

Santee Cooper's 2017 Formula Rate Transmission Tariff

presented via WebEx
May 26, 2017

Net Revenue Requirement and 12 month average Coincidental Peak

Year	Net Revenue Requirement	12 Month Avg Transmission Coincidental Peak
2013	\$ 89,085,044	3,890 MW
2014	\$ 88,917,953	3,864 MW
2015	\$ 90,524,816	3,864 MW
2016	\$ 89,981,117	3,957 MW
2017	\$ 89,266,806	3,680 MW

Transmission Rate Comparison

Rate Type		2013	2014	2015	2016	2017
Annual		\$22,901.04	\$23,011.89	\$23,427.75	\$22,739.73	\$24,244.22
Monthly		\$1,908.42	\$1,917.66	\$1,952.31	\$1,894.98	\$2,020.35
Weekly		\$440.40	\$442.54	\$450.53	\$437.30	\$466.24
Daily On Peak		\$88.08	\$88.51	\$90.11	\$87.46	\$93.25
Daily Off Peak		\$62.74	\$63.05	\$64.19	\$62.30	\$66.42
Hourly On Peak		\$5.51	\$5.53	\$5.63	\$5.47	\$5.83
Hourly Off Peak		\$2.61	\$2.63	\$2.67	\$2.60	\$2.77
On Peak Days	Monday-Saturday	On Peak Hours		7 AM-11 PM (EPT)		
Off Peak Days	Sunday & NERC Defined Holidays	Off Peak Hours		0-7 AM and 11-12 PM (EPT)		

Schedule 1 requirement

- Prior to July 2012, Schedule 1 costs were included in the transmission rate. With the formula rate template, Schedule 1 costs are now unbundled from the transmission rate. Going forward, Schedule 1 rates will be added to all transmission reservations on the Santee Cooper system.
- **Beginning midnight EPT on May 1, 2013** the prices on all TSRs *include* the schedule 7 and 8 transmission rate, Schedule 1 Scheduling, System Control and Dispatch Service rates, as well as the Schedule 2 Reactive Supply and Voltage Control rate

Schedule 2 reminder

- Santee Cooper will continue to charge Schedule 2 rates on delivery, not reservation

Schedule 1 System Control and Dispatch Service rates

Scheduling, System Control and Dispatch Service	2014 Schedule 1 Rate	2015 Schedule 1 Rate	2016 Schedule 1 Rate	2017 Schedule 1 Rate
Annual	\$1,056.60	\$1,056.60	\$1,032.53	\$1,112.29
Monthly	\$88.05	\$88.05	\$86.04	\$92.69
Weekly	\$23.32	\$23.32	\$19.86	\$21.39
Daily	\$4.06	\$4.06	\$3.97	\$4.28
Hourly	\$0.25	\$0.25	\$0.25	\$0.27

Rates are in \$/MW reserved for the stated time interval (e.g. Annual is the cost associated with reserving 1 MW for 1 year)

2016 Schedule 2 costs

Reactive Supply and Voltage Control	Schedule 2
Annual	\$2,645.11
Monthly	\$220.43
Weekly	\$50.87
Daily On-Peak	\$10.17
Daily Off-Peak	\$10.17
Hourly On-Peak	\$0.64
Hourly Off-Peak	\$0.64

Rates are in \$/MW reserved for the stated time interval (e.g. Annual is the cost associated with reserving 1 MW for 1 year)

TSR example

- PSE reserves **10 MW** non-firm hourly on peak:
 - 3 price components, schedule 8 rate, schedule 1 rate, and schedule 2 rate
 - 10 MW X (\$5.83 +.27 +.64) = \$67.40
- PSE reserves **100 MW** firm monthly:
 - 3 price components, schedule 7 rate, schedule 1 rate, and schedule 2 rate
 - 100 MW X (\$2020.35 + \$92.69 + \$220.43) = \$233,347

Monthly Network Billing Example

- 2017 Net Revenue Requirement
 - \$ 89,266,800
 - Annually
 - Monthly $\$89,266,800/12 = \$7,438,900$
- Transmission Peak for month A
 - 3,680 MWs
- Customer Load @ TP
 - 10 MWs
- Customer Billing for month A
 - $(10/3680) \times \$7,438,900 = \$20,214.40$ Ntwk transmission costs
 - $10 \times \$92.69$ (Schedule 1) = \$926.90
 - $10 \times \$220.23$ (Schedule 2) = \$2,202.30
 - Total Network Cost for Month A = \$23,343.60

Transmission facilities added in 2016

Project Title	In Service Date	Project Costs
Pringletown 115 kV Switching Station	December 2016	\$5.87 M
Burke Road – Orangeburg 230 kV Line	May 2016	\$18.76 M

Contacts for Questions

- Transmission Customers can submit questions via e-mail to Diana Scott dbscott@santeecooper.com; or Randy Myers rgmyers@santeecooper.com.
- Written comments or questions must be submitted no later than September 30, 2017.
- Santee Cooper will use its best efforts to respond within 10 business days.
- All questions and answers will be posted to OASIS.
- A copy of this presentation will be posted on the Santee Cooper OASIS site after this meeting.