cost of individual category. (See below)
Sales Expense	4,478	Represents an allocation of remaining costs based on cost of individual category. (See below)
General & Administ.	127,880	Represents an allocation of remaining costs based on cost of individual category. (See below)
Contractual appropriations of income - IEEP	82,268	Account 459, PSC Report page 106
Miscellaneous credits transferred	(117,013)	Account 792, PSC Report page 307
	<b>\$ 6,182,161</b>	

Cost Category (per PSC Report, excluding depreciation and separately stated costs)	Actual	%	Allocated Remaining Cost**
Transmission	\$ -	0.00%	\$ -
Maint. Poles	40,758	4.73%	14,340
Distribution	277,429	32.20%	97,611
Street Lights	40,965	4.75%	14,413
Consumer Accounting and Collection	126,228	14.65%	44,412
Sales Expense	12,728	1.48%	4,478
General & Administrative	363,452	42.19%	127,880
	<b>\$ 861,560</b>	<b>100.00%</b>	<b>\$ 303,134</b>

Total Cost in P&L (not incl. interest expense)

**\$ 6,182,161**

\*\* Contractual Costs

<b>Calculation of Remaining Costs to be Allocated</b>	
Total Cost in P&L (not incl. interest expense)	<b>\$ 6,182,161</b>
Less separately stated costs from above:	
Purchased Power	\$ 4,804,045
Labor	558,424
Taxes	2,506
Uncollectible revenues	32,349
Rent	6,105
FICA, Medical, Wcomp, Retirement, Training	225,739
Insurance	22,052
Depreciation	262,552
Contractual appropriations of income - IEEP	82,268
Miscellaneous credits transferred	(117,013)
	<b>\$ 5,879,027</b>
Remaining Costs to be Allocated	<b>\$ 303,134</b>

A = Remaining Cost is the difference between total costs in the P&L of \$6,182,161 less the costs stated in Column D, not including contractual costs (therefore, Cells D4 through D11 and D20 through D21)  
The total of Column D, not including contractual costs is \$ 5,879,027  
Therefore, \$6,182,161 less \$5,879,027 = \$ 303,134 Remaining cost to be allocated

**SALAMANCA BOARD OF PUBLIC UTILITIES  
ELECTRIC DEPARTMENT**

**EXPENSE ALLOCATION  
Fiscal Year March 31, 2020**

Expense	Fiscal Yr. 2020 Amount	Comment
Purchased Power	\$ 4,531,163	Account 721, PSC Report page 306
Labor	531,026	PSC Report, page 102. Total salaries less salaries capitalized (\$603,896 less \$72,870)
Taxes	2,794	Account 403, PSC Report page 106
Uncollectible revenues	13,760	Account 404, PSC Report page 106
Rent	6,081	Account 786, PSC Report page 307
FICA, Medical, Wcomp, Retirement, Training	217,966	Actual per client
Insurance	18,897	Account 783, PSC Report page 307
Depreciation	263,946	Accounts 733, 738, 743, 753, 788, PSC Report pages 306 and 307
Contractual/Vendor	-	Represents an allocation of remaining costs based on cost of individual category. (See below)
Transmission	-	Represents an allocation of remaining costs based on cost of individual category. (See below)
Maint. Poles	11,044	Represents an allocation of remaining costs based on cost of individual category. (See below)
Distribution	100,542	Represents an allocation of remaining costs based on cost of individual category. (See below)
Street Lights	12,347	Represents an allocation of remaining costs based on cost of individual category. (See below)
Consumer Accounting and Collection	49,909	Represents an allocation of remaining costs based on cost of individual category. (See below)
Sales Expense	13,720	Represents an allocation of remaining costs based on cost of individual category. (See below)
General & Administ.	125,330	Represents an allocation of remaining costs based on cost of individual category. (See below)
Contractual appropriations of income - IEEP	111,091	Account 459, PSC Report page 106
Miscellaneous credits transferred	(132,249)	Account 792, PSC Report page 307
	<b>\$ 5,877,367</b>	

Cost Category (per PSC Report, excluding depreciation and separately stated costs)	Actual	%	Allocated Remaining Cost**
Transmission	\$ -	0.00%	\$ -
Maint. Poles	29,787	3.53%	11,044
Distribution	271,180	32.13%	100,543
Street Lights	33,301	3.95%	12,347
Consumer Accounting and Collection	134,612	15.95%	49,909
Sales Expense	37,004	4.38%	13,720
General & Administrative	338,035	40.06%	125,330
	<b>\$ 843,919</b>	<b>100.00%</b>	<b>\$ 312,892</b>

