

**STATEMENT OF DEFAULT SERVICE CHARGE**

Applicable to Billings Under Service Classification  
Nos. 1, 2, 3, and 4  
For the Three-month Period March 1, 2017 through May 31, 2017

<u>SC No.</u>	<u>Description</u>	<u>Market Price of Electric Supply (¢/kWh)</u>	<u>Electric Supply Adjustment Charge (¢/kWh)</u>	<u>Default Service Charge (¢/kWh)</u>
1	Residential Service	7.4920	2.0000	9.4920
2	General Service Secondary	7.4170	(2.0000)	5.4170
2	General Service Primary	7.4230	(2.0000)	5.4230
3	Municipal Street Lighting	5.2810	(2.0000)	3.2810
4	Private Outdoor Lighting	5.0940	(1.0594)	4.0346

\* The above charges include the provision for Gross Receipts Tax.

Issued: February 13, 2017

Effective: March 1, 2017

Issued by: Michael German, President  
Corning, New York

**Pike County Light and Power Company  
Determination of the Market Price of Electric Supply**

**For the Period Mar 2017 through May 2017**

Market Price of Electric Supply

Forecast Quarterly Market Price                      6.504

Ratio of Default Service Unit Costs @ Customer to All-In Average Cost @ Bulk System

*includes Energy, Generation obligations, and Ancillary Services*

	<u>SC1</u>	<u>SC2 Sec</u>	<u>SC2 Pri</u>	<u>SC3</u>	<u>SC4</u>
Annual - all hrs	1.084	1.073	1.074	0.764	0.737

Retail Default Service Rates Excluding GRT (¢/kWh)

*Product of Forecast Quarterly Market Price and above ratios*

	<u>SC1</u>	<u>SC2 Sec</u>	<u>SC2 Pri</u>	<u>SC3</u>	<u>SC4</u>
All kWh (¢/kWh)	7.050	6.979	6.985	4.969	4.793

Gross Receipts Tax

GRT Rate =                      5.90%

Retail Default Service Rates Including GRT (¢/kWh)

*Retail Default Service Rates Excluding GRT / (1 - GRT Rate)*

	<u>SC1</u>	<u>SC2 Sec</u>	<u>SC2 Pri</u>	<u>SC3</u>	<u>SC4</u>
All kWh (¢/kWh)	7.492	7.417	7.423	5.281	5.094

**PIKE COUNTY LIGHT AND POWER COMPANY**  
**Determination of Class-specific (Over)/Under Recoveries**

**November 2016**

1. Average Cost

Default Service Costs from Nov 2016	<b>\$149,678</b>
Sales (kWh)	<b>1,415,374</b>
 Average Cost per kWh (¢/kWh)	 <b>10.5752</b>

2. Default Service Ratios

	<u>Default Svc Sendout Ratio</u>	<u>Loss Factors</u>	<u>Default Svc Sales Ratio</u>
1 Residential Service	1.0840	1.07987	1.0038
2 General Service Secondary	1.0730	1.07987	0.9936
2 General Service Primary	1.0740	1.05641	1.0167
3 Municipal Street Lighting	0.7640	1.07611	0.7100
4 Private Outdoor Lighting	0.7370	1.07611	0.6849

3. Average Cost by Service Classification

<u>SC No.</u>	<u>Description</u>	(1) <u>Sales (kWh)</u>	(2) <u>Average Cost Per kWh (¢/kWh)</u>	(3) <u>Default Svc Sales Ratio</u>	(4) = (2) * (3) <u>Class- Specific Cost Per kWh (¢/kWh)</u>
1	Residential Service	696,668	10.5752	1.0038	10.6156
2	General Service Secondary	526,301	10.5752	0.9936	10.5079
2	General Service Primary	178,485	10.5752	1.0167	10.7512
3	Municipal Street Lighting	7,161	10.5752	0.7100	7.5080
4	Private Outdoor Lighting	6,759	10.5752	0.6849	7.2426
	<b>Total</b>	<b>1,415,374</b>			
			(6)=(149,678-149,475)* (5) = (1) * (4)/100		
			(5) /149,475	(7) = (5) + (6)	

