

Rate Formula Template



For the 12 months ended 12/31/2016

(A) Line No.	(B)	(C) <u>Reference Worksheet/Note</u>	(D)	(E)	(F) <u>Allocated Amount</u>
<b>A. NETWORK SERVICE</b>					
1	GROSS REVENUE REQUIREMENT	Page 2, line 26, col. (F)			\$ 116,851,990
	REVENUE CREDITS	(Note A)	<u>Total</u>	<u>Allocator</u>	
2	Account No. 454	Line 3, Page 3 of 4	\$ 633,217	1.00000	633,217
3	Account No. 456	Line 7, Page 3 of 4	\$ -	1.00000	-
4	TOTAL REVENUE CREDITS	(sum Line 2 thru Line 3)			\$ 633,217
5	Prior Year True-up	Worksheet K			\$ (26,991,968)
6	NET REVENUE REQUIREMENT	(Line 1 minus Line 4 plus Line 5)			\$ 89,226,806
<b>B. POINT-TO-POINT SERVICE</b>					
7	Rate Divisor: Average of 12 coincident system peaks for Santee Cooper Zone	Worksheet G (Note B)			3,680 MW
8	Annual Point-to-Point Rate in \$/MW - Year	(Line 6 / Line 7)			\$ 24,244.22
9	Monthly Point-to-Point Rate \$/MW - Month	(Line 8 /12)			\$ 2,020.35
10	Weekly Point-to Point Rate in \$/MW - Weekly	(Line 8 /52)			\$ 466.24
11	Daily On-Peak Point-to-Point Rate in \$/MW - Day	(Line 8 /260)			\$ 93.25
12	Daily Off-Peak Point-to-Point Rate in \$/MW - Day	(Line 8 /365)			\$ 66.42
13	Hourly On-Peak Point-to-Point Rate in \$/MW - Hourly	(Line 8 /4160)			\$ 5.83
14	Hourly Off-Peak Point-to-Point Rate in \$/MW - Hourly	(Line 8 /8760)			\$ 2.77

Rate Formula Template



For the 12 months ended 12/31/2016

(A) Line No.	(B)	(C) Reference Worksheet/Note	(D) Santee Cooper Total	(E) Allocator	(F) Transmission (Col D times Col E)
	<b>O&amp;M</b>				
1	Transmission	Worksheet A, 17.D	\$ 33,766,522	100%	\$ 33,766,522
2	Less: Account 561 (Load Dispatching)	Schedule 1, Line 6	3,800,879	100%	3,800,879
3	Less: Account 565 (Transmission By Others)	Worksheet A, 6.D	6,639,328	100%	6,639,328
4	A&G	Worksheet B, 12.D & 12.E	98,005,868	DA on Wksht B	21,352,545
5	Less: FERC Annual Fees		-		-
6	Less: EPRI & Reg. Comm. Exp. & Non-safety Ad	(Note C)	-	100%	-
7	Plus: Transmission Related Reg.Comm. Expense	(Note C)	-	DA	-
9	Transmission Lease Payments		-		-
10	<b>TOTAL O&amp;M</b>	(sum Lines 1, 4, 7, 9 less 2, 3, 5, 6)	\$ 121,332,183		\$ 44,678,860
	<b>DEBT SERVICE</b>				
11	Debt Service	Worksheet C, 9.C & 9.D	\$ 496,643,789		\$ 65,907,373
12	Amortization of premium or discount				
13	<b>TOTAL DEBT SERVICE</b>	(sum Line 11 thru Line 12)			\$ 65,907,373
	<b>TAXES OTHER THAN INCOME TAXES</b>	(Note D)			
	<b>LABOR RELATED</b>				
14	Payroll		\$ -		-
15	Highway and vehicle		-		-
16	<b>PLANT RELATED</b>				
17	Property		\$ -		\$ -
18	Gross Receipts		-		-
19	Other		-		-
20	Payments in lieu of taxes	Worksheet D, 3.E1	24,027,585	DA	3,687,231
21	<b>TOTAL OTHER TAXES</b>	(sum Line 14 thru Line 20)	\$ 24,027,585		\$ 3,687,231
22	<b>SUBTOTAL</b>	(sum Lines 10, 13, 21)			\$ 114,273,464
23	Capital Improvement Fund	9.29% * Line 22 (Note E)			\$ 10,616,005
24	<b>SUBTOTAL - REV. REQUIREMENTS</b>	Line 22 plus Line 23			\$ 124,889,469
25	Factor to remove stepdown transformer, Stepup Transformers, and Radials	Worksheet J (Note F)			93.6%
26	<b>REVENUE REQUIREMENTS</b>	Line 24 multiplied by Line 25			\$ 116,851,990