Total Cost in P&L (not incl. interest expense)

**\$ 5,877,367**

\*\* Contractual Costs

<b>Calculation of Remaining Costs to be Allocated</b>	
Total Cost in P&L (not incl. interest expense)	<b>\$ 5,877,367</b>
Less separately stated costs from above:	
Purchased Power	\$ 4,531,163
Labor	531,026
Taxes	2,794
Uncollectible revenues	13,760
Rent	6,081
FICA, Medical, Wcomp, Retirement, Training	217,966
Insurance	18,897
Depreciation	263,946
Contractual appropriations of income - IEEP	111,091
Miscellaneous credits transferred	(132,249)
	<b>\$ 5,564,475</b>
Remaining Costs to be Allocated	<b>\$ 312,892</b>
##	

A = Remaining Cost is the difference between total costs in the P&L of \$5,877,367 less the costs stated in Column D, not including contractual costs (therefore, Cells D4 through D11 and D20 through D21)  
The total of Column D, not including contractual costs is \$ 5,564,475  
Therefore, \$5,877,367 less \$5,564,475 = \$ 312,892 Remaining cost to be allocated

**SALAMANCA BOARD OF PUBLIC UTILITIES  
ELECTRIC DEPARTMENT**

**EXPENSE ALLOCATION  
Fiscal Year March 31, 2019**

<b>Expense</b>	<b>Fiscal Yr. 2019 Amount</b>	<b>Comment</b>
Purchased Power	\$ 4,799,310	Account 721, PSC Report page 306
Labor	644,223	PSC Report, page 102. Total salaries less salaries capitalized (\$703,337 less \$59,114))
Taxes	2,765	Account 403, PSC Report page 106
Uncollectible revenues	18,376	Account 404, PSC Report page 106
Rent	6,070	Account 786, PSC Report page 307
FICA, Medical, Wcomp, Retirement, Training	236,094	Actual per client
Insurance	20,048	Account 783, PSC Report page 307
Depreciation	250,682	Accounts 733, 738, 743, 753, 788, PSC Report pages 306 and 307
Contractual/Vendor		
Transmission	-	Represents an allocation of remaining costs based on cost of individual category. (See below)
Maint. Poles	4,254	Represents an allocation of remaining costs based on cost of individual category. (See below)
Distribution	91,048	Represents an allocation of remaining costs based on cost of individual category. (See below)
Street Lights	9,060	Represents an allocation of remaining costs based on cost of individual category. (See below)
Consumer Accounting and Collection	31,760	Represents an allocation of remaining costs based on cost of individual category. (See below)
Sales Expense	2,677	Represents an allocation of remaining costs based on cost of individual category. (See below)
General & Administ.	78,224	Represents an allocation of remaining costs based on cost of individual category. (See below)
Contractual appropriations of income - IEEP	74,207	Account 459, PSC Report page 106
Miscellaneous credits transferred (allocation of employee benefits)	(137,752)	Account 792, PSC Report page 307
	<b>\$ 6,131,046</b>	

**Cost Category (per PSC Report, excluding depreciation and separately stated costs)**

	<b><u>Actual</u></b>	<b><u>%</u></b>	<b><u>Allocated Remaining Cost**</u></b>
Transmission	\$ -	0.00%	\$ -
Maint. Poles	16,880	1.96%	4,254
Distribution	361,323	41.95%	91,049
Street Lights	35,953	4.17%	9,060
Consumer Accounting and Collection	126,037	14.63%	31,760
Sales Expense	10,623	1.23%	2,677
General & Administrative	310,430	36.04%	78,224
	<b><u>\$ 861,246</u></b>	<b><u>100.00%</u></b>	<b><u>\$ 217,023</u></b>

**Total Cost in P&L (not incl. interest expense)**

**\$ 6,131,046**

**\*\* Contractual Costs**

<b>Calculation of Remaining Costs to be Allocated</b>	
<b>Total Cost in P&amp;L (not incl. interest expense)</b>	<b><u>\$ 6,131,046</u></b>
<b>Less separately stated costs from above:</b>	
Purchased Power	\$ 4,799,310
Labor	644,223
Taxes	2,765
Uncollectible revenues	18,376
Rent	6,070
FICA, Medical, Wcomp, Retirement, Training	236,094
Insurance	20,048
Depreciation	250,682
Contractual appropriations of income - IEEP	74,207
Miscellaneous credits transferred	(137,752)
	<b><u>\$ 5,914,023</u></b>
<b>Remaining Costs to be Allocated</b>	<b><u>\$ 217,023</u></b>