<u>SC No.</u>	<u>Description</u>	<u>Class- Specific Cost (\$)</u>	<u>Adjustment (\$)</u>	<u>Adjusted Class- Specific Cost (\$)</u>
1	Residential Service	\$73,955	\$100	\$74,055
2	General Service Secondary	55,303	75	\$55,378
2	General Service Primary	19,189	26	\$19,215
3	Municipal Street Lighting	538	1	\$539
4	Private Outdoor Lighting	<u>490</u>	<u>1</u>	\$491
	<b>Total</b>	<b>\$149,475</b>	<b>\$203</b>	<b>\$149,678</b>

**PIKE COUNTY LIGHT AND POWER COMPANY**  
**Determination of Class-specific (Over)/Under Recoveries**

**December 2016**

1. Average Cost

Default Service Costs from Dec 2016	<b>\$230,055</b>
Sales (kWh)	<b>1,583,157</b>
 Average Cost per kWh (¢/kWh)	 <b>14.5314</b>

2. Default Service Ratios

	<u>Default Svc Sendout Ratio</u>	<u>Loss Factors</u>	<u>Default Svc Sales Ratio</u>
1 Residential Service	1.0840	1.07987	1.0038
2 General Service Secondary	1.0730	1.07987	0.9936
2 General Service Primary	1.0740	1.05641	1.0167
3 Municipal Street Lighting	0.7640	1.07611	0.7100
4 Private Outdoor Lighting	0.7370	1.07611	0.6849

3. Average Cost by Service Classification

<u>SC No.</u>	<u>Description</u>	(1) <u>Sales (kWh)</u>	(2) <u>Average Cost Per kWh (¢/kWh)</u>	(3) <u>Default Svc Sales Ratio</u>	(4) = (2) * (3) <u>Class- Specific Cost Per kWh (¢/kWh)</u>
1	Residential Service	901,475	14.5314	1.0038	14.5870
2	General Service Secondary	518,064	14.5314	0.9936	14.4390
2	General Service Primary	149,589	14.5314	1.0167	14.7734
3	Municipal Street Lighting	7,238	14.5314	0.7100	10.3168
4	Private Outdoor Lighting	6,790	14.5314	0.6849	9.9522
	<b>Total</b>	<b>1,583,157</b>			

(6)=(230,055-229,823)\*  
(5) = (1) \* (4)/100                      (5) /229,823                      (7) = (5) + (6)

<u>SC No.</u>	<u>Description</u>	<u>Class- Specific Cost (\$)</u>	<u>Adjustment (\$)</u>	<u>Adjusted Class- Specific Cost (\$)</u>
1	Residential Service	\$131,498	\$133	\$131,631
2	General Service Secondary	74,803	76	74,879
2	General Service Primary	22,099	22	22,121
3	Municipal Street Lighting	747	1	748
4	Private Outdoor Lighting	<u>676</u>	<u>1</u>	<u>677</u>
	<b>Total</b>	<b>\$229,823</b>	<b>\$233</b>	<b>\$230,056</b>

**PIKE COUNTY LIGHT AND POWER COMPANY**  
**Determination of Class-specific (Over)/Under Recoveries**

January 2017

1. Average Cost

Default Service Costs from Jan 2017	<b>\$189,244</b>
Sales (kWh)	<b>1,358,125</b>
 Average Cost per kWh (¢/kWh)	 <b>13.9342</b>

2. Default Service Ratios

	<u>Default Svc Sendout Ratio</u>	<u>Loss Factors</u>	<u>Default Svc Sales Ratio</u>
1 Residential Service	1.0840	1.07987	1.0038
2 General Service Secondary	1.0730	1.07987	0.9936
2 General Service Primary	1.0740	1.05641	1.0167
3 Municipal Street Lighting	0.7640	1.07611	0.7100
4 Private Outdoor Lighting	0.7370	1.07611	0.6849

