

**Before The  
Public Service Commission of Maryland**

**Case No. \_\_\_\_\_**

**Prepared Direct Testimony  
Of  
William Steven Seelye**

**On Behalf Of  
Southern Maryland Electric Cooperative, Inc.**

**June 17, 2010**

**I. INTRODUCTION**

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**Q. PLEASE STATE YOUR NAME AND BUSINESS ADDRESS.**

A. My name is William Steven Seelye and my business address is The Prime Group, LLC, 6001 Claymont Village Dr., Suite 8, Crestwood, Kentucky, 40014.

**Q. BY WHOM ARE YOU EMPLOYED?**

A. I am a senior consultant and principal for The Prime Group, LLC, a firm located in Crestwood, Kentucky, providing consulting and educational services in the areas of utility marketing, regulatory analysis, cost of service, rate design and depreciation studies.

**Q. ON WHOSE BEHALF ARE YOU TESTIFYING?**

A. I am testifying on behalf of Southern Maryland Electric Cooperative (“SMECO” or “the Cooperative”).

**Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY?**

A. The purpose of my testimony is to sponsor the fully allocated class cost of service study based on SMECO’s embedded cost of providing electric service for the 12 months ended December 31, 2009.

**Q. PLEASE SUMMARIZE YOUR TESTIMONY.**

A. The Cooperative’s fully allocated, embedded cost of service study was prepared using industry standard cost of service methodologies similar to those used by other utilities in Maryland. The purpose of this study is to determine the contribution that each customer class is making toward SMECO’s overall rate of return. Rates of return are calculated for each rate class. Based on the results of the cost of service study, SMECO is proposing to allocate its overall rate increase to rate classes so that the increase is both equitable and

1 mitigates in part the rate subsidies that exist with the current rate structure. As will be  
2 discussed in greater detail in Dr. Martin J. Blake's direct testimony, the proposed  
3 Customer Charge is designed to more accurately reflect the fixed costs of providing  
4 electric service to each rate class.

## 5 II. QUALIFICATIONS

6 **Q. PLEASE DESCRIBE YOUR EDUCATIONAL BACKGROUND AND PRIOR**  
7 **WORK EXPERIENCE.**

8 A. I received a Bachelor of Science degree in Mathematics from the University of Louisville  
9 in 1979. I have also completed 54 hours of graduate level course work in Industrial  
10 Engineering and Physics. From May 1979 until July 1996, I was employed by Louisville  
11 Gas and Electric. From May 1979 until December 1990, I held various positions within  
12 the Rate Department of Louisville Gas and Electric. In December 1990, I became  
13 Manager of Rates and Regulatory Analysis. In May 1994, I was given additional  
14 responsibilities in the marketing area and was promoted to Manager of Market  
15 Management and Rates. I left Louisville Gas and Electric in July 1996 to form The  
16 Prime Group, LLC, with another former employee of the company. Since then, we have  
17 performed cost of service studies, developed revenue requirements and designed rates for  
18 over 150 investor-owned, cooperative and municipal utilities across North America. A  
19 more detailed description of my qualifications is included in SMECO Exh. \_\_\_\_ (WSS-  
20 1), Attachment 1.

21 **Q. HAVE YOU EVER TESTIFIED BEFORE ANY STATE OR FEDERAL**  
22 **REGULATORY COMMISSIONS?**

1 A. Yes. I have testified in over 50 regulatory proceedings in 11 different jurisdictions. A  
2 listing of my testimony in other proceedings is included in SMECO Exh. \_\_\_\_ (WSS-1),  
3 Attachment 1.

4 **III. COST OF SERVICE STUDY**

5 **Q. DID YOU PREPARE A COST OF SERVICE STUDY FOR SMECO'S ELECTRIC**  
6 **OPERATIONS BASED ON FINANCIAL AND OPERATING RESULTS FOR**  
7 **THE 12 MONTHS ENDED DECEMBER 31, 2009?**

8 A. Yes. I supervised the preparation of a fully allocated time-differentiated, embedded cost  
9 of service study for electric operations. The cost of service study corresponds to the pro-  
10 forma financial exhibits included in the testimony of Ms. Sonja Cox. All pro-forma  
11 adjustments are therefore fully reflected in the cost of service study. The objective in  
12 performing the cost of service study is to determine the contribution to TIER from each  
13 customer class, which provides an indication as to whether SMECO's electric service  
14 rates reflect the cost of providing service to each customer class.

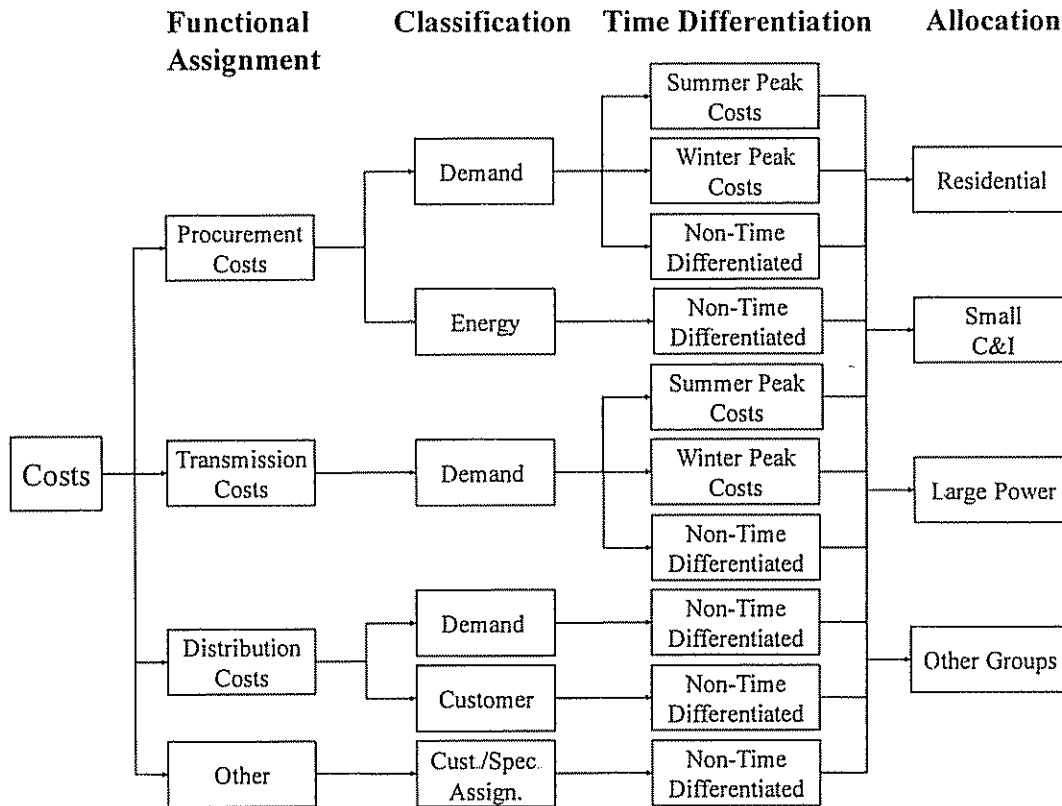
15 **Q. DID YOU DEVELOP THE MODEL USED TO PERFORM THE COST OF**  
16 **SERVICE STUDY?**

17 A. Yes. I developed the spreadsheet model used to perform the cost of service study  
18 submitted in this proceeding.

19 **Q. WHAT PROCEDURE WAS USED IN PERFORMING THE COST OF SERVICE**  
20 **STUDY?**

21 A. The three traditional steps of an embedded cost of service study are functional  
22 assignment, classification, and allocation. The cost of service study was prepared using  
23 the following procedure: (1) costs were assigned (2) costs were functionally assigned

1 (functionalized) to the major functional groups; (3) costs were then classified as  
 2 commodity-related, demand-related, or customer-related; (4) costs were assigned to the  
 3 costing periods; and (5) costs were allocated to the rate classes. Steps two through five  
 4 are depicted in the following diagram (Figure 1).



