

Senate Committee on Consumer Protection



January 15, 2009

Surcharges

- Two surcharge items on KIUC's customers bills
 - Resource Cost Adjustment Surcharge
 - Energy Rate Adjustment Clause (ERAC)

Resource Cost Adjustment Surcharge

- Recovers cost of Integrated Resource Planning
- Funds the Demand Side Management (DSM) program
- Currently \$0.00105/kWh

Energy Rate Adjustment Clause

- Adjusts the energy rate for fuel costs that differs from fuel costs included in the Base Rate developed in the 1995 test year
- Passes purchased power costs on to customers
- Provides an incentive to operate the system at a heat rate better than 11,230 Btu/kWh

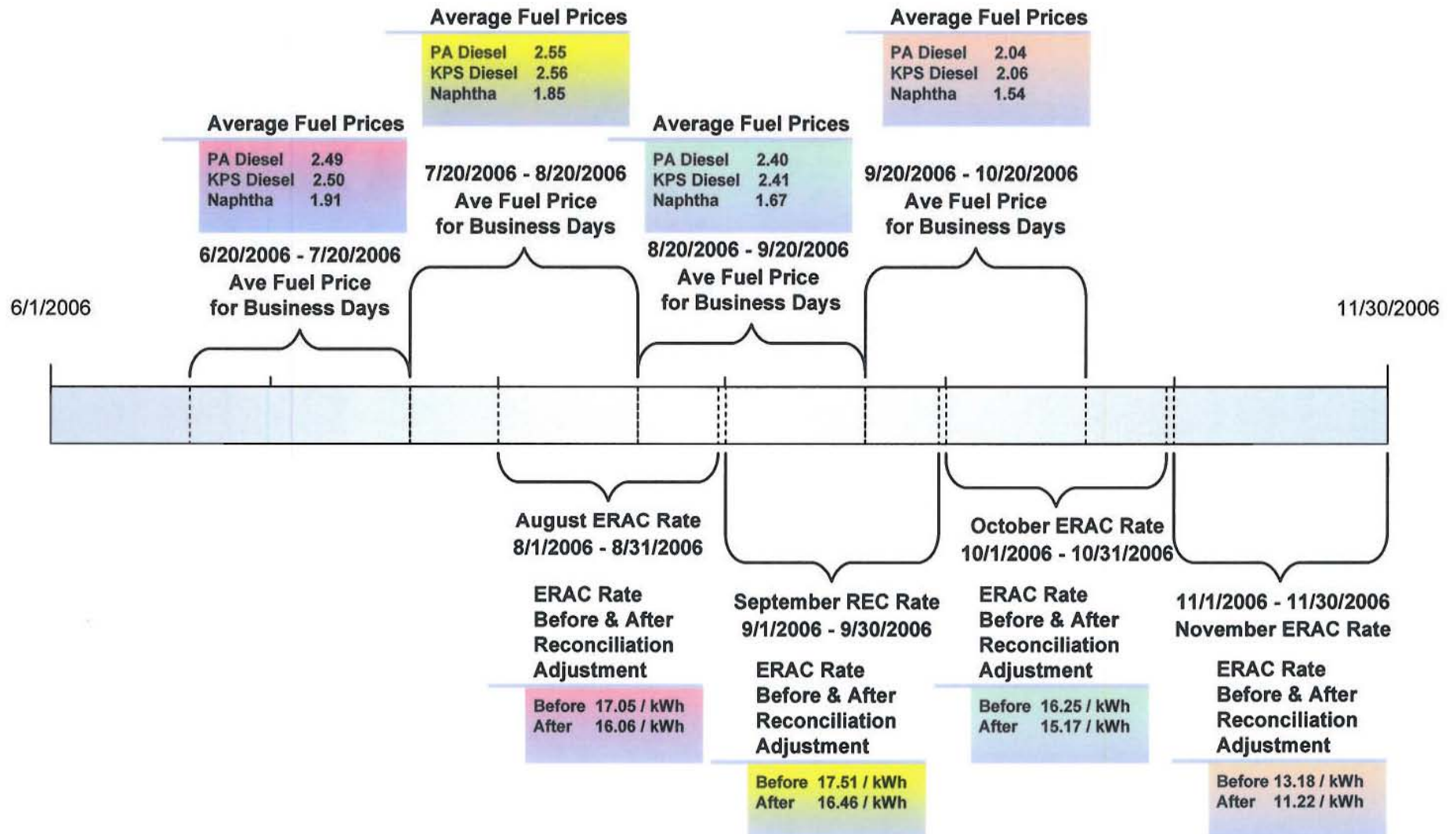
Energy Rate Adjustment Clause

- Recovers cost on a “going forward” basis
 - Uses projected kWh sales, heat rate & generation mix
 - Reconciled with actual sales, heat rate and generation mix on a quarterly basis and applied monthly to address under/over revenue collections