3. Average Cost by Service Classification

	(1)	(2)	(3)	(4) = (2) * (3)
<u>SC No. Description</u>	<u>Sales (kWh)</u>	<u>Average Cost Per kWh (¢/kWh)</u>	<u>Default Svc Sales Ratio</u>	<u>Class- Specific Cost Per kWh (¢/kWh)</u>
1 Residential Service	687,969	13.9342	1.0038	13.9875
2 General Service Secondary	519,338	13.9342	0.9936	13.8455
2 General Service Primary	136,476	13.9342	1.0167	14.1662
3 Municipal Street Lighting	7,147	13.9342	0.7100	9.8928
4 Private Outdoor Lighting	7,195	13.9342	0.6849	9.5432
 Total	 1,358,125			

(6) = (189,244 - 188,862) *		
(5) = (1) * (4) / 100	(5) / 188,862	(7) = (5) + (6)

<u>SC No. Description</u>	<u>Class- Specific Cost (\$)</u>	<u>Adjustment (\$)</u>	<u>Adjusted Class- Specific Cost (\$)</u>
1 Residential Service	\$96,230	\$195	\$96,425
2 General Service Secondary	71,905	145	72,050
2 General Service Primary	19,333	39	19,372
3 Municipal Street Lighting	707	1	708
4 Private Outdoor Lighting	<u>687</u>	<u>1</u>	<u>688</u>
 Total	 \$188,862	 \$381	 \$189,243

**PIKE COUNTY LIGHT AND POWER COMPANY**  
**Determination of the Electric Supply Adjustment Charge**

**Reconciliation of (Over)/Under Recoveries for the period Nov 2016 through Jan 2017**  
**To be Applied in the ESAC for the Period Mar 2017 through May 2017**

4. Other Inputs in Calculations

Gross Receipts Tax	<b>5.90%</b>
Interest Rate on Undercollections =	<b>3.75%</b>
Interest Rate on Overcollections =	<b>3.75%</b>

5. Summary of Costs for the Quarter

	(1)	(2)	(3)	(4) = sum(1):(3)
	Adjusted Class-Specific Cost For	Adjusted Class-Specific Cost For	Adjusted Class-Specific Cost For	Total Adjusted Class-Specific Cost for Quarter
<u>SC No. Description</u>	<u>Nov 2016 (\$)</u>	<u>Dec 2016 (\$)</u>	<u>Jan 2017 (\$)</u>	<u>Ended Jan 2017 (\$)</u>
1 Residential Service	\$74,055	\$131,631	\$96,425	\$302,111
2 General Service Secondary	55,378	74,879	72,050	202,307
2 General Service Primary	19,215	22,121	19,372	60,708
3 Municipal Street Lighting	539	748	708	1,995
4 Private Outdoor Lighting	<u>491</u>	<u>677</u>	<u>688</u>	<u>1,856</u>
Total	\$149,678	\$230,056	\$189,243	\$568,977

	(5)	(6)	(7)	(8) = sum(5):(7)
	Nov 2016 Prior Period Reconciliation	Dec 2016 Prior Period Reconciliation	Jan 2017 Prior Period Reconciliation	Total Quarterly Prior Period Reconciliation
<u>SC No. Description</u>	<u>Cost (\$)</u>	<u>Cost (\$)</u>	<u>Cost (\$)</u>	<u>Cost (\$)</u>
1 Residential Service	(\$13,286)	(\$12,917)	(\$12,917)	(\$39,119)
2 General Service Secondary	(6,945)	(17,090)	(17,090)	(41,124)
2 General Service Primary	(3,647)	(9,966)	(9,966)	(23,579)
3 Municipal Street Lighting	(111)	(108)	(108)	(326)
4 Private Outdoor Lighting	<u>(102)</u>	<u>32</u>	<u>32</u>	<u>(38)</u>
Total	(\$24,091)	(\$40,048)	(\$40,048)	(\$104,187)