A = Remaining Cost is the difference between total costs in the P&L of \$6,131,046 less the costs stated in Column D, not including contractual costs (therefore, Cells D4 through D11 and D20 through D21)  
The total of Column D, not including contractual costs is \$ 5,914,023

Therefore, \$6,131,046 less \$5,914,023 = \$ 217,023 Remaining cost to be allocated

**SALAMANCA BOARD OF PUBLIC UTILITIES  
ELECTRIC DEPARTMENT**

**PROJECTED COSTS FOR RATE YEAR**

Expense	(Workpaper B) Fiscal Yr. 2021 Amount	(Workpaper B-1) Fiscal Yr. 2020 Amount	(Workpaper B-2) Fiscal Yr. 2019 Amount	Three Year Average	Costs Adjusted for Known or Calculated Changes	Cost Determined by:
Purchased Power	\$ 4,804,045	\$ 4,531,163	\$ 4,799,310	\$ 4,711,506	\$ 5,205,853	Calculated - Weather Normalization Adjustment and normalization of Seneca Nation purchased power
Labor, net of capitalized amounts	558,424	531,026	644,223	577,891	579,726	Salary increases are based on existing union contract requirements, as well as salary adjustments for non-union employees. Forecasted salaries in the Rate Year anticipate replacement of certain retired or resigned employees that were in place during Historic Test Year.  Total salaries for the Rate Year are budgeted to be \$646,033 of which \$66,307 is expected to be capitalized.
Taxes	2,506	2,794	2,765	2,688	2,688	Taxes paid to other taxing jurisdictions. Expected to equal 3 year average.
PILOT to City of Salamanca	-	-	-	-	55,705	Equal to recent contributions to City of Salamanca General Fund. Supported by PILOT calculation at Workpaper G.
Uncollectible revenues	32,349	13,760	18,376	21,495	23,005	Generally good collection history. Rate Year is equal to 3 year (2018/2017/2016) average, as a percent of gross electric revenues.
Rent	6,105	6,081	6,070	6,085	6,100	Electric Department's share of costs related to City owned building, as well as railroad right of way.
FICA, medical, retirement, workers' compensation, etc.	225,739	217,966	236,094	226,600	236,313	Based on quoted premiums or budgeted amounts (allocated to Electric Department), calculation (for FICA) on total salaries.
Insurance	22,052	18,897	20,048	20,332	23,369	General Liability insurance - Premium paid 4/1/2021 for year 4/1/21 to 3/31/22. Premium expected to be similar in Rate Year.
Depreciation	262,552	263,946	250,682	259,060	328,469	Calculated at Exhibit 14. Increase is due to asset additions.
Contractual/Vendor						
Transmission	-	-	-	-	-	3 Year average
Maint. Poles	14,340	11,044	4,254	9,879	9,879	3 Year average
Distribution	97,611	100,542	91,048	96,400	96,400	3 Year average
Street Lights	14,413	12,347	9,060	11,940	11,940	3 Year average
Consumer Accounting and Collection	44,412	49,909	31,760	42,027	42,027	3 Year average
Sales Expense	4,478	13,720	2,677	6,958	6,958	3 Year average
General & Administ.	127,880	125,330	78,224	110,478	110,478	3 Year average
Amortization of rate filing costs	-	-	-	-	6,333	Anticipated rate filing costs of \$19,000, amortized over 3 year period of benefit
Contractual appropriations of income - IEEP	82,268	111,091	74,207	89,189	108,662	Based on anticipated sales of kWh in the Rate Year, multiplied by .001 "adder."  Total direct labor dollars multiplied by 60% overhead rate for employee benefits and supervision cost allocation. Direct Labor in Rate Year associated with work orders of \$256,799, as per Workpaper H.
Allocation of employee benefits and supervision costs*	(117,013)	(132,249)	(137,752)	(129,005)	(154,079)	
	<u>\$ 6,182,161</u>	<u>\$ 5,877,367</u>	<u>\$ 6,131,046</u>	<u>\$ 6,063,525</u>	<u>\$ 6,699,826</u>	