Rate Formula Template

Attachment H-1

Page 3 of 4

For the 12 months ended 12/31/2016



(A) Line No.	(B)	(C)	(D)
	<b>SUPPORTING CALCULATIONS AND NOTES</b>		<b>Amount</b>
	<b>REVENUE CREDITS</b>		
	<b><u>ACCOUNT 454 (RENT FROM ELECTRIC PROPERTY)</u></b>		
		(Note G)	
1	454 Total	Worksheet E, 1.D	\$ 3,442,094
2	Less: Rent related to All Other	Worksheet E, 1.F	2,808,877
3	Rent for Transmission Facilities	(Line 1 minus Line 2)	<u>\$ 633,217</u>
	<b><u>ACCOUNT 456 (OTHER ELECTRIC REVENUES)</u></b>		
4	Total 456 Revenue	Worksheet F, 1.D	\$ 10,153,102
5	Less: Revenue related to All Other	Worksheet F, 1.F	-
6	Less: Revenue related to Schedule 1	Worksheet F, 1.E	10,153,102
7	Total - Included as Revenue Credit on pg 1	(Line 4 minus Lines 5 & 6)	<u>\$ -</u>



For the 12 months ended 12/31/2016

**Assumptions:**

Note  
Letter

- A The revenue credits shall include a) amounts received for PTP transmission services, b) direct assignment charges for transmission facilities, the cost of which has been included in revenue requirements, and c) amounts from customers taking transmission service where the demand is not included in the rate divisor. Revenues associated with FERC annual charges, gross receipts taxes, ancillary services or facilities excluded from revenue requirements are not included as revenue credits. Revenues from Transmission Customers whose coincident peak loads are included in the rate divisor are not included as revenue credits.
- B Network transmission for firm wholesale and retail service sinking on Santee Cooper's transmission system, plus long-term point-to-point capacity reservations
- C Line 6 - Includes payments made to EPRI that constitute annual membership dues (Account 930.2), all Regulatory Commission Expenses (Account 928), and amounts posted to an A & G account for non-safety related advertising (Account 930.1). Line 7 - Regulatory Commission Expenses (Account 928) directly related to transmission service, RTO filings, or transmission siting.
- D Labor related taxes (e.g. FICA, unemployment taxes) are included, along with base salary, in appropriate FERC O&M or A&G account when charged. Applicable highway and vehicle related taxes are also included in the appropriate FERC O&M or A&G account when charged. Plant related taxes such as property, gross receipts, and other assessments are charged directly in the current year. Taxes related to income are excluded. Gross receipts taxes are not included in transmission revenue requirement in the Rate Formula Template, since they are recovered elsewhere.
- E Construction Fund replaces the Margin Requirement and is the margin the utility uses in calculating rates applicable to its native load sales.
- F Removes dollar amount of transmission plant related to stepdown transformation facilities that are excluded from transmission facilities under the OATT.
- G Includes income related only to transmission facilities, such as pole attachments, rentals and special use.