	(9)	(10)	(11)	(12) = sum(9):(11)
	Nov 2016 Costs From Prior Period(s)	Dec 2016 Costs From Prior Period(s)	Jan 2017 Costs From Prior Period(s)	Total Quarterly Costs From Prior Period(s)
<u>SC No. Description</u>	<u>Due to Limit (\$)</u>	<u>Due to Limit (\$)</u>	<u>Due to Limit (\$)</u>	<u>Due to Limit (\$)</u>
1 Residential Service	\$0	\$0	\$0	\$0
2 General Service Secondary	0	0	0	0
2 General Service Primary	0	(4,592)	(4,592)	(9,183)
3 Municipal Street Lighting	0	0	0	0
4 Private Outdoor Lighting	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total	\$0	(\$4,592)	(\$4,592)	(\$9,183)

**PIKE COUNTY LIGHT AND POWER COMPANY**  
**Determination of the Electric Supply Adjustment Charge**

**Reconciliation of (Over)/Under Recoveries for the period Nov 2016 through Jan 2017**  
**To be Applied in the ESAC for the Period Mar 2017 through May 2017**

	(13)	(14)	(15)	(16) = sum(13):(15)
	Nov 2016	Dec 2016	Jan 2017	Total Quarterly
	Interest on Costs	Interest on Costs	Interest on Costs	Interest on Costs
	From Prior Period(s)	From Prior Period(s)	From Prior Period(s)	From Prior Period(s)
<u>SC No. Description</u>	<u>Due to Limit (\$)</u>	<u>Due to Limit (\$)</u>	<u>Due to Limit (\$)</u>	<u>Due to Limit (\$)</u>
1 Residential Service	\$0	\$0	\$0	\$0
2 General Service Secondary	0	0	0	0
2 General Service Primary	0	(43)	(43)	(86)
3 Municipal Street Lighting	0	0	0	0
4 Private Outdoor Lighting	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>Total</b>	\$0	(\$43)	(\$43)	(\$86)

	(17)=(1)+(5)+(9)+(13)	(18)=(2)+(6)+(10)+(14)	(19)=(3)+(7)+(11)+(15)	(20)=sum(17):(19)
	Nov 2016	Dec 2016	Jan 2017	Total Quarterly
	Total Costs (\$)	Total Costs (\$)	Total Costs (\$)	Costs (\$)
<u>SC No. Description</u>				
1 Residential Service	\$60,769	\$118,714	\$83,508	\$262,992
2 General Service Secondary	48,433	57,789	54,960	161,183
2 General Service Primary	15,568	7,520	4,771	27,859
3 Municipal Street Lighting	428	640	600	1,669
4 Private Outdoor Lighting	<u>389</u>	<u>709</u>	<u>720</u>	<u>1,818</u>
<b>Total</b>	\$125,587	\$185,373	\$144,560	\$455,521

**PIKE COUNTY LIGHT AND POWER COMPANY**  
**Determination of the Electric Supply Adjustment Charge**

**Reconciliation of (Over)/Under Recoveries for the period Nov 2016 through Jan 2017**  
**To be Applied in the ESAC for the Period Mar 2017 through May 2017**

6. Summary of Revenue for the Quarter

	(21)	(22)	(23)	(24) = sum(21):(23)
<u>SC No. Description</u>	<u>Revenue For</u> <u>Nov 2016 (\$)</u>	<u>Revenue For</u> <u>Dec 2016 (\$)</u>	<u>Revenue For</u> <u>Jan 2017 (\$)</u>	<u>Total</u> <u>Revenue For Qtr</u> <u>Ended Jan 2017 (\$)</u>
1 Residential Service	\$42,564	\$42,327	\$108,681	\$193,572
2 General Service Secondary	83,865	75,817	87,977	247,658
2 General Service Primary	68,114	38,396	39,703	146,214
3 Municipal Street Lighting	864	937	925	2,726
4 Private Outdoor Lighting	<u>483</u>	<u>695</u>	<u>1,033</u>	<u>2,210</u>
Total	\$195,891	\$158,171	\$238,318	\$592,380

