



# TAYLOR PORTER

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May 15, 2024

Mr. Brandon Frey  
Executive Secretary  
Louisiana Public Service Commission  
Galvez Building - 12<sup>th</sup> Floor  
602 North 5<sup>th</sup> Street  
Baton Rouge, LA 70802

**RECEIVED**  
**MAY 15 2024**  
LA Public Service Commission

RE: Dixie Electric Membership Corporation (DEMCO)  
Formula Rate Plan Annual Report for 2023 Test Year

Dear Secretary Frey:

Enclosed on behalf of Dixie Electric Membership Corporation ("DEMCO") are an original and three copies containing DEMCO's Formula Rate Plan ("FRP") Annual Report for the 2023 test year. This Annual Report is based upon the test year ending December 31, 2023 and is in accordance with the Formula Rate Plan Rider Schedule FRP, and the associated attachments (collectively, the "Rider").

Pursuant to Section 2.B.2 of the Rider, DEMCO has included the work papers supporting the data and calculations reflected in the Annual Report. I will transmit electronic copies of the supporting documents in their native form to LPSC Staff via email.

Based on application of the Rider for the Calculated Times Interest Earned Ratio ("CTIER") test, CTIER for the 2023 test year is 0.95, which falls outside of and below the Tier Bandwidth Lower Limit of 1.35. Therefore, pursuant to Section 2.C.2(b), DEMCO's rates should be increased to reflect a FRP revenue level at the CTIER midpoint of 1.45. Increasing the FRP revenue level to the 1.45 midpoint results in a base revenue increase of \$8,381,769, which translates into a 5.63% base rate increase. DEMCO proposes to place the rates into effect on January 1, 2025.

I respectfully request that you docket this matter and publish notice in the next available Official Bulletin. DEMCO will publish notice of this filing in each Official Journal of the parishes in which it operates and submit proof of publication at a later date.

Very truly yours,

TAYLOR, PORTER, BROOKS & PHILLIPS L.L.P.

Thomas D. Gildersleeve

TDG/mab

cc: T. Paul Rachal, Staff Attorney  
Karl Nalepa, LPSC Consultant

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