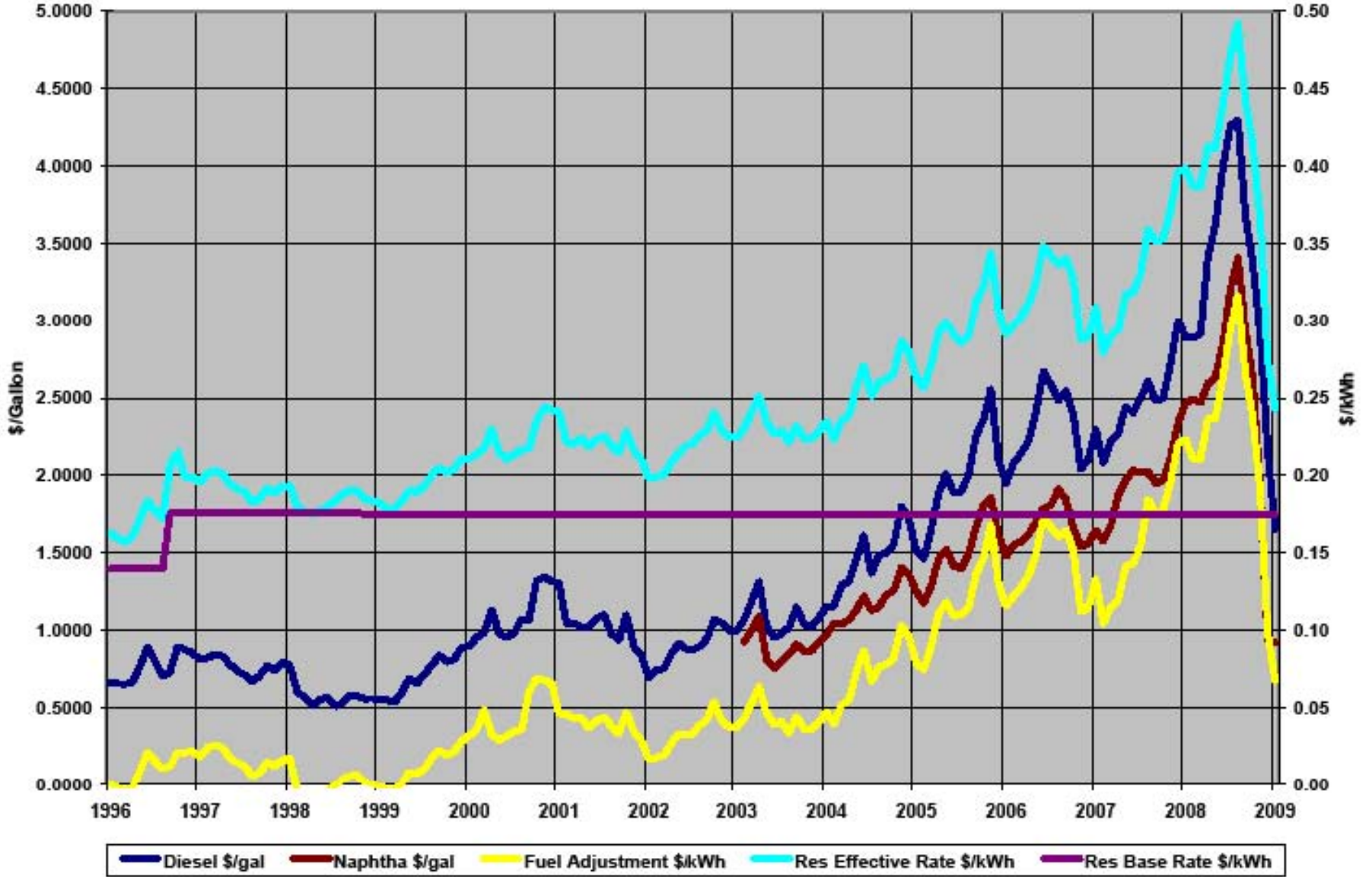
ERAC and Billing Delays

- Fuel pricing based on average Platts indices
- Basis period spans the 21st day of 2nd preceding month to 20th day of preceding month
- Most customers bills include days across two months
 - Composite rate based on the number of days of each month's rate is used for billing.