\* Fringe Benefit and supervision cost allocation

**SALAMANCA BOARD OF PUBLIC UTILITIES  
ELECTRIC DEPARTMENT**

**PURCHASED POWER ADJUSTMENT RECONCILIATION**

												(d+d.1.+e+ f+f.1.+f.2.)		(h*i)		(g-j)	(k-c)	(l)
(a)			(b)		(c)	(d)	(d.1.)	(e)	(f)	(f.1.)	(f.2.)	(g)	(h)	(i)	(j)	(k)	(l)	
			KWH	PPAC	PPAC	POWER PURCHASE	NYPA POWER	NYMPA POWER	NYSEG	POWER COST	NYPA HYBRID	IEEP	PRESENT	TOTAL KWH	BASE COST	BASE COST	DIFF. PRESENT	NET (OVER)
MONTH	Y	R	SALES	\$/KWH	REVENUES	MONTH	BILL	BILL	BILL	SENECA	LOAN	CONTRIBS.	COST	DEL.	\$/KWH	POWER	VS. BASE	UNDER
APRIL	2	0	7,509,773	0.025655	192,742	APRIL	85,286	240,034	60,594	(70,397)	-	10,380	325,897	8,732,785	0.012663	110,583	215,314	22,572
MAY	2	0	6,709,620	0.024677	165,576	MAY	49,771	185,975	81,890	(62,793)	-	5,996	260,839	7,239,937	0.012663	91,679	169,160	3,584
JUNE	2	0	5,477,291	0.021574	118,167	JUNE	94,252	116,938	45,433	(65,487)	-	6,819	197,955	5,927,375	0.012663	75,058	122,897	4,730
JULY	2	0	5,687,644	0.019272	109,589	JULY	84,927	106,568	42,858	(85,795)	-	7,643	156,201	4,930,934	0.012663	62,440	93,761	(15,828)
AUGUST	2	0	5,788,362	0.026176	151,516	AUGUST	85,788	174,406	93,980	(121,229)	-	7,866	240,811	6,360,111	0.012663	80,538	160,273	8,757
SEPTEMBER	2	0	5,529,305	0.027352	151,238	SEPTEMBER	86,175	157,570	86,018	(117,129)	8,290	7,568	228,492	5,852,953	0.012663	74,116	154,376	3,138
OCTOBER	2	0	5,100,714	0.030775	156,974	OCTOBER	83,432	147,821	83,432	(90,007)	8,290	6,665	239,633	5,500,078	0.012663	69,647	169,986	13,012
NOVEMBER	2	0	6,612,503	0.030745	203,301	NOVEMBER	87,859	177,678	88,936	(100,985)	8,290	8,341	270,119	6,388,691	0.012663	80,900	189,219	(14,082)
DECEMBER	2	0	7,840,765	0.031658	248,211	DECEMBER	86,168	247,273	86,168	(125,857)	8,290	9,560	311,602	6,102,605	0.012663	77,277	234,325	(13,886)
JANUARY	2	1	9,766,111	0.035793	349,558	JANUARY	87,675	347,050	128,880	(115,912)	8,290	11,404	467,387	9,960,251	0.012663	126,127	341,260	(8,298)
FEBRUARY	2	1	9,863,855	0.035488	350,049	FEBRUARY	87,511	381,727	132,777	(122,670)	8,290	26	487,661	10,500,065	0.012663	132,962	354,699	4,650
MARCH	2	1	9,292,962	0.034959	324,872	MARCH	85,806	367,386	114,232	(110,680)	8,290	-	465,034	10,123,063	0.012663	128,188	336,846	11,974
			85,178,905		2,521,793		1,004,650	2,650,426	1,045,198	(1,188,941)	58,030	82,268	3,651,631	87,618,848		1,109,517	2,542,114	20,321

(a) = kWh sold during the month per monthly billing summary

(b) = PPAC Factor calculated each month

(c) = PPAC Revenues billed during the month per monthly billing summary

(d) = Includes NYPA bill for purchased electric costs only

(d.1.) = Includes NYMPA bill for purchased electric costs only

(e) = Includes NYSEG invoice only

(f) = Subtract power costs for Seneca Nation entities, that are not part of the PPAC process

(f.1.) = Includes NYPA Hybrid loan payment that is included in the monthly PPAC Calculation