## Attachment H-1

**Schedule 1 Revenue Requirements**

For the 12 months ended 12/31/2016



Line No.		<u>Reference Worksheet/Note</u>	<b>Annual Revenue Requirement</b>
<b>A. <u>Schedule 1 ARR</u></b>			
1	Total Load Dispatch & Scheduling (Account 561)	Worksheet A, 2.D	\$ 3,800,879
2	Less: Load Dispatch - Scheduling, System Control and Dispatch Service (FERC 561.4)		-
3	Less: Load Dispatch - Transmission Service Studies (FERC 561.6)		-
4	Less: Load Dispatch - Generation Interconnection Studies (FERC 561.7)		-
5	Less: Load Dispatch - Reliability, Planning & Standards Development Services (FERC 561.8)		-
6	Subtotal	(Line 1 - (Line 2 thru Line 5))	\$ 3,800,879
7	Less: Revenue Credit for transmission service not included in the divisor	Worksheet F, 14.F	-
8	Prior Year True-up	Worksheet K	292,710
9	<b>Net Schedule 1 Revenue Requirement for Zone</b>		<b>\$ 4,093,589</b>
<b>B. <u>Schedule 1 Rate Calculations</u></b>			
	Rate Divisor: Average of 12 coincident system peaks for Santee Cooper		
10	Zone	Worksheet G (Note B)	3,680.333 MW
11	Annual Point-to-Point Rate in \$/MW - Year	(Line 9 / Line 10)	\$ 1,112.29
12	Monthly Point-to-Point Rate in \$/MW - Month	(Line 11 / 12)	\$ 92.69
13	Weekly Point-to-Point Rate in \$/MW - Weekly	(Line 11 / 52)	\$ 21.39
14	Daily Point-to-Point Rate in \$/MW - Day	(Line 11 / 260)	\$ 4.28
15	Hourly Point-to-Point Rate in \$/MW - Hour	(Line 11 / 4,160)	\$ 0.27

**Worksheet A - Transmission O&M Expenses**

For the 12 months ended 12/31/2016



(A) Line No.	(B) Account No.	(C) Description	(D) Total
		<u>Operation Expense</u>	
1	560	Operation Supervision & Eng-Trans	\$ 2,798,446
2	561	Load Dispatching-Transmission	3,800,879
2a	561.1	Load Dispatch-Reliability	-
2b	561.2	Load Dispatch-Monitor and Operate Transmission System	-
2c	561.3	Load Dispatch-Transmission Service and Scheduling	-
2d	561.4	Scheduling, System Control and Dispatch Services	-
2e	561.5	Reliability Planning and Standards Development	-
2f	561.6	Transmission Service Studies	-
2g	561.7	Generation Interconnection Studies	-
2h	561.8	Reliability Planning and Standards Development Services	-
3	562	Station Expenses - Transmission	1,045,071
4	563	Overhead Line Expenses - Transmission	1,241,437
5	564	Underground Line Expenses - Transmission	3,608
6	565	Transmission By Others	6,639,328
7	566	Misc Transmission Expenses	8,975,691
8	567	Rents - Transmission	11,411
9		Total Transmisison Operation Exp	\$ 24,515,871
		<u>Maintenance Expense</u>	
10	568	Maintenance Supr & Eng-Trans	\$ 374,555
11	569	Maintenance of Structures - Transmission (including Computer Hardware/Software, Comm. Equip., & Misc. Regional Trans. Plant)	\$ 591,574
12	570	Maintenance of Station Equipment - Trans	\$ 1,630,206
13	571	Maintenance of Overhead Lines - Transmission	8,244,542
14	572	Maintenance of Underground Lines - Trans	(391,395)
15	573	Maintenance of Misc Transmission Plant	(1,198,831)
16		Total Transmission Maintenance Exp	\$ 9,250,651
17		Total Transmission O&M	\$ 33,766,522
18	Sch 7, L8	Form EAI-412 balance	\$33,766,521
		Variance	\$1.00 rounding

