

COMMONWEALTH OF VIRGINIA

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STATE CORPORATION COMMISSION DIVISION OF PUBLIC UTILITY REGULATION

September 19, 2019

Mr. Michael Keyser
Chief Executive Officer
BARC Electric Cooperative
P.O. Box 264
Millboro, VA 24460-0264

Dear Mr. Keyser,

This letter acknowledges receipt of BARC Electric Cooperative's request to make administrative changes to the Whole Power Cost Adjustment ("WPCA") section of the tariff. The WPCA tariff sheets are accepted and enclosed for your records. If you have any questions, please contact me directly at (804) 371-1574.

Sincerely,



Georgianne Ferrell
Utilities Analyst

Enclosures

BARC ELECTRIC COOPERATIVE

WHOLESALE POWER COST ADJUSTMENT CLAUSE

When the Cooperative's cost of power at wholesale is increased or decreased, the rates of the Cooperative may be increased or decreased as set forth in Paragraph A below. When the Cooperative's cost of power is increased or decreased by a change in a Fuel Cost Adjustment clause or contracted energy allocation change, the rates of the Cooperative shall be increased or decreased as set forth in Paragraph B below. This clause shall not apply to kWh sold by the Cooperative and kWh used by the consumer under the Cooperative's Schedule PV – Community Solar Electric Service.

A. WHOLESALE RATE CHANGES

When a wholesale supplier is permitted to put an increase or decrease in rates into effect in conformance with a rate charged by a regional transmission organization (RTO) or filed with a regulatory commission, the Cooperative may file a rider which will be applicable in accordance with the Cooperative's jurisdictional rate schedules. If the Cooperative files such a rider, each kWh of energy sold by the Cooperative shall be increased or decreased by an amount equal to the net revenue change which the wholesale supplier would have received during the base year divided by the Cooperative's sales for the same period. Since the adjustment in the charges per kWh under the rider is not subject to month-to-month variation, the charges under the rider will be included in the basic charge for energy on the consumers' bills. If an adjustment is to be made, each consumer will be notified of the amount of the adjustment, either on the first bill applying the adjustment or by prior direct mail notice. The rider shall become effective in the first billing period after the new wholesale rates become effective. The rider will remain in effect until the cooperative files a rate case with the Virginia State Corporation Commission. In the event refunds are made to the Cooperative as a result of a final decision of the applicable regulatory commission related to increased rates which have been adjusted in accordance with this paragraph, the Cooperative shall, within sixty days after receipt of such funds, make refunds to each consumer. The refund factor will be calculated by dividing the amount of the refund and interest by the kWh sold during the period covered by the refund. The credit for each consumer will be determined by multiplying the number of kWh used by the consumer during the refund period by the refund factor. The refund will be issued to each consumer in the form of a credit on his bill or by check. In cases where it is impractical to refund in this manner, adjustments will be made in the Cooperative's rates such that the refund is estimated to be returned to consumers within 12 months.

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B. FUEL COST ADJUSTMENT

The Cooperative shall apply a uniform per kWh charge or credit to all applicable sales in the upcoming calendar year, or such shorter term as required (in the case of a mid-year modification), in accordance with the following definitions and formulas.

DEFINITIONS

ALTS	=	Alternate suppliers are any suppliers other than the Old Dominion Electric Cooperative ("ODEC") or the Southeastern Power Administration ("SEPA").
TRATE	=	ODEC's projected upcoming calendar year transmission-level base energy rate, expressed in \$ per kWh.
ECA	=	ODEC's Energy Cost Adjustment rate from time to time, expressed in \$ per kWh.
ECA\$	=	The ECA times projected kWh to be purchased from ODEC and ALTS.
SF\$	=	SEPA fuel differential based on the projected SEPA kWh purchases for the upcoming calendar year, the SEPA base kWh rate, the projected ODEC base kWh rates, and the projected SEPA energy rates for the upcoming calendar year.
ALTkWh	=	The projected kWh to be purchased from ALTS in the upcoming calendar year.
kWh_S	=	The projected kWh sales subject to WPCA for the upcoming calendar year.
O	=	The projected over-recovery balance at current calendar year-end.
U	=	The projected under-recovery balance at current calendar year-end.