7. (Over)/Under Recovery by Service Classification

	(25)=(17)-(21)	(26)=(18)-(22)	(27)=(19)-(23)	(28)=sum(25):(27)
<u>SC No. Description</u>	<u>Nov 2016</u> <u>Class-specific</u> <u>(Over)/Under</u> <u>Recovery (\$)</u>	<u>Dec 2016</u> <u>Class-specific</u> <u>(Over)/Under</u> <u>Recovery (\$)</u>	<u>Jan 2017</u> <u>Class-specific</u> <u>(Over)/Under</u> <u>Recovery (\$)</u>	<u>Total Quarterly</u> <u>Class-specific</u> <u>(Over)/Under</u> <u>Recovery (\$)</u>
1 Residential Service	\$18,205	\$76,387	(\$25,172)	\$69,420
2 General Service Secondary	(35,432)	(18,027)	(33,016)	(86,475)
2 General Service Primary	(52,547)	(30,876)	(34,932)	(118,354)
3 Municipal Street Lighting	(436)	(296)	(325)	(1,057)
4 Private Outdoor Lighting	<u>(94)</u>	<u>14</u>	<u>(313)</u>	<u>(392)</u>
Total	(\$70,303)	\$27,202	(\$93,758)	(\$136,859)



**PIKE COUNTY LIGHT AND POWER COMPANY**  
**Determination of the Electric Supply Adjustment Charge**

**Reconciliation of (Over)/Under Recoveries for the period Nov 2016 through Jan 2017**  
**To be Applied in the ESAC for the Period Mar 2017 through May 2017**

		(28)=sum(25):(27)	(29)	(30) = (28) / (29)*100		
<u>SC No.</u>	<u>Description</u>	Class-specific (Over)/Under Recovery (\$)	Forecast Sales For the Quarter Beg Mar 2017 (kWh)	Quarterly Electric Supply Adjustment Charge Excl GRT (¢/kWh)		
1	Residential Service	\$69,420	3,225,350	2.1523		
2	General Service Secondary	(86,475)	3,599,269	(2.4026)		
2	General Service Primary	(118,354)	1,773,181	(6.6747)		
3	Municipal Street Lighting	(1,057)	42,141	(2.5073)		
4	Private Outdoor Lighting	<u>(392)</u>	39,370	(0.9969)		
	Total	(\$136,859)	8,679,311			
		(31) = (30) / (1- GRT)	(32)	(33)=[(31)-(32)]*(29) /100 * (1- GRT)	(34) = (32)*(1-GRT) * (29)/100	
<u>SC No.</u>	<u>Description</u>	Quarterly Electric Supply Adjustment Charge Incl GRT (¢/kWh)	Quarterly Electric Supply Adj. Charge Incl GRT and 2.0 ¢ Limit (¢/kWh)	Costs Over the 2.0¢ Limit for Future Disposition Excl GRT (\$)	Reconciliation Costs to Recover/(Refund) In the Quarter Beg Mar '17 Excl GRT (\$)	
1	Residential Service	2.2872	2.0000	\$8,718	\$60,701	
2	General Service Secondary	(2.5532)	(2.0000)	(18,738)	(67,738)	
2	General Service Primary	(7.0932)	(2.0000)	(84,983)	(33,371)	
3	Municipal Street Lighting	(2.6645)	(2.0000)	(264)	(793)	
4	Private Outdoor Lighting	(1.0594)	(1.0594)	<u>0</u>	<u>(392)</u>	
	Total	(\$11)	(\$5)	(\$95,266)	(\$41,594)	