P.O. Box 24700

Indianapolis, IN 46224

722 North High School Road, Indianapolis, IN 46214

phone 317.481.2800 October 7, 2011

fax 317.243.6416

www.wvpa.com

**Brad Borum** Indiana Utility Regulatory Commission 101 West Washington Street Suite 1500 E Indianapolis, IN 46204-3407

Dear Mr. Borum:

Enclosed you will find Appendix A along with supporting calculations for the following member system of Wabash Valley: Northeastern REMC.

These exhibits are being filed on behalf of said member to track a change in wholesale rates charged by Wabash Valley to its member systems. The change in rates will be passed through to its member systems' retail rates via the wholesale power cost tracking procedure.

I have included copies of the verified statements for Northeastern REMC (original will follow in a few days). I expect to receive proofs of publication within the next few weeks and I will forward those to you as I receive them. The verified statement and the Notices of rate increase have been modified to meet the requirements under Title 170 IAC 1-6-6 (Notice requirements).

Upon approval of these trackers, please forward one set of Appendix A and verified statement to my attention and the other set to Northeastern REMC. We would like to have approval for this decrease effective with November, 2011 consumption if possible.

Thank you for your assistance in this matter. If you have any questions or concerns please contact me at (317) 481-2874.

Sincerely,

Nisha A. Harke

Manager, Finance & Rates

**Enclosures** 

cc: Randy Holt - WVPA Mike Williams - IURC

## Northeastern REMC

MLF

	ibit A - Schedule 1 culation of Wholesale Power Tracking Factor	
	Cost of power purchased from WVPA - New rates (1.) Cost of power purchased from WVPA - Old rates (1.)	\$39,817,866 \$40,044,102
3.	Increased purchased power cost (1-2)	(\$226,236)
	Increase in utility receipts tax and similar revenue based charges (2.) 0.015074 Increased revenue requirements (3+4)	(\$3,462) (\$229,698)
6.	Total metered Kwh sales for the test year a/	83,369,005
7.	Base rate roll-in (5/6) Current tracker as of May. 1, 2011 New effective rate Nov 1, 2011	(0.002755) 0.039005 0.036250

- 1. See exhibit B
- 2. Formula equals (Line 3 divided by 1 less tax rate) less line 3. The tax rate is equal to the current utility receipts tax rate plus applicable Indiana utility regulatory fees.
- a/ Total metered Kwh includes the period Nov 2010 Dec 2010