(f.2.) = Includes IEEP contributions that are included in PPAC revenues

(h) = Includes the kWh purchased each month per the NYMPA invoice

**SALAMANCA BOARD OF PUBLIC UTILITIES  
ELECTRIC DEPARTMENT**

**FORECASTED SALARIES - RATE YEAR (January 1, 2022 to December 31, 2022)**

	Annual Salary	Hourly Rate	OT Hourly Rate	Expected Reg Hours	OT Hours	Longevity/ Insurance/Phone	Reg. Wages	OT Wages	Total Wages	Electric Fund Allocation	Rate Year Electric Fund Alloc Wages
Mayor		n/a	n/a	n/a			\$ -	-	-		\$ -
Commissioner		n/a	n/a	n/a			-	-	-		-
Commissioner		n/a	n/a	n/a			-	-	-		-
Commissioner		n/a	n/a	n/a			-	-	-		-
Commissioner		n/a	n/a	n/a			-	-	-		-
S. Hostuttler, Sr. Lineman	n/a	35.68	53.52	2,080	43	5,150	74,214	2,301	81,666	100%	81,666
K. Winship, Lineman - <b>Resigned</b>	n/a		-				-	-	-		-
K. Crisafulli, Apprentice - <b>Resigned</b>	n/a		-				-	-	-		-
R. Milks, 4th Yr. Apprentice	n/a	27.44	41.16	2,080	43	6,150	57,075	1,770	64,995	100%	64,995
V. Horth, 4th Yr. Apprentice	n/a	27.44	41.16	2,080	43	4,250	57,075	1,770	63,095	100%	63,095
Future Apprentice	n/a	26.54	39.81	2,080	12		55,203	478	55,681	100%	55,681
Future Apprentice	n/a	26.54	39.81	2,080	12		55,203	478	55,681	100%	55,681
Future Apprentice	n/a	26.54	39.81	2,080	12		55,203	478	55,681	100%	55,681
E. Johnson, Meter	n/a	32.33	48.50	2,080		2,775	67,246	-	70,021	50%	35,011
M. Barrick, Meter	n/a	25.93	38.90	2,080			53,934	-	53,934	50%	26,967
M. Spry, Stores Clerk - <b>Water/Sewer Only</b>	n/a						-	-	-		-
J. Pond, Supervisor	88,937					1,125	88,937	-	90,062	100%	90,062
D. Hensel, GM	80,366					650	80,366	-	81,016	50%	40,508
D. Fish, Office Manager - <b>Retired</b>							-	-	-		-
Future Office Manager	60,000						60,000	-	60,000	50%	30,000
S. Riggs, Acct. Clerk - <b>Retired</b>							-	-	-		-
L. James,, Acct. Clerk	58,896						58,896	-	58,896	50%	29,448
C. Rogers, Acct. Clerk	34,476						34,476	-	34,476	50%	17,238
<b>Total Forecasted Salaries</b>							<u>797,831</u>	<u>7,274</u>	<u>825,205</u>		<u>646,033</u>

Expensed	579,726
Capitalized	66,307
	<u>646,033</u>

**SALAMANCA BOARD OF PUBLIC UTILITIES  
ELECTRIC DEPARTMENT**

**ACTUAL SALARIES AND ALLOCATIONS - FISCAL 2021 (BASE YEAR)**

										Fiscal Year 3/31/2021	
	Annual Salary	Hourly Rate	OT Hourly Rate	Reg Hours	OT Hours	Reg. Wages	Extra	OT Wages	Total Wages	Electric Fund Allocation	Electric Fund Alloc Wages
Chairman		n/a	n/a	n/a	n/a	\$ -	\$ -	\$ -	-		
Commissioner		n/a	n/a	n/a	n/a	-	-	-	-		
Commissioner		n/a	n/a	n/a	n/a	-	-	-	-		
Commissioner		n/a	n/a	n/a	n/a	-	-	-	-		
Commissioner		n/a	n/a	n/a	n/a	-	-	-	-		
S. Hostuttler, Sr. Lineman	n/a	\$ 34.37	\$ 51.56	2,080	58	71,490	3,750	2,973	78,213	100%	78,213
K. Winship, Lineman	n/a	\$ 32.37	\$ 48.56	2,080	44	67,999	8,450	2,120	78,569	100%	78,569
K. Crisafulli, Apprentice *	n/a	\$ 22.40	\$ 33.60	1,635	14	42,610	2,000	476	45,087	100%	45,087
R. Milks, Apprentice	n/a	\$ 22.40	\$ 33.60	2,080		46,592	1,500	-	48,092	100%	48,092
V. Horth, Apprentice	n/a	\$ 22.40	\$ 33.60	2,080		46,592	-	-	46,592	100%	46,592
E. Johnson, Meter	n/a	\$ 31.08	\$ 46.62	2,080		64,646	5,200	-	69,400	50%	34,654
M. Barrick, Meter	n/a	\$ 23.66	\$ 35.49	2,080		49,213	-	-	49,213	50%	24,606
M. Spry, Stores Clerk	n/a	\$ 28.20	\$ 42.30	2,080	72	58,656	200	3,040	61,896	5,753	5,753
J. Pond, Supervisor	87,194					87,194	835	-	88,029	100%	88,029
D. Hensel, GM	78,790					78,790	500	-	79,593	50%	39,672
D. Fish, Office Manager	73,320					73,320	-	-	73,602	50%	36,801
S. Riggs, Acct. Clerk *	57,741					57,741	33,195	-	90,895	50%	46,137
L. James, Acct. Clerk	57,741					57,741	-	-	57,741	50%	28,870
C. Rogers, Acct. Clerk *	33,800					33,800	-	-	5,590	50%	2,795
						<u>836,384</u>	<u>55,630</u>	<u>8,610</u>	<u>\$ 872,512</u>		<u>-</u>
											<u>\$ 603,870</u>

