

May 16, 2022

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LA Public Service Commission

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May 16, 2022

SUPPORTING DOCUMENTS

**ATTACHMENT B: CTIER AND CDSC FORMULAS: EXHIBIT AND ADJUSTMENTS,
NON-RECURRING ITEMS**

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EXHIBIT 1 – LINE 19, OTHER DEDUCTIONS - INTEREST ON SHORT TERM LOC,
OTHER DEDUCTIONS - ALL OTHER

MAY 16 2022

EXHIBIT 2 - PRINCIPAL PAYMENTS ON LONG-TERM DEBT

LA Public Service Commission

ADJUSTMENTS, NON-RECURRING ITEMS:

ATCH. B ADJ. #	ADJUSTMENT DESCRIPTION
A-1	Revenues net of power cost adjustments: January 2021 adjusted to reflect rate increase implemented February 2021 (Order U35359)
A-2	2017 COX PSC settlement (carry over from prior year FRP filings, LPSC ORDER NO. U-33063-A)
A-3	Disconnect fee revenues not billed in 2021 for 4+ months due to system conversion
A-4	Leave & sick deferral - remove one-time O&M expense adjustment in 2021 to address accounting for accumulated accrued vacation and sick leave
A-5	Storm - labor, benefits, and maintenance expenses not incurred in 2021 due to re-directing maintenance work to capital work during storm restoration for Hurricane Ida
A-6	Winter Storm Uri – estimated storm restoration costs expensed in 2021 not recoverable through FEMA claim
A-7	Bad Debt Expense – one-time deferral in 2021; ramped up expense accrual in 2020 due to pandemic, pulled back estimates in 2021 to address over-accrual, expect 2022 to be back to normal levels
A-8	Computer conversion expenses related to 2021 National Information Solutions Cooperative (NISC) system implementation June, 2021
A-9	Sales Tax Refund Accounts Receivable – one-time adjustment to reduce estimated receivable
A-10	Storm - 2021 interest expense incurred for lines of credit borrowings used to fund storm costs prior to any FEMA reimbursements for Hurricane Delta, Winter Storm Uri

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ATCH. B ADJ. #	ADJUSTMENT DESCRIPTION
A-11	NISC Conversion adjustment - Cash, reconcile to bank statement
A-12	No one-time adjustment requested for revenues, due to 2021 total overall revenue not being significantly different than prior years

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ATTACHMENT C: CALCULATIONS – RATEMAKING ADJUSTMENTS: EXHIBITS

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EXHIBITS:

ATCH. C REF #	Description	EXHIBIT #
	RUS FORM 7 – STATEMENT OF OPERATIONS, 2021	EXHIBIT 1
	TRIAL BALANCE BY MONTH, 2021	EXHIBIT 2
	COMPARATIVE BALANCE SHEET & INCOME STATEMENT, 2021 AND 2020	EXHIBIT 3
1-A	ANNUALIZED LONG-TERM DEBT INTEREST EXPENSE	EXHIBIT 4
1-B	ANNUALIZED INTEREST CHARGED TO CONSTRUCTION	EXHIBIT 5
1-C	ANNUALIZED SHORT-TERM DEBT INTEREST EXPENSE	EXHIBIT 6
2	ANNUALIZED DEPRECIATION EXPENSE	EXHIBIT 7
3	ANNUALIZED PROPERTY TAX EXPENSE: PROPERTY TAXES PAID FOR 2020	EXHIBIT 8-A
	ANNUALIZED PROPERTY TAX EXPENSE TOTAL UTILITY PLANT @ 12/31/2021	EXHIBIT 8-B
	ANNUALIZED PROPERTY TAX EXPENSE: TOTAL UTILITY PLANT @ 12/31/2021, ADJUSTED TO REMOVE HURRICANE CWIP AMOUNTS	EXHIBIT 8-C
4	ANNUALIZED INTEREST INCOME	EXHIBIT 9
5	ANNUALIZED FRANCHISE TAX	EXHIBIT 10
9	POLITICAL CONTRIBUTIONS AND LOBBYING ACTIVITIES	EXHIBIT 11
10	YOUTH TOUR EXPENSES	EXHIBIT 12

May 16, 2022

ATTACHMENT D: RIDER FRP REVENUE REDETERMINATION FORMULA

EXHIBIT 1 - BASE REVENUE EXCLUDING FRP REVENUE

DUKE ELECTRIC MEMBERSHIP CORPORATION
FRP ANNUAL REPORT - 2021

ATTACHMENT A: FRP RATE CHANGES BY TARIFF

SCHEDULES														
LINE NO	DESCRIPTION	RATE SCHEDULE	VOLTAGE	RATE CODE(S)	CUMULATIVE FRP RATE CHANGE %	CURR YR FRP RATE CHANGE %	PR YR FRP RATE CHANGE %	2ND PR YR FRP RATE CHANGE %	2ND PR YR FRP RATE CHANGE %	3RD PR YR FRP RATE CHANGE %	4TH PR YR FRP RATE CHANGE %	5TH PR YR FRP RATE CHANGE %	6TH PR YR FRP RATE CHANGE %	7TH PR YR FRP RATE CHANGE %
RESIDENTIAL														
1	Residential	A	Sec	1, 11				-1.81%	3.52%	-4.69%	0.98%	3.48%	0.00%	-3.18%
2	Residential - Winter/Summer Rate	AWS	Sec	2, 21				-1.81%	3.52%	-4.69%	0.98%	3.48%	0.00%	-3.18%
3	Farm Home Service	FH	Sec	14, 15				-1.81%	3.52%	-4.69%	0.98%	3.48%	0.00%	-3.18%
4	Seasonal	S	Sec	12, 13				-1.81%	3.52%	-4.69%	0.98%	3.48%	0.00%	-3.18%
5	Residential Time of Use	RTUAE	Sec	22, 23				-1.81%	3.52%	-4.69%	0.98%	3.48%	0.00%	-3.18%
6	Residential Time of Use	RTU	Sec	16, 17				-1.81%	3.52%	-4.69%	0.98%	3.48%	0.00%	-3.18%
COMMERCIAL/SMALL INDUSTRIAL														
7	Commercial and Small Power	B	Sec	3				-1.81%	3.52%	-4.69%	0.98%	3.48%	0.00%	-3.18%
8	Unmetered Service	UMS	Sec	32, 35				-1.81%	3.52%	-4.69%	0.98%	3.48%	0.00%	-3.18%
9	Commercial/Small Power Time of Use	BTU	Sec	33				-1.81%	3.52%	-4.69%	0.98%	3.48%	0.00%	-3.18%
10	Church	C	Sec	40, 41				-1.81%	3.52%	-4.69%	0.98%	3.48%	0.00%	-3.18%
LARGE POWER SERVICE														
11	Large Power Service	LP	Sec	5				-1.81%	3.52%	-4.69%	0.98%	3.48%	0.00%	-3.18%
12	Large Power Time of Use	LPTU	Sec	51				-1.81%	3.52%	-4.69%	0.98%	3.48%	0.00%	-3.18%
13	Restricted Service	RS	Sec	n/a				-1.81%	3.52%	-4.69%	0.98%	3.48%	0.00%	-3.18%
MUNICIPAL														
14	Municipal Pumping	MP	Sec	6				-1.81%	3.52%	-4.69%	0.98%	3.48%	0.00%	-3.18%
15	Volunteer Fire Department	VFD	Sec	38, 39				-1.81%	3.52%	-4.69%	0.98%	3.48%	0.00%	-3.18%
LIGHTING														
16	Outdoor Lighting	SYL	Sec	n/a				-1.81%	3.52%	-4.69%	0.98%	3.48%	0.00%	-3.18%
17	Street Lighting	SL	Sec	8				-1.81%	3.52%	-4.69%	0.98%	3.48%	0.00%	-3.18%
18	Traffic Signal	TS	Sec	31, 34				-1.81%	3.52%	-4.69%	0.98%	3.48%	0.00%	-3.18%
19	Outdoor Lighting Installation and Maint	SLM	Sec	n/a				-1.81%	3.52%	-4.69%	0.98%	3.48%	0.00%	-3.18%