EXHIBIT B - Cost of Power Purchased - using 9/10 - 08/11 period Northeastern

WVPA - Old Rates 5/1/11	Sep-10	Oct-10	Nov-10	Dec-10	Jan-11	Feb-11	Mar-11	Apr-11	May-11	Jun-11	Jul-11	Aug-11	Total
	MLF	MLF	MLF	MLF	MLF	MLF	MLF	MLF	MLF	MLF	MLF	MLF	
Billing Demand	93,416	69.739	81.822	90.918	86,777	89.640	76.640	70.196	98.303	116.269	130.410	118,324	1,122,454
Demand Rate	10.03	10.03	10.03	10.03	10.03	10.03	10.03	10.03	10.03			10.03	1,122,101
	936,962	699,482	820,675	911,908	870,373	899,089	768,699	704,066	985,979	1,166,178	1,308,012	1,186,790	11,258,213
Substation Surcharge	383	383	383	383	383	383	383	383	383	383	383	383	4,596
Annual True-up	(52,200)	(52,200)	(52,200)	(64,886)	(64,886)	(64,886)	(64,886)	(64,886)	(64,886)	(64,886)	(64,886)	(64,886)	(740,574)
Quarterly tracker-CURRENT YR	-	-	- /		- /	-	-	- ,	-	- '	-		0
Total Demand \$	885,145	647,665	768,858	847,405	805,870	834,586	704,196	639,563	921,476	1,101,675	1,243,509	1,122,287	10,522,235
Billing Energy	42,303,386	39,392,994	41,480,272	51,971,242	51,503,620	44,583,186	44,656,675	38,669,104	41,409,911	47,131,591	60,370,654	52,620,427	556,093,062
Energy Rate	0.053088	0.053088	0.053088	0.053088	0.053088	0.053088	0.053088	0.053088	0.053088	0.053088	0.053088	0.053088	
Total Energy \$	2,245,802	2,091,295	2,202,105	2,759,049	2,734,224	2,366,832	2,370,734	2,052,865	2,198,369	2,502,122	3,204,957	2,793,513	29,521,867
Fuel Adi Rate	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	
Total Fuel \$	0	0	0	0	0	0	0	0	0	0	0	0	0
													1
Total Dollars	3,130,947	2,738,960	2,970,963	3,606,454	3,540,094	3,201,418	3,074,930	2,692,428	3,119,845	3,603,797	4,448,466	3,915,800	40,044,102
WVPA - New Rates 11/1/11	7												
WVFA - New Itales 11/1/11	J Can 10			-									
		()ct-1()	Nov-10	Dec-10	.lan-11	Feb-11	Mar-11	Apr-11	May-11	Jun-11	Jul-11	Aug-11	Total
	Sep-10 <b>MLF</b>	Oct-10 MLF	Nov-10 MLF	Dec-10 MLF	Jan-11 <b>MLF</b>	Feb-11 <b>MLF</b>	Mar-11 <b>ML</b> F	Apr-11 <b>MLF</b>	May-11 <b>MLF</b>	Jun-11 <b>MLF</b>	Jul-11 <b>MLF</b>	Aug-11 <b>MLF</b>	Total
									MLF			MLF	Total
Billing Demand	MLF 93,416	<b>MLF</b> 69,739	MLF 81,822	MLF 90,918	MLF 86,777	MLF 89,640	MLF 76,640	MLF 70,196	MLF 98,303	MLF 116,269	MLF 130,410	MLF 118,324	Total 1,122,454
Billing Demand Demand Rate	MLF 93,416 10.03	MLF 69,739 <u>10.03</u>	MLF 81,822 <u>10.03</u>	MLF 90,918 <u>10.03</u>	MLF 86,777 10.03	MLF 89,640 <u>10.03</u>	MLF 76,640 <u>10.03</u>	70,196 10.03	MLF 98,303 <u>10.03</u>	MLF 116,269 <u>10.03</u>	MLF 130,410 <u>10.03</u>	MLF 118,324 <u>10.03</u>	1,122,454
9	MLF 93,416	<b>MLF</b> 69,739	MLF 81,822	MLF 90,918	MLF 86,777	MLF 89,640	MLF 76,640	MLF 70,196	MLF 98,303	MLF 116,269	MLF 130,410	MLF 118,324	
Demand Rate	93,416 10.03 936,962	MLF 69,739 10.03 699,482	81,822 10.03 820,675	90,918 10.03 911,908	MLF 86,777 10.03 870,373	MLF 89,640 <u>10.03</u>	MLF 76,640 <u>10.03</u>	70,196 10.03	MLF 98,303 <u>10.03</u>	MLF 116,269 <u>10.03</u>	MLF 130,410 <u>10.03</u>	MLF 118,324 <u>10.03</u>	1,122,454 11,258,213
9	MLF 93,416 10.03	MLF 69,739 <u>10.03</u>	MLF 81,822 <u>10.03</u>	MLF 90,918 <u>10.03</u>	MLF 86,777 10.03	MLF 89,640 10.03 899,089	MLF 76,640 <u>10.03</u> 768,699	70,196 10.03 704,066	98,303 10.03 985,979	MLF 116,269 <u>10.03</u> 1,166,178	MLF 130,410 10.03 1,308,012	MLF 118,324 10.03 1,186,790	1,122,454
Demand Rate  Substation Surcharge	93,416 10.03 936,962 383	MLF 69,739 10.03 699,482	MLF 81,822 10.03 820,675	90,918 10.03 911,908	MLF 86,777 10.03 870,373	89,640 10.03 899,089	76,640 10.03 768,699	70,196 10.03 704,066	98,303 10.03 985,979	MLF 116,269 10.03 1,166,178	MLF 130,410 10.03 1,308,012	MLF 118,324 10.03 1,186,790	1,122,454 11,258,213 4,596
Demand Rate  Substation Surcharge  Annual True-up-PRIOR YR	93,416 10.03 936,962 383 (52,200)	MLF 69,739 10.03 699,482 383 (52,200)	81,822 10.03 820,675 383 (52,200)	90,918 10.03 911,908 383 (64,886)	86,777 10.03 870,373 383 (64,886)	89,640 10.03 899,089 383 (64,886)	76,640 10.03 768,699 383 (64,886)	70,196 10.03 704,066 383 (64,886)	98,303 10.03 985,979 383 (64,886)	MLF 116,269 10.03 1,166,178 383 (64,886)	MLF 130,410 10.03 1,308,012 383 (64,886)	MLF 118,324 10.03 1,186,790 383 (64,886)	1,122,454 11,258,213 4,596 (740,574)
Demand Rate  Substation Surcharge  Annual True-up-PRIOR YR  Quarterly tracker-CURRENT YR	93,416 10.03 936,962 383 (52,200) 0	MLF 69,739 10.03 699,482 383 (52,200) 0 647,665	81,822 10.03 820,675 383 (52,200) 0 768,858	90,918 10.03 911,908 383 (64,886) 0	86,777 10.03 870,373 383 (64,886) 0	89,640 10.03 899,089 383 (64,886) 0	76,640 10.03 768,699 383 (64,886) 0	70,196 10.03 704,066 383 (64,886) 0	98,303 10.03 985,979 383 (64,886) 0 921,476	MLF 116,269 10.03 1,166,178 383 (64,886) (75,412) 1,026,263	MLF 130,410 10.03 1,308,012 383 (64,886) (75,412) 1,168,097	MLF 118,324 10.03 1,186,790 383 (64,886) (75,412) 1,046,875	1,122,454 11,258,213 4,596 (740,574) (226,236)