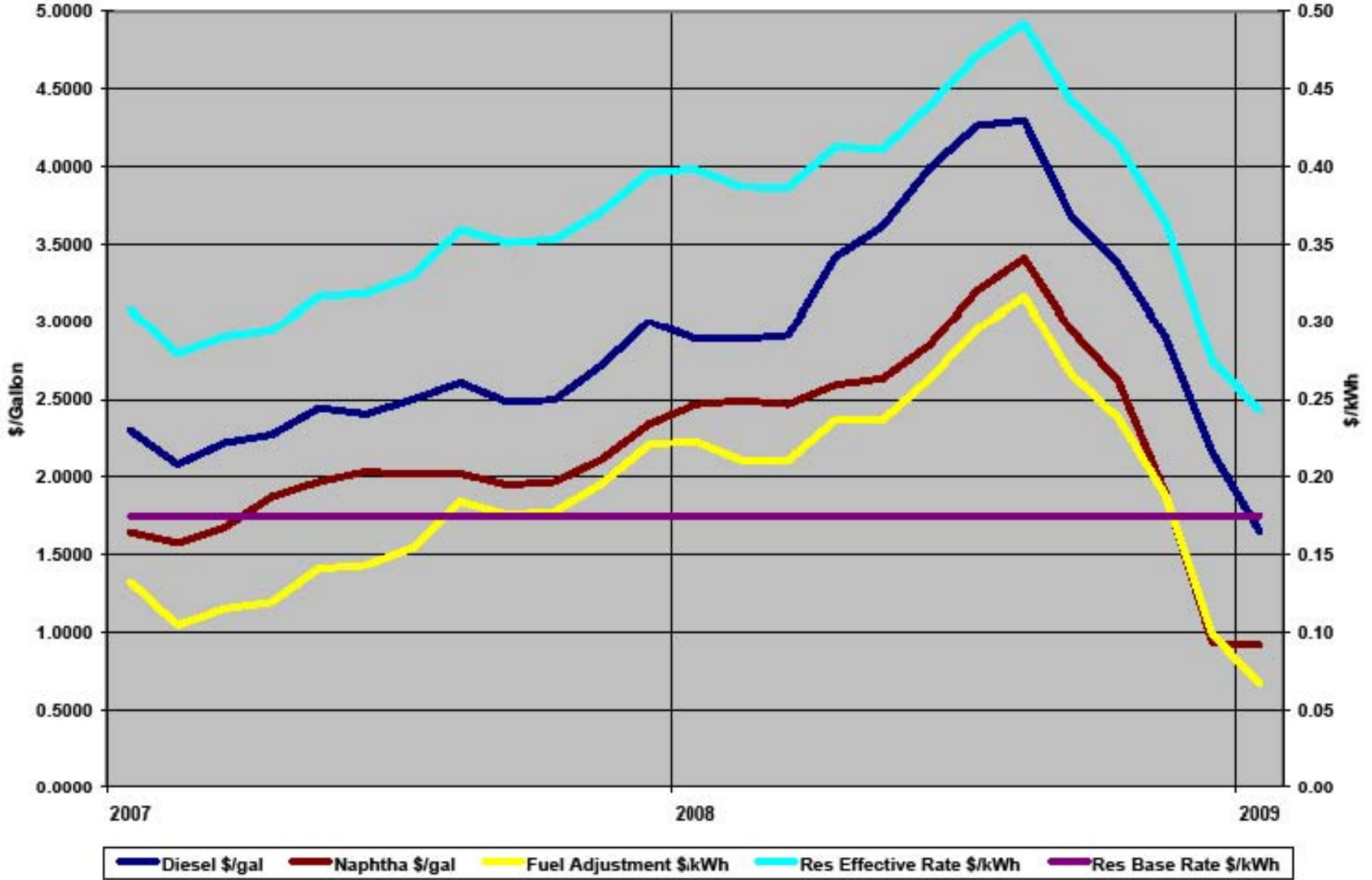
Fuel Prices vs ERAC Rate Timeline



KIUC Fuel & Residential Rates



KIUC Fuel & Residential Rates



RATE DATA SHEET

	BASE RATES EFFECTIVE 01-Nov-08	(1) EFFECTIVE RATES 01-Jan-09
SCHEDULE "D" - RESIDENTIAL		
-Customer charge (per Customer, per month)	\$9.72	\$9.72
-All kWh per month (add to customer charge)	\$0.17489	\$0.24308
-The minimum monthly charge shall be	\$12.16	\$12.16
SCHEDULE "G" - GENERAL LIGHT & POWER SERVICE (Small Commercial): (Not greater than 30 kW demand and 10,000 kWh use per month)		
-Customer charge (per customer, per month)	\$21.89	\$21.89
-All kWh per month (add to customer charge)	\$0.19118	\$0.26186
-The minimum monthly charge shall be	\$24.31	\$24.31
SCHEDULE "J" - GENERAL LIGHT & POWER SERVICE (Large Commercial): (Greater than 30 kW and less than 100 kW demand or 10,000 kWh per month)		
-Customer charge (per customer, per month)	\$36.48	\$36.48
-Demand charge per kW of monthly demand	\$6.08	\$6.08
-Energy charge (added to demand charge)		
-All kWh per month (add to customer charge)	\$0.16031	\$0.23099
-The minimum monthly charge shall not be less than	\$182.37	\$182.37
SCHEDULE "L" - LARGE POWER (Primary) (Demand greater than 100 kW - metered on primary side of meter)		
-Customer charge (per customer, per month)	\$334.35	\$334.35
-Demand charge per kW of monthly demand	\$13.13	\$13.13
-Energy charge (added to demand charge)		
First 400 kWh per kW of billing demand	\$0.14396	\$0.21434
All over 400 kWh per kW of billing demand	\$0.12540	\$0.19608
-Minimum monthly charge: Customer + Demand Charge		
SCHEDULE "P" - LARGE POWER (Secondary) (Demand greater than 100 kW - metered on secondary side of meter)		
-Customer charge (per customer, per month)	\$346.51	\$346.51