## Worksheet B - Administrative &amp; General (A&amp;G) Expenses

For the 12 months ended 12/31/2016



(A) Line No.	(B) Account No.	(C) Description	(D) Total	(E) Transmission	(F) All Other
1	920	A&G Salaries	\$ 47,585,364	\$ 10,367,426	\$ 37,217,938
2	921	Office Supplies & Exp	\$ 18,021,617	\$ 3,926,371	\$ 14,095,246
3	922	A&G Expense Transferred	\$ (947,441)	\$ (206,419)	\$ (741,022)
4	923	Outside Services Employed	\$ 99,832	\$ 21,750	\$ 78,082
5	924	Property Insurance	\$ 5,485,182	\$ 1,195,057	\$ 4,290,125
6	925	Injuries & Damages	\$ 4,374,218	\$ 953,011	\$ 3,421,207
7	926	Employee Pension/Benefits	\$ 82,303,930	\$ 17,931,563	\$ 64,372,367
8	929	Pensions/Benefits Transferred	\$ (73,534,381)	\$ (16,020,940)	\$ (57,513,441)
9	930	Misc General	\$ 10,588,598	\$ 2,306,939	\$ 8,281,659
10	931	Rents	\$ 45,170	\$ 9,841	\$ 35,329
11	935	Maintenance of General Plant	\$ 3,983,779	\$ 867,946	\$ 3,115,833
12		Total	\$ 98,005,868	\$ 21,352,545	\$ 76,653,323
13		Percentage		21.79%	
14	Sch 7, L 13	Form EAI-412 balance	\$ 98,005,867		
		Balance Check	\$ 1		
From AFT - Worksheet A		Production Wages Expense		\$ 63,566,560	
		Transmission Wages Expense		\$ 23,727,606	
		Distribution Wages Expense		\$ 10,956,517	
		Customer Accounts Wages Expense		\$ 10,027,837	
		Sales Wages Expense		\$ 628,622	
		Total Wages Expense Net of A&G Wages Expense		\$ 108,907,141	
		Transmission Allocator		21.79%	

**Worksheet C - Debt Service**

For the 12 months ended 12/31/2016



(A) Line No.	(B) Description	(C) Total	(D) Transmission	(E) All Other	(F) Description/Allocation Basis
1	Principal Payments on Long Term Debt	\$ 119,617,333	\$ 21,292,295	\$ 98,325,038	
2	Principal Payments on Short Term Debt	20,395,000	\$ 3,630,380	\$ 16,764,620	
3	Interest on Long Term Debt	239,148,034	\$ 42,569,169	\$ 196,578,865	
4	Other Interest Expense	3,350,554	\$ 596,410	\$ 2,754,144	
5	Other Debt Service Adjustments	-	-	\$ -	Includes other debt service adjustments associated with prior debt issues, capitalized leases and other misc debt issues. Transmission's share of other debt service adjustments is through direct assignment.
6	Capitalized Interest	126,384,771	-	\$ 126,384,771	Long-term debt interest expense posted for GAAP purposes, but backed out in current year for rate making purposes as amounts are not paid in current year but built into future debt service payments. See Note A for further details.
7	Subtotal Debt Service	\$ 508,895,692	\$ 68,088,253	\$ 440,807,439	
8	Less: Interest Income & Other Revenues	(12,251,903)	\$ (2,180,881)	(10,071,022)	Interest income is derived from investments in the revenue and debt service funds. Transmission's share of interest income is the allocable share of how each of these funds are ultimately used (revenue fund used to pay expenses; debt service funds used to pay debt).
9	Total Debt Service (Net)	\$ 496,643,789	\$ 65,907,373	\$ 430,736,416	

Note A: Annual principal and interest payments for long-term and short-term debt are based on debt service schedules. Transmission's allocated share of debt is based on the percentage of net book value for Transmission's utility plant over the total net book value of Santee Cooper's utility plant.