Demand Rate  Substation Surcharge Annual True-up-PRIOR YR Quarterly tracker-CURRENT YR  Total Demand \$  Billing Energy	93,416 10.03 936,962 383 (52,200) 0 885,145	MLF 69,739 10.03 699,482 383 (52,200) 0 647,665	81,822 10.03 820,675 383 (52,200) 0 768,858	90,918 10.03 911,908 383 (64,886) 0 847,405	86,777 10.03 870,373 383 (64,886) 0 805,870	89,640 10.03 899,089 383 (64,886) 0 834,586	76,640 10.03 768,699 383 (64,886) 0 704,196	70,196 10.03 704,066 383 (64,886) 0 639,563	98,303 10.03 985,979 383 (64,886) 0 921,476	MLF 116,269 10.03 1,166,178 383 (64,886) (75,412) 1,026,263	MLF 130,410 10.03 1,308,012 383 (64,886) (75,412) 1,168,097	MLF 118,324 10.03 1,186,790 383 (64,886) (75,412) 1,046,875	1,122,454 11,258,213 4,596 (740,574) (226,236) 10,295,999
Demand Rate  Substation Surcharge  Annual True-up-PRIOR YR  Quarterly tracker-CURRENT YR  Total Demand \$	93,416 10.03 936,962 383 (52,200) 0 885,145 42,303,386	MLF 69,739 10.03 699,482 383 (52,200) 0 647,665 39,392,994	81,822 10.03 820,675 383 (52,200) 0 768,858 41,480,272	90,918 10.03 911,908 383 (64,886) 0 847,405 51,971,242	86,777 10.03 870,373 383 (64,886) 0 805,870 51,503,620	89,640 10.03 899,089 383 (64,886) 0 834,586 44,583,186	76,640 10.03 768,699 383 (64,886) 0 704,196	70,196 10.03 704,066 383 (64,886) 0 639,563 38,669,104	98,303 10.03 985,979 383 (64,886) 0 921,476 41,409,911	MLF 116,269 10.03 1,166,178 383 (64,886) (75,412) 1,026,263 47,131,591	MLF 130,410 10.03 1,308,012 383 (64,886) (75,412) 1,168,097 60,370,654	MLF 118,324 10.03 1,186,790 383 (64,886) (75,412) 1,046,875 52,620,427	1,122,454 11,258,213 4,596 (740,574) (226,236) 10,295,999
Demand Rate  Substation Surcharge Annual True-up-PRIOR YR Quarterly tracker-CURRENT YR  Total Demand \$  Billing Energy  Energy Rate  Total Energy \$	93,416 10.03 936,962 383 (52,200) 0 885,145 42,303,386 0.053088	MLF 69,739 10.03 699,482 383 (52,200) 0 647,665 39,392,994 0.053088	81,822 10.03 820,675 383 (52,200) 0 768,858 41,480,272	90,918 10.03 911,908 383 (64,886) 0 847,405 51,971,242 0.053088	86,777 10.03 870,373 383 (64,886) 0 805,870 51,503,620 0.053088	89,640 10.03 899,089 383 (64,886) 0 834,586 44,583,186 0.053088	76,640 10.03 768,699 383 (64,886) 0 704,196 44,656,675 0.053088	70,196 10.03 704,066 383 (64,886) 0 639,563 38,669,104 0.053088	98,303 10.03 985,979 383 (64,886) 0 921,476 41,409,911 0.053088	MLF 116,269 10.03 1,166,178 383 (64,886) (75,412) 1,026,263 47,131,591 0.053088	MLF 130,410 10.03 1,308,012 383 (64,886) (75,412) 1,168,097 60,370,654 0.053088	MLF  118,324  10.03  1,186,790  383 (64,886) (75,412)  1,046,875  52,620,427  0.053088	1,122,454 11,258,213 4,596 (740,574) (226,236) 10,295,999 556,093,062
Demand Rate  Substation Surcharge Annual True-up-PRIOR YR Quarterly tracker-CURRENT YR  Total Demand \$  Billing Energy Energy Rate	93,416 10.03 936,962 383 (52,200) 0 885,145 42,303,386 0.053088 2,245,802	MLF 69,739 10.03 699,482 383 (52,200) 0 647,665 39,392,994 0.053088 2,091,295	81,822 10.03 820,675 383 (52,200) 0 768,858 41,480,272 0.053088 2,202,105	90,918 10.03 911,908 383 (64,886) 0 847,405 51,971,242 0.053088 2,759,049	86,777 10.03 870,373 383 (64,886) 0 805,870 51,503,620 0.053088 2,734,224	89,640 10.03 899,089 383 (64,886) 0 834,586 44,583,186 0.053088 2,366,832	76,640 10.03 768,699 383 (64,886) 0 704,196 44,656,675 0.053088 2,370,734	70,196 10.03 704,066 383 (64,886) 0 639,563 38,669,104 0.053088 2,052,865	98,303 10.03 985,979 383 (64,886) 0 921,476 41,409,911 0.053088 2,198,369	MLF  116,269  10.03  1,166,178  383 (64,886) (75,412)  1,026,263  47,131,591  0.053088  2,502,122	130,410 10.03 1,308,012 383 (64,886) (75,412) 1,168,097 60,370,654 0.053088 3,204,957	MLF  118,324  10.03  1,186,790  383 (64,886) (75,412)  1,046,875  52,620,427  0.053088  2,793,513	1,122,454 11,258,213 4,596 (740,574) (226,236) 10,295,999 556,093,062
Substation Surcharge Annual True-up-PRIOR YR Quarterly tracker-CURRENT YR Total Demand \$  Billing Energy Energy Rate Total Energy \$  Fuel Adj Rate	93,416 10.03 936,962 383 (52,200) 0 885,145 42,303,386 0.053088 2,245,802 0.000000	MLF 69,739 10.03 699,482 383 (52,200) 0 647,665 39,392,994 0.053088 2,091,295 0.0000000	81,822 10.03 820,675 383 (52,200) 0 768,858 41,480,272 0.053088 2,202,105	90,918 10.03 911,908 383 (64,886) 0 847,405 51,971,242 0.053088 2,759,049 0.0000000	86,777 10.03 870,373 383 (64,886) 0 805,870 51,503,620 0.053088 2,734,224	89,640 10.03 899,089 383 (64,886) 0 834,586 44,583,186 0.053088 2,366,832	76,640 10.03 768,699 383 (64,886) 0 704,196 44,656,675 0.053088 2,370,734	70,196 10.03 704,066 383 (64,886) 0 639,563 38,669,104 0.053088 2,052,865 0.000000	98,303 10.03 985,979 383 (64,886) 0 921,476 41,409,911 0.053088 2,198,369 0.000000	MLF  116,269	130,410 10.03 1,308,012 383 (64,886) (75,412) 1,168,097 60,370,654 0.053088 3,204,957	MLF  118,324  10.03  1,186,790  383 (64,886) (75,412)  1,046,875  52,620,427  0.053088  2,793,513  0.000000	1,122,454 11,258,213 4,596 (740,574) (226,236) 10,295,999 556,093,062 29,521,867