DEMCO 2021 TEST YEAR FORMULA RATE PLAN (FRP) ATTACHMENT B: CTIER AND CDSC FORMULAS								
NO	DESCRIPTION	JAN '21 - DEC '21 PER BOOKS ATCH. C, EXHIBIT 1	NON-RECURRING ITEMS	REF	ADJUSTED BOOK VALUES ATTACHMENT C	RATEMAKING ADJUSTMENTS ATTACHMENT C	REF	ADJUSTED TEST YEAR
1	OPERATING REVENUE AND PATRONAGE CAPITAL	238,303,855	1,422,541	A-1, A-2, A-3, A-12	239,726,396	-	6	239,726,396
2	POWER PRODUCTION EXPENSE	-	-	-	-	-	-	-
3	PURCHASED POWER EXPENSE	152,259,111	-	-	152,259,111	-	-	152,259,111
4	TRANSMISSION EXPENSE	813,631	(23,927)	A-4	789,704	-	-	789,704
5	REGIONAL MARKET EXPENSE	-	-	-	-	-	-	-
6	DISTRIBUTION EXPENSE - OPERATION	7,891,065	(1,349,594)	A-4	6,541,471	-	-	6,541,471
7	DISTRIBUTION EXPENSE - MAINTENANCE	21,039,058	(1,648,068)	A-4, A-6	19,390,972	-	-	19,390,972
8	CUSTOMER ACCOUNTS EXPENSE	7,140,004	(9,681)	A-4, A-7	7,130,323	-	-	7,130,323
9	CUSTOMER SERVICE AND INFORMATION EXPENSE	761,734	(149,407)	A-4	612,327	-	-	612,327
10	SALES EXPENSE	1,045,377	(97,047)	A-4	948,330	(3,607)	8, 10	944,723
11	ADMINISTRATIVE AND GENERAL EXPENSE	13,609,304	(196,166)	A-4, A-5, A-8	13,413,138	(82,500)	9	13,330,638
12	TOTAL O&M EXPENSE (Sum L2 through L11)	204,559,284	(3,473,907)	-	201,085,377	(86,107)	-	200,999,270
13	DEPRECIATION AND AMORTIZATION EXPENSE	23,065,116	-	A-4	23,065,116	209,642	2	23,274,758
14	TAX EXPENSE - PROPERTY & GROSS RECEIPTS	5,534,934	-	-	5,534,934	185,179	3	5,720,113
15	TAX EXPENSE - OTHER	1,781,505	(670,000)	A-9	1,111,505	(86,369)	5	1,015,136
16	INTEREST ON LONG-TERM DEBT	14,062,823	-	-	14,062,823	826,214	1-A	14,889,037
17	INTEREST CHARGED TO CONSTRUCTION - CREDIT	(293,956)	-	-	(293,956)	(111,910)	1-B	(405,866)
18	INTEREST EXPENSE - OTHER	440,888	136,547	A-10	577,535	-	-	577,535
19a	OTHER DEDUCTIONS - INTEREST ON SHORT TERM LOC	390,308	(263,403)	A-11	126,905	(122,889)	1-C	4,016
19b	OTHER DEDUCTIONS - ALL OTHER	462,617	-	-	462,617	-	7	462,617
20	TOTAL COST OF ELECTRIC SERVICE (Sum L12 through L19)	250,003,620	(4,270,763)	-	245,732,857	803,760	-	246,536,617
21	PATRONAGE CAPITAL & OPERATING MARGINS (L1-L20)	(11,699,763)	5,693,304	-	(6,006,459)	(803,760)	-	(6,810,221)
22	NON-OPERATING MARGINS - INTEREST	153,930	-	-	153,930	(5)	4	153,925
23	ALLOWANCE FOR FUNDS USED DUR CONSTRUCTION	-	-	-	-	-	-	-
24	INCOME (LOSS) FROM EQUITY INVESTMENTS	64,433	-	-	64,433	-	-	64,433
25	NON-OPERATING MARGINS - OTHER	153,682	-	-	153,682	-	-	153,682
26	GENERATION & TRANSMISSION CAPITAL CREDITS	-	-	-	-	-	-	-
27	CAPITAL CREDITS AND PATRONAGE DIVIDENDS	543,789	-	-	543,789	-	-	543,789
28	EXTRAORDINARY ITEMS	-	-	-	-	-	-	-
29	PATRONAGE CAPITAL OR MARGINS (Sum L21 through L28)	(10,783,929)	5,693,304	-	(5,090,625)	(803,765)	-	(5,894,392)
30	INTEREST ON LONG-TERM DEBT AND SHORT TERM LOC (L16+L19a)	14,453,131	(263,403)	-	14,189,728	703,325	-	14,893,053
31	SUM MARGINS PLUS INTEREST EXPENSE (L29+L30)	3,669,202	5,429,901	-	9,099,103	(100,440)	-	8,998,661
32	CALCULATED TIER (CTIER) (L31/L30)	0.25	-	-	0.64	-	-	0.60
33	PATRONAGE CAPITAL & OPERATING MARGINS (L21)	(11,699,763)	5,693,304	-	(6,006,459)	(803,760)	-	(6,810,221)
34	DEPRECIATION AND AMORTIZATION EXPENSE (L13)	23,065,116	-	-	23,065,116	209,642	-	23,274,758
35	INTEREST ON LONG-TERM DEBT (L16)	14,062,823	-	-	14,062,823	826,214	-	14,889,037
36	NON-OPERATING MARGINS - INTEREST (L22)	153,930	-	-	153,930	(5)	-	153,925
37	CAPITAL CREDITS AND PATRONAGE DIVIDENDS (L27)	543,789	-	-	543,789	-	-	543,789
38	SUM ALL DSC COMPONENTS (Sum L33 through L37)	26,125,895	5,693,304	-	31,819,199	232,091	-	32,051,288
39	PRINCIPAL PAYMENTS ON LONG-TERM DEBT - ATCH. B EXHIBIT 1	12,027,478	-	-	12,027,478	-	-	12,027,478
40	SUM OF PRINCIPAL PAYMENTS AND INTEREST ON LONG TERM DEBT (L35+L39)	26,090,301	-	-	26,090,301	826,214	-	26,916,515
41	CALCULATED DSC (CDSC) (L38/L40)	1.00	-	-	1.22	-	-	1.19

DIXIE ELECTRIC MEMBERSHIP CORPORATION
2021 TEST YEAR FORMULA RATE PLAN (FRP)
RATEMAKING ADJUSTMENTS
ATTACHMENT C CALCULATIONS

Ref	Acct #	Description	Calculation	Explanation
1-A Annualized long-term debt interest expense - Exhibit 4:				
	427.00	RUS Long Term Debt	\$ 239,410	Exhibit 4: 12/31/21 Monthly Statement
	427.00	RUS Long Term Debt-FFB	856,840	Exhibit 4: 12/31/21 Quarterly Statement
	427.10	CFC Long Term Debt	65,412	Exhibit 4: 12/31/21 Quarterly Statement
	427.25	CoBank	70,093	Exhibit 4: 12/31/21 Monthly Statement
		Total	<u>1,231,756</u>	
		Times 12 Months	14,781,068	
		Per Adjusted Books	<u>13,954,854</u>	
		Adjustment	\$ 826,214	
1-B Annualized interest charged to construction from December 2021 trial balance - Exhibit 5:				
	427.30	Interest Charged to Construction	\$ 15,171	Exhibit 5: Overhead Int Calc for 12/21
		Times 12 Months	182,046	
		Per Adjusted Books	<u>293,956</u>	
		Adjustment	\$ (111,910)	
1-C Annualized short-term debt interest expense - Exhibit 6:				
	430.03	Interest - CFC LOC	\$ 22,285	Exhibit 6
	430.06	Interest - CoBank LOC	-	Exhibit 6
		Total	<u>22,285</u>	
		Times 12 Months	267,419	
		Per Adjusted Books	<u>390,308</u>	
		Adjustment	\$ (122,889)	
2 Annualized depreciation expense - Exhibit 7:				
	403.00	Depr Exp Transmission Plant	\$ 193,600	Exhibit 7
	403.10	Depr Exp Distribution Plant	1,588,727	Exhibit 7
	403.70	Depr Exp General Plant	<u>120,617</u>	Exhibit 7
		Total	<u>1,902,944</u>	
		Times 12 Months	22,835,334	
		Per Adjusted Books	<u>22,625,692</u>	
		Adjustment	\$ 209,642	
3 Annualized property tax expense - Exhibit 8:				
		Property taxes paid for 2020	5,534,934	Exhibit 8-A (Account Analysis-408.00)
		Total Utility Plant @ 12/31/2020	721,265,053	Exhibit 8-B, (Form 7 @ 12/31/2020)
		Current millage rate	0.00767	
		Total Utility Plant @ 12/31/2021	745,777,482	Exhibit 8-C, (Form 7 @12/31/2021)
		Millage Times Plant	5,720,113	
		Per Adjusted Books	<u>5,534,934</u>	
		Adjustment	\$ 185,179	

DIXIE ELECTRIC MEMBERSHIP CORPORATION
2021 TEST YEAR FORMULA RATE PLAN (FRP)
RATEMAKING ADJUSTMENTS
ATTACHMENT C CALCULATIONS