**Worksheet D - Taxes Other Than Income Taxes**

For the 12 months ended 12/31/2016



(A) Line No.	(B) Account No.	(C) Description	(D) Total	(E) Transmission	(F) All Other	(G) Allocation Basis
1	4081	In Lieu of Taxes				
		Land Rental (3)	\$ 105,163	\$ 18,719	\$ 86,443	Net Plant
1a		Generation Expense (4)	\$ 3,313,200	\$ -	\$ 3,313,200	100% Production
1b		kWh Sales (5)	\$ 1,327,375	\$ 236,277	\$ 1,091,098	Net Plant
1c		Sums in Lieu of Property Taxes (1)	\$ 95,871	\$ 17,065	\$ 78,806	Net Plant
1d		Additional Sums in Lieu (2)	\$ 32,744	\$ 5,829	\$ 26,915	Net Plant
2	4081	Sales Tax on Authority Use of Electricity	\$ 46,232	\$ 8,229	\$ 38,002	100% Production
3	R/E	Payment to the State from Ret. Earnings	\$ 19,107,000	\$ 3,401,111	\$ 15,705,889	
			\$ -	\$ -	\$ -	
4		<b>Total - Taxes Other Than Income Taxes</b>	<b>\$ 24,027,585</b>	<b>\$ 3,687,231</b>	<b>\$ 20,340,353</b>	

Explanation of Sums in Lieu of Taxes

The South Carolina Public Service Authority was created to benefit all people of the State and as a corporation completely owned by the state was required to pay no taxes except:

- 1) After payment of operating expense and debt service, the Authority shall pay annually to the various counties, municipalities and school districts a sum of money equivalent to the amount paid for taxes on properties at the time of acquisition.
- 2) After payment to the General Fund of the State, the Authority shall pay annually to the counties of Orangeburg, Calhoun, Sumter, Berkeley, Horry and Georgetown and school districts therein additional sums in lieu of taxes on lands acquired prior to 1950 in amounts equivalent to that paid in 1964 for sums in lieu of taxes.
- 3) To each county the Authority pays 10 percent of land rentals received on property within the county.
- 4) The Authority pays an amount equal to 15 percent of the amount paid to the General Fund of the State among the counties where generating facilities are located. This amount is prorated on the proportion of generating capacity located in each county to the total generation of the Authority.
- 5) The Authority pays the counties of Berkeley, Horry and Georgetown an amount equal to 10 percent of the amount paid into the General Fund of the State. This amount is allocated to each county based on the portion of kilowatt hour sales each county bears to the total kilowatt hour sales for the three counties.
- 6) The Board of Directors has authorized payments to those municipalities in which it has been granted franchise rights. The rate of payment is based on sales, and the rate changed, effective May 1, 1983, to 3 percent of total sales in the municipality.

EIA412 Schedule 5, L3  
Variance

\$ 4,920,585  
19,107,000 Payment to the State from Retained Earnings

**Worksheet E - Rent from Electric Property**

For the 12 months ended 12/31/2016



(A) Line No.	(B) Account No.	(C) Description	(D) Total	(E) Transmission	(F) All Other	(G) Allocation Basis
1	454	Rent from Electric Property				
2		Pole Attachments	\$ 704,410	-	704,410	0%
3		Facilities and Equipment Rentals				
3a		General	210,759	37,516	173,243	W&S, Wkst L.16F
3b		Transmission	\$ 410,069	410,069	-	100%
3c		Distribution	\$ 847,455	-	847,455	0%
4		Agricultural Leases	\$ -	-	-	0%
5		Land Leases	\$ 1,269,401	185,632	1,083,769	0%
			\$ -	-	-	
		<b>Total</b>	<b>\$ 3,442,094</b>	<b>\$ 633,217</b>	<b>\$ 2,808,877</b>	

