

**KITTITAS COUNTY PUBLIC UTILITY DISTRICT No. 1**

**RESOLUTION No. 1077  
ESTABLISH 2020 POLE CONTACT RATE**

**WHEREAS**, Kittitas County PUD No.1 has entered into agreements with other utilities for pole contacts and

**WHEREAS**, the District has historically established the annual pole contact rate using the American Public Power Association (APPA) calculation method; and


**WHEREAS**, the Finance Manager has reviewed and approved the 2020 calculation; and


**WHEREAS**, the RCW 54.24.080 authorizes the commission of each district to establish, maintain and collect rates or charges for electric energy and water and other services, facilities, and commodities sold, furnished, or supplied by the District;

**NOW, THEREFORE, BE IT RESOLVED**, that the Commissioners of Kittitas County PUD No.1 approve the establishment of Pole Contact Rates at \$30.00 per pole, per connecting utility.

**IN WITNESS WHEREOF**, the undersigned, being all the members of the Board of Commissioners of Kittitas County PUD No.1, have executed this Resolution of the Board of Commissioners on this 30<sup>th</sup> day of June 2020.

  
Paul Rogers (Jul 8, 2020 16:36 PDT)  
Paul Rogers, President

  
JOE O'LEARY (Jul 9, 2020 19:04 PDT)  
Joe O'Leary, Vice President

  
Shan Rowbotham (Jul 10, 2020 06:47 PDT)  
Shan Rowbotham, Secretary

**2020 Kittitas PUD Pole Contact Rate Calculation - RCW 54.04.045**

1. Net Pole Investment	
A. Gross Pole Investment (Poles)	18,080,660.57
Transmission (FERC 355)	54,706.31
Transmission Guy & Anchors (FERC 356)	36,017.71
Distribution (FERC 364)	9,609,744.35
Distribution Guy & Anchors (FERC 365)	8,380,192.20
B. Accumulated Depreciation (Poles)	6,168,348.50
C. Accumulated Deferred Income Taxes (Poles)	-
D. Net Pole Investment 1D = 1A-1B-1C	11,912,312.07
2. Net Total Plant Investment	
A. Gross Plant Investment - Rate Base plus CWIP (Gross)	50,064,605.00
Gross Plant Investment	46,687,722.00
Plant Investment CWIP	3,376,883.00
B. Accumulated Depreciation - Rate Base	15,927,855.00
C. Accumulated Deferred Income Taxes	-
D. Net Plant Investment 2D = 2A-2B-2C	34,136,750.00
3. Depreciation Element	
A. Depreciation Rate for Gross Pole Investment	0.0333
Gross Pole Investment (Poles)	
Accum Depreciation - Poles Transmission & Distribution	
Net Pole Investment	
Depreciation Carrying Charge Factor - Net Plant	
4. Maintenance Element	
A. Maintenance Expense - Poles (FERC)	713,595.96
Transmission (FERC 571)	-
Distribution (FERC 583, 593)	713,595.96
B. Rental Expense - Poles (FERC)	-
C. Net Maintenance Expense - Poles 4C = 4A-4B	713,595.96
D. Gross or Net Investment	20,164,884.53
D.1 Overhead Related Plant - Poles, Towers, Fixtures (FERC 364, 355)	9,664,450.66
D.2 Overhead Related Plant - Cond & Devices (FERC 365, 356)	8,416,209.91
D.3 Overhead Related Plant - Services (FERC 369)	2,084,223.96
E. Maintenance Element 4E = 4C/4D	0.0354
5. Administrative Element	
A. Total General and Administrative Expense (FERC 906-935)	1,327,992.26
B. Gross Plant Investment (Line 2A)	50,064,605.00
C. Administrative Element 5C = 5A/5B	0.0265
6. Taxes Element	
A. Total Operating Taxes (FERC 408.01, 408.20, 408.3-.7)	579,218.26
B. Gross Plant Investment (Line 2A)	50,064,605.00
C. Taxes Element 6C = 6A/6B	0.0116
7. Return Element	
7.1 Retained Earnings	27,247,346.00
7.2 Interest Expense (FERC 427-428)	341,701.99
7.3 Return on Equity (RE x 6%)	1,634,840.76
7.4 Sum	1,976,542.75
7.5 Total Rate Base plus CWIP	50,064,605.00
A. Rate of Return	6%
B. Net Pole Investment (Line 1D)	11,912,312.07
C. Gross Pole Investment (Line 1A)	18,080,660.57
D. Return Element 7D = 7.4/7.5	0.0395
8. Carrying Charge Rate	
A. Sum of Carrying Charge Rate Elements 8A = 3A+4E+5C+6C+7D	0.1463
9. Other Information	
A. Pole Space Occupied per Attachment	1.00
B. Usable Pole Space	10.17
C. Unusable Pole Space	27.33
D. Pole Height 9D = 9B+9C	37.50
E. Number of Attaching Entities	3.00
F. Total Number of Poles	9,727.00
F.1 Transmission	
F.2 Distribution	9,727.00
10. Maximum Yearly Rate per Pole per 3A Attachment Calculation	
A. Space Factor = Space Occupied/Pole Height	0.0267
A.1 Unusable Space Factor = ((Occupied Space/Usable Space) x Unusable Space) / Pole Height	0.0717
A.2 Total Space Factor	0.0983
B. Gross Cost of a Bare Pole = (Gross Pole Investment/Total No. of Poles) 10B = (1A/9F)	1,858.81
C. Maximum Yearly Rate per Pole per Attachment 10C = 10A.2*10B*8A (or 8A.1)	26.73
11. Maximum Yearly Rate per Pole per 3B Attachment Calculation	
A. Unusable Space Portion = (Unusable Space/No. of Attaching Entities) 11A = (9C/9E)	9.11
B. Space Factor = (Space Occupied + Unusable Space Portion)/Pole Height 11B = (9A+11A)/9D	0.2696
C. Gross Cost of a Bare Pole = (Gross Pole Investment/Total No. of Poles) 11C = (1A/9F)	1,858.81
D. Maximum Yearly Rate per Pole per Attachment 11D = 11B*11C*8A (or 8A.1)	73.30
<b>Maximum Rate (1/2 3A + 1/2 3B formula) (10C + 11D)/2</b>	<b>50.02</b>











# Resolution No 1077 - Establish Pole Contact Rate

Final Audit Report

2020-07-10

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