HYRUM CITY
ESTABLISHED 1860

ELECTRIC COST OF SERVICE AND RATE DESIGN STUDY

Initial Report

July 28, 2022

DBC
DAVE BERG CONSULTING, LLC

Section 1

Introduction

Hyrum City, Utah owns a municipal utility providing service to approximately 3,500 retail electric customers. The electric utility is operated by the Hyrum City electric utility (Hyrum) and is under the direction of the Hyrum City Council. This report has been prepared by Dave Berg Consulting, LLC to examine the rates and charges for electric service in Hyrum City. The study includes an examination of the allocated cost of service based on actual FY 2021 utility operations (Test Year). It also includes projected operating results for FY 2022-2026 (Study Period). As a result of the analyses undertaken and reported on herein, electric rate recommendations have been developed for implementation by Hyrum.

Section 2
Projected Operating Results
Existing Rates

The rates charged for electric service by Hyrum, combined with other operating and non-operating revenues, must be sufficient to meet the cost of providing services to Hyrum's retail customers. This is necessary to ensure the long-term financial health of Hyrum. The cost of providing electric service consists of normal operating expenses such as purchased power, distribution functions, customer and administrative functions, system depreciation expenses, capital improvements, and other non-operating expenses.

An analysis of the operating results for Hyrum during the FY 2022-2026 Study Period has been performed assuming the current retail rates and charges remain in effect for the electric utility through the Study Period. This analysis has been done to determine the overall need, if any, for additional revenue through rates to meet projected revenue requirements. The analyses and assumptions utilized in these projections are explained below.

Estimated Revenues – Existing Rates

Retail Sales

Hyrum sells retail power and energy to residential, commercial and industrial customers. Hyrum retail sales grew 5.5% from 2021 to 2022. For 2023, sales are projected to increase 6.3%, primarily due to a large expansion at a large commercial customer. Total sales growth for the remainder of the Study Period is estimated to average approximately 2%.

Exhibit 2-A is a summarized listing of Hyrum's historical and projected electric operating results at existing rates. The historical and projected revenues from retail sales of power and energy to different groups of customers are included at the beginning of the exhibit

under Charges for Sales and Services. Operating revenues also include power factor penalties, connection fees and miscellaneous revenues.

Revenue Requirements

Purchased Power

Hyrum currently meets its wholesale power and energy requirements through its participation in Colorado River Storage Project hydro units and through its wholesale arrangement with UAMPS. Hyrum also has access, through UAMPS, to the real time wholesale market for both purchases and sales. Average wholesale power costs are assumed to increase 4% per year through the Study Period.

Hyrum's actual retail sales and wholesale requirements for the FY 2021 Test Year are shown in Table 2-1.

Table 2-1
Retail Sales
And Wholesale Requirements

Item	2021
Metered Retail Sales	95,752,039 kWh
Wholesale Energy	102,553,419 kWh
Wholesale Peak	19,912 kW

Other Operating Expenses

Hyrum incurs other operating expenses associated with local electric system operations. Distribution operating and maintenance expenses are related to the substations, overhead and underground lines and customer facilities located in Hyrum. Hyrum also has customer account expenses related to serving retail electric customers. Administrative and general expenses are required for utility management, employee benefits, training and other administrative costs. Non-wholesale power related expenses

are based on 2021 and 2022 values, the 2023 budget and are generally estimated to increase by 4.0% per year after 2023.

Depreciation

Hyrum has annual depreciation costs based on its system investments. Depreciation during the Study Period is based on budgeted Hyrum amounts and future capital improvements. Depreciation is a funded non-cash expense that generates monies available for annual capital improvements and reserves.

Non-operating Revenue (Expenses)

Hyrum's non-operating revenue is primarily associated with investment income. Hyrum also receives impact fees from developers.

Capital Improvements

Hyrum makes annual normal capital investments in its electric system. Annual electric capital improvements for the Study Period, as budgeted by Hyrum, are shown in Table 2-2 below.

Table 2-2
Capital Improvements

Capital Item	2022	2023	2024	2025	2026
Revenue Financed	$1.421,311	$3,223,700	$1,000,000	$1,000,000	$1,000,000

Projected Operating Results – Existing Rates

Based on the assumptions outlined above, the resulting projected operating results assuming continued application of the existing retail rates are summarized in Table 2-3

for the electric utility. A summary presentation of the operating results is shown in Exhibit 2-A.