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FORMULA

$$\text{WPCA} = \frac{\text{ECA\$} + \text{SF\$} - \text{O} + \text{U}}{\text{kWh}_S} - \text{ALTCR}$$

Where;

ALTCR is the alternate supply credit factor applicable when the sum of the TRATE and the ECA is greater than the ALTS Energy Rate, in which case $\text{ALTCR} = (\text{TRATE} + \text{ECA} - \text{ALTS Energy Rate}) \times \text{ALTKWh} \div \text{kWh}_S$

OVER- AND UNDER-RECOVERIES

Any over- or under-recovery created by the WPCA will be calculated and booked monthly based on the difference between actual costs and actual revenues each month.

MID-YEAR MODIFICATIONS TO THE WPCA

The intent of the WPCA is to provide rate stability while still recovering the Cooperative's fuel related costs on a dollar for dollar basis. At any time there is a change in ECA the Cooperative may adjust the WPCA to pass through the effect of the change for the remainder of the calendar year. The Cooperative may also adjust the WPCA to minimize over- or under-recovery if information indicates that the cost, kWh, or both have changed enough to warrant a change in the WPCA, or if the over- or under-recovery amounts have or will become excessive. At a minimum, the WPCA will be recalculated annually prior to the start of each calendar year.

If mid-year modifications occur, the kWh_S, ALTKWh, SEPA and ODEC kWh purchases shall be modified to reflect remaining months of the calendar year.

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SUPERSEDED

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Public Utility Regulation
State Corporation Commission

ACCEPTED FOR FILING
Division of Energy Regulation - SCC
February 10, 2016

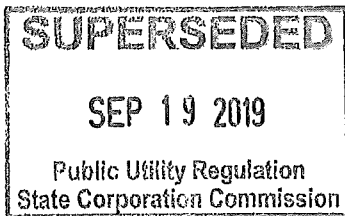
BARC ELECTRIC COOPERATIVE

WHOLESALE POWER COST ADJUSTMENT CLAUSE

When the Cooperative's cost of power at wholesale is increased or decreased by a change in the cost of power allowed to go into effect, the rates of the Cooperative may be increased or decreased as set forth in Paragraph A below. When the Cooperative's cost of power is increased or decreased by a change in the charge under a Fuel Cost Adjustment clause or contracted energy allocation change, the rates of the Cooperative shall be increased or decreased as set forth in Paragraph B below. When the amount paid for energy purchased under the Cooperative's alternate supply provision of its wholesale power contract results in an increase in the Monthly Fuel Factor as calculated pursuant to paragraph B below, an offsetting rate credit shall be calculated and applied as set forth in Paragraph D below. As referenced herein, kWh sold by the Cooperative and kWh used by the consumer shall not include subscribed kWh blocks under Schedule PV – Community Solar Electric Service.

A. WHOLESALE RATE CHANGES

When a wholesale supplier is permitted to put an increase or decrease in rates into effect in conformance with a rate charged by a regional transmission organization (RTO) or filed with a regulatory commission, the Cooperative may file a rider which will be applicable in accordance with the Cooperative's jurisdictional rate schedules. If the Cooperative files such a rider, each kWh of energy sold by the Cooperative shall be increased or decreased by an amount equal to the net revenue change which the wholesale supplier would have received during the base year divided by the Cooperative's sales for the same period. Since the adjustment in the charges per kWh under the rider is not subject to month-to-month variation, the charges under the rider will be included in the basic charge for energy on the consumers' bills. If an adjustment is to be made, each consumer will be notified of the amount of the adjustment, either on the first bill applying the adjustment or by prior direct mail notice. The rider shall become effective in the first billing period after the new wholesale rates become effective. The rider will remain in effect until the cooperative files a rate case with the Virginia State Corporation Commission. In the event refunds are made to the Cooperative as a result of a final decision of the applicable regulatory commission related to increased rates which have been adjusted in accordance with this paragraph, the Cooperative shall, within sixty days after receipt of such funds, make refunds to each consumer. The refund factor will be calculated by dividing the amount of the refund and interest by the kWh sold during the period covered by the refund. The credit for each consumer will be determined by multiplying the number of kWh used by the consumer during the refund period by the refund factor. The refund will be issued to each consumer in the form of a credit on his bill or by check. In cases where it is impractical to refund in this manner,



adjustments will be made in the Cooperative's rates such that the refund is estimated to be returned to consumers within 12 months.