Ref	Acct #	Description	Calculation	Explanation
4		Annualized interest income from December 2021 trial balance - Exhibit 9:		
	419.01	Int & Div Inc CFC Subscriptions	\$ 12,090	Exhibit 9
		Total	<u>12,090</u>	
		Times 12 Months	145,080	
		Per Adjusted Books	145,085	
		Adjustment	<u>\$ (5)</u>	
5		Annualized franchise tax from December 2021 trial balance - Exhibit 10:		
	408.40	Taxes - Franchise	\$ 78,347	Exhibit 10
		Times 12 Months	940,164	
		Per Adjusted Books	1,036,533	
		Adjustment	<u>\$ (96,369)</u>	
6		Annualized revenue for test year:		
		Base Revenue Calculation	\$ -	
7		Fines and Penalties	\$ -	
8		Charitable contributions exclusions:		
		Donations	\$ -	
9		Political Contributions and Lobbying Activities	\$ (82,500)	Exhibit 11
10		Youth Tour Expenses	\$ (3,607)	Exhibit 12

DEMCO
2021 TEST YEAR FORMULA RATE PLAN (FRP)
ATTACHMENT D: RIDER FRP REVENUE REDETERMINATION FORMULA

SECTION 1		BANDWIDTH CHECK	
	<u>DESCRIPTION</u>	<u>REFERENCE</u>	
1	Calculated TIER	Attachment B, L32	0.60
2	Lower Band TIER	Settlement Agreement	1.35
3	Upper Band TIER	Settlement Agreement	1.55
4	Calculated DSC	Attachment B, L41	1.19
5	DSC Lower Limit	Settlement Agreement	1.40
6	If L 1 < L 3	Section 2.C.2 of Tariff	GO TO Section 3
7	If L 1 > L 3	Section 2.C.2 of Tariff	GO TO Section 2
8	Otherwise		No Rate Change
SECTION 2		RIDER FRP RATE REDUCTION	
	<u>DESCRIPTION</u>	<u>REFERENCE</u>	
9	Calculated TIER	L1	0.60
10	TIER Upper Band	L3	1.55
11	Excess CTIER over Upper Band	L9 - L10	0.00
12	Required Decrease in TIER	L1 - 1.45 (Midpoint)	-0.85
13	Interest on Long-Term Debt And Short Term LOC	Attachment B, L15 + L18	\$ 15,351,654
14	Rider FRP Revenue Reduction Subject to CDSC Test	L12 * L13	\$ (12,984,142)
SECTION 3		RIDER FRP RATE INCREASE	
	<u>DESCRIPTION</u>	<u>REFERENCE</u>	
15	Calculated TIER	L1	0.60
16	TIER Lower Band	L2	1.35
17	Deficiency CTIER under Lower Band	L16 - L15	0.75
18	Required Increase in TIER	1.45 (Midpoint) - L1	0.85
19	Interest on Long-Term Debt And Short Term LOC	Attachment B, L15 + L18	\$ 14,893,053
20	Rider FRP Revenue Increase Subject to DSC Test	L18 * L19	\$ 12,659,095
SECTION 4		ADDITIONAL INCREASE DUE TO DSC LOWER LIMIT TEST	
	<u>DESCRIPTION</u>	<u>REFERENCE</u>	
21	Calculated DSC before Revenue Decrease/Increase	Attachment B, L39	1.19
22	Revenue (Decrease)/Increase Above Based on TIER	-L14 or +L20	\$ 12,659,095
23	Payments for Principal and Interest on LTD	Attachment B, L40	\$ 26,916,515
24	Change in CDSC for TIER Revenue	L22 / L23	0.47
25	CDSC As Adjusted for TIER Revenue Decrease/Increase	L21 + L24	1.66
26	DSC Lower Limit	L5	1.40
27	Deficiency CDSC under DSC Lower Limit	L26 - L25	(0.26)
28	Revenue Increase Subject to DSC Test	If L27 > 0, then L27 * L23 If L27 <= 0, then Enter 0	\$0
SECTION 5		TOTAL RIDER FRP REVENUE	
	<u>DESCRIPTION</u>	<u>REFERENCE</u>	
29	(Reduction)/Increase in Rider FRP Revenue	(- L14 + L28) or (+ L20 + L28)	\$ 12,659,095
30	Extraordinary Cost Change Revenue Requirement	Sec. 3.A of the Tariff	\$ -
31	Required Change In Rider FRP Revenue	L29 + L30	\$ 12,659,095
SECTION 6		CURRENT YEAR RIDER FRP PERCENTAGE	
32	Base Revenue Excluding FRP Revenue - Exhibit 1		\$ 137,296,765
33	Required Change in Rider FRP Revenue	L31	\$ 12,659,095
34	Current Year % Increase (Decrease) in Rider FRP Revenue	L33 / L32	9.22%
35	Cummulative FRP Rate Change		3.48%

2021 TEST YEAR FORMULA RATE PLAN (FRP)

ATTACHMENT B: CTIER AND CDSC FORMULAS

EXHIBIT 1

**LINE 19, OTHER DEDUCTIONS - INTEREST ON SHORT TERM LOC, OTHER
DEDUCTIONS - ALL OTHER**

DEMCO

2021 TEST YEAR FORMULA RATE PLAN (FRP)

ATTACHMENT B: CTIER AND CDSC FORMULAS

EXHIBIT 1 - LINE 19, OTHER DEDUCTIONS - INTEREST ON SHORT TERM LOC, OTHER DEDUCTIONS - ALL OTHER

<u>Division</u>	<u>Account</u>	<u>Description</u>	<u>YTD Balance</u>	<u>Financial Form</u>	<u>Line</u>	OTHER DEDUCTIONS - INTEREST ON SHORT TERM LOC	OTHER DEDUCTIONS - ALL OTHER
						<u>Attachment B Line 19a</u>	<u>Attachment B Line 19b</u>
0 - DEMCO	426.2	MISC INC DEDUCT-ABANDON PROJECTS	\$ 176,568.07	Income Statement	19		\$ 176,568.07
0 - DEMCO	426.3	PENALTIES AND FINES	263,403.29	Income Statement	19		263,403.29
0 - DEMCO	428.1	AMORTIZATION OF LOAN	22,646.04	Income Statement	19		22,646.04
0 - DEMCO	430.03	INT SHORT TERM DEBT	390,308.22	Income Statement	19	390,308.22	
		TOTAL LINE 19	<u>\$ 852,925.62</u>			<u>\$ 390,308.22</u>	<u>\$ 462,617.40</u>

2021 TEST YEAR FORMULA RATE PLAN (FRP)
ATTACHMENT B: CTIER AND CDSC FORMULAS
EXHIBIT 2
PRINCIPAL PAYMENTS ON LONG-TERM DEBT

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DEMCO
2021 TEST YEAR FORMULA RATE PLAN (FRP)
ATTACHMENT B: CTIER AND CDSC FORMULAS
EXHIBIT 2 - PRINCIPAL PAYMENTS ON LONG-TERM DEBT

SUMMARY OF LONG TERM DEBT PRINCIPAL PAYMENTS - 2021

RUS	\$ 8,164,352
CFC	1,702,036
COBANK	2,161,090
	<u>\$ 12,027,478</u>

**LONG TERM DEBT - RUS
AS OF DECEMBER 31, 2021**

Note No. (a)	Date (b)	Original Balance (c)	Interest Rate (d)	Principal Payments (e)	12/31/2021 Balance Long Term Debt-RUS (f)
1B530	3/16/1989	\$ 4,858,000	5%	\$ 291,792	\$ 653,004
RET 5-1	10/3/2005	35,000,000	4.79%	813,948	26,017,212
RET 8-1	7/12/2007	10,033,000	5.18%	224,876	7,592,472
RET 8-2	8/20/2008	15,000,000	4.47%	360,760	11,148,048
RET 8-3	9/9/2008	15,600,000	4.20%	382,205	11,492,745
RET 8-4	3/13/2009	1,220,670	3.63%	31,602	882,917
RET 8-5	9/18/2009	1,128,330	4.19%	28,150	843,272
FFB-1-1	8/16/2010	64,000,000	3.549%	1,072,934	52,065,886
FFB-1-2	10/14/2011	40,000,000	2.856%	717,460	31,779,202
FFB-1-4	6/19/2012	30,000,000	2.284%	573,708	23,599,404
FFB-1-5	4/29/2013	15,224,967.35	2.435%	292,905	12,284,807
FFB-1-6	1/30/2014	200,032.65	3.274%	3,589	167,922
FFB-2-1	1/13/2015	20,000,000.00	2.285%	345,457	17,501,784
FFB-2-2	9/11/2015	40,000,000.00	2.721%	652,492	35,333,642
FFB-2-3	9/12/2016	30,000,000.00	2.109%	539,184	26,599,376
FFB-2-4	6/18/2018	28,540,000.00	2.979%	472,095	26,604,621
FFB-2-5	8/7/2018	18,383,000.00	3.015%	303,704	17,210,965
FFB-2-6	10/5/2018	30,000,000.00	3.275%	479,573	28,302,483
FFB-2-7	10/5/2018	33,774,000.00	2.845%	577,918	31,899,427
FFB-3-1	4/20/2021	20,000,000.00	2.037%	-	20,000,000
FFB-3-3	10/7/2021	21,381,894.81	1.881%	-	21,381,895
TOTAL RUS OBLIGATION		\$ 474,343,895		\$ 8,164,352	\$ 403,361,084