**Figure 1**

1 The following functional groups were identified in the cost of service study: (1)  
 2 Transmission, (2) Distribution Substation, (3) Distribution Primary Lines, (4)  
 3 Distribution Secondary Lines (5) Distribution Line Transformers, (6) Distribution  
 4 Services, (7) Distribution Meters, (8) Distribution Street and Customer Lighting, (9)  
 5 Customer Accounts Expense, (10) Customer Service and Information, and (11) Sales  
 6 Expense.  
 7  
 8

1 **Q. IS THE COST OF SERVICE STUDY UNBUNDLED?**

2 A. Yes.

3 **Q. HOW WERE COSTS CLASSIFIED AS ENERGY RELATED, DEMAND**  
4 **RELATED OR CUSTOMER RELATED?**

5 A. Classification provides a method of arranging costs so that the service characteristics  
6 that give rise to the costs can serve as a basis for allocation. Costs classified as *energy*  
7 *related* tend to vary with the amount of kilowatt-hours consumed. Costs classified as  
8 *demand related* tend to vary with the capacity needs of customers, such as the amount  
9 of transmission or distribution equipment necessary to meet a customer's needs.  
10 Transmission lines and distribution substations are examples of costs typically  
11 classified as demand costs. Costs classified as *customer related* include costs incurred  
12 to serve customers regardless of the quantity of electric energy purchased or the peak  
13 requirements of the customers and include the cost of the minimum system necessary  
14 to provide a customer with access to the electric grid. As will be discussed later in  
15 my testimony, costs related to Distribution Lines and Distribution Line Transformers  
16 were classified as demand-related and customer-related using the zero-intercept  
17 methodology. Distribution Services, Distribution Meters, Distribution Street and  
18 Customer Lighting, Customer Accounts Expense, Customer Service and Information  
19 and Sales Expense were classified as customer-related.

20 **Q. HAVE YOU PREPARED EXHIBITS SHOWING THE RESULTS OF THE**  
21 **FUNCTIONAL ASSIGNMENT AND CLASSIFICATION STEPS OF THE**  
22 **COST OF SERVICE STUDY?**

1 A. Yes. SMECO Exh. \_\_\_\_ (WSS-1), Attachment 2, shows the results of the functional  
2 assignment and classification steps of the cost of service study. As will be discussed  
3 later in my testimony, once costs are functionally assigned and classified they are  
4 then allocated to the rate classes. SMECO Exh. \_\_\_\_ (WSS-1), Attachment 3, shows  
5 the results of the allocation steps in the cost service study.

6 **Q. WHAT METHODOLOGIES ARE COMMONLY USED TO CLASSIFY**  
7 **DISTRIBUTION PLANT?**

8 A. Two commonly used methodologies for determining demand/customer splits of  
9 distribution plant are the “minimum system” methodology and the “zero-intercept”  
10 methodology. In the minimum system approach, “minimum” standard poles,  
11 conductor, and line transformers are selected and the minimum system is obtained by  
12 pricing all of the applicable distribution facilities at the unit cost of the minimum size  
13 plant. The minimum system determined in this manner is then classified as customer-  
14 related and allocated on the basis of the number of customers in each rate class. All  
15 costs in excess of the minimum system are classified as demand-related. The theory  
16 supporting this approach maintains that in order for a utility to serve even the smallest  
17 customer, it would have to install a minimum size system. Therefore, the costs  
18 associated with the minimum system are related to the number of customers that are  
19 served, instead of the demand imposed by the customers on the system.

20 In preparing this study, the “zero-intercept” methodology was used to  
21 determine the customer components of overhead conductor, underground conductor,  
22 and line transformers. Because the zero-intercept methodology is less subjective than

1 the minimum system approach, the zero-intercept methodology is strongly preferred  
2 over the minimum system methodology when the necessary data are available. With  
3 the zero-intercept methodology, we are not forced to choose a minimum size  
4 conductor or line transformer to determine the customer component. In the zero-  
5 intercept methodology, a zero-size conductor or line transformer is the absolute  
6 minimum system.

7 **Q. WHAT IS THE THEORY BEHIND THE ZERO-INTERCEPT**  
8 **METHODOLOGY?**

9 A. The theory behind the zero-intercept methodology is that there is a linear relationship  
10 between the unit cost (\$/ft or \$/transformer) of conductor or line transformers and the  
11 load flow capability of the plant, which is proportionate to the cross-sectional area of  
12 the conductor or the kVA rating of the transformer. After establishing a linear  
13 relation, which is given by the equation:

$$y = a + bx$$

14  
15 where:

16 y is the unit cost of the conductor or transformer,

17 x is the size of the conductor (MCM) or transformer (kVA), and

18 a, b are the coefficients representing the intercept and slope,

19 respectively

20 it can be determined that, theoretically, the unit cost of a foot of conductor or  
21 transformer with zero size (or conductor or transformer with zero load carrying



1 capability) is  $a$ , the zero-intercept. The zero-intercept is essentially the cost  
 2 component of conductor or transformers that is invariant to the size (and load  
 3 carrying capability) of the plant.

4 Like most electric utilities, the feet of conductor and number of transformers  
 5 on SMECO's system are not uniformly distributed over all sizes of wire and  
 6 transformer. For this reason, it was necessary to use a weighted regression analysis,  
 7 instead of a standard least-squares analysis, in the determination of the zero intercept.  
 8 Without performing a weighted regression analysis all types of conductor and  
 9 transformers would have the same impact on the analyses, even though the quantity  
 10 of conductor and transformers are not the same for each size and type.

11 Using a weighted regression analysis, the cost and size of each type of  
 12 conductor or transformer is, in effect, weighted by the number of feet of installed  
 13 conductor or the number of transformers. In a weighted regression analysis, the  
 14 following weighted sum of squared differences is minimized, where  $w$  is the  
 15 weighting factor for each size of conductor or transformer, and  $y$  is the observed  
 16 value and  $\hat{y}$  is the predicted value of the dependent variable:

$$\sum_i w_i (y_i - \hat{y}_i)^2$$

18  
 19 **Q. IS THE ZERO-INTERCEPT METHODOLOGY A STANDARD APPROACH**  
 20 **GENERALLY ACCEPTED WITHIN THE ELECTRIC UTILITY**  
 21 **INDUSTRY?**

1 A. Yes. The *Electric Utility Cost Allocation Manual* published by the National  
 2 Association of Regulatory Utility Commissioners (“NARUC”), January, 1992,  
 3 identifies the zero-intercept (or “minimum intercept”) as one of two standard  
 4 methodologies for classifying distribution fixed costs. NARUC’s *Electric Utility*  
 5 *Cost Allocation Manual* states that the zero-intercept method “requires considerably  
 6 more data and calculation than the minimum-size method. In most instances, it is  
 7 more accurate, although the differences may be relatively small.” (*Id.* at p. 92) The  
 8 *Electric Utility Cost Allocation Manual* provides the following instructions for  
 9 overhead conductor, underground conductor and transformers:

10  
 11 **Account 365 – Overhead Conductors and Devices**

- 12  
 13 - Determine minimum intercept of conductor cost per foot  
 14 using cost per foot by size and type of conductor weighted  
 15 by feet or investment in each category, and developing a  
 16 cost for the utility’s minimum size conductor.

17  
 18 **Account 366 and 367 – Underground Conduit, and**  
 19 **Underground Conductors and Devices**

- 20  
 21 - Determine minimum intercept of cable cost per foot using  
 22 cost per foot by size and type of cable weighted by feet of  
 23 investment in each category.

24  
 25 **Account 368 – Line Transformers**

- 26  
 27 - Determine zero intercept of transformer cost using cost per  
 28 transformer by type, weighted by number for each  
 29 category.

30  
 31 (*Id.* at pp. 92-94.)  
 32

1 A recent text book on electric ratemaking written by Lawrence J. Vogt, P.E. titled  
2 *Electric Pricing: Engineering Principles and Methodologies* (CRC Press, Taylor &  
3 Francis Group, 2009) also identifies the zero-intercept methodology as a standard  
4 approach for classifying distribution fixed costs as customer-related or demand-  
5 related. Mr. Vogt states that “The minimum intercept or zero-intercept methodology  
6 provides a rational basis for separating the cost of a device between its customer and  
7 demand components.” (*Id.* at p. 500.)