B. FUEL COST ADJUSTMENT

When the Cooperative receives charges or credits on its wholesale power bill under the provisions of a fuel adjustment clause or changes in energy allocations included in a rate or contract filed with a regulatory commission, a fuel adjustment factor will be calculated and applied to each KWh of energy sold by the Cooperative. A differential make-up factor will be calculated each month, based upon the over or under recovery of the fuel adjustment clause or energy allocation change in the last six months. The billing factor the Cooperative will use for the upcoming month will be the sum of these two factors as calculated below:

1. Monthly Fuel Factor

This factor will be calculated by dividing the total dollar amount of wholesale fuel cost adjustment and/or net dollar change in energy allocation received by the Cooperative from its wholesale suppliers for the three preceding months by the Cooperative's KWh sales for the same three-month period.

2. Differential factor.

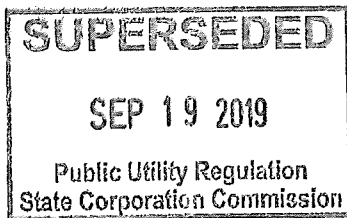
This factor will be calculated by determining the net difference occurring between the actual dollar amount of fuel cost paid and the fuel revenue collected under the monthly fuel factor as calculated in Section 1, above, for the preceding six months. This difference will be divided by the Cooperative's KWh sales during those six months to arrive at a differential factor.

The billing factor will be the sum of the factors calculated in Item 1 and 2 above. This resulting factor shall be applied to all KWh sold by the Cooperative. Since this fuel billing factor (monthly fuel factor plus differential fuel factor) is subject to monthly change, the factors and the supporting calculations will be furnished to the Commission staff prior to application on consumers' bills.

C. DEFINITION OF TERMS

As used above, the base year means the most recent twelve consecutive months for which actual data are available to the Cooperative, giving the effect of the wholesale rate change or such other twelve-month period as may be approved by the Virginia State Corporation Commission.

The monthly fuel revenue recovery shall be calculated by multiplying the kilowatt hours sold within that month by the monthly fuel factor as calculated in Section B, Item 1.



The adjustment factors as used in A and B above shall be calculated to the nearest 1/1000 of a cent.

D. SUPPLEMENTAL ENERGY CREDIT

Each month, the amount paid for energy purchased from the Cooperative's alternate supplier shall be subtracted from the calculated amount that would have been paid had that energy been supplied by ODEC. The calculated amount each month is the kWh purchased in the month from the Cooperative's alternate supplier times the sum of the ODEC transmission level base energy rate and the energy cost adjustment rate for the month. If the sum of the calculated amounts for the three preceding months is less than the sum of the amounts paid for the three preceding months, a credit rate factor will be calculated and applied to each kWh of energy sold by the Cooperative.

1. Monthly Supplemental Energy Credit Factor

Each month, the Cooperative will determine if there is a target revenue credit by subtracting the sum of the amounts paid for energy purchased from the alternate supplier for the three preceding months from the sum of the calculated amounts for the same three preceding months. The difference thus derived is the target revenue credit; provided however, that the target revenue credit shall not be greater than zero. This credit rate factor will be calculated by dividing the target revenue credit by the Cooperative's KWh sales for the same three-month period.

2. Differential factor.

This factor will be calculated by determining the net difference between the sum of the target revenue credits for the preceding six months as defined in Paragraph D. 1. and the revenue actually credited by application of the Paragraph D.1. billing factors for the preceding six months. This difference will be divided by the Cooperative's KWh sales during those six months to arrive at a differential factor.

3. Billing Factor

The billing factor will be the sum of the factors calculated in Part D.1. and Part D.2. above. This resulting factor shall be applied to all KWh sold by the Cooperative. Since this billing factor is subject to monthly change, the factors and the supporting calculations will be furnished to the Commission staff prior to application on consumers' bills.