Table 2-3
Projected Operating Results
Existing Rates

Year	2022	2023	2024	2025	2026
Operating Revenues	$9,627,223	$9,397,469	$9,685,282	$9,982,918	$10,308,642
Less Operating Expenses	(10,140,273)	(11,162,166)	(11,227,632)	(11,826,908)	(12,474,613)
Plus Non -Operating Revenues (Expenses)	12,352	13,200	-	-	-
Plus Transfer In	1,500,000	-	-	-	-
Plus Impact Fees	238,640	126,500	126,500	126,500	126,500
Change in Net Position	$1,237,942	$(1,624,997)	$(1,415,850)	$(1,717,490)	$(2,039,472)
Net Position as Percent of Revenues	12.9%	-17.3%	-14.6%	-17.2%	-19.8%

Cash Reserves

A summary of the impact of the projected operating results on Hyrum's cash reserves for the Study Period is shown at the end of Exhibit 2-A and in Table 2-4 below.

As shown below, under existing retail rates and estimated revenue requirements over the Study Period, the cash reserves for the electric utility are projected to decrease from approximately $3.4 million at the end of 2021 to approximately negative $6.8 million by the end of 2026. This is a decrease from 39% of revenues to negative 66% of revenues.

Table 2-4
Projected Cash Reserves
Existing Rates

Year	2022	2023	2024	2025	2026
Beginning Balance	$3,407,554	$3,408,052	$(853,265)	$(2,574,278)	$(4,563,598)
Plus Change in Net Position	1,237,942	(1,624,997)	(1,415,850)	(1,717,490)	(2,039,472)
Plus Depreciation	540,000	587,380	694,837	728,170	761,504
Less Capital Improvements	(1,421,411)	(3,223,700)	(1,000,000)	(1,000,000)	(1,000,000)
Ending Balance	$3,408,052	$(853,265)	$(2,574,278)	$(4,563,598)	$(6,841,566)
Reserves as % of Revenue	35%	-9%	-27%	-46%	-66%

Hyrum City
Electric Operating Results at Existing Rates

	Historical Fiscal Year					Projected Fiscal Year				
	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026
OPERATING REVENUES										
Charges for Sales and Services	$ 7,034,562	$ 6,899,450	$ 7,237,896	$ 8,220,057	$ 8,819,062	$ 9,627,223	$ 9,397,469	$ 9,685,282	$ 9,982,918	$ 10,308,642
Total Operating Revenues	$ 7,034,562	$ 6,899,450	$ 7,237,896	$ 8,220,057	$ 8,819,062	$ 9,627,223	$ 9,397,469	$ 9,685,282	$ 9,982,918	$ 10,308,642
OPERATING EXPENSES										
Personnel	$ 722,476	$ 717,314	$ 785,773	$ 955,079	$ 1,076,251	$ 1,164,829	$ 1,299,300	1,351,272	1,405,323	1,461,536
System Operating Expenses	4,734,159	4,923,752	5,079,439	4,994,726	5,814,388	7,057,101	8,365,486	8,235,123	8,709,159	9,227,947
Repairs and Maintenance	577,287	723,977	737,472	791,944	818,892	1,378,343	910,000	946,400	984,256	1,023,626
Depreciation	300,364	341,116	327,401	354,184	538,674	540,000	587,380	694,837	728,170	761,504
Total Operating Expenses	$ 6,334,286	$ 6,706,159	$ 6,930,085	$ 7,095,933	$ 8,248,205	$ 10,140,273	$ 11,162,166	$ 11,227,632	$ 11,826,908	$ 12,474,613
OPERATING INCOME	$ 700,276	$ 193,291	$ 307,811	$ 1,124,124	$ 570,857	$ (513,050)	$ (1,764,697)	$ (1,542,350)	$ (1,843,990)	$ (2,165,972)
NON-OPERATING REVENUE (EXPENSE)										
Interest Revenue	$ 68,374	$ 89,242	$ 116,454	$ 97,264	$ 24,847	$ 12,102	$ 13,200	$ -	$ -	$ -
Gain (Loss) on sale of fixed asset	$ -	$ (97,500)	$ -	$ 9,665	$ 40,548	$ 250	$ -	$ -	$ -	$ -
Total Non-Operating Revenues (Expenses)	$ 68,374	$ (8,258)	$ 116,454	$ 106,929	$ 65,395	$ 12,352	$ 13,200	$ -	$ -	$ -
Net Income before Contributions	$ 768,650	$ 185,033	$ 424,265	$ 1,231,053	$ 636,252	$ (500,698)	$ (1,751,497)	$ (1,542,350)	$ (1,843,990)	$ (2,165,972)
TRANSFERS IN (OUT)	$ (300,000)	$ -	$ -	$ -	$ -	$ 1,500,000	$ -	$ -	$ -	$ -
IMPACT FEES	$ -	$ -	$ -	$ -	$ 12,650	$ 238,640	126,500	126,500	126,500	126,500
CHANGE IN NET POSITION	$ 468,650	$ 185,033	$ 424,265	$ 1,231,053	$ 648,902	$ 1,237,942	$ (1,624,997)	$ (1,415,850)	$ (1,717,490)	$ (2,039,472)
As Percent of Operating Revenues	6.7%	2.7%	5.9%	15.0%	7.4%	12.9%	-17.3%	-14.6%	-17.2%	-19.8%
CASH RESERVES										
Beginning of Year						$ 3,407,554	$ 3,408,052	$ (853,265)	$ (2,574,278)	$ (4,563,598)
Plus Change in Net Position						1,237,942	(1,624,997)	(1,415,850)	(1,717,490)	(2,039,472)
Plus Depreciation						540,000	587,380	694,837	728,170	761,504
Less Capital Improvements						(1,421,411)	(3,223,700)	(1,000,000)	(1,000,000)	(1,000,000)
End of Year					$ 3,407,554	$ 3,408,052	$ (853,265)	$ (2,574,278)	$ (4,563,598)	$ (6,841,566)
As a percent of Operating Revenue					39%	35%	-9%	-27%	-46%	-66%