8 **Q. HAVE YOU PREPARED EXHIBITS SHOWING THE RESULTS OF THE**  
9 **ZERO-INTERCEPT ANALYSIS?**

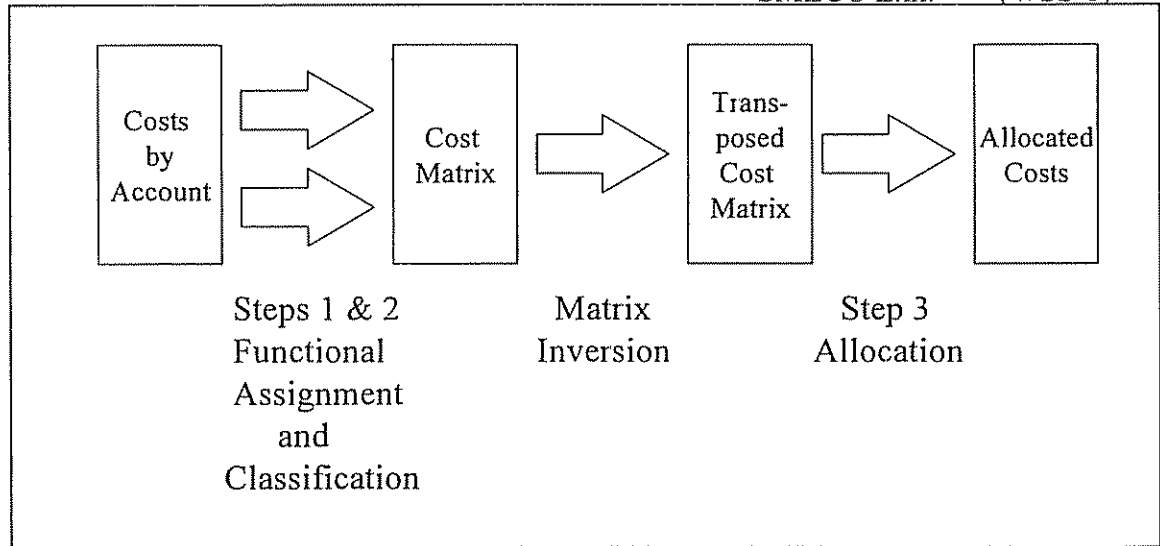
10 A. Yes. The zero-intercept analysis for overhead conductor, underground conductor,  
11 and line transformers are included in SMECO Exh. \_\_\_\_ (WSS-1), Attachments 4, 5,  
12 and 6.

13 **Q. IN YOUR COST OF SERVICE MODEL, ONCE COSTS ARE**  
14 **FUNCTIONALLY ASSIGNED AND CLASSIFIED, HOW ARE THESE**  
15 **COSTS ALLOCATED TO THE CUSTOMER CLASSES?**

16 A. In the cost of service model used in this study, SMECO's costs are functionally  
17 assigned and classified using what are referred to in the model as “functional  
18 vectors.” These vectors are multiplied (using scalar multiplication) by the various  
19 accounts in order to simultaneously assign costs to the functional groups and classify  
20 costs. Therefore, in the portion of the model included in SMECO Exh. \_\_\_\_ (WSS-1),  
21 Attachment 2, SMECO's accounting costs are functionally assigned and classified  
22 using the explicitly determined functional vectors of the analysis and using internally

1 generated functional vectors. The explicitly determined functional vectors, which are  
2 primarily used to direct where costs are functionally assigned and classified, are  
3 shown on pages 21 through 22. Internally generated functional vectors are utilized  
4 throughout the study to functionally assign costs on the basis of similar costs or on  
5 the basis of internal cost drivers. An example of this process is the use of total  
6 operation and maintenance expenses to allocate cash working capital included in rate  
7 base. Because cash working capital is determined on the basis of 3.56% (13 lag days)  
8 of operation and maintenance expenses, exclusive of purchased power expenses, it is  
9 appropriate to functionally assign and classify these costs on the same basis. (See  
10 SMECO Exh. \_\_\_\_ (WSS-1), Attachment 2, pages 5 through 6 for the functional  
11 assignment of cash working capital on the basis of OMLPP shown on pages 11  
12 through 12.) The functional vector used to allocate a specific cost is identified by the  
13 column in the model labeled "Vector" and refers to a vector identified elsewhere in  
14 the analysis by the column labeled "Name".

15 Once costs for all of the major accounts are functionally assigned and  
16 classified, the resultant cost matrix for the major cost groupings (e.g., Plant in  
17 Service, Rate Base, Operation and Maintenance Expenses) is then transposed and  
18 allocated to the customer classes using "allocation vectors" or "allocation factors".  
19 This process is illustrated in Figure 2 below.



8 **Figure 2**

9 The results of the class allocation step of the cost of service study are included  
 10 in SMECO Exh. \_\_\_\_ (WSS-1), Attachment 3. The costs shown in the column  
 11 labeled “Total System” in SMECO Exh. \_\_\_\_ (WSS-1), Attachment 3, were carried  
 12 forward *from* the functionally assigned and classified costs shown in SMECO Exh.  
 13 \_\_\_\_ (WSS-1), Attachment 2. The column labeled “Ref” in SMECO Exh. \_\_\_\_  
 14 (WSS-1), Attachment 3, provides a reference to the results included in SMECO Exh.  
 15 \_\_\_\_ (WSS-1), Attachment 2.

16 **Q. Please describe the key allocation factors used in the cost of service study.**

17 A. The following allocation factors were used in the cost of service study:

- 18
- 19
- 20 • **NCP** – The demand cost component is allocated on the
  - 21 basis of the maximum class demands for primary and
  - 22 secondary voltage customers.
  - 23 • **CNCP**– The demand cost component is allocated on
  - the basis of the sum of individual customer demands for

1 secondary voltage customers.

2 • C02 – The customer cost component of customer  
3 services is allocated on the basis of the average number  
4 of customers for the test year.

5 • C03 – Meter costs were specifically assigned by  
6 relating the costs associated with various types of  
7 meters to the class of customers for whom these meters  
8 were installed.

9 **Q. HAVE YOU PREPARED AN EXHIBIT SHOWING THE DEVELOPMENT**  
10 **OF THE DEMAND ALLOCATORS USED IN THE COST OF SERVICE**  
11 **STUDY?**

12 A. Yes. SMECO Exh. \_\_\_\_ (WSS-1), Attachment 7, shows the development of the  
13 demand allocation factors from SMECO's load research data used in the cost of  
14 service study. KEMA, a firm that has a division specializing in load research  
15 programs, provided results from SMECO's load research program which were used to  
16 develop the demand allocation factors for the study.

17 **Q. PLEASE SUMMARIZE THE RESULTS OF THE COST OF SERVICE**  
18 **STUDY.**

19 A. The following tables (Table 1 and 2) summarize the rates of return for each customer  
20 class before and after reflecting the rate adjustments proposed by SMECO. The  
21 Actual Adjusted TIER was calculated as follows:

$$\text{Operating TIER} = (\text{Operating Margins} + \text{Interest on Long-Term Debt}) /$$

Interest on Long-Term Debt.

$$\text{Mortgage TIER} = (\text{Total Margins} + \text{Interest on Long-Term Debt}) /$$

Interest on Long-Term Debt.

The adjusted net operating income and rate base reflect the pro-forma adjustments discussed in Ms. Cox's testimony. The Proposed TIER was calculated by including the proposed increase as a part of margins in the TIER calculation shown above.