**Worksheet F - Other Electric Revenues**

For the 12 months ended 12/31/2016



(A) Line No.	(B) Account No.	(C) Description	(D) Total	(E) Transmission	(F) Schedule 1	(G) All Other
	456	Other Electric Revenues				
1		Sale of Metering Data	\$19,420	\$ -		\$19,420
2		Sale of Flyash	\$668,389	\$ -		\$668,389
2a		Grainger Inventory Items	(\$32,922)	\$ -		(\$32,922)
3		Reproduction - Freedom of Information Act	\$0	\$ -		\$0
4		Overton Recreational Park Admissions and Rentals	\$11,682	\$ -		\$11,682
5		Old Santee Canal Park Admissions, Rentals, and Sales of Merchandise	\$55,938	\$ -		\$55,938
6		Credit Adjustment Bureau Collection Fees	\$ (58)	\$ -		(\$58)
7		Billable / Reimbursable Projects	\$521,215	\$ -		\$521,215
8		Miscellaneous & Various	\$18,889	\$ -		\$18,889
9		Green Power	\$623,211	\$ -		\$623,211
10		Green Tags	\$7,206	\$ -		\$7,206
11		Sale of Gypsum	\$4,673,601	\$ -		\$4,673,601
12		International Paper Coal Handling	\$30,635	\$ -		\$30,635
13		Sale of Timber	\$573,914	\$ -		\$573,914
14		Schedule 1 revenues for transmission service not included in the divisor	\$0		\$ -	\$0
15		Wheeling & Transmission Services:		\$ -		
15a		Transmission Usage R202	\$41,057	\$ 41,057		\$0
15b		Transmission Ancillary R203 Except Line 14	\$2,940,925	\$ 2,940,925		\$0
			\$ -			
Total Revenues Adjusted from Acct. 456 (Line 1 thru Line 13)			\$ 10,153,102	\$ 2,981,982	\$ -	\$ 7,171,120

**Worksheet G - Network Load**

For the 12 months ended 12/31/2016

Based on Santee Cooper Monthly Transmission System Firm Peak Demands for 12-Months Actual Loads



Line No.	Peak Day Peak Hour	01/19/16	02/14/16	03/22/16	04/29/16	05/26/16	06/16/16	07/28/16	08/15/16	09/09/16	10/19/16	11/21/16	12/10/16	12 Month Total	
		9 AM	10 AM	8 AM	5 PM	5 PM	5 PM	5 PM	5 PM	5 PM	4 PM	5 PM	8 AM	8 AM	
	<b>Average</b>														
	<b>12-month</b>														
1	Santee Cooper	1,393	1,368	1,462	1,243	1,252	1,342	1,555	1,637	1,542	1,409	1,281	1,273	1,348	16,712
2	Central	2,253	2,789	2,516	1,878	1,838	1,918	2,431	2,590	2,489	2,238	1,759	2,147	2,440	27,033
3	Georgetown	21	27	23	14	17	18	24	27	25	22	16	16	19	248
4	Bamberg	9	10	8	7	8	8	10	11	10	10	8	8	8	106
5	SCE&G (Shipyard)	5	25	-	-	20	-	-	-	-	20	-	-	-	65
6		0													-
7		0													-
	<b>Total</b>	<b>3,680</b>	<b>4,219</b>	<b>4,009</b>	<b>3,142</b>	<b>3,135</b>	<b>3,286</b>	<b>4,020</b>	<b>4,265</b>	<b>4,066</b>	<b>3,699</b>	<b>3,064</b>	<b>3,444</b>	<b>3,815</b>	<b>44,164</b>

**Worksheet J - Factor to Remove Stepdown Transformers, Stepup Transformers and Radial Lines**

For the 12 months ended 12/31/2016



Line #	FERC Plant Code	Transmission Assets - 12/31/2016	Stepdown Plant	Stepup Transformers	Radial Lines	Total
1	350T	Trans-Land & Land Rights	\$ -	-	5,069,475	\$ 5,069,475
2	351T	Trans-[Reserved]	-	-	-	\$ -
3	352T	Trans-Structures & Improvement	-	-	2,417	\$ 2,417
4	353T	Trans-Station Equipment	4,415,017	6,041,195	31,474	\$ 10,487,686
5	354T	Trans-Towers & Fixtures	-	-	8,511	\$ 8,511
6	355T	Trans-Poles & Fixtures	-	-	35,369,940	\$ 35,369,940
7	356T	Trans-Overhd Conductor/Devices	-	-	28,679,046	\$ 28,679,046
8	357T	Trans-Underground Conduit	-	-	-	\$ -
9		Total - Transmission Assets (Line 1 thru Line 8)	\$ 4,415,017	\$ 6,041,195	\$ 69,160,864	\$ 79,617,076
10	Wksht D	Total - Transmission Assets (Line 9 minus Line 11)	<u>\$ 1,237,121,056</u>			
11	Total Line 9	Non-Qualifying Transmission Assets	<u>\$ 79,617,076</u>			
12		Qualifying Transmission Assets (Line 10 minus Line 11)	<u>\$1,157,503,980</u>			
13		% of Qualifying Transmission Assets (Line 12 divided by Line 10)	<u>93.6%</u>			

