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February 19, 2021

Mr. Andrew S. Johnston  
Executive Secretary  
Public Service Commission of Maryland  
William Donald Schaefer Tower  
6 St. Paul Street, 16<sup>th</sup> Floor  
Baltimore, Maryland 21202-6806

**RE: Southern Maryland Electric Cooperative, Inc. Revisions to Bill Stabilization  
Adjustment Monthly Factors**

Dear Mr. Johnston:

Southern Maryland Electric Cooperative, Inc. ("SMECO" or "Cooperative") hereby files to make revisions to its bill stabilization adjustment (BSA) monthly factors for its GSD class. The existing factors were set in SMECO's last distribution rate case, Case 9456, and became effective January 2018. SMECO has reviewed the class data and factors for 2018 and 2019 to check on any significant impacts that could be the basis for a revision to the factors. 2020 was not included in the analysis because the impact of the Covid-19 pandemic skew the data for the year. For the Residential and GSND classes, SMECO has found that there are no changes needed to the monthly BSA factors. SMECO has found that the number of members taking service in schedule GSD has increased significantly. Based on the change, SMECO has recalculated the applicable monthly revenue factors and proposes to make those revised factors effective April 1. The attached worksheet shows the calculation of the analysis for all the rate classes and the proposed new factors for the GSD class.

Normally, changes to BSA factors are part of a rate case process to reflect revisions to the authorized revenue requirements approved. All prior revisions to BSA factors have been done in SMECO's previous rate cases. SMECO is not currently anticipating a distribution rate case filing anytime in 2021. For that reason, SMECO believes it is appropriate to make the proposed revisions to the monthly factors through this filing.

If you would like further assistance on this matter, please do not hesitate to contact me or SMECO's Vice President of Rates and Energy Procurement, Eugene Bradford at (301) 274-4458.

Sincerely,

Mark A. MacDougall  
Senior Vice President, External Affairs and  
General Counsel

Attachments

cc: Drew McAuliffe, Director, Electricity Division  
William Fields, Esquire, Deputy People's Counsel

## SMECO BSA factor comparison

Residential	Current BSA			2018		2019		Avg.'18-19	GSND	Current BSA			2018		2019		Avg.'18-19	GSD	Current BSA			2018		2019		Avg.'18-19
	Approved BSA Customers	kWh	Revenue Factors	Average Customers	per kWh Customer	Average Customers	per kWh Customer	Revenue Factors		Approved BSA Customers	kWh	Revenue Factors	Average Customers	per kWh Customer	Average Customers	per kWh Customer	Revenue Factors		Approved BSA Customers	kWh	Revenue Factors	Average Customers	per kWh Customer	Average Customers	per kWh Customer	Revenue Factors
Jan	146,606	1,604	\$ 78.48	150,167	1,678	151,720	1,592	\$ 79.79	Jan	7,257	1,337	\$ 60.79	6,477	1,350	6,030	1,305	\$ 60.60	Jan	7,776	11,151	\$ 348.13	8,693	9,959	9,204	9,183	\$ 298.77
Feb	146,606	1,484	\$ 73.32	150,167	1,552	151,720	1,473	\$ 74.53	Feb	7,257	1,243	\$ 57.96	6,477	1,256	6,030	1,214	\$ 57.79	Feb	7,776	10,374	\$ 340.26	8,693	9,264	9,204	8,543	\$ 291.98
Mar	146,606	1,273	\$ 64.23	150,167	1,331	151,720	1,263	\$ 65.27	Mar	7,257	1,242	\$ 57.91	6,477	1,254	6,030	1,212	\$ 57.73	Mar	7,776	10,359	\$ 337.90	8,693	9,251	9,204	8,531	\$ 289.99
Apr	146,606	904	\$ 48.38	150,167	946	151,720	897	\$ 49.12	Apr	7,257	1,125	\$ 54.35	6,477	1,136	6,030	1,098	\$ 54.21	Apr	7,776	9,384	\$ 322.39	8,693	8,380	9,204	7,728	\$ 276.73
May	146,606	878	\$ 47.27	150,167	919	151,720	872	\$ 47.99	May	7,257	1,295	\$ 59.53	6,477	1,308	6,030	1,264	\$ 59.35	May	7,776	10,805	\$ 338.01	8,693	9,650	9,204	8,898	\$ 290.18
Jun	146,606	1,144	\$ 58.69	150,167	1,196	151,720	1,135	\$ 59.63	Jun	7,257	1,338	\$ 60.84	6,477	1,351	6,030	1,306	\$ 60.65	Jun	7,776	11,164	\$ 353.68	8,693	9,970	9,204	9,194	\$ 303.45
Jul	146,606	1,438	\$ 71.32	150,167	1,503	151,720	1,426	\$ 72.49	Jul	7,257	1,462	\$ 64.61	6,477	1,477	6,030	1,427	\$ 64.39	Jul	7,776	12,199	\$ 374.04	8,693	10,895	9,204	10,047	\$ 320.81
Aug	146,606	1,304	\$ 65.58	150,167	1,364	151,720	1,294	\$ 66.64	Aug	7,257	1,409	\$ 62.98	6,477	1,423	6,030	1,375	\$ 62.78	Aug	7,776	11,753	\$ 372.37	8,693	10,496	9,204	9,679	\$ 319.31
Sep	146,606	1,128	\$ 58.02	150,167	1,180	151,720	1,120	\$ 58.94	Sep	7,257	1,310	\$ 59.99	6,477	1,323	6,030	1,279	\$ 59.80	Sep	7,776	10,931	\$ 359.29	8,693	9,762	9,204	9,002	\$ 308.13
Oct	146,606	840	\$ 45.63	150,167	879	151,720	834	\$ 46.31	Oct	7,257	1,245	\$ 58.02	6,477	1,258	6,030	1,216	\$ 57.84	Oct	7,776	10,389	\$ 340.55	8,693	9,278	9,204	8,556	\$ 292.23
Nov	146,606	1,032	\$ 53.90	150,167	1,080	151,720	1,024	\$ 54.74	Nov	7,257	1,212	\$ 57.02	6,477	1,225	6,030	1,184	\$ 56.85	Nov	7,776	10,116	\$ 334.12	8,693	9,034	9,204	8,331	\$ 286.77
Dec	146,606	1,331	\$ 66.74	150,167	1,392	151,720	1,321	\$ 67.83	Dec	7,257	1,225	\$ 57.39	6,477	1,237	6,030	1,195	\$ 57.22	Dec	7,776	10,217	\$ 333.92	8,693	9,124	9,204	8,414	\$ 286.61
Average		1,197		1,252		1,188			Average		1,287		1,300		1,256			Average		10,737		9,588		8,842		
				4.6%		-0.8%							1.0%		-2.4%							-10.7%		-17.6%		
Change from approved		\$ 60.96					\$ 61.94		Change from approved		\$ 59.28				\$ 59.10			Change from approved		\$ 346.22					\$ 297.08	
							1.6%								-0.3%										-14.2%	