Section 3

Cost-of-Service

A cost-of-service analysis was performed to determine the allocated cost to serve each of Hyrum's customer classes within the electric utility. Customer classes exist, in part, because the cost to serve different kinds of customers varies. The cost-of-service analysis has been performed on a FY 2021 'Test Year' based on actual 2021 financials, operations and sales. The results of the cost-of-service study give an indication of the degree of revenue recovery warranted for each class of customers. A comparison of the allocated cost to serve a class of customers and the actual revenues received from that class is taken into consideration during rate design.

Functionalization of Costs

Hyrum's Test Year electric revenue requirements have been divided into four functional categories. These categories are described below.

Power Supply – the power supply function is related to the cost of Hyrum's purchases of wholesale power through UAMPS, CRSP and the wholesale market.

Distribution – expenses are related to the Hyrum owned system for delivering power and energy to Hyrum customers. They include local substation and distribution system costs.

Customer – the customer function includes fixed costs associated with the service facilities utilized to deliver electric power and energy directly to customers. They also include items such as meter reading, billing, collections and dealing with customers by customer service representatives.

Revenue – revenue related items include other operating and non-operating income and utility margin.

Table 3-1 below summarizes the functional electric costs for the 2021 Test Year. The detailed cost functions are shown in Exhibit 3-A.

Table 3-1
Functional Electric Costs
2021 Test Year

Component	Revenue Requirement
Power Supply	$5,555,860
Distribution	853,949
Customer	308,066
Revenue	548,840
Total	$7,266,715

Classification of Costs

Within each function, the revenue requirements have been divided into distinct cost classifications. These cost classifications are described below.

Demand Related – demand related costs are fixed costs that do not vary with hourly consumption. Demand related costs are required to meet the overall demand of the system as expressed in kW.

Energy Related – energy related costs vary based on hourly consumption in kWh

Customer Related – costs related to serving, metering and billing of individual customers.

Revenue Related – revenue related costs vary by the amount of revenue received by the utility.

Exhibits 3-B through 3-D show the detailed classification of revenue requirements within the functions.

Allocation of Costs

Based on an analysis of customer class service characteristics, the classified costs summarized above were allocated to the major Hyrum customer classes. Allocation of costs was performed on a fully-distributed, embedded cost allocation basis. Specific allocation factors were utilized in each of the cost classification categories as described below. Exhibit 3-E contains a summary of the development of the various allocation factors.