Customer Class	Actual Adjusted Operating TIER	Proposed Operating TIER
<b>Residential Service – R</b>	0.35	1.61
<b>General Service Non-Demand – GS</b>	0.87	2.27
<b>General Service Demand – GSD</b>	1.29	2.47
<b>Large Power – LP</b>	2.12	2.77
<b>Transmission Service – T</b>	2.16	2.67
<b>Security Yard Lighting – SYL</b>	5.14	5.54
<b>Street Lighting – SL</b>	1.28	1.58
<b>Pax River</b>	4.57	4.57
<b>Total System</b>	0.69	1.88

8

Customer Class	Actual Adjusted Mortgage TIER	Proposed Mortgage TIER
<b>Residential Service – R</b>	0.47	1.73
<b>General Service Non-Demand – GS</b>	0.99	2.39
<b>General Service Demand – GSD</b>	1.40	2.58
<b>Large Power – LP</b>	2.23	2.89
<b>Transmission Service – T</b>	2.28	2.79
<b>Security Yard Lighting – SYL</b>	5.26	5.66

<b>TABLE 2</b>		
<b>Electric Class Mortgage TIER</b>		
<b>Customer Class</b>	<b>Actual Adjusted Mortgage TIER</b>	<b>Proposed Mortgage TIER</b>
<b>Street Lighting – SL</b>	1.40	1.70
<b>Pax River</b>	4.69	4.69
<b>Total System</b>	0.80	2.00

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5 **Q.**

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8 **A.**

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Determinations of the actual adjusted and proposed TIER are detailed in SMECO Exh. \_\_\_\_ (WSS-1), Attachment 3, pages 19 and 20 and pages 21 and 22, respectively.

**DOES THE COST OF SERVICE STUDY PROVIDE INFORMATION CONCERNING THE UNIT COSTS INCURRED BY SMECO TO PROVIDE SERVICE UNDER EACH RATE SCHEDULE?**

Yes. Customer-related, demand-related and energy-related costs for each rate class are shown on pages 33 and 34 of SMECO Exh. \_\_\_\_ (WSS-1), Attachment 3. Customer-related costs are stated as a cost per customer per month. Energy-related costs are stated as a cost per kWh. For customers metered predominantly on a per kWh basis, such as Residential - R, demand-related costs are stated as a cost per kWh. For demand-metered customer classes such as Large Power (LP), demand-related costs are stated as a cost per kW per month. The following table shows the customer-related costs for each rate class assuming the same overall TIER for each class:



1

<b>Table 3 Customer-Related Costs from the Cost of Service Study</b>	
<b>Customer Class</b>	<b>Customer Related Costs</b>
<b>Residential – R</b>	\$29.56
<b>General Service Non Demand</b>	\$30.48
<b>General Service Demand</b>	\$41.02
<b>Large Power Service</b>	\$160.36
<b>Transmission Service</b>	\$293.50

2 **Q. WERE THESE COSTS USED TO DEVELOP THE CUSTOMER CHARGES IN**  
3 **SMECO'S PROPOSED RATES?**

4 **A.** Yes. SMECO's proposed rate design is discussed in Dr. Blake's testimony. He used  
5 unit costs in developing the proposed customer charges.

6 **Q. DOES THIS CONCLUDE YOUR TESTIMONY?**

7 **A.** Yes, it does.

**QUALIFICATIONS OF WILLIAM STEVEN SEELYE****Summary of Qualifications**

Provides consulting services to numerous investor-owned utilities, rural electric cooperatives, and municipal utilities regarding utility rate and regulatory filings, cost of service and wholesale and retail rate designs; and develops revenue requirements for utilities in general rate cases, including the preparation of analyses supporting pro-forma adjustments and the development of rate base.

**Employment**

*Senior Consultant and Principal*  
The Prime Group, LLC  
(July 1996 to Present)

Provides consulting services in the areas of tariff development, regulatory analysis revenue requirements, cost of service, rate design, fuel and power procurement, depreciation studies, lead-lag studies, and mathematical modeling.

Assists utilities with developing strategic marketing plans and implementation of those plans. Provides utility clients assistance regarding regulatory policy and strategy; project management support for utilities involved in complex regulatory proceedings; process audits; state and federal regulatory filing development; cost of service development and support; the development of innovative rates to achieve strategic objectives; unbundling of rates and the development of menus of rate alternatives for use with customers; performance-based rate development.

Prepared retail and wholesale rate schedules and filings submitted to the Federal Energy Regulatory Commission (FERC) and state regulatory commissions for numerous of electric and gas utilities. Performed cost of service or rate studies for over 150 utilities throughout North America. Prepared market power analyses in support of market-based rate filings submitted to the FERC for utilities and their marketing affiliates. Performed business practice audits for electric utilities, gas utilities, and independent transmission organizations (ISOs), including audits of production cost modeling, retail utility tariffs, retail utility

billing practices, and ISO billing processes and procedures.

*Manager of Rates and Other Positions*  
Louisville Gas & Electric Co.  
(May 1979 to July 1996)

Held various positions in the Rate Department of LG&E. In December 1990, promoted to Manager of Rates and Regulatory Analysis. In May 1994, given additional responsibilities in the marketing area and promoted to Manager of Market Management and Rates.

**Education**

Bachelor of Science Degree in Mathematics, University of Louisville, 1979  
54 Hours of Graduate Level Course Work in Industrial Engineering and Physics.

**Associations**

Member of the Society for Industrial and Applied Mathematics

**Expert Witness Testimony**

Alabama: Testified in Docket 28101 on behalf of Mobile Gas Service Corporation concerning rate design and pro-forma revenue adjustments.

Colorado: Testified in Consolidated Docket Nos. 01F-530E and 01A-531E on behalf of Intermountain Rural Electric Association in a territory dispute case.

FERC: Submitted direct and rebuttal testimony in Docket No. EL02-25-000 et al. concerning Public Service of Colorado's fuel cost adjustment.

Submitted direct and responsive testimony in Docket No. ER05-522-001 concerning a rate filing by Bluegrass Generation Company, LLC to charge reactive power service to LG&E Energy, LLC.

Submitted testimony in Docket Nos. ER07-1383-000 and ER08-05-000 concerning Duke Energy Shared Services, Inc.'s charges for reactive power service.

Submitted testimony in Docket No. ER08-1468-000 concerning changes to Vectren Energy's transmission formula rate.

Submitted testimony in Docket No. ER08-1588-000 concerning a generation formula rate for Kentucky Utilities Company.

Submitted testimony in Docket No. ER09-180-000 concerning changes to Vectren Energy's transmission formula rate.

Florida: Testified in Docket No. 981827 on behalf of Lee County Electric Cooperative, Inc. concerning Seminole Electric Cooperative Inc.'s wholesale rates and cost of service.

Illinois: Submitted direct, rebuttal, and surrebuttal testimony in Docket No. 01-0637 on behalf of Central Illinois Light Company ("CILCO") concerning the modification of interim supply service and the implementation of black start service in connection with providing unbundled electric service.

Indiana: Submitted direct testimony and testimony in support of a settlement agreement in Cause No. 42713 on behalf of Richmond Power & Light regarding revenue requirements, class cost of service studies, fuel adjustment clause and rate design.

Submitted direct and rebuttal testimony in Cause No. 43111 on behalf of Vectren Energy in support of a transmission cost recovery adjustment.

Submitted direct testimony in Cause No. 43773 on behalf of Crawfordsville Electric Light & Power regarding revenue requirements, class cost of service studies, fuel adjustment clause and rate design.

Kansas: Submitted direct and rebuttal testimony in Docket No. 05-WSEE-981-RTS on behalf of Westar Energy, Inc. and Kansas Gas and Electric Company regarding transmission delivery revenue requirements, energy cost adjustment clauses, fuel normalization, and class cost of service studies.

Kentucky: Testified in Administrative Case No. 244 regarding rates for cogenerators and small power producers, Case No. 8924 regarding marginal cost of service, and in numerous 6-month and 2-year fuel adjustment clause proceedings.

Submitted direct and rebuttal testimony in Case No. 96-161 and Case No. 96-362 regarding Prestonsburg Utilities' rates.

Submitted direct and rebuttal testimony in Case No. 99-046 on behalf of Delta Natural Gas Company, Inc. concerning its rate stabilization plan.

Submitted direct and rebuttal testimony in Case No. 99-176 on behalf of Delta Natural Gas Company, Inc. concerning cost of service, rate design and expense adjustments in connection with Delta's rate case.