K. Crisafulli - resigned 12/20

S. Riggs - retired 2/21

C. Rogers, new hire 2/21

**SALAMANCA BOARD OF PUBLIC UTILITIES  
ELECTRIC DEPARTMENT**

**FRINGE BENEFIT AND SUPERVISION ALLOCATION  
Rate Year**

	<b>Rate Year</b>
	<b><u>Salaries</u></b>
S. Hostuttler, Sr. Lineman	\$ 81,666
R. Milks, 4th Yr. Apprentice	64,995
V. Horth, 4th Yr. Apprentice	63,095
Future Apprentice	55,681
Future Apprentice	55,681
Future Apprentice	55,681
Total Rate Year Salaries	<u>376,799</u>
Less: Salaries not subject to fringe and supervision overhead rate	<u>(120,000)</u>
Total Rate Year Salaries subject to to fringe and supervision OH rate	256,799
Fringe and Supervision OH Rate	<u>60%</u>
Allocated Fringe and Supervision	<u><u>\$ 154,079</u></u>

Notes: Only line crew salaries that are reported by the work order system are subject to a fringe/supervision allocation.  
Salaries not subject to the fringe/supervision OH rate include those salaries for vacation, sick and personal time as well as other administrative type work (salaries that are not associated with installation or repair/maintenance tasks).  
Overhead rate is made up employee benefits on labor dollars as well as an allocation of the supervisors time (which does not run through the work order system)



**SALAMANCA BOARD OF PUBLIC UTILITIES  
ELECTRIC DEPARTMENT**

**CALCULATION OF PILOT PAYMENT**

Rate Year

	<u>Total Gross Cost (a)</u>	<u>Outside City Gross Cost (b)</u>	<u>Inside City Gross Cost (c)</u>	<u>Accum. Depreciation (d)</u>	<u>Net Book Value</u>
<b><u>Operating Property Classification</u></b>					
(311) Land and Land Rights	\$ 71,280	\$ -	\$ 71,280	\$ -	\$ 71,280
(312) Structures and Improvements	693,762	-	693,762	279,028	414,734
(353) Transmission Overhead Conductors	7,759	-	7,759	8,058	(299)
(358) Poles, Towers and Fixtures	1,595,794	364,525	1,231,269	412,657	818,612
(359) Underground Conduits	2,211	-	2,211	2,327	(116)
(361) Distribution Substation Equipment	8,263,219	1,699,623	6,563,596	1,325,494	5,238,103
(362) Storage Battery Equipment	19,747	-	19,747	7,470	12,277
(363) Distribution Overhead Conductors	948,727	321,981	626,746	173,119	453,628
(364) Distribution Underground Conductors	39,280	-	39,280	21,394	17,886
(365) Line Transformers	2,289,389	399,376	1,890,013	898,551	991,463
(366) Overhead Services	227,822	39,476	188,346	172,725	15,621
(367) Underground Services	1,170	-	1,170	1,325	(155)
	<u>\$ 14,160,161</u>	<u>\$ 2,824,981</u>	<u>\$ 11,335,180</u>	<u>\$ 3,302,148</u>	<u>\$ 8,033,033</u>

(a) Total Operating Property Subject to PILOT calculation	Equalization Rate	<u>100%</u>
(b) Operating Property located outside City boundaries	Equalized NBV	\$ 8,033,033
(c) Operating Property located inside City boundaries	Property Tax Rate	<u>\$63.784917</u>
(d) Accumulated Depreciation on Operating Property located inside City boundaries		
(e) Net book value of Operating Property Subject to PILOT	PILOT per \$1,000	<u>\$ 512,386</u>