#### NOTICE

- Notice is hereby given that Northeastern Rural Electric Membership Corporation ("Northeastern") intends to file before the Indiana Utility Regulatory Commission (IURC) a request for approval of the application of the Wholesale Power Cost Tracking procedures established by the Indiana Utility Regulatory Commission in Cause No. 34614.
- This request is being made by Northeastern as a result of a change in Wabash Valley Power Association, Inc.'s (WVPA) wholesale rates to its member Rural Electric Membership Corporations (REMC). Northeastern is a member of WVPA. This change in wholesale rates will be passed through to its member systems' retail rates via the wholesale power cost tracking procedure.
- This action will result in a decrease in the wholesale power cost tracker included in the rates charged by Northeastern. The decrease is expected to be \$0.002755 per kWh.
- This decrease will result in a decrease to all consumers of Northeastern receiving service pursuant to the schedule of tariffs set forth in Appendix A on file at the IURC showing the revised schedule and the rates to the members which will be effective for the first practical consumption period following approval of such revised rates by the IURC (applicable to November, 2011 consumption).
- Any objections to this filing should be addressed to either the Secretary of the IURC, National City Center, 101 West Washington Street, Suite 1500E, Indianapolis, IN 46204 (317) 232-2701 or the Secretary of the Indiana Office of Utility Consumer Counselor (OUCC), 115 West Washington Street, Suite 1500 South, Indianapolis, IN 46204 (317) 232-2494.