Submitted direct and rebuttal testimony in Case No. 2000-080, testified on behalf of Louisville Gas and Electric Company concerning cost of service, rate design, and pro-forma adjustments to revenues and expenses.

Submitted rebuttal testimony in Case No. 2000-548 on behalf of Louisville Gas and Electric Company regarding the company's prepaid metering program.

Testified on behalf of Louisville Gas and Electric Company in Case No. 2002-00430 and on behalf of Kentucky Utilities Company in Case No. 2002-00429 regarding the calculation of merger savings.

Submitted direct and rebuttal testimony in Case No. 2003-00433 on behalf of Louisville Gas and Electric Company and in Case No. 2003-00434 on behalf of Kentucky Utilities Company regarding pro-forma revenue, expense and plant adjustments, class cost of service studies, and rate design.

Submitted direct and rebuttal testimony in Case No. 2004-00067 on behalf of Delta Natural Gas Company regarding pro-forma adjustments, depreciation rates, class cost of service studies, and rate design.

Testified on behalf of Kentucky Utilities Company in Case No. 2006-00129 and on behalf of Louisville Gas and electric Company in Case No. 2006-00130 concerning methodologies for recovering environmental costs through base electric rates.

Testified on behalf of Delta Natural Gas Company in Case No. 2007-00089 concerning cost of service, temperature normalization, year-end normalization, depreciation expenses, allocation of the rate increase, and rate design.

Submitted testimony on behalf of Big Rivers Electric Corporation and E.ON U.S. LLC in Case No 2007-00455 and Case No. 2007-00460 regarding the design and implementation of a Fuel Adjustment Clause, Environmental Surcharge, Unwind Surcredit, Rebate Adjustment, and Member Rate Stability Mechanism for Big Rivers Electric Corporation in connection with the unwind of a lease and purchase power transaction with E.ON U.S. LLC.

Submitted testimony in Case No. 2008-00251 on behalf of Kentucky Utilities Company and in Case No. 2008-00252 on behalf of Louisville Gas and Electric Company regarding pro-forma revenue and expense adjustments, electric and gas temperature normalization, jurisdictional separation, class cost of service studies, and rate design.

Submitted testimony in Case No. 2008-00409 on behalf of East Kentucky Power Cooperative, Inc , concerning revenue requirements, pro-forma adjustments, cost of service, and rate design.

Submitted testimony in Case No. 2009-00040 on behalf of Big Rivers Electric Corporation regarding revenue requirements and rate design.

Submitted testimony on behalf of Columbia Gas Company of Kentucky in Case No. 2009-00141 regarding the demand side management program costs and cost recovery mechanism.

Submitted testimony in Case No. 2009-00548 on behalf of Kentucky Utilities Company and in Case No. 2009-00549 on behalf of Louisville Gas and Electric Company regarding pro-forma revenue and expense adjustments, electric and gas temperature normalization, jurisdictional separation, class cost of service studies, and rate design.

Submitted testimony in Case No. 2010-00116 on behalf of Delta Natural Gas Company in Case No. 2007-00089 concerning cost of service, temperature normalization, year-end normalization, depreciation expenses, allocation of the rate increase, and rate design.

Nevada: Submitted direct and rebuttal testimony in Case No. 03-10001 on behalf of Nevada Power Company regarding cash working capital and rate base adjustments.

Submitted direct and rebuttal testimony in Case No. 03-12002 on behalf of Sierra Pacific Power Company regarding cash working capital.

Submitted direct and rebuttal testimony in Case No. 05-10003 on behalf of Nevada Power Company regarding cash working capital for an electric general rate case.

Submitted direct and rebuttal testimony in Case No. 05-10005 on behalf of Sierra Pacific Power Company regarding cash working capital for a gas general rate case.

Submitted direct and rebuttal testimony in Case Nos. 06-11022 and 06-11023 on behalf of Nevada Power Company regarding cash working capital for a gas general rate case.

Submitted direct and rebuttal testimony in Case No. 07-12001 on behalf of Sierra Pacific Power Company regarding cash working capital for an electric general rate case.

Submitted direct testimony in Case No. Docket No. 08-12002 on behalf of Nevada Power Company regarding cash working capital for an electric general rate case.

Nova Scotia: Testified on behalf of Nova Scotia Power Company in NSUARB – NSPI – P-887 regarding the development and implementation of a fuel adjustment mechanism.

Submitted testimony in NSUARB – NSPI – P-884 regarding Nova Scotia Power Company’s application to approve a demand-side management plan and cost recovery mechanism.

Submitted testimony in NSUARB – NSPI – P-888 regarding a general rate application filed by Nova Scotia Power Company.

Submitted testimony on behalf of Nova Scotia Power Company in the matter of the approval of backup, top-up and spill service for use in the Wholesale Open Access Market in Nova Scotia.

Submitted testimony in NSUARB – NSPI – P-884 (2) on behalf of Nova Scotia Power Company’s regarding a demand-side management cost recovery mechanism.

Virginia: Submitted testimony in Case No. PUE-2008-00076 on behalf of Northern Neck Electric Cooperative regarding revenue requirements, class cost of service, jurisdictional separation and an excess facilities charge rider.

Submitted testimony in Case No. PUE-2009-00029 on behalf of Old Dominion Power Company regarding class cost of service, jurisdictional separation, allocation of the revenue increase, general rate design, time of use rates, and excess facilities charge rider.

Submitted testimony in Case No. PUE-2009-00065 on behalf of Craig-Botetourt Electric Cooperative regarding revenue requirements, class cost of service, jurisdictional separation and an excess facilities charge rider.

SOUTHERN MARYLAND ELECTRIC COOPERATIVE  
Cost of Service Study  
Functional Assignment and Classification

12 Months Ended  
December 31, 2009

Description	Name	Functional Vector	Total System	Energy		Purchase Power		Transmission Demand	Station Equipment Demand
				Production Demand	Transmission Demand	Transmission Demand	Transmission Demand		
<b>Plant in Service</b>									
<b>Intangible Plant</b>									
301.00 ORGANIZATION	P301	PT&D	\$ -	-	-	-	-	-	-
302.00 FRANCHISE AND CONSENTS	P302	PT&D	-	-	-	-	-	-	-
Total Intangible Plant	PINT		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Transmission</b>									
350.00 LAND AND LAND RIGHTS	P350	F011	\$ 9,347,486	-	-	-	9,347,486	-	-
352.00 STRUCTURES AND IMPROVEMENTS	P352	F011	-	-	-	-	-	-	-
353.00 STATION EQUIPMENT	P353	F011	-	-	-	-	30,157,825	-	-
354.00 TOWERS AND FIXTURES	P354	F011	686,397	-	-	-	686,397	-	-
355.00 POLES AND FIXTURES	P355	F011	34,769,257	-	-	-	34,769,257	-	-
356.00 OH CONDUCTORS AND DEVICES	P356	F011	33,618,834	-	-	-	33,618,834	-	-
357.00 U/G CONDUCTORS AND DEVICES	P357	F011	2,118,239	-	-	-	2,118,239	-	-
358.00 U/G CONDUCTORS AND DEVICES	P358	F011	8,366,024	-	-	-	8,366,024	-	-
359.00 ROADS AND TRAILS	P359	F011	-	-	-	-	-	-	-
Total Transmission Plant	PTRAN		\$ 119,064,062	\$ -	\$ -	\$ -	\$ 119,064,062	\$ -	\$ -
<b>Distribution</b>									
360.00 LAND AND LAND RIGHTS	P360	F001	\$ 8,910,313	-	-	-	-	-	8,910,313
361.00 STRUCTURES AND IMPROVEMENTS	P361	F001	-	-	-	-	-	-	-
362.00 STATION EQUIPMENT	P362	F001	63,778,929	-	-	-	-	-	63,778,929
364.00 POLES, TOWERS AND FIXTURES	P364	F002	48,142,108	-	-	-	-	-	-
365.00 OVERHEAD CONDUCTORS AND DEVICES	P365	F003	51,188,409	-	-	-	-	-	-
366.00 UNDERGROUND CONDUIT	P366	F004	5,792,571	-	-	-	-	-	-
367.00 UNDERGROUND CONDUCTORS AND DEV	P367	F004	139,689,882	-	-	-	-	-	-
368.00 LINE TRANSFORMERS	P368	F005	97,237,825	-	-	-	-	-	-
369.00 SERVICES	P369	F006	20,041,272	-	-	-	-	-	-
370.00 METERS	P370	F007	18,637,428	-	-	-	-	-	-
371.00 INSTALLATIONS ON CONSUMERS PRE	P371	F013	2,203,611	-	-	-	-	-	-
372.00 LEASED PROP. ON CONSUMERS PREMISES	P372	F013	-	-	-	-	-	-	-
373.00 STREET LIGHTING AND SIGNAL SYS	P373	F008	6,965,903	-	-	-	-	-	-
Total Distribution Plant	PDIST		\$ 462,588,249	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 72,689,242
Total Transmission and Distribution Plant	PT&D		\$ 581,652,311	\$ -	\$ -	\$ -	\$ 119,064,062	\$ -	\$ 72,689,242