Loan Purpose: The purpose of all RUS loans are to finance work plan capital improvements

**LONG TERM DEBT - CFC
AS OF DECEMBER 31, 2021**

Note No. (a)	Date (b)	Original Balance (c)	Interest Rate (d)	Principal Payments (e)	12/31/2021 Balance Long Term Debt-CFC (f)
9024-001	3/16/1989	\$ 2,261,211	3.50%	\$ 113,570	\$ 270,477
9024-002	3/16/1989	2,123,000	3.50%	118,187	281,471
9025-001	8/15/1995	5,100,000	2.90%	216,694	2,057,100
9027-001	9/19/1996	2,975,000	2.90%	126,860	1,402,042
9027-002	9/19/1996	2,975,000	2.90%	126,860	1,402,042
9027-003	9/19/1996	2,975,000	2.85%	110,449	1,361,103
9027-004	9/19/1996	2,975,000	2.85%	106,768	1,315,733
9031-001	11/1/2000	3,000,000	2.85%	92,896	1,776,217
9031-005	11/1/2000	8,690,214	2.85%	269,094	5,145,236
9032-001	12/18/2003	6,000,000	2.90%	179,059	3,919,430
9035-001	4/19/2021	5,400,000	2.89%	241,598	5,158,402
TOTAL CFC OBLIGATION:		\$ 44,474,425		\$ 1,702,036	\$ 24,089,253

Loan Purpose: CFC loans are to finance capital projects other than work plan projects

**LONG TERM DEBT - COBANK
AS OF DECEMBER 31, 2021**

Note No. (a)	Date (b)	Original Balance (c)	Interest Rate (d)	Principal Payments (e)	12/31/2021 Balance Long Term Debt (f)
RI0417T01	10/18/2010	\$ 4,025,323	3.25%	\$ 265,446	\$ 586,481
RI0417T02	11/16/2012	24,559,012	4.095%	808,757	18,248,831
RI4147T03	3/29/2013	9,870,308	3.090%	1,086,886	1,406,633
TOTAL COBANK OBLIGATION		\$ 38,454,643		\$ 2,161,090	\$20,241,945

Loan Purpose:

RI0417T01 Refinance RUS loans

RI0417T02 Refinance RUS loans

RI4147T03 Finance the repayment of retirement security plan contributions through
National Rural Electric Cooperative Association (NRECA)

UNITED STATES DEPARTMENT OF AGRICULTURE RURAL UTILITIES SERVICE FINANCIAL AND OPERATING REPORT ELECTRIC DISTRIBUTION			BORROWER DESIGNATION LA0013		
INSTRUCTIONS - See help in the online application.			PERIOD ENDED December 2021		
PART N. LONG-TERM DEBT AND DEBT SERVICE REQUIREMENTS					
No	ITEM	BALANCE END OF YEAR (a)	INTEREST (Billed This Year) (b)	PRINCIPAL (Billed This Year) (c)	TOTAL (Billed This Year) (d)
1	Rural Utilities Service (Excludes RUS - Economic Development Loans)	56,481,604	2,945,944	2,133,333	5,079,277
2	National Rural Utilities Cooperative Finance Corporation	22,191,937	653,070	1,702,036	2,355,106
3	CoBank, ACB	18,023,221	860,482	2,161,090	3,021,572
4	Federal Financing Bank	336,230,965	7,047,083	6,031,019	13,078,102
5	RUS - Economic Development Loans				
6	Payments Unapplied				
7	Principal Payments Received from Ultimate Recipients of IRP Loans				
8	Principal Payments Received from Ultimate Recipients of REDL Loans				
9	Principal Payments Received from Ultimate Recipients of EE Loans				
	TOTAL	432,927,727	11,506,579	12,025,458	23,534,057

2021 TEST YEAR FORMULA RATE PLAN (FRP)
ATTACHMENT B: CTIER AND CDSC FORMULAS
ADJUSTMENT

A-1

**Revenues net of power cost adjustments: January 2021 adjusted to reflect rate increase
implemented February 2021 (Order U35359)**

DIXIE ELECTRIC MEMBERSHIP CORPORATION
2021 TEST YEAR FORMULA RATE PLAN (FRP)
ATTACHMENT B: CTIER AND CDSC FORMULAS
REFERENCE A-1

REF	ITEM DESCRIPTION							
A-1	Revenues net of power cost adjustments: January 2021 adjusted to reflect rate increase implemented February 2021 (Order Number U-35359)							
YEAR	JAN kWh sold	JAN Revenue (no unbilled)	JAN Revenue/kWh sold	FEB Rate increase	JAN Restated rate	JAN Projected Revenue	PROJECTED INCREASE	
2021	185,303,192	\$ 16,298,742	\$ 0.08796	1.5%	\$ 0.08928	\$ 16,543,223	\$	244,481

2021 TEST YEAR FORMULA RATE PLAN (FRP)
ATTACHMENT B: CTIER AND CDSC FORMULAS
ADJUSTMENT

A-2

2017 COX PSC settlement

(carry over from prior year FRP filings, LPSC ORDER NO. U-33063-A)

DIXIE ELECTRIC MEMBERSHIP CORPORATION
2021 TEST YEAR FORMULA RATE PLAN (FRP)
ATTACHMENT B: CTIER AND CDSC FORMULAS
REFERENCE A-2

REF ITEM DESCRIPTION
A-2 2017 COX PSC settlement (carry over from prior year FRP filings, LPSC ORDER NO. U-33063-A)

Ref	Acct #	Description	Calculation	Supporting Documentation
A-1		Estimated unbilled penalties due to PSC order from flood	\$ 1,154,383	
			<u>\$ 1,154,383</u>	
A-2		Cox PSC Settlement	\$ 2,700,000	
		Less unbilled penalties	<u>\$ (1,154,383)</u>	
			\$ 1,545,617 divided by 5 years	<u>\$ 309,123</u>
		Year one adjustment per PSC settlement	\$1,154,383 plus \$309,123	<u>\$ 1,463,506</u>
		Years two through five adjustment		<u>\$ 309,123</u>

2021 TEST YEAR FORMULA RATE PLAN (FRP)
ATTACHMENT B: CTIER AND CDSC FORMULAS
ADJUSTMENT

A-3

Disconnect fee revenues not billed in 2021 for 4+ months due to system conversion

DIXIE ELECTRIC MEMBERSHIP CORPORATION
2021 TEST YEAR FORMULA RATE PLAN (FRP)
ATTACHMENT B: CTIER AND CDSC FORMULAS
REFERENCE A-3

REF	ITEM DESCRIPTION								
A-3	Disconnect fee revenues not billed in 2021 for 4+ months due to system conversion								
	Normal Year	Normal Year	Pandemic Year	Computer Conversion Year					
Sum of Amount	Column Labels								
Row Labels	2018	2019	2020	2021	Est. 2023	Actual 2021	Actual 2018	Actual 2019	
1	(\$173,218)	(\$186,106)	(\$158,721)	(\$180,993)	\$ (180,993)	(180,993)			
2	(\$212,179)	(\$168,347)	(\$150,190)	(\$149,976)	(149,976)	(149,976)			
3	(\$190,342)	(\$179,088)	(\$142,319)	(\$196,209)	(196,209)	(196,209)			
4	(\$136,367)	(\$137,792)	(\$130,835)	(\$150,254)	(150,254)	(150,254)			
5	(\$136,009)	(\$147,609)	\$596	(\$130,830)	(130,830)	(130,830)			
6	(\$161,050)	(\$147,938)	\$407	(\$131,126)	(131,126)	(131,126)			
7	(\$225,199)	(\$208,543)	\$491	(\$198,989)	(198,989)	(198,989)			
8	(\$271,171)	(\$238,925)	\$388		(255,048)		(271,171)	(238,925)	< Average Actual 2018 and 2019
9	(\$215,485)	(\$248,474)	(\$112,728)	\$87	(231,980)		(215,485)	(248,474)	< Average Actual 2018 and 2019
10	(\$270,581)	(\$264,449)	(\$243,750)	\$84	(267,515)		(270,581)	(264,449)	< Average Actual 2018 and 2019
11	(\$201,376)	(\$203,690)	(\$148,807)	(\$47,064)	(202,533)		(201,376)	(203,690)	< Average Actual 2018 and 2019
12	(\$185,450)	(\$164,518)	\$16,376	(\$216,231)	(174,984)		(185,450)	(164,518)	< Average Actual 2018 and 2019
Grand Total	(\$2,378,427)	(\$2,295,479)	(\$1,069,093)	(\$1,401,500)	<u>\$ (2,270,437)</u>				
Ave./month	(198,202)	(191,290)		(1,401,500)	(1,401,500)				
of 2018 and 2019	<u>(2,378,427)</u>	<u>(2,295,479)</u>		<u>(2,336,953)</u>	<u>(2,270,437)</u>				
				<u>\$ (935,453)</u>	<u>\$ (868,937)</u>				
				<u>\$ (194,746)</u>	<u>\$ (189,203)</u>				

Average per month estimated 2023

2021 TEST YEAR FORMULA RATE PLAN (FRP)
ATTACHMENT B: CTIER AND CDSC FORMULAS
ADJUSTMENT

A-4

Leave & sick deferral - remove one-time O&M expense adjustment in 2021 to address accounting for accumulated accrued vacation and sick leave

DIXIE ELECTRIC MEMBERSHIP CORPORATION
 2021 TEST YEAR FORMULA RATE PLAN (FRP)
 ATTACHMENT B: CTIER AND CDSC FORMULAS
 REFERENCE A-4

REF	ITEM DESCRIPTION
A-4	Leave & sick deferral - remove one-time O&M expense adjustment in 2021 to address accounting for accumulated accrued vacation and sick leave, altering accounting estimate methodology going forward; include capital portion of future expensed amount, to be expensed in depreciation expense over the life of assigned utility plant assets.