Demand Allocations

Customer class demands on a system can be reflected in various ways. Two primary demand allocation types were utilized in this analysis. A common industry allocator known as Coincident Peak Demand (CP) allocator is utilized to allocate demand related costs based on each class' contribution to the system peak demand each month. A 12 CP demand allocator was utilized for power supply related demand costs. A Non-coincident Peak Demand (NCP) reflects a class maximum demand regardless of when it occurs. A 1 NCP method, an estimate of each class' maximum annual demand on the system, was utilized for allocating local system demand related costs.

Energy Allocations

Each class' share of energy requirements was used to allocate energy related costs. The predominant energy related costs are the energy portions of the purchased power expenses. These costs were allocated based on each classes' estimated share of energy purchases.

Customer Allocations

Two separate customer allocators were utilized. The customer facilities allocator was used to allocate costs associated with the physical facilities required to serve individual customers. The customer service allocator is for allocation of costs associated with customer service – meter reading, billing, collections and customer inquiries. For both the customer meter and customer service allocators, a weighted customer allocation factor is developed. Weighting factors are developed to represent the difference in service configurations between customer classifications. For instance, a larger customer facility is required for a single large power customer than for a single residential customer, or a single large power customer requires more customer service than a single residential customer.

Revenue Allocations

Revenue related costs were allocated based on each class' share of total demand, energy, customer facility, customer service and direct costs.

Cost of Service Results

Based on the classifications and allocations described above, the estimated cost to serve each major class of customers for the 2021 Test Year was determined. Exhibit 3-F presents this analysis in detail. Table 3-2 below summarizes the total allocated electric costs for each class compared to the total electric revenues received from the class during 2021.

Table 3-2
Electric Cost of Service Results
Comparison of Cost and Revenues
2021 Test Year

Customer Classification	Allocated Cost to Serve	Revenues
Residential	$2,178,257	$2,373,110
Small Commercial	$314,942	$353,911
Large Commercial	$1,989,835	$1,819,632
Industrial	$2,783,682	$2,720,062
Total	$7,266,715	$7,266,715

The revenue requirements and revenues as allocated to each class and summarized above are shown on a total dollars basis. Table 3-3 below makes the comparison based on percentages of total cost to serve and total revenues. The percentage increase/(decrease) in each class' revenue shown below is the adjustment necessary to produce revenues from each class in accordance with the allocated cost to serve. The percentage adjustments do not represent the recommended change in each class' rates. Table 3-4 makes the comparisons between allocated cost to serve and revenue on an average $/kWh basis. The cost-of-service results are one item for consideration in rate design. It is important to note also that the adjustments shown in the table below would not change the total revenue received by the utility and are not indicative of overall revenue needs of the utility going forward. Recommendations regarding rate design are included in Section 4 of this report.

Table 3-3
Electric Cost of Service Results
Comparison of % Cost and Revenues
2021 Test Year

Customer Classification	Allocated Cost to Serve	Revenues	Increase/ (Decrease)
Residential	30.0%	32.7%	-8.2%
Small Commercial	4.3%	4.9%	-11.0%
Large Commercial	27.4%	25.0%	9.4%
Industrial	38.3%	37.4%	2.3%
Total	100.0%	100.0%	0.0%

Table 3-4
Electric Cost of Service Results
Comparison of Cost and Revenues per kWh
2021 Test Year

Customer Classification	Allocated Cost to Serve ($/kWh)	Revenues ($/kWh)	Increase/ (Decrease) ($/kWh)
Residential	0.095	0.104	-0.009
Small Commercial	0.085	0.095	-0.010
Large Commercial	0.080	0.073	0.007
Industrial	0.063	0.062	0.001
Total	0.076	0.097	0.000

As indicated above, Hyrum's existing class revenues do not exactly match the allocated cost to serve each class. Cost based rates are one of several goals in establishing rates. The relationship between allocated costs and revenues for each class should be considered, in addition to other rate related goals, in developing recommended rates.