**Worksheet K - Prior Year True-up**

For the 12 months ended 12/31/2016

**Timeline**

Step	Month	Year	Action
1	Sept	Year 0	Santee Cooper populates the formula rate using projected costs for Year 1
2	Sept	Year 0	Post results of Step 1
3	Jan	Year 1	Results of Step 2 go into effect.
4	Sept	Year 1	Santee Cooper populates the formula rate using projected costs for Year 2
5	Sept	Year 1	Post results of Step 4
6	Jan	Year 2	Results of Step 5 go into effect.
7	Jun	Year 2	Santee Cooper populates the formula rate using actual costs and divisor billing units for Year 1
8	Jun	Year 2	Calculate the difference between the Actual Revenue Requirements per the formula rate calculated in Step 7 and Actual Revenues (Note A)
9	Jun	Year 2	Post results from Step 7 and Step 8
10	Sept	Year 2	Santee Cooper populates the formula rate using projected costs for Year 3, including true-up adjustment for Year 1
11	Sept	Year 2	Post results of Step 10

**Reconciliation details**

		<b>Transmission</b>	<b>Schedule 1</b>	<b>Total</b>
12	Actual Revenue Requirements from Step 7	\$89,981,117	\$4,085,730	\$94,066,847
13	Actual Revenues (Note A)	116,248,378	3,800,879	120,049,257
14	True-up Amount (before interest)	\$ (26,267,261)	\$ 284,851	\$ (25,982,410)
				\$ (25,982,410)

**Interest Calculation (Note D)**

<b>Short term Interest Rate</b>														
15	Other Interest Exp.(Acct. 431)	\$ 3,350,554												
16	Notes Payable (Acct. 231) Average Daily Balance for 2013 (Note B)	242,884,150												
17	No. of Days (enter 1-365)	365												
18	Annual Short-term Int Rate (line 15 / line 16 * line 17)	1.37949%												
19	Interest Rate per 18 C.F.R. 35.19a	3.50% <a href="http://www.ferc.gov/enforcement/acct-matts/interest-rates.asp">http://www.ferc.gov/enforcement/acct-matts/interest-rates.asp</a>												
		<table border="1"> <tr> <td>Fourth Quarter 2016</td> <td>3.50%</td> <td>Dec .0030</td> <td>.0029</td> </tr> <tr> <td></td> <td></td> <td>Nov .0029</td> <td></td> </tr> </table>	Fourth Quarter 2016	3.50%	Dec .0030	.0029			Nov .0029					
Fourth Quarter 2016	3.50%	Dec .0030	.0029											
		Nov .0029												
20	<b>Applicable Interest Rate for True-Up (minimum of lines 18 and 19)</b>	<b>1.37949%</b>												
		<table border="1"> <thead> <tr> <th>Zonal ATRR</th> <th>Schedule 1</th> <th>Total</th> </tr> </thead> <tbody> <tr> <td>\$ (26,267,261)</td> <td>\$ 284,851</td> <td>\$ (25,982,410)</td> </tr> <tr> <td>0.02759</td> <td>0.02759</td> <td>0.02759</td> </tr> <tr> <td><b>\$ (26,991,968)</b></td> <td><b>\$ 292,710</b></td> <td><b>\$ (26,699,258)</b></td> </tr> </tbody> </table>	Zonal ATRR	Schedule 1	Total	\$ (26,267,261)	\$ 284,851	\$ (25,982,410)	0.02759	0.02759	0.02759	<b>\$ (26,991,968)</b>	<b>\$ 292,710</b>	<b>\$ (26,699,258)</b>
Zonal ATRR	Schedule 1	Total												
\$ (26,267,261)	\$ 284,851	\$ (25,982,410)												
0.02759	0.02759	0.02759												
<b>\$ (26,991,968)</b>	<b>\$ 292,710</b>	<b>\$ (26,699,258)</b>												
21	True-Up Amount (line 14)													
22	Interest on True-up Amount [(Applicable Interest Rate / 12 months]*24 months]													
23	<b>True-up Adjustment (Note C)</b>													