Adjusting Journal Entry JE # 8		186.10	
To write off deferred debit related to vacation and sick leave balances historically being recorded on the cash basis.			
107.299	CWIP - BSGM ENTRY ACCOUNT	1,781,627.82	
560.000	TRANS EXP-OPERATION SUPVA & ENG	23,926.54	
580.000	DISTR EXP - OPER SUPVN	1,349,593.75	
590.000	MAINT SUPERVISION & ENGINEERING	859,651.12	
903.000	CUST RECORDS/COLL EXP	239,850.67	
909.000	INFORMATIONAL ADVERTISING EXP	149,406.68	
912.100	SALES EXP - PROMOTING SERVICES	97,046.90	
920.100	ADMIN-GEN SALARIES-MANAGEMENT	982,291.86	5,246,055.19
186.100	DEBIT - COMP ABSENCE EARNED		237,340.15
242.400	ACCRUED SICK TIME		
Total		<u>5,483,395.34</u>	<u>5,483,395.34</u>

2021 TEST YEAR FORMULA RATE PLAN (FRP)
ATTACHMENT B: CTIER AND CDSC FORMULAS
ADJUSTMENT

A-5

**Storm - labor, benefits, and maintenance expenses not incurred in 2021 due to re-directing
maintenance work to capital work during storm restoration for Hurricane Ida**

DIXIE ELECTRIC MEMBERSHIP CORPORATION
2021 TEST YEAR FORMULA RATE PLAN (FRP)
ATTACHMENT B: CTIER AND CDSC FORMULAS
REFERENCE A-5

REF

ITEM DESCRIPTION

A-5 Storm - labor, benefits, and maintenance expenses not incurred in 2021 due to re-directing maintenance work to capital work during storm restoration for Hurricane Ida

DEMCO	FORM 7 - SEPTEMBER 2020				FORM 7 - SEPTEMBER 2021				SEP 2021 - 2020	NISC Conversion Costs				SEP 2021 - 2020
	LAST YEAR	THIS YEAR	BUDGET	THIS MONTH	LAST YEAR	THIS YEAR	BUDGET	THIS MONTH		2020	2021	2021 - 2020	2021 - 2020	
1. Operating Revenue and Patronage Capital	\$165,877,691	\$155,152,958	\$174,444,342	\$ 17,187,762	\$155,152,958	\$178,409,874	\$164,824,352	\$ 17,709,423						
2. Power Production Expense	-	-	-	-	-	-	-	-						
3. Cost of Purchased Power	96,523,565	87,650,731	102,244,348	11,751,249	87,650,731	114,340,565	91,534,172	14,373,412						(83,778)
4. Transmission Expense	471,119	632,364	670,171	102,276	632,364	602,753	574,824	18,498	(83,778)					
5. Regional Market Expense	-	-	-	-	-	-	-	-						
6. Distribution Expense - Operation	5,819,513	5,406,076	6,037,229	622,373	5,406,076	5,037,197	5,712,590	278,215	(344,158)					(344,158)
7. Distribution Expense - Maintenance	13,594,104	11,864,875	16,860,716	1,324,684	11,864,875	16,050,912	14,862,983	693,599	(631,085)					(631,085)
8. Customer Accounts Expense	4,675,312	5,256,333	4,948,246	756,210	5,256,333	5,157,480	5,281,077	462,296	(293,914)					(293,914)
9. Customer Service and Informational Expens	475,032	474,652	410,633	35,684	474,652	417,554	479,674	28,630	(7,054)					(7,054)
10. Sales Expense	920,817	938,608	1,029,081	86,751	938,608	743,870	966,934	34,901	(51,850)					(51,850)
11. Administrative and General Expense	7,003,356	7,385,915	7,092,512	1,038,408	7,385,915	9,685,999	7,262,285	862,297	(176,111)	34,288	(308)	(34,596)	(141,515)	
12. Total Operation & Maintenance Expense (129,482,817	119,609,554	139,292,936	15,717,634	119,609,554	152,036,330	126,674,539	16,751,849						
13. Depreciation & Amortization Expense	15,520,585	16,390,544	16,024,899	1,848,050	16,390,544	17,251,254	17,349,327	1,929,442						
14. Tax Expense - Property & Gross Receipts	3,750,000	3,862,530	3,825,000	429,170	3,862,530	3,980,257	3,979,350	442,150						
15. Tax Expense - Other	746,223	716,850	814,091	101,525	716,850	814,917	744,899	101,165						
16. Interest on Long-Term Debt	10,762,762	10,553,475	10,562,362	1,203,737	10,553,475	10,411,300	10,368,897	1,057,788	(15,461)					
17. Interest Charged to Construction - Credit	(258,366)	(246,911)	(270,000)	(27,433)	(246,911)	(246,753)	(247,500)							
18. Interest Expense - Other	330,372	426,981	300,001	40,203	426,981	333,694	334,845	35,963						
19. Other Deductions	(3,514)	177,843	77,251	29,611	177,843	508,131	266,985	46,591						
20. Total Cost of Electric Service (12 thru 19)	160,330,877	151,490,865	170,626,540	19,342,497	151,490,865	185,089,131	159,471,342	20,349,486						
21. Patronage Capital & Operating Margins (1	5,546,814	3,662,093	3,817,802	(2,154,736)	3,662,093	(6,679,258)	5,333,010	(2,640,054)						
22. Non Operating Margins - Interest	566,490	168,541	338,133	12,898	168,541	114,778	111,375	12,446						
23. Allowance for Funds Used During Constru	-	-	-	-	-	-	-	-						
24. Income (Loss) from Equity Investments	175,500	175,500	206,252	19,500	175,500	64,600	80,249	15,500						
25. Non Operating Margins - Other	(11,851)	1,766	-	75	1,766	(37,092)	-	615						
26. Generation and Transmission Capital Credi	-	-	-	-	-	-	-	-						
27. Other Capital Credits and Patronage Divide	100,577	488,798	266,310	84,214	488,798	322,771	487,000	87,630						
28. Extraordinary Items	-	-	-	-	-	-	-	-						
29. Patronage Capital or Margins (21 thru 28)	\$ 6,377,530	\$ 4,496,698	\$ 4,628,497	\$ (2,038,049)	\$ 4,496,698	\$ (6,214,201)	\$ 6,031,634	\$ (2,523,873)	\$ (1,587,950)	\$ 34,288	\$ (308)	\$ (34,596)	\$ (1,553,354)	

2021 TEST YEAR FORMULA RATE PLAN (FRP)
ATTACHMENT B: CTIER AND CDSC FORMULAS
ADJUSTMENT

A-6

**Winter Storm Uri – estimated storm restoration costs expensed in 2021 not recoverable
through FEMA claim**

DIXIE ELECTRIC MEMBERSHIP CORPORATION
 2021 TEST YEAR FORMULA RATE PLAN (FRP)
 ATTACHMENT B: CTIER AND CDSC FORMULAS
 REFERENCE A-6

	REF	ITEM DESCRIPTION
A-6		Winter Storm Uri – storm restoration costs expensed in 2021 not recoverable through FEMA claim

Winter Storm Uri (EVENT, February 2021)

Search Type: Division:

Account: A/R-WINTER STORM URI

Filter

Starting Year: Compare: Budget Revision:

Number Of Years: Type: Percentage:

Comparison

View:

Post Month	2021 Actual PTD	2021 Actual YTD	2020 Actual PTD	2020 Actual YTD
Balance	0.00	0.00	0.00	0.00
January	0.00	0.00	0.00	0.00
February	0.00	0.00	0.00	0.00
March	28,240.47	28,240.47	0.00	0.00
April	0.00	28,240.47	0.00	0.00
May	0.00	28,240.47	0.00	0.00
June	0.00	28,240.47	0.00	0.00
July	422.58	28,663.05	0.00	0.00
August	0.00	28,663.05	0.00	0.00
September	50.80	28,713.85	0.00	0.00
October	1,337,899.67	1,366,613.52	0.00	0.00
November	1,377.91	1,367,991.43	0.00	0.00
December	0.00	1,367,991.43	0.00	0.00
Total YTD	1,367,991.43	1,367,991.43	0.00	0.00

SPENT TO DATE	\$	2,156,426 (see A-10)
FEMA AR BALANCE 12/31/2021		1,367,991 GL snap shot shown above
DIFFERENCE = DEMCO COST	\$	788,435

2021 TEST YEAR FORMULA RATE PLAN (FRP)
ATTACHMENT B: CTIER AND CDSC FORMULAS
ADJUSTMENT

A-7

Bad Debt Expense – one-time deferral in 2021; ramped up expense accrual in 2020 due to pandemic, pulled back estimates in 2021 to address over-accrual, expect 2022 to be back to normal levels

DIXIE ELECTRIC MEMBERSHIP CORPORATION
 2021 TEST YEAR FORMULA RATE PLAN (FRP)
 ATTACHMENT B: CTIER AND CDSC FORMULAS
 REFERENCE A-7

REF	ITEM DESCRIPTION
A-7	Bad Debt Expense -- one-time deferral in 2021; ramped up expense accrual in 2020 due to pandemic, pulled back estimates in 2021 to address over-accrual, expect 2022 to be back to normal levels

Sum of Amount	Column Labels				
Row Labels	2018	2019	2020	2021	Grand Total
1701 - ERC LOAN - PRINCIPAL		280	0		280
1			0		0
12		280			280
2250 - MEMBERSHIP FEE RECEIVED			-5		-5
1			-5		-5
2255 - PAYMENTS-WRITTEN OFF	593	10,082	461	-895	10,242
1	10	-2	24	-2,011	-1,979
2	10	13	11	58	92
3	36	13	46	102	196
4	16	12	57	901	986
5	-5	-14	23	29	34
6	14	-5	20	26	56
7	-8	5	49		46
8	460	-6	39		493
9	10	-20	46		35
10	15	25	75		115
11	4	10,059	40		10,103
12	31	3	31		66
2263 - NSF CHECK CHARGES		160	40	100	300
1		20	20	40	80
4			20		20
6		20		60	80
7		20			20
8		20			20
10		40			40

DIXIE ELECTRIC MEMBERSHIP CORPORATION
2021 TEST YEAR FORMULA RATE PLAN (FRP)
ATTACHMENT B: CTIER AND CDSC FORMULAS
REFERENCE A-7

REF	ITEM DESCRIPTION
A-7	Bad Debt Expense -- one-time deferral in 2021; ramped up expense accrual in 2020 due to pandemic, pulled back estimates in 2021 to address over-accrual, expect 2022 to be back to normal levels

Sum of Amount	Column Labels					
Row Labels	2018	2019	2020	2021	Grand Total	
11		40			40	
2269 - ALLOWANCE FOR UNCOLLECTIBLES	603,475	478,979	1,054,278	311,058	2,447,790	2021 Actual Ave. 2018+2019 Add'l amount est. 2023
1	43,230	45,005	45,156	112,545	245,935	\$ 311,058 \$ 541,227 \$ 230,169
2	55,380	45,000	45,282	39,585	185,247	
3	55,735	44,653	45,175	30,415	175,977	
4	46,273	44,524	45,150	27,814	163,761	
5	50,463	44,725	45,000	29,778	169,966	
6	45,632	44,969	44,838	30,921	166,361	
7	45,307	44,727	105,024	40,000	235,058	
8	41,007	45,014	104,935		190,956	
9	45,949	45,552	250,133		341,634	
10	45,233	45,406	250,173		340,812	
11	41,027	43,105	3,315		87,447	
12	88,239	-13,700	70,098		144,637	
2270 - UNCOLLECTIBLES RECOVERED				-2,165	-2,165	
10				-2,165	-2,165	
2294 - NOTE BILLED		-40	0		-40	
1			0		0	
12		-40			-40	
2344 - CRC INVESTMENT		-10,000			-10,000	
12		-10,000			-10,000	
3001 - ADJ/GENERAL LEDGER - BEG BAL		36,441		752	37,193	
5				752	752	
12		36,441			36,441	
Grand Total	604,068	515,902	1,054,774	308,850	2,483,595	

2021 TEST YEAR FORMULA RATE PLAN (FRP)
ATTACHMENT B: CTIER AND CDSC FORMULAS
ADJUSTMENT

A-8

**Computer conversion expenses related to 2021 National Information Solutions Cooperative
(NISC) system implementation June, 2021**

DIXIE ELECTRIC MEMBERSHIP CORPORATION
2021 TEST YEAR FORMULA RATE PLAN (FRP)
ATTACHMENT B: CTIER AND CDSC FORMULAS
REFERENCE A-8

REF		ITEM DESCRIPTION		
A-8		Computer conversion expenses related to 2021 NISC system implementation		
Division		(All)		
Sum of Amount		LABOR/BENEFITS NO	YEAR YES	Grand Total
Activity	Reference	2021	2021	2021
0 - Unassigned Activity	Fleet Management Transaction		38,387	38,387
	Payroll Labor		291,249	291,249
	RECLASS NISC EXPENSE		(1,094)	(1,094)
	RECLASS NISC EXPENSES		(1,132)	(1,132)
0 - Unassigned Activity Total			327,410	327,410
13 - LABOR REGULAR	Payroll Labor		3,114	3,114
	(blank)		325,208	325,208
13 - LABOR REGULAR Total			328,322	328,322
2 - ACCRUED LABOR (REG)-MONTH END	(blank)		176,538	176,538
2 - ACCRUED LABOR (REG)-MONTH END Total			176,538	176,538
201 - PAYROLL EXPENSE ALLOCATION	(blank)		54,277	54,277
201 - PAYROLL EXPENSE ALLOCATION Total			54,277	54,277
204 - INSURANCE EXPENSE ALLOCATION	(blank)		27,737	27,737
204 - INSURANCE EXPENSE ALLOCATION Total			27,737	27,737
205 - EMPLOYEE BENEFIT EXP ALLOCATION	(blank)		383,680	383,680
205 - EMPLOYEE BENEFIT EXP ALLOCATION Total			383,680	383,680
209 - HOLIDAY ALLOCATION	(blank)		14,128	14,128
209 - HOLIDAY ALLOCATION Total			14,128	14,128
3 - ACCRUED LABOR (OT)-MONTH END	(blank)		7,523	7,523
3 - ACCRUED LABOR (OT)-MONTH END Total			7,523	7,523

DIXIE ELECTRIC MEMBERSHIP CORPORATION
2021 TEST YEAR FORMULA RATE PLAN (FRP)
ATTACHMENT B: CTIER AND CDSC FORMULAS
REFERENCE A-8

REF		ITEM DESCRIPTION			
A-8		Computer conversion expenses related to 2021 NISC system implementation			
Division		(All)			
Sum of Amount		LABOR/BENEFITS		YEAR	
		NO		YES	
		2021		2021	
Activity	Reference			Grand Total	
400 - EMPLOYEE BENEFITS.	401K Employer Match			6,276	6,276
	Accrued Sicktime			12,379	12,379
	Birthday			919	919
	Dental Insurance - Employee			(2,950)	(2,950)
	Dental Insurance - Employer			3,562	3,562
	Drean Day PTO			152	152
	Employee Benefits - Other			(0)	(0)
	Employee Benefits Allocation			3,153	3,153
	Employee Pension & Benefits			12,655	12,655
	Floating Holiday			970	970
	Holiday Time			3,905	3,905
	HSA - Employer			7,474	7,474
	HSA - From Employee			(1,218)	(1,218)
	IT Allocations			27,620	27,620
	Jury Duty Allocation			126	126
	Life Insurance Benefit			1,365	1,365
	Long-Term Disability			1,848	1,848
	Medical Claims Paid			84,706	84,706
	Medical Insurance			1,529	1,529
	Medicare/Soc Security			9,034	9,034

DIXIE ELECTRIC MEMBERSHIP CORPORATION
2021 TEST YEAR FORMULA RATE PLAN (FRP)
ATTACHMENT B: CTIER AND CDSC FORMULAS
REFERENCE A-8