**Updated rES BSA factor**

2018-19 BSA Billing Calculation

Residential

Distribution Rates \$ 0.04300

		Residential Billed Customers	Residential Monthly kWh to Annual	Residential Monthly kWh Projection	Residential Distribution Revenues	Facilities Charge	Residential Facilities Revenues	Total Residential Stabilization Revenues	Monthly BSA Residential Factor	Monthly BSA Residential Rate
2018-19	Jan	150,943	11.17%	1,635	\$ 10,610,358	\$ 9.50	\$ 1,433,963	\$ 12,044,321	\$ 79.794	\$ 0.048812
	Feb	150,943	10.33%	1,512	\$ 9,816,270	\$ 9.50	\$ 1,433,963	\$ 11,250,233	\$ 74.533	\$ 0.049282
	Mar	150,943	8.86%	1,297	\$ 8,418,364	\$ 9.50	\$ 1,433,963	\$ 9,852,327	\$ 65.272	\$ 0.050325
	Apr	150,943	6.30%	921	\$ 5,981,051	\$ 9.50	\$ 1,433,963	\$ 7,415,014	\$ 49.124	\$ 0.053309
	May	150,943	6.12%	895	\$ 5,810,048	\$ 9.50	\$ 1,433,963	\$ 7,244,011	\$ 47.992	\$ 0.053613
	Jun	150,943	7.97%	1,166	\$ 7,566,042	\$ 9.50	\$ 1,433,963	\$ 9,000,005	\$ 59.625	\$ 0.051150
	Jul	150,943	10.01%	1,465	\$ 9,508,590	\$ 9.50	\$ 1,433,963	\$ 10,942,553	\$ 72.494	\$ 0.049484
	Aug	150,943	9.08%	1,329	\$ 8,625,257	\$ 9.50	\$ 1,433,963	\$ 10,059,219	\$ 66.642	\$ 0.050149
	Sep	150,943	7.86%	1,150	\$ 7,463,010	\$ 9.50	\$ 1,433,963	\$ 8,896,973	\$ 58.942	\$ 0.051262
	Oct	150,943	5.85%	856	\$ 5,556,698	\$ 9.50	\$ 1,433,963	\$ 6,990,661	\$ 46.313	\$ 0.054096
	Nov	150,943	7.19%	1,052	\$ 6,828,834	\$ 9.50	\$ 1,433,963	\$ 8,262,796	\$ 54.741	\$ 0.052029
	Dec	150,943	9.27%	1,357	\$ 8,804,728	\$ 9.50	\$ 1,433,963	\$ 10,238,691	\$ 67.831	\$ 0.050003
	Total			14,635	\$ 94,989,250	\$ 9.50	\$ 17,207,554	\$ 112,196,805		
	Average	150,943		1,220	\$ 7,915,771		\$ 1,433,963	\$ 9,349,734	\$ 61.94	