Hyrum City
Functionalization of 2021 Test Year Revenue Requirements

REVENUE REQUIREMENT	2021 Test Year	Power Supply	Distribution	Customer	Revenue	Classification Basis
OPERATING EXPENSES						
Salaries and Wages	678,501	-	508,876	169,625	-	dist/cust split
Overtime	55,826	-	41,870	13,957	-	dist/cust split
Standby Time	9,151	-	9,151	-	-	100% distribution
Seasonal/Temporary Workers	-	-	-	-	-	na
Employee Benefits	332,773	-	249,580	83,193	-	dist/cust split
Books, Subscriptions & Memberships	-	-	-	-	-	na
Public Notices	103	-	-	103	-	100% customer
Travel and Training	2,467	-	2,467	-	-	100% distribution
Office Supplies and Expense	9,765	-	-	9,765	-	100% customer
Equip Supplies & Maintenance	147,086	-	147,086	-	-	100% distribution
Gen & Dist Maintenance	618,516	-	618,516	-	-	100% distribution
Tree City/Consumer Ed	102,554	-	102,554	-	-	100% distribution
Diesel Generator Costs	195	195	-	-	-	100% power supply
Christmas Decorations	726	-	-	726	-	100% customer
Hydro Plant Maintenance	-	-	-	-	-	na
Bldgs & Grounds Sup & Maint	53,290	-	39,968	13,323	-	dist/cust split
Utilities	5,781	-	4,336	1,445	-	dist/cust split
Telephone	5,569	-	4,177	1,392	-	dist/cust split
Internet Service	-	-	-	-	-	na
Professional Services	58,149	-	43,612	14,537	-	dist/cust split
Insurance	21,556	-	21,556	-	-	100% distribution
Miscellaneous Supplies	13,224	-	13,224	-	-	100% distribution
Miscellaneous Services	38,506	-	38,506	-	-	100% distribution
Power Purchase	5,555,665	5,555,665	-	-	-	100% power supply
Depreciation	538,743	-	538,743	-	-	100% distribution
Total Operating Expenses	8,248,146	5,555,860	2,384,220	308,066	-	
Non Operating Revenues						
Interest Revenue	24,847	-	-	-	24,847	100% revenue
Gain (Loss) on sale of fixed asset	40,548	-	-	-	40,548	100% revenue
Total Non Operating Revenues	40,548	-	-	-	40,548	
Other Operating Revenues						
Discounts	(17,683)	-	(17,683)	-	-	100% distribution
Connection Fees	177,178	-	177,178	-	-	100% distribution
Misc	1,370,776	-	1,370,776	-	-	100% distribution
Total Other Operating Revenues	1,530,271	-	1,530,271	-	-	
Transfer In	-	-	-	-	-	NA
Transfer Out	12,650	-	-	-	12,650	100% revenue
Margin	576,738	-	-	-	576,738	100% revenue
Total Revenue Requirements	7,266,715	5,555,860	853,949	308,066	548,840	

Hyrum City
2021 Test Year Power Supply Classification

REVENUE REQUIREMENT	Test Year	Demand	Energy	Classification Basis
OPERATING EXPENSES				
Salaries and Wages	-	-	-	na
Overtime	-	-	-	na
Standby Time	-	-	-	na
Seasonal/Temporary Workers	-	-	-	na
Employee Benefits	-	-	-	na
Books, Subscriptions & Memberships	-	-	-	na
Public Notices	-	-	-	na
Travel and Training	-	-	-	na
Office Supplies and Expense	-	-	-	na
Equip Supplies & Maintenance	-	-	-	na
Gen & Dist Maintenance	-	-	-	na
Tree City/Consumer Ed	-	-	-	na
Diesel Generator Costs	195	-	195	100% energy
Christmas Decorations	-	-	-	na
Hydro Plant Maintenance	-	-	-	na
Bldgs & Grounds Sup & Maint	-	-	-	na
Utilities	-	-	-	na
Telephone	-	-	-	na
Internet Service	-	-	-	na
Professional Services	-	-	-	na
Insurance	-	-	-	na
Miscellaneous Supplies	-	-	-	na
Miscellaneous Services	-	-	-	na
Power Purchase	5,555,665	985,954	4,569,711	per power supply
Depreciation	-	-	-	na
Total Operating Expenses	5,555,860	985,954	4,569,906	
Non Operating Revenues				
Interest Revenue	-	-	-	na
Gain (Loss) on sale of fixed asset	-	-	-	na
Total Non Operating Revenues	-	-	-	
Other Operating Revenues				
Discounts	-	-	-	na
Connection Fees	-	-	-	na
Misc	-	-	-	na
Total Other Operating Revenues	-	-	-	
Transfer In	-	-	-	na
Transfer Out	-	-	-	na
Margin	-	-	-	na
Total Revenue Requirements	5,555,860	985,954	4,569,906	