REF		ITEM DESCRIPTION			
A-8		Computer conversion expenses related to 2021 NISC system implementation			
Division		(All)			
Sum of Amount		LABOR/BENEFITS		YEAR	Grand Total
Activity		NO	2021	YES	2021
400 - EMPLOYEE BENEFITS	Non-Employee Dental Insurance			(1,229)	(1,229)
	Non-Employee Medical Insurance			(2,329)	(2,329)
	Non-Employee Vision Insurance			(283)	(283)
	R&S Plan Admin Fee			2,853	2,853
	R&S Plan Expense			78,316	78,316
	Short-Term Disability			1,298	1,298
	United Way PTO			59	59
	Vision Insurance			(107)	(107)
	Workers Comp			29,148	29,148
400 - EMPLOYEE BENEFITS Total				281,230	281,230
4212 - FLOWERS/GIFTS/SERV AWARDS/ETC	920.90 - FLOWERS/GIFTS/SERV AWARDS/ETC		1,274		1,274
4212 - FLOWERS/GIFTS/SERV AWARDS/ETC Total			1,274		1,274
4213 - TRAINING	920.90 - TRAINING		818		818
	OCTOBER 2021 MISC		4,500		4,500
	(blank)		1,094		1,094
4213 - TRAINING Total			6,412		6,412
4217 - BUSINESS TRAVEL	05/31 - 06/26 MILEAGE		188		188
	06/05 - 06/11 MILEAGE		185		185
	06/07-07/09 MILEAGE		175		175
	06/14 - 06/26 MILEAGE		111		111

DIXIE ELECTRIC MEMBERSHIP CORPORATION
2021 TEST YEAR FORMULA RATE PLAN (FRP)
ATTACHMENT B: CTIER AND CDSC FORMULAS
REFERENCE A-8

REF		ITEM DESCRIPTION		
A-8		Computer conversion expenses related to 2021 NISC system implementation		
Division		(All)		
Sum of Amount		LABOR/BENEFITS	YEAR	Grand Total
Activity		NO	YES	2021
4217 - BUSINESS TRAVEL	06/21 - 07/02 MILEAGE	362		362
	920.90 - BUSINESS TRAVEL	2,884		2,884
	MARK PHILLIPS	(1,000)		(1,000)
4217 - BUSINESS TRAVEL Total		2,906		2,906
4225 - BUSINESS MEALS	920.90 - BUSINESS MEALS	4,953		4,953
	DAVID JEWELL	95		95
	GALEN DUNBAR	882		882
	HALEY MEADOWS	904		904
	JEFF BELLINGTON	36		36
	JEREMY WASCOM	17		17
	MARK PHILLIPS	662		662
	MATT GIBSON	389		389
	MIKE JOHNSON	1,486		1,486
	NISC BREAKFAST REIMB	33		33
	NISC GEAX LIVE MEALS	2,192		2,192
	NISC LAUNCH MEALS	175		175
	NISC MEAL REIMBURSEMENT	9		9
	NISC MEALS	2,369		2,369
	PEGGY MARANAN	109		109
	RANDY PIERCE	343		343

DIXIE ELECTRIC MEMBERSHIP CORPORATION
2021 TEST YEAR FORMULA RATE PLAN (FRP)
ATTACHMENT B: CTIER AND CDSC FORMULAS
REFERENCE A-8

REF		ITEM DESCRIPTION		
A-8		Computer conversion expenses related to 2021 NISC system implementation		
Division		(All)		
Sum of Amount		LABOR/BENEFITS	YEAR	Grand Total
Activity		NO	YES	
			2021	2021
Reference				
4225 - BUSINESS MEALS	SAM ROSSO		64	64
	(blank)		17,115	17,115
4225 - BUSINESS MEALS Total			31,833	31,833
4228 - COOPERATIVE PROVIDED CLOTHING	NISC SHIRTS		372	372
	(blank)		949	949
4228 - COOPERATIVE PROVIDED CLOTHING Total			1,321	1,321
5058 - MAILING/FREIGHT	(blank)		55,075	55,075
5058 - MAILING/FREIGHT Total			55,075	55,075
5080 - OFFICE SUPPLIES	(blank)		412	412
5080 - OFFICE SUPPLIES Total			412	412
5081 - OTHER SUPPLIES	KATIE GUESSFELD		192	192
5081 - OTHER SUPPLIES Total			192	192
5507 - CONTRACTOR-LABOR	(blank)		1,500	1,500
5507 - CONTRACTOR-LABOR Total			1,500	1,500
5526 - IMPLEMENTATION EXPENSES	CONSULTING		7,557	7,557
	FINAL		680	680
	NISC CONSULTING		4,020	4,020
	REIMBURSEMENT		12	12
	(blank)		58,855	58,855
5526 - IMPLEMENTATION EXPENSES Total			71,124	71,124

DIXIE ELECTRIC MEMBERSHIP CORPORATION
2021 TEST YEAR FORMULA RATE PLAN (FRP)
ATTACHMENT B: CTIER AND CDSC FORMULAS
REFERENCE A-8

REF		ITEM DESCRIPTION		
A-8		Computer conversion expenses related to 2021 NISC system implementation		
Division		(All)		
Sum of Amount		LABOR/BENEFITS NO	YEAR YES	Grand Total
Activity	Reference	2021	2021	
6533 - SOFTWARE LICENSING & SUPPORT	(blank)	3,427		3,427
6533 - SOFTWARE LICENSING & SUPPORT Total		3,427		3,427
6828 - PROMOTIONAL EXPENSE	SOFTWARE UPGRADE PROJECT	11,414		11,414
6828 - PROMOTIONAL EXPENSE Total		11,414		11,414
7020 - TRANSPORTATION EXPENSE	(blank)		38,252	38,252
7020 - TRANSPORTATION EXPENSE Total			38,252	38,252
7029 - TRANSPORTATION ALLOWANCE	(blank)		1,428	1,428
7029 - TRANSPORTATION ALLOWANCE Total			1,428	1,428
8 - LABOR OVERTIME-TIME & 1/2	Payroll Labor		2,364	2,364
	(blank)		10,293	10,293
8 - LABOR OVERTIME-TIME & 1/2 Total			12,657	12,657
8023 - OTHER	(blank)	1,725		1,725
8023 - OTHER Total		1,725		1,725
Grand Total		188,614	1,653,182	1,841,796
		188,614	1,653,182	1,841,796

Est. 65% expense, 35% capital is typical split for Labor/Benefits:
Expense, est.

1,074,568

DIXIE ELECTRIC MEMBERSHIP CORPORATION
 2021 TEST YEAR FORMULA RATE PLAN (FRP)
 ATTACHMENT B: CTIER AND CDSC FORMULAS
 REFERENCE A-8

		ITEM DESCRIPTION		
A-8	REF	Computer conversion expenses related to 2021 NISC system implementation		
Division	(All)			
Sum of Amount		LABOR/BENEFITS NO	YEAR YES	Grand Total
Activity	Reference	2021	2021	
Capital, est.			578,614	
NISC expenses for 2021, est.		188,614	1,074,568	1,263,182
One-time non-recurring costs		\$ 188,614	\$ 578,614	\$ 767,228

2021 TEST YEAR FORMULA RATE PLAN (FRP)
ATTACHMENT B: CTIER AND CDSC FORMULAS
ADJUSTMENT

A-9

**Sales Tax Refund Accounts Receivable – one-time adjustment to reduce estimated
receivable**

DIXIE ELECTRIC MEMBERSHIP CORPORATION
 2021 TEST YEAR FORMULA RATE PLAN (FRP)
 ATTACHMENT B: CTIER AND CDSC FORMULAS
 REFERENCE A-9a

REF	ITEM DESCRIPTION
A-9	Sales Tax Refund Accounts Receivable -- one-time adjustment to reduce estimated receivable

Adjusting Journal Entry JE # 6		163.00	
To move the write off of sales taxes receivable that was posted to stores to sales tax expense and reclass the allowance recorded to a separate account			
143.010	AR SALES TAX	670,000.00	
408.900	LA SALE TAX ACCRUALS	335,000.00	
144.110	ACCUM PROV FOR UNCOLL-OTHER A/R		670,000.00
163.000	STORES EXPENSE UNDISTRIBUTED		335,000.00
Total		<u>1,005,000.00</u>	<u>1,005,000.00</u>

408.9	335,000	tab A-9_a journal entry
408.9	335,000	tab A-9_b journal entry
Total	<u>670,000</u>	

DIXIE ELECTRIC MEMBERSHIP CORPORATION
 2021 TEST YEAR FORMULA RATE PLAN (FRP)
 ATTACHMENT B: CTIER AND CDSC FORMULAS
 REFERENCE A-9b

REF
 A-9

ITEM DESCRIPTION
 Sales Tax Refund Accounts Receivable – one-time adjustment to reduce estimated receivable

Entry booked 12/1/2021:

Div	Acct	Account Desc	Date	Reference	Debit	Credit	Dept	Activity	Journal	User Name
0 - DEI	163	STORES EXPENSE UNDISTRIBUTED	12/1/2021	ADJ SALES	335,000.00		0 - Unassigned Department	0 - Unassigned Activity	93009	kevinc
0 - DEI	408.9	LA SALE TAX ACCRUALS	12/1/2021	ADJ SALES	335,000.00		0 - Unassigned Department	0 - Unassigned Activity	93009	kevinc
0 - DEI	143.01	AR SALES TAX	12/1/2021	ADJ SALES		0 670,000.00	0 - Unassigned Department	0 - Unassigned Activity	93009	kevinc

From: Peggy Maranan
 Sent: Wednesday, February 16, 2022 10:26 AM
 To: Kevin Commander <KevinC@DEMCO.ORG>
 Subject: RE: Status: Sales Tax Refund Project 02/10/22

\$871K balance in AR 143.12.