DATE: October 6, 2011

#### VERIFIED STATEMENT IN SUPPORT OF CHANGE IN SCHEDULE OF RATES

TO THE INDIANA UTILITY REGULATORY COMMISSION:

REQUEST FOR APPLICATION OF WHOLESALE
POWER COST TRACKING PROCEDURES TO
NORTHEASTERN RURAL ELECTRIC MEMBERSHIP CORPORATION

- 1. Northeastern Rural Electric Membership Corporation (REMC), 4901 East Park 30 Drive, Columbia City, IN 46725, under and pursuant to the Public Service Commission Act, as amended, and pursuant to Commission Order in Cause No. 34614, hereby files with the Indiana Utility Regulatory Commission for approval of a decrease in its schedule of rates for electric power and energy sold in the amount of \$0.002755 per kWh for rates 10-1, 10-2, 10-8, 30-8, 30-9, 30-10, 40-0, 40-1, 40-2, 50-0, and 50-1.
- 2. The changes in the schedules of rates are based solely upon a change in Wabash Valley Power Association (WVPA) Rates under which this utility purchases its wholesale power requirements and is computed in accordance with the Order of the Indiana Utility Regulatory Commission in Cause No. 34614, dated December 17, 1976.
- 3. The change in Wabash Valley's rates is to be passed through Wabash Valley's member systems' retail rates via this tracking procedure.
- 4. Attached hereto is a computation of the Tracking Factor, which is designated as Northeastern REMC Exhibit A, and the revised tariff schedule which is designated as "Appendix A".
- 5. The affected customers have been notified as required under Title 170 IAC 1-6-6 (Notice requirements). Customers were notified of a decrease in the schedule of rates for electric power and energy sold through written notification that is posted at the offices of Northeastern REMC in Columbia City, Indiana and on the Northeastern REMC website (<a href="www.nremc.com">www.nremc.com</a>) which is attached hereto as "NOTICE". The "NOTICE" has also been published in a newspaper of general circulation that has a circulation encompassing the highest number of customers affected by the filing.
- 6. The Northeastern REMC requests that this Commission approve and make effective this change of rate as soon as the Proof of Publications are made available to the Commission.
- 7. All of the matters and facts stated herein and in the attached exhibits are true and correct. If approved, this change of rate shall take effect for the next practical consumption period following the date of such approval.

> Northeastern Rural Electric Membership Corporation President and CEO STATE OF INDIANA ) SS: COUNTY OF WHITLEY Personally appeared before me, a Notary Public in and for said County and State, this 6th day of October, 2011, Diane L. Johnson, who, having been duly sworn according to law, stated that he is Gregg L. Kiess , of <u>Northeastern</u> Rural Electric Membership Corporation; that he has read the matters and facts stated above and in all Exhibits attached hereto, and that the same are true; and that he is duly authorized to execute this instrument for and on behalf of the cooperative herein stated. Ocine d. Johnson Notary Public My Commission Expires: 10/9/15 County of Residence: Whitey

Appendix A Fifth Revised Sheet Page 1

# APPENDIX A

## RATE ADJUSTMENT

# RATE ADJUSTMENT

(Applicable to Rates 10-1, 10-2, 10-8, 30-8, 30-9, 30-10, 40-0, 40-1, 40-2, 50-0 and 50-1)

In accordance with the order of the Indiana Utility Regulatory Commission approved December 17, 1976, in Cause Number 34614, a Purchased Power Cost Adjustment Tracking Factor shall apply to service under these schedules. The rate adjustment for Northeastern REMC (Northeastern) shall be on the basis of a Purchased Power Cost Adjustment Tracking Factor, occasioned solely by the changes in the cost of purchased power in accordance with the order of the Indiana Utility Regulatory Commission approved December 17, 1976, in Cause 34614 as follows:

Rate adjustment applicable to the above listed rate schedules is \$0.036250