SOUTHERN MARYLAND ELECTRIC COOPERATIVE  
Cost of Service Study  
Functional Assignment and Classification

12 Months Ended  
December 31, 2009

Description	Name	Functional Vector	Prf. & Sec. Distir Plant		Customer Services		Meters		Lighting Systems		Meter Reading Billing and Curt Service		Marketing/Economic -Development	
			Demand	Customer	Demand	Customer	Customer	Customer	Customer	Customer	Customer	Customer	Customer	
<b>Plant in Service</b>														
<b>Integrable Plant</b>														
301.00 ORGANIZATION	P301	PT&D	-	-	-	-	-	-	-	-	-	-	-	-
302.00 FRANCHISE AND CONSENTS	P302	PT&D	-	-	-	-	-	-	-	-	-	-	-	-
Total Integrable Plant	PINT		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Transmission</b>														
350.00 LAND AND LAND RIGHTS	P350	F011	-	-	-	-	-	-	-	-	-	-	-	-
352.00 STRUCTURES AND IMPROVEMENTS	P352	F011	-	-	-	-	-	-	-	-	-	-	-	-
353.00 STATION EQUIPMENT	P353	F011	-	-	-	-	-	-	-	-	-	-	-	-
354.00 TOWERS AND FIXTURES	P354	F011	-	-	-	-	-	-	-	-	-	-	-	-
355.00 POLES AND FIXTURES	P355	F011	-	-	-	-	-	-	-	-	-	-	-	-
356.00 OH CONDUCTORS AND DEVICES	P356	F011	-	-	-	-	-	-	-	-	-	-	-	-
357.00 U/G CONDUCTORS AND DEVICES	P357	F011	-	-	-	-	-	-	-	-	-	-	-	-
358.00 U/G CONDUCTORS AND DEVICES	P358	F011	-	-	-	-	-	-	-	-	-	-	-	-
359.00 ROADS AND TRAILS	P359	F011	-	-	-	-	-	-	-	-	-	-	-	-
Total Transmission Plant	FTRAN		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Distribution</b>														
360.00 LAND AND LAND RIGHTS	P360	F001	-	-	-	-	-	-	-	-	-	-	-	-
361.00 STRUCTURES AND IMPROVEMENTS	P361	F001	-	-	-	-	-	-	-	-	-	-	-	-
362.00 STATION EQUIPMENT	P362	F001	-	-	-	-	-	-	-	-	-	-	-	-
364.00 POLES, TOWERS AND FIXTURES	P364	F002	45,455,778	2,686,330	-	-	-	-	-	-	-	-	-	-
365.00 OVERHEAD CONDUCTORS AND DEVICE	P365	F003	48,332,096	2,856,313	-	-	-	-	-	-	-	-	-	-
366.00 UNDERGROUND CONDUIT	P366	F004	2,208,484	3,584,086	-	-	-	-	-	-	-	-	-	-
367.00 UNDERGROUND CONDUCTORS AND DEV	P367	F004	53,258,378	86,431,504	-	-	-	-	-	-	-	-	-	-
368.00 LINE TRANSFORMERS	P368	F005	35,440,425	61,797,400	-	-	-	-	-	-	-	-	-	-
369.00 SERVICES	P369	F006	-	-	-	-	20,041,272	-	-	-	-	-	-	-
370.00 METERS	P370	F007	-	-	-	-	-	18,637,428	-	-	-	-	-	-
371.00 INSTALLATIONS ON CONSUMERS PRE	P371	F013	-	-	-	-	-	-	2,203,611	-	-	-	-	-
372.00 LEASED PROP. ON CONSUMERS PREMISES	P372	F013	-	-	-	-	-	-	-	-	-	-	-	-
373.00 STREET LIGHTING AND SIGNAL SYS	P373	F008	-	-	-	-	-	-	6,965,903	-	-	-	-	-
Total Distribution Plant	PDIST		\$ 184,695,161	\$ 157,355,633	\$ -	\$ 20,041,272	\$ 18,637,428	\$ 18,637,428	\$ 9,169,514	\$ -	\$ -	\$ -	\$ -	\$ -
Total Transmission and Distribution Plant	PT&D		\$ 184,695,161	\$ 157,355,633	\$ -	\$ 20,041,272	\$ 18,637,428	\$ 18,637,428	\$ 9,169,514	\$ -	\$ -	\$ -	\$ -	\$ -

SOUTHERN MARYLAND ELECTRIC COOPERATIVE  
Cost of Service Study  
Functional Assignment and Classification

12 Months Ended  
December 31, 2009

Description	Name	Functional Vector	Total System	Production Demand		Purchase Power		Energy	Transmission Demand		Station Equipment Demand
<b>Plant in Service (Continued)</b>											
<b>General Plant</b>											
389.00 LAND AND LAND RIGHTS	P389	PT&D	\$ 593,320	-	-	-	-	-	121,452	-	74,147
390.00 STRUCTURES AND IMPROVEMENTS	P390	PT&D	18,418,487	-	-	-	-	-	3,770,259	-	2,301,763
391.00 OFFICE FURNITURE AND EQUIPMENT	P391	PT&D	41,669,723	-	-	-	-	-	8,517,498	-	5,199,978
392.00 TRANSPORTATION EQUIPMENT	P392	PT&D	9,875,398	-	-	-	-	-	2,021,491	-	1,234,131
393.00 STORES EQUIPMENT	P393	PT&D	294,176	-	-	-	-	-	60,218	-	36,763
394.00 TOOLS, SHOP & GARAGE EQUIPMENT	P394	PT&D	1,093,632	-	-	-	-	-	223,866	-	136,672
395.00 LABORATORY EQUIPMENT	P395	PT&D	1,606,275	-	-	-	-	-	328,804	-	200,737
396.00 POWER OPERATED EQUIPMENT	P396	PT&D	1,708,307	-	-	-	-	-	349,690	-	213,488
397.00 COMMUNICATION EQUIPMENT	P397	PT&D	3,574,040	-	-	-	-	-	731,605	-	466,649
398.00 MISCELLANEOUS EQUIPMENT	P398	PT&D	995,101	-	-	-	-	-	203,697	-	124,358
399.00 OTHER TANGIBLE PROPERTY	P399	PT&D	-	-	-	-	-	-	-	-	-
Total General Plant	PGP		\$ 79,768,459	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 16,328,581	\$ -	\$ 9,968,685
106.00 COMPLETED CONSTR NOT CLASSIFIED	P106	PT&D	\$ -	-	-	-	-	-	-	-	-
105.00 PLANT HELD FOR FUTURE USE	P105	PDIST	\$ -	-	-	-	-	-	-	-	-
OTHER	PDIST		\$ -	-	-	-	-	-	-	-	-
Total Plant in Service	TPIS		\$ 661,420,770	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 135,392,643	\$ -	\$ 82,657,927
<b>Construction Work in Progress (CWIP)</b>											
CWIP Transmission	CWIP1	F011	\$ 8,000,000	-	-	-	-	-	8,000,000	-	-
CWIP Distribution Plant	CWIP2	PDIST	\$ 26,759,697	-	-	-	-	-	-	-	4,204,910
CWIP General Plant	CWIP3	F003	-	-	-	-	-	-	-	-	-
CWIP General Plant - Generators	CWIP4	F016	-	-	-	-	-	-	-	-	-
RWIP	CWIP5	F004	-	-	-	-	-	-	-	-	-
Total Construction Work in Progress	TCWIP		\$ 34,759,697	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 8,000,000	\$ -	\$ 4,204,910
Total Utility Plant			\$ 696,180,467	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 143,392,643	\$ -	\$ 86,862,837