Less: \$200K we can identify that Shelia is working on.

Then divide by two, half to capital and half to expense, \$335K to each. 408.9 looks like a possible account to book this expense to, but let me know if you see a better account.

So, we should be left with a balance in the AR of about \$200K.

Please record in 2021.

Thank you.

Peggy Maranan | DEMCO
 o: 225.262.3026 | c: 225-397-0150

From: Peggy Maranan
 Sent: Wednesday, February 16, 2022 10:13 AM
 To: Kevin Commander <KevinC@DEMCO.ORG>
 Subject: RE: Status: Sales Tax Refund Project 02/10/22

What I am trying to understand is:

1. We have about \$200K of refund that we identified thru AP reports 2018 thru present, the ones Shelia is working on

DIXIE ELECTRIC MEMBERSHIP CORPORATION
2021 TEST YEAR FORMULA RATE PLAN (FRP)
ATTACHMENT B: CTIER AND CDSC FORMULAS
REFERENCE A-9b

2. We have the two 2018 amended tax returns that would yield approx. \$150K if the state agrees to those refunds

So, why did we have \$871K in the AR account? Are we missing something, as that is quite a large sum that we are not accounting for.

Any thoughts?

Peggy Maranan | DEMCO
o: 225.262.3026 | c: 225-397-0150

From: Kevin Commander <KevinC@DEMCO.ORG>
Sent: Wednesday, February 16, 2022 8:04 AM
To: Peggy Maranan <peggym@DEMCO.ORG>
Subject: RE: Status: Sales Tax Refund Project 02/10/22

The entry was made just to move the balance to a separate account

Kevin Commander | DEMCO
Controller
16262 Wax Road | Greenwell Springs, LA 70739
o: 225.262.3062 | c: 225.278.6137

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From: Peggy Maranan <peggym@DEMCO.ORG>
Sent: Tuesday, February 15, 2022 5:54 PM
To: Kevin Commander <KevinC@DEMCO.ORG>
Subject: RE: Status: Sales Tax Refund Project 02/10/22

Kevin,

This 12/31/19 JE47463 is where we recorded the bulk of the sales tax refund amount that we still had in our GL, we Debited 143.12 \$913,446.75. Where can we find the supporting documentation for this journal entry, something that shows the individual transactions that made this up? Thank you.

DIXIE ELECTRIC MEMBERSHIP CORPORATION
 2021 TEST YEAR FORMULA RATE PLAN (FRP)
 ATTACHMENT B: CTIER AND CDSC FORMULAS
 REFERENCE A-9b

FRP - G. Summary Inquiry

From Acct: 143.12 Thru Acct: 143.12 From Date: 12/31/19 Thru Date: 12/31/19 From Job: No From Project: Thru Project: From H. Acct: Thru H. Acct: From Vendor: Thru Vendor:

Account #	Source #	TRANCODE	Y4 Debit	Y4 Credit	ACM Sequence	Y4 Amount	Batch #
143.12	Journal Entries	43	00	969.24		969.24	634
143.12	Journal Entries	43	00	90.00		90.00	634
143.12	Journal Entries	43	00	45.00		45.00	634
143.12	Journal Entries	43	00	27,544.71		27,544.71	634
143.12	Journal Entries	43	00	482.58		482.58	634
143.12	Journal Entries	43	913,449.75	00		913,449.75	634
143.12	Journal Entries	43	23,734.04	00		23,734.04	634
143.12	Journal Entries	43	132.32	00		132.32	634
143.12	Journal Entries	43	7,599.69	00		7,599.69	634
143.12	Journal Entries	43	00	7,599.69		7,599.69	634
143.12	Journal Entries	43	26,184.24	00		26,184.24	634
143.12	Journal Entries	43	158.56	00		158.56	634
143.12	Journal Entries	43	48.00	00		48.00	634
143.12	Journal Entries	43	28.23	00		28.23	634
143.12	Journal Entries	43	200.00	00		200.00	634
143.12	Journal Entries	43	00	158.56		158.56	634
143.12	Journal Entries	43	00	68.00		68.00	634
143.12	Journal Entries	43	00	26.23		26.23	634
143.12	Journal Entries	43	00	200.00		200.00	634
143.12	Journal Entries	43	00	1,974.45		1,974.45	634
143.12	Journal Entries	43	00	00		00	634

Display:

Total Records: 128 Total Quantity: 110 Total Debit: 1,213,167.68 Total Credit: 47,462.72 Total Amount: 767,704.96

Print:

From: Kevin Commander <KevinC@DEMCO.ORG>
 Sent: Thursday, February 10, 2022 1:56 PM
 To: Peggy Maranan <peggym@DEMCO.ORG>
 Subject: RE: Status: Sales Tax Refund Project 02/10/22

They are saved there

Kevin Commander | DEMCO
 Controller
 16262 Wax Road | Greenwell Springs, LA 70739
 o: 225.262.3062 | c: 225.278.6137

DIXIE ELECTRIC MEMBERSHIP CORPORATION
2021 TEST YEAR FORMULA RATE PLAN (FRP)
ATTACHMENT B: CTIER AND CDSC FORMULAS
REFERENCE A-9b

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From: Peggy Maranan <peggym@DEMCO.ORG>
Sent: Thursday, February 10, 2022 1:26 PM
To: Kevin Commander <KevinC@DEMCO.ORG>
Cc: Michelle Muse <mmuse@demco.org>; Kellie Smith <kellies@DEMCO.ORG>; Lacey Brown <lacey@demco.org>; Katie Guessfeld
Subject: RE: Status: Sales Tax Refund Project 02/10/22

Kevin,
Can you put the refund requests that you had submitted (previously from customer billings) in this folder, so we can keep all refund information together?

\\demco.local\data\DeptData\Finance\Sales Tax To Vendors

Thanks,

Peggy Maranan | DEMCO
o: 225.262.3026 | c: 225-397-0150

From: Peggy Maranan
Sent: Thursday, February 10, 2022 10:54 AM
to: demco.org>; Katie Guessfeld <katieg@DEMCO.ORG>; Kellie Smith <kellies@DEMCO.ORG>; Lacey Brown <lacey@DEMCO.ORG>; Michelle
Cc: Kevin Commander <KevinC@DEMCO.ORG>
Subject: RE: Status: Sales Tax Refund Project 02/10/22

Thanks, Shelia, for this update.

Katie,

Can you review the reports that we have lined up for Shelia to work with for 2019, 2020, and 2021, and ensure that we are at least going to get into the ballpark of submitting refund requests for about \$800K at the end of the day? If we aren't going to get there and think we will be short of the \$800K, we will need to estimate how much we think we might be short by and record that expense into our 2021 financial statements if we are reasonably sure that we might be short. Kevin will be trying to close out the 2021 financial statements by next week, so if we need to make an adjustment we will need to complete it within that time frame.

DIXIE ELECTRIC MEMBERSHIP CORPORATION
2021 TEST YEAR FORMULA RATE PLAN (FRP)
ATTACHMENT B: CTIER AND CDSC FORMULAS
REFERENCE A-9b

Here is what we are showing as a receivable from the State for these refunds in our records:

Search Type:	Accounts	Division:	0 - DEMCO	Period:	12 - Dec 2021
		Account:	143.01		
Account Balance: 0.143.01 - AR SALES TAX					
Division	Account A	Description	PTD Amount	PTD Budget	YTD Balance
0 - DEMCO	143.01	AR SALES TAX	0.00	0.00	871,744.01

Thank you, everyone!

Peggy Maranan | DEMCO
o: 225.262.3026 | c: 225-397-0150

From: Shelia Creighton <sheliac@demco.org>
Sent: Thursday, February 10, 2022 10:37 AM
To: DEMCO.ORG; Katie Guessfeld <katieg@DEMCO.ORG>; Kellie Smith <kellies@DEMCO.ORG>; Lacey Brown <lacey@demco.org>; Michelle
Subject: Status: Sales Tax Refund Project 02/10/22

Team,
The attached reflects project updates as of Thursday, February 10, 2022.

Please note, the LA state Sales Taxes are no longer reflected for March and April (2019) and will not be considered moving forward per last week's discussions.

Shelia H Creighton | DEMCO
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