-Demand charge per kW of monthly demand	\$10.45	\$10.45
-Energy charge (added to demand charge)		
First 400 kWh per kW of billing demand	\$0.15279	\$0.22347
All over 400 kWh per kW of billing demand	\$0.13324	\$0.20392
-Minimum monthly charge: Customer + Demand Charge		
SCHEDULE "Q" MODIFIED - COGENERATORS		
-Energy credit payment rate to customers (per kWh)	Effective Annual Rate 01-Jan-09 \$0.09630	Prior Month's Rate 01-Dec-08 \$0.11340
SCHEDULE "SL" - STREET LIGHTING (Depending on type of service)		
-All kWh per month (add to fixture charge)	\$0.23339	\$0.30158
-The minimum monthly charge shall be the fixture charge		
-Fixture charge (per fixture-per month multiplied by no. of fixtures)		
HPS 100 W (per fixture-per month)	\$5.74	
HPS 150 W (per fixture-per month)	\$5.74	
HPS 200 W (per fixture-per month)	\$5.95	
HPS 250 W (per fixture-per month)	\$5.95	
HPS 400 W (per fixture-per month)	\$6.20	
ENERGY RATE ADJUSTMENT FACTORS:		
Schedule D, G, J, L, P, SL	\$0.067143	
Schedule "Q" Modified	\$0.017100	
(See rate schedules for additional information)		
MONTHLY EFFECTIVE RATES INCLUDE:		
(1) kWh increase to base energy rates for ENERGY RATE ADJUSTMENT CLAUSE	\$0.067143	
(1) kWh increase to base energy rates for RESOURCE COST SURCHARGE - Schedule D	\$0.001050	
(1) kWh increase to base energy rates for RESOURCE COST SURCHARGE - Schedule G	\$0.003534	
(1) kWh increase to base energy rates for RESOURCE COST SURCHARGE - Schedule J	\$0.003534	
(1) kWh increase to base energy rates for RESOURCE COST SURCHARGE - Schedule L	\$0.003534	
(1) kWh increase to base energy rates for RESOURCE COST SURCHARGE - Schedule P	\$0.003534	
(1) kWh increase to base energy rates for RESOURCE COST SURCHARGE - Schedule SL	\$0.001050	

Mahalo!