- Notes:
- A For Zonal ATRR and Schedule 1, Santee Cooper to calculate Actual Revenues by applying the Year 1 rates from Step 3 to the actual loads included in the divisor for Year 1 in Step 7.
  - B Sum of the daily short-term borrowings is supplied from the Finance Department.
  - C The amounts shown are for a full 12 month year, if the year is a partial year, divide the resultant True-Up amount by 12 and multiply by the months in the partial year.
  - D Rate to be based on Jan-July actual data for current year.

**Worksheet L - Utility Plant Net Book Value by Function**  
 For the 12 months ended 12/31/2016



Line #	Description	(A) Gross Book Value	(B) Accumulated Depreciation	(C) Net Book Value	(D) Net Book Value % to Total	(E) Gross Book Value % to Total
<b>101 &amp; 106 Electric Plant</b>						
1	Intangible Plant	\$ 78,378,176	\$ 67,986,486	10,391,690	0.27%	1.08%
<b>Production Plant</b>						
2	Steam *	\$ 3,545,566,106	1,508,255,054	2,037,311,052	53.17%	49.04%
3	Nuclear	\$ 556,994,852	341,722,269	215,272,583	5.62%	7.70%
4	Hydro	\$ 115,769,576	67,046,567	48,723,009	1.27%	1.60%
5	Other	\$ 535,550,586	284,992,938	250,557,648	6.54%	7.41%
6	Total Production Plant	\$ 4,753,881,120	2,202,016,828	2,551,864,292	66.60%	65.76%
7	<b>Transmission Plant</b>	\$ 1,237,121,056	555,073,111	682,047,945	17.80%	17.11%
8	<b>Distribution Plant</b>	\$ 733,032,060	354,247,841	378,784,219	9.89%	10.14%
9	<b>General Plant</b>	\$ 395,987,807	216,056,688	179,931,119	4.70%	5.48%
10	<b>Total 101 &amp; 106 Electric Plant</b>	\$ 7,198,400,218	3,395,380,954	3,803,019,264	99.25%	99.57%
<b>105 Electric Plant Held for Future Use</b>						
11	Intangible Plant	\$ 3,086,094	2,380,054	706,040	0.02%	0.04%
12	Steam Production-Land Rights	\$ 27,931,028	-	27,931,027.53	0.73%	0.39%
13	<b>Total 105 Plant Held for Future Use</b>	\$ 31,017,122	2,380,054	28,637,068	0.75%	0.43%
14	<b>Total Depreciable Electric Plant</b>	\$ 7,229,417,340	3,397,761,008	3,831,656,332	100.00%	100.00%

\*Includes Coal Cars

(A) Gross Book Value Source: Santee Cooper Estimated Net Book Value of Generation Facilities for Year-ending, Estimated Book Value and Plant Account Balances (Transmission, Distribution, General Plant, 1050)

(B) Accumulated Depreciation Source: Asset Accounting, Depreciation Schedule for Year-to-Date ending

	Gross	Net
Generation Book Value Total	\$ 4,753,881,121	\$ 2,551,864,293
Total Production Plant	\$ 4,753,881,120	\$ 2,551,864,292
	\$ 1 rounding	\$ 1

Depreciation Schedule YTD 12/31/16  
 (for Net Book Value) \$ 3,402,372,350  
 Balance Check/Variance 4,611,342

Fully depreciated assets at JGS, GGS & Hilton Head

As with other rate models within Santee Cooper, we are using Net Book Value of Assets for values.