SOUTHERN MARYLAND ELECTRIC COOPERATIVE  
Cost of Service Study  
Functional Assignment and Classification

12 Months Ended  
December 31, 2009

Description Plant in Service (Continued)	Name	Functional Vector	Pri & Sec. Distr Plant		Customer Services		Lighting Systems Customer	Meter Reading Billing and Cust Service Customer	Marketing/ Economic Development Customer
			Demand	Customer	Demand	Customer			
General Plant									
389.00 LAND AND LAND RIGHTS	P389	FT&D	188,400	160,512	-	20,443	19,011	9,353	-
390.00 STRUCTURES AND IMPROVEMENTS	P390	PT&D	5,848,520	4,982,792	-	634,623	590,169	290,160	-
391.00 OFFICE FURNITURE AND EQUIPMENT	P391	FT&D	13,212,557	11,256,767	-	1,935,095	1,333,266	655,960	-
392.00 TRANSPORTATION EQUIPMENT	P392	FT&D	3,135,788	2,671,612	-	340,264	316,338	155,682	-
393.00 STORES EQUIPMENT	P393	FT&D	93,411	79,384	-	10,136	9,426	4,638	-
394.00 TOOLS, SHOP & GARAGE EQUIPMENT	P394	FT&D	347,267	295,863	-	37,682	35,042	17,241	-
395.00 LABORATORY EQUIPMENT	P395	PT&D	510,049	434,549	-	55,345	51,469	25,322	-
396.00 POWER OPERATED EQUIPMENT	P396	PT&D	542,448	462,152	-	58,861	54,738	26,931	-
397.00 COMMUNICATION EQUIPMENT	P397	PT&D	1,134,884	966,892	-	123,146	114,320	56,343	-
398.00 MISCELLANEOUS EQUIPMENT	P398	FT&D	315,980	269,207	-	34,287	31,885	15,687	-
399.00 OTHER TANGIBLE PROPERTY	P399	FT&D	-	-	-	-	-	-	-
Total General Plant	PGP		\$ 25,329,304	\$ 21,579,930	\$ -	\$ 2,746,483	\$ 2,555,958	\$ 1,257,318	\$ -
106.00 COMPLETED CONSTR NOT CLASSIFIED	P106	FT&D	-	-	-	-	-	-	-
105.00 PLANT HELD FOR FUTURE USE	P105	PDIST	-	-	-	-	-	-	-
OTHER									
Total Plant in Service	TPIS		\$ 21,024,465	\$ 178,935,563	\$ -	\$ 22,789,735	\$ 21,193,386	\$ 10,427,031	\$ -
Construction Work in Progress (CWIP)									
CWIP Transmission									
CWIP Distribution Plant	CWIP1	F011	-	-	-	-	-	-	-
CWIP General Plant	CWIP2	FDIST	10,684,202	9,102,672	-	1,159,343	1,078,134	530,436	-
CWIP General Plant - Generators	CWIP3	F003	-	-	-	-	-	-	-
CWIP General Plant - Generators	CWIP4	F016	-	-	-	-	-	-	-
CWIP RWIP	CWIP5	F004	-	-	-	-	-	-	-
Total Construction Work in Progress	TCWIP		\$ 10,684,202	\$ 9,102,672	\$ -	\$ 1,159,343	\$ 1,078,134	\$ 530,436	\$ -
Total Utility Plant			\$ 220,708,667	\$ 188,038,235	\$ -	\$ 23,949,077	\$ 22,271,520	\$ 10,957,467	\$ -

SOUTHERN MARYLAND ELECTRIC COOPERATIVE  
 Cost of Service Study  
 Functional Assignment and Classification

12 Months Ended  
 December 31, 2009

Description	Name	Functional Vector	Total System		Energy		Purchase Power		Transmission Demand		Station Equipment Demand	
			Production Demand	Transmission Demand	Production Demand	Transmission Demand	Production Demand	Transmission Demand	Production Demand	Transmission Demand	Production Demand	Transmission Demand
<b>Utility Plant</b>												
Plant in Service			\$ 661,420,770	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 135,392,643	\$ 82,657,927	\$ 82,657,927	\$ 4,204,910.23
Construction Work in Progress (CWIP)			\$ 34,759,697	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 8,000,000.00	\$ -	\$ -	\$ -
<b>Total Utility Plant</b>			\$ 696,180,467	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 143,392,643	\$ 86,862,837	\$ 86,862,837	\$ -
<b>Less: Accumulated Provision for Depreciation</b>												
Electric Plant Amortization	ADEPREA	TUP	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Retirement Work in Progress	RWIP	TUP	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transmission	ADEPRTP	PTRAN	\$ 43,512,851	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 43,512,851	\$ -	\$ -	\$ -
Dist-Structures	ADEPRD1	P361	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Dist-Station	ADEPRD2	P362	\$ 36,065,472	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 36,065,472	\$ -
Dist-Poles and Fixtures	ADEPRD3	P364	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Dist-OH Conductor	ADEPRD4	P365	\$ 17,592,776	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Dist-UG Conduit	ADEPRD5	P366	\$ 722,551	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Dist-UG Conductor	ADEPRD6	P367	\$ 47,984,146	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Dist-Line Transformers	ADEPRD7	P368	\$ 42,256,742	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Dist-Service	ADEPRD8	P369	\$ 7,239,669	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Dist-Meters	ADEPRD9	P370	\$ 7,130,656	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Dist-Installations on Customer Premises	ADEPRD10	F014	\$ 1,110,931	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Dist-Lighting & Signal Systems	ADEPRD11	F373	\$ 1,927,078	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Dist	ADEPRD12	PDIS1	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
General Plant	ADEPRGP	PGP	\$ 49,890,370	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 10,212,544	\$ 6,234,813	\$ 6,234,813	\$ -
<b>Total Accumulated Depreciation</b>	TADEPR		\$ 255,353,241	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 53,725,395	\$ 42,300,285	\$ 42,300,285	\$ -
<b>Net Utility Plant</b>	NETPLANT		\$ 440,827,226	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 89,667,247	\$ 44,562,553	\$ 44,562,553	\$ -
<b>Working Capital</b>												
Cash Working Capital - Operation and Maintenance Expenses	CWC	OMLFP	\$ 2,156,138	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 179,762	\$ 171,349	\$ 171,349	\$ -
Materials and Supplies	M&S	TPIS	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Prepayments	PREPAY	TPIS	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Total Working Capital</b>	TWC		\$ 2,156,138	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 179,762	\$ 171,349	\$ 171,349	\$ -
<b>Deferred Debts</b>												
Service Pension Cost	PENSCOST	TLB	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other Deferred Debts	DDEBPP	ONSUB2	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Total Deferred Debts</b>	CSTDEP	TPIS	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Less: Customer Deposits</b>	RB		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 89,847,010	\$ 44,733,902	\$ 44,733,902	\$ -
<b>Net Rate Base</b>			\$ 442,983,363	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 89,847,010	\$ 44,733,902	\$ 44,733,902	\$ -

SOUTHERN MARYLAND ELECTRIC COOPERATIVE  
Cost of Service Study  
Functional Assignment and Classification