RATE DATA SHEET

BASE RATES EFFECTIVE 01-Nov-98	(1) EFFECTIVE RATES 01-Jan-09
--------------------------------------	-------------------------------------

SCHEDULE "D" - RESIDENTIAL

-Customer charge (per Customer, per month)	\$9.72	\$9.72
-All kWh per month (add to customer charge)	\$0.17489	\$0.24308
-The minimum monthly charge shall be	\$12.16	\$12.16

SCHEDULE "G" - GENERAL LIGHT & POWER SERVICE (Small Commercial):

(Not greater than 30 kW demand and 10,000 kWh use per month)

-Customer charge (per customer, per month)	\$21.89	\$21.89
-All kWh per month (add to customer charge)	\$0.19118	\$0.26186
-The minimum monthly charge shall be	\$24.31	\$24.31

SCHEDULE "J" - GENERAL LIGHT & POWER SERVICE (Large Commercial):

(Greater than 30 kW and less than 100 kW demand or 10,000 kWh per month)

-Customer charge (per customer, per month)	\$36.48	\$36.48
-Demand charge per kW of monthly demand	\$6.08	\$6.08
-Energy charge (added to demand charge)		
-All kWh per month (add to customer charge)	\$0.16031	\$0.23099
-The minimum monthly charge shall not be less than	\$182.37	\$182.37

SCHEDULE "L" - LARGE POWER (Primary)

(Demand greater than 100 kW - metered on primary side of meter)

-Customer charge (per customer, per month)	\$334.35	\$334.35
-Demand charge per kW of monthly demand	\$13.13	\$13.13
-Energy charge (added to demand charge)		
First 400 kWh per kW of billing demand	\$0.14366	\$0.21434
All over 400 kWh per kW of billing demand	\$0.12540	\$0.19608
-Minimum monthly charge: Customer + Demand Charge		

SCHEDULE "P" - LARGE POWER (Secondary)

(Demand greater than 100 kW - metered on secondary side of meter)

-Customer charge (per customer, per month)	\$346.51	\$346.51
-Demand charge per kW of monthly demand	\$10.45	\$10.45
-Energy charge (added to demand charge)		
First 400 kWh per kW of billing demand	\$0.15279	\$0.22347
All over 400 kWh per kW of billing demand	\$0.13324	\$0.20392
-Minimum monthly charge: Customer + Demand Charge		

SCHEDULE "Q" MODIFIED - COGENERATORS

-Energy credit payment rate to customers (per kWh)	Effective Annual Rate 01-Jan-09 \$0.09630	Prior Month's Rate 01-Dec-08 \$0.11340
--	---	--

SCHEDULE "SL" - STREET LIGHTING

(Depending on type of service)

-All kWh per month (add to fixture charge)	\$0.23339	\$0.30158
-The minimum monthly charge shall be the fixture charge		

-Fixture charge (per fixture-per month multiplied by no. of fixtures)

HPS 100 W (per fixture-per month)	\$5.74
HPS 150 W (per fixture-per month)	\$5.74
HPS 200 W (per fixture-per month)	\$5.95
HPS 250 W (per fixture-per month)	\$5.95
HPS 400 W (per fixture-per month)	\$6.20

ENERGY RATE ADJUSTMENT FACTORS:

Schedule D, G, J, L, P, SL	\$0.067143
Schedule "Q" Modified	\$0.017100

(See rate schedules for additional information)

MONTHLY EFFECTIVE RATES INCLUDE:

(1) kWh increase to base energy rates for ENERGY RATE ADJUSTMENT CLAUSE	\$0.067143
(1) kWh increase to base energy rates for RESOURCE COST SURCHARGE - Schedule D	\$0.001050
(1) kWh increase to base energy rates for RESOURCE COST SURCHARGE - Schedule G	\$0.003534
(1) kWh increase to base energy rates for RESOURCE COST SURCHARGE - Schedule J	\$0.003534
(1) kWh increase to base energy rates for RESOURCE COST SURCHARGE - Schedule L	\$0.003534
(1) kWh increase to base energy rates for RESOURCE COST SURCHARGE - Schedule P	\$0.003534
(1) kWh increase to base energy rates for RESOURCE COST SURCHARGE - Schedule SL	\$0.001050