**Updated GSND BSA factor**

2018-19 BSA Billing Calculation

GSND

Distribution Rates                      \$    0.03039   per kWh

		GS-ND Billed Customers	GS-ND Monthly kWh to Annual	GS-ND Monthly kWh Projection	GS-ND Distribution Revenues	One Phase Billed Customers	One Phase Facilities Charge	One Phase Facilities Revenues	Three Phase Billed Customers	Three Phase Facilities Charge	Three Phase Facilities Revenues	Total Facilities Revenues	Total GS-ND Stabilization Revenues	Monthly BSA GS-ND Factor	Monthly BSA GS-ND Rate
2018-19	Jan	6,254	8.66%	1,327	\$ 252,251	4,677	\$ 18.28	\$ 85,498	1,577	\$ 26.15	\$ 41,231	\$ 126,729	\$ 378,980	\$ 60.600	\$ 0.045658
	Feb	6,254	8.05%	1,235	\$ 234,662	4,677	\$ 18.28	\$ 85,498	1,577	\$ 26.15	\$ 41,231	\$ 126,729	\$ 361,390	\$ 57.787	\$ 0.046802
	Mar	6,254	8.04%	1,233	\$ 234,330	4,677	\$ 18.28	\$ 85,498	1,577	\$ 26.15	\$ 41,231	\$ 126,729	\$ 361,058	\$ 57.734	\$ 0.046825
	Apr	6,254	7.28%	1,117	\$ 212,264	4,677	\$ 18.28	\$ 85,498	1,577	\$ 26.15	\$ 41,231	\$ 126,729	\$ 338,993	\$ 54.206	\$ 0.048534
	May	6,254	8.39%	1,286	\$ 244,424	4,677	\$ 18.28	\$ 85,498	1,577	\$ 26.15	\$ 41,231	\$ 126,729	\$ 371,152	\$ 59.348	\$ 0.046147
	Jun	6,254	8.66%	1,329	\$ 252,534	4,677	\$ 18.28	\$ 85,498	1,577	\$ 26.15	\$ 41,231	\$ 126,729	\$ 379,263	\$ 60.645	\$ 0.045641
	Jul	6,254	9.47%	1,452	\$ 275,960	4,677	\$ 18.28	\$ 85,498	1,577	\$ 26.15	\$ 41,231	\$ 126,729	\$ 402,688	\$ 64.391	\$ 0.044346
	Aug	6,254	9.12%	1,399	\$ 265,853	4,677	\$ 18.28	\$ 85,498	1,577	\$ 26.15	\$ 41,231	\$ 126,729	\$ 392,582	\$ 62.775	\$ 0.044877
	Sep	6,254	8.48%	1,301	\$ 247,264	4,677	\$ 18.28	\$ 85,498	1,577	\$ 26.15	\$ 41,231	\$ 126,729	\$ 373,993	\$ 59.802	\$ 0.045965
	Oct	6,254	8.06%	1,237	\$ 235,012	4,677	\$ 18.28	\$ 85,498	1,577	\$ 26.15	\$ 41,231	\$ 126,729	\$ 361,741	\$ 57.843	\$ 0.046778
	Nov	6,254	7.85%	1,204	\$ 228,828	4,677	\$ 18.28	\$ 85,498	1,577	\$ 26.15	\$ 41,231	\$ 126,729	\$ 355,556	\$ 56.854	\$ 0.047220
	Dec	6,254	7.93%	1,216	\$ 231,118	4,677	\$ 18.28	\$ 85,498	1,577	\$ 26.15	\$ 41,231	\$ 126,729	\$ 357,847	\$ 57.220	\$ 0.047053
	Total			15,335	\$ 2,914,499			\$ 1,025,974			\$ 494,771	\$ 1,520,745	\$ 4,435,245		
	Average	6,254		1,278	\$ 242,875			\$ 85,498			\$ 41,231	\$ 126,729	\$ 369,604	\$ 59.10	

Updated GSD BSA factor  
2018-19 BSA Billing Calculation

GSD (excluding primary)

Distribution Rates                      \$        0.01276 per kWh                                      \$        5.26 per kW