Hyrum City
2021 Test Year Distribution Classification

REVENUE REQUIREMENT	Test Year	Distribution Demand	Customer Facilities	Classification Basis
OPERATING EXPENSES				
Salaries and Wages	508,876	407,101	101,775	dist/cust split
Overtime	41,870	33,496	8,374	dist/cust split
Standby Time	9,151	7,321	1,830	dist/cust split
Seasonal/Temporary Workers	-	-	-	na
Employee Benefits	249,580	199,664	49,916	dist/cust split
Books, Subscriptions & Memberships	-	-	-	na
Public Notices	-	-	-	NA
Travel and Training	2,467	1,974	493	dist/cust split
Office Supplies and Expense	-	-	-	na
Equip Supplies & Maintenance	147,086	117,669	29,417	dist/cust split
Gen & Dist Maintenance	618,516	618,516	-	Dist Demand
Tree City/Consumer Ed	102,554	82,043	20,511	dist/cust split
Diesel Generator Costs	-	-	-	NA
Christmas Decorations	-	-	-	na
Hydro Plant Maintenance	-	-	-	na
Bldgs & Grounds Sup & Maint	39,968	31,974	7,994	dist/cust split
Utilities	4,336	3,469	867	dist/cust split
Telephone	4,177	3,341	835	dist/cust split
Internet Service	-	-	-	na
Professional Services	43,612	34,889	8,722	dist/cust split
Insurance	21,556	17,245	4,311	dist/cust split
Miscellaneous Supplies	13,224	10,579	2,645	dist/cust split
Miscellaneous Services	38,506	30,805	7,701	dist/cust split
Power Purchase	-	-	-	na
Depreciation	538,743	430,994	107,749	dist/cust split
Total Operating Expenses	2,384,220	2,031,079	353,141	
Non Operating Revenues				
Interest Revenue	-	-	-	NA
Gain (Loss) on sale of fixed asset	-	-	-	NA
Total Non Operating Revenues	-	-	-	
Other Operating Revenues				
Discounts	(17,683)	-	(17,683)	Cust Facilities
Connection Fees	177,178	-	177,178	Cust Facilities
Misc	1,370,776	1,370,776	-	Dist Demand
Total Other Operating Revenues	1,530,271	1,370,776	159,495	
Transfer In	-	-	-	NA
Transfer Out	-	-	-	NA
Margin	-	-	-	NA
Total Revenue Requirements	853,949	660,303	193,646	

Hyrum City
2021 Test Year Customer Classification

REVENUE REQUIREMENT	Test Year	Customer	Classification Basis
OPERATING EXPENSES			
Salaries and Wages	169,625	169,625	100% Customer
Overtime	13,957	13,957	100% Customer
Standby Time	-	-	100% Customer
Seasonal/Temporary Workers	-	-	na
Employee Benefits	83,193	83,193	100% Customer
Books, Subscriptions & Memberships	-	-	na
Public Notices	103	103	100% Customer
Travel and Training	-	-	na
Office Supplies and Expense	9,765	9,765	100% Customer
Equip Supplies & Maintenance	-	-	na
Gen & Dist Maintenance	-	-	na
Tree City/Consumer Ed	-	-	na
Diesel Generator Costs	-	-	na
Christmas Decorations	726	726	100% Customer
Hydro Plant Maintenance	-	-	na
Bldgs & Grounds Sup & Maint	13,323	13,323	100% Customer
Utilities	1,445	1,445	100% Customer
Telephone	1,392	1,392	100% Customer
Internet Service	-	-	na
Professional Services	14,537	14,537	100% Customer
Insurance	-	-	na
Miscellaneous Supplies	-	-	na
Miscellaneous Services	-	-	na
Power Purchase	-	-	na
Depreciation	-	-	na
Total Operating Expenses	308,066	308,066	
Non Operating Revenues			
Interest Revenue	-	-	na
Gain (Loss) on sale of fixed asset	-	-	na
Total Non Operating Revenues	-	-	
Other Operating Revenues			
Discounts	-	-	na
Connection Fees	-	-	na
Misc	-	-	na
Total Other Operating Revenues	-	-	
Transfer In	-	-	NA
Transfer Out	-	-	NA
Margin	-	-	NA
Total Revenue Requirements	308,066	308,066	