		GS-D Billed Customers	GS-D Monthly kWh to Annual	GS-D Monthly kWh Projection	GS-D Dist.-kWh Revenues	GS-D Monthly kW to Annual	GS-D Monthly kW Projection	GS-D Monthly kW Projection	GS-D Demand Revenues	One Phase Billed Customers	One Phase Facilities Charge	One Phase Facilities Revenues	Three Phase Billed Customers	Three Phase Facilities Charge	Three Phase Facilities Revenues	Total Facilities Revenues	Total GS-D Stabilization Revenues	Monthly BSA GS-D Factor	Monthly BSA GS-D Rate
2018-19	Jan	8,948	8.66%	9,571	\$ 1,092,836	8.18%	260,847	29.2	\$ 1,372,057	3,223	\$ 18.28	\$ 58,924	5,725	\$ 26.15	\$ 149,709	\$ 208,633	\$ 2,673,527	\$ 298.771	\$ 0.031216
	Feb	8,948	8.05%	8,904	\$ 1,016,633	8.27%	263,784	29.5	\$ 1,387,506	3,223	\$ 18.28	\$ 58,924	5,725	\$ 26.15	\$ 149,709	\$ 208,633	\$ 2,612,772	\$ 291.981	\$ 0.032794
	Mar	8,948	8.04%	8,891	\$ 1,015,195	8.18%	260,671	29.1	\$ 1,371,131	3,223	\$ 18.28	\$ 58,924	5,725	\$ 26.15	\$ 149,709	\$ 208,633	\$ 2,594,959	\$ 289.991	\$ 0.032616
	Apr	8,948	7.28%	8,054	\$ 919,600	8.04%	256,283	28.6	\$ 1,348,051	3,223	\$ 18.28	\$ 58,924	5,725	\$ 26.15	\$ 149,709	\$ 208,633	\$ 2,476,284	\$ 276.729	\$ 0.034360
	May	8,948	8.39%	9,274	\$ 1,058,926	7.93%	252,674	28.2	\$ 1,329,064	3,223	\$ 18.28	\$ 58,924	5,725	\$ 26.15	\$ 149,709	\$ 208,633	\$ 2,596,622	\$ 290.177	\$ 0.031289
	Jun	8,948	8.66%	9,582	\$ 1,094,064	8.42%	268,573	30.0	\$ 1,412,692	3,223	\$ 18.28	\$ 58,924	5,725	\$ 26.15	\$ 149,709	\$ 208,633	\$ 2,715,389	\$ 303.449	\$ 0.031669
	Jul	8,948	9.47%	10,471	\$ 1,195,550	8.74%	278,813	31.2	\$ 1,466,556	3,223	\$ 18.28	\$ 58,924	5,725	\$ 26.15	\$ 149,709	\$ 208,633	\$ 2,870,739	\$ 320.810	\$ 0.030639
	Aug	8,948	9.12%	10,087	\$ 1,151,767	8.93%	284,583	31.8	\$ 1,496,905	3,223	\$ 18.28	\$ 58,924	5,725	\$ 26.15	\$ 149,709	\$ 208,633	\$ 2,857,305	\$ 319.308	\$ 0.031655
	Sep	8,948	8.48%	9,382	\$ 1,071,232	8.81%	280,875	31.4	\$ 1,477,402	3,223	\$ 18.28	\$ 58,924	5,725	\$ 26.15	\$ 149,709	\$ 208,633	\$ 2,757,267	\$ 308.129	\$ 0.032843
	Oct	8,948	8.06%	8,917	\$ 1,018,151	8.28%	263,918	29.5	\$ 1,388,211	3,223	\$ 18.28	\$ 58,924	5,725	\$ 26.15	\$ 149,709	\$ 208,633	\$ 2,614,995	\$ 292.230	\$ 0.032772
	Nov	8,948	7.85%	8,682	\$ 991,359	8.15%	259,715	29.0	\$ 1,366,103	3,223	\$ 18.28	\$ 58,924	5,725	\$ 26.15	\$ 149,709	\$ 208,633	\$ 2,566,095	\$ 286.765	\$ 0.033029
	Dec	8,948	7.93%	8,769	\$ 1,001,281	8.08%	257,565	28.8	\$ 1,354,794	3,223	\$ 18.28	\$ 58,924	5,725	\$ 26.15	\$ 149,709	\$ 208,633	\$ 2,564,708	\$ 286.610	\$ 0.032684
Total				110,583	\$ 12,626,595		3,188,303		\$ 16,770,472			\$ 707,089			\$ 1,796,505	\$ 2,503,594	\$ 31,900,661		
Average		8,948		9,215														297.079	
																	Original Rev	32,138,849	
																	Change	\$ (238,188)	