Hyrum City
2021 Test Year Allocation Factors

	Total	Residential	Small Commercial	Large Commercial	Industrial
Demand Allocation Factors					
12 Coincident Peak (kW)	198,524	49,965	7,695	54,242	86,622
12 CP	100.0%	25.2%	3.9%	27.3%	43.6%
1 Coincident Peak (kW)	19,912	6,933	630	4,825	7,524
1 CP	100.0%	34.8%	3.2%	24.2%	37.8%
1 Non-coincident Peak (kW)	22,512	7,482	736	6,193	8,101
1 NCP	100.0%	33.2%	3.3%	27.5%	36.0%
1 Non-coincident Peak - Dist (kW)	131,855	58,906	7,973	64,975	0.0%
1 NCP - Dist	100.0%	44.7%	6.0%	49.3%	0.0%
Sum of Max Demands	334,772	156,257	14,242	73,476	90,797
SMD	100.0%	46.7%	4.3%	21.9%	27.1%
Sum of Max Demands - Dist	243,975	156,257	14,242	73,476	0.0%
SMD - Dist	100.0%	64.0%	5.8%	30.1%	0.0%
Energy Allocation Factors					
Retail Energy Req. (kWh)	95,752,039	22,884,618	3,716,468	24,990,253	44,160,700
RE	100.0%	23.9%	3.9%	26.1%	46.1%
Customers					
Number of Customers	3,391	3,196	151	44	1
CN	100.0%	94.2%	4.4%	1.3%	0.0%
Customer Facilities Allocation Factor					
Weighting		1	2	20	500
Weighted Number of Cust	4,874	3,196	301	877	500
CF	100.0%	65.6%	6.2%	18.0%	10.3%
Customer Service Allocation Factor					
Weighting		1	2	5	200
Weighted Number of Cust	3,916	3,196	301	219	200
CS	100.0%	81.6%	7.7%	5.6%	5.1%
Revenue Allocator					
Sum Other Rev Reqs	$ 6,717,875	$ 2,013,738	$ 291,155	$ 1,839,546	$ 2,573,436
R	100.0%	30.0%	4.3%	27.4%	38.3%

Hyrum City
2021 Test Year Allocation of Revenue Requirements

	Total	Residential	Small Commercial	Large Commercial	Industrial	Allocation Factor
Power Supply						
Demand	985,954	248,147	38,215	269,391	430,201	12 CP
Energy	4,569,906	1,092,202	177,374	1,192,696	2,107,634	RE
Total Power Supply	$ 5,555,860	$ 1,340,349	$ 215,588	$ 1,462,087	$ 2,537,835	
Distribution						
Distribution Demand	660,303	294,992	39,927	325,384	-	1 NCP - Dist
Customer Facilities	193,646	126,985	11,960	34,834	19,867	CF
Total T&D	$ 853,949	$ 421,977	$ 51,887	$ 360,217	$ 19,867	
Customer						
Customer Service	308,066	251,412	23,679	17,242	15,734	CS
Total Customer Service	$ 308,066	$ 251,412	$ 23,679	$ 17,242	$ 15,734	
Revenue						
Other Revenue	(40,548)	(12,155)	(1,757)	(11,103)	(15,533)	R
Transfer In/Out	12,650	3,792	548	3,464	4,846	R
Margin	576,738	172,882	24,996	157,928	220,933	R
Total Revenue	$ 548,840	$ 164,519	$ 23,787	$ 150,288	$ 210,246	
Total Revenue Requirements	$ 7,266,715	$ 2,178,257	$ 314,942	$ 1,989,835	$ 2,783,682	
Total Revenues	$ 7,266,715	$ 2,373,110	$ 353,911	$ 1,819,632	$ 2,720,062	
Percent Revenue Requirements	100.0%	30.0%	4.3%	27.4%	38.3%	
Percent Revenues	100.0%	32.7%	4.9%	25.0%	37.4%	
Percent Change	0.0%	-8.2%	-11.0%	9.4%	2.3%	
Revenue Req/kWh	0.076	0.095	0.085	0.080	0.063	
Revenue/kWh	0.076	0.104	0.095	0.073	0.062	