12 Months Ended  
December 31, 2009

Description Rate Base	Name	Functional Vector		Pr & Sec. Distr. Plant		Customer Services		Meters		Lighting Systems		Meter Reading Billing and Cust Service		Marketing/Economic Development	
		Demand	Customer	Demand	Customer	Demand	Customer	Customer	Customer	Customer	Customer	Customer	Customer	Customer	Customer
Utility Plant															
Plant in Service															
Construction Work in Progress (CWIP)															
		\$ 210,024,465	\$ 178,925,563	\$ -	\$ 22,789,755	\$ 21,193,386	\$ 10,427,031	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
		10,684,202.43	9,102,671.84	-	1,159,342.80	1,078,133.58	530,435.88	-	-	-	-	-	-	-	-
<b>Total Utility Plant</b>		<b>\$ 220,708,667</b>	<b>\$ 188,028,235</b>	<b>\$ -</b>	<b>\$ 23,949,097</b>	<b>\$ 22,271,520</b>	<b>\$ 10,957,467</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<u>Less: Accumulated Provision for Depreciation</u>															
Electric Plant Amortization	ADEPREPA	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Retirement Work in Progress	RWIP	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transmission	ADEFRT	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Dist-Structures	ADEPRD1	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Dist-Station	ADEPRD2	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Dist-Poles and Fixtures	ADEPRD3	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Dist-OH Conductor	ADEPRD4	16,611,699	981,677	-	-	-	-	-	-	-	-	-	-	-	-
Dist-UG Conduit	ADEPRD5	275,481	447,070	-	-	-	-	-	-	-	-	-	-	-	-
Dist-UG Conductor	ADEPRD6	18,264,008	29,640,138	-	-	-	-	-	-	-	-	-	-	-	-
Dist-Line Transformers	ADEPRD7	15,401,382	26,855,360	-	-	-	-	-	-	-	-	-	-	-	-
Dist-Services	ADEPRD8	-	7,239,669	-	-	-	-	-	-	-	-	-	-	-	-
Dist-Meters	ADEPRD9	-	-	-	-	7,130,656	-	-	-	-	-	-	-	-	-
Dist-Installations on Customer Premises	ADEPRD10	-	-	-	-	-	1,110,931	-	-	-	-	-	-	-	-
Dist-Lighting & Signal Systems	ADEPRD11	-	-	-	-	-	1,927,078	-	-	-	-	-	-	-	-
Dist	ADEPRD12	-	-	-	-	-	-	-	-	-	-	-	-	-	-
General Plant	ADEPRGP	15,841,955	13,496,947	-	-	1,719,011	786,502	-	-	-	-	-	-	-	-
<b>Total Accumulated Depreciation</b>	TADEPR	<b>\$ 66,393,925</b>	<b>\$ 71,421,193</b>	<b>\$ -</b>	<b>\$ 8,958,679</b>	<b>\$ 8,729,254</b>	<b>\$ 3,824,511</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<u>Net Utility Plant</u>	NTPLANT	<b>\$ 154,314,743</b>	<b>\$ 116,617,042</b>	<b>\$ -</b>	<b>\$ 14,990,418</b>	<b>\$ 13,542,266</b>	<b>\$ 7,132,956</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<u>Working Capital</u>															
Cash Working Capital - Operation and Maintenance Expenses	CWC	779,296	289,934	-	14,044	151,553	22,681	-	-	-	-	539,926	-	-	7,593
Materials and Supplies	M&S	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Prepayments	PREPAY	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Working Capital</b>	TWC	<b>\$ 779,296</b>	<b>\$ 289,934</b>	<b>\$ -</b>	<b>\$ 14,044</b>	<b>\$ 151,553</b>	<b>\$ 22,681</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 539,926</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 7,593</b>
<u>Deferred Debts</u>															
Service Pension Cost	PENSCOST	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Deferred Debts	DDEBPP	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Deferred Debts</b>	CSTDEP	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<u>Less: Customer Deposits</u>															
<b>Net Rate Base</b>	RD	<b>\$ 155,094,038</b>	<b>\$ 116,906,976</b>	<b>\$ -</b>	<b>\$ 15,004,463</b>	<b>\$ 13,693,819</b>	<b>\$ 7,155,637</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 539,926</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 7,593</b>

See Exhibit 2 - 6

SOUTHERN MARYLAND ELECTRIC COOPERATIVE  
Cost of Service Study  
Functional Assignment and Classification

12 Months Ended  
December 31, 2009

Description	Name	Functional Vector	Total System		Purchase Power		Energy		Transmission		Station Equipment	
			Production Demand	Transmission Demand	Transmission Demand	Energy	Transmission Demand	Energy	Transmission Demand	Station Equipment Demand		
<b>Operation and Maintenance Expenses</b>												
Purchased Power												
555 PURCHASED POWER	OM555	OMPP	\$ -	-	-	-	-	-	-	-	-	-
557 OTHER EXPENSES	OM557	OMPP	-	-	-	-	-	-	-	-	-	-
Total Purchased Power	TPP		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Transmission Expenses</b>												
560 OPERATION SUPERVISION AND ENG	OM560	PTRAN	\$ 389,228	-	-	-	-	-	389,228	-	-	-
561 LOAD DISPATCHING	OM561	PTRAN	517,894	-	-	-	-	-	517,894	-	-	-
562 STATION EXPENSES	OM562	PTRAN	13,775	-	-	-	-	-	13,775	-	-	-
563 OVERHEAD LINE EXPENSES	OM563	PTRAN	41,149	-	-	-	-	-	41,149	-	-	-
566 MISC. TRANSMISSION EXPENSES	OM566	PTRAN	-	-	-	-	-	-	-	-	-	-
568 MAINTENANCE SUPERVISION AND ENG	OM568	PTRAN	39,178	-	-	-	-	-	39,178	-	-	-
570 MAINT OF STATION EQUIPMENT	OM570	PTRAN	524,228	-	-	-	-	-	524,228	-	-	-
571 MAINT OF OVERHEAD LINES	OM571	PTRAN	1,171,637	-	-	-	-	-	1,171,637	-	-	-
Total Transmission Expenses			\$ 2,697,089	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,697,089	\$ -	\$ -	\$ -
<b>Distribution Operation Expense</b>												
580 OPERATION SUPERVISION AND ENGI	OM580	PDIST	\$ 1,011,303	-	-	-	-	-	-	-	158,912	-
581 LOAD DISPATCHING	OM581	P362	788,725	-	-	-	-	-	-	-	788,225	-
582 STATION EXPENSES	OM582	P362	233,944	-	-	-	-	-	-	-	233,944	-
583 OVERHEAD LINE EXPENSES	OM583	P365	402,353	-	-	-	-	-	-	-	-	-
584 UNDERGROUND LINE EXPENSES	OM584	P367	(19,294)	-	-	-	-	-	-	-	-	-
585 STREET LIGHTING EXPENSE	OM585	P371	611	-	-	-	-	-	-	-	-	-
586 METER EXPENSES	OM586	F007	2,091,839	-	-	-	-	-	-	-	-	-
586 METER EXPENSES - LOAD MANAGEMENT	OM586x	F007	-	-	-	-	-	-	-	-	-	-
587 CUSTOMER INSTALLATIONS EXPENSE	OM587	P371	32,477	-	-	-	-	-	-	-	-	-
588 MISCELLANEOUS DISTRIBUTION EXP	OM588	PDIST	1,400,277	-	-	-	-	-	-	-	220,034	-
588 MISC DISTR EXP - MAPPIN	OM588x	F015	-	-	-	-	-	-	-	-	-	-
589 RENTS	OM589	PDIST	592,842	-	-	-	-	-	-	-	93,157	-
Total Distribution Operation Expense	OMDO		\$ 6,535,916	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,494,271	\$ -

SOUTHERN MARYLAND ELECTRIC COOPERATIVE  
Cost of Service Study  
Functional Assignment and Classification

12 Months Ended  
December 31, 2009

Description	Name	Functional Vector	Pri & Sec. Distr Plant		Customer Services		Meters		Lighting Systems		Meter Reading Billing and Cut Service		Marketing/Economic Development	
			Demand	Customer	Demand	Customer	Customer	Customer	Customer	Customer	Customer	Customer	Customer	Customer
<b>Operation and Maintenance Expenses</b>														
<b>Purchased Power</b>														
555 PURCHASED POWER	OM555	OMPP	-	-	-	-	-	-	-	-	-	-	-	-
557 OTHER EXPENSES	OM557	OMPP	-	-	-	-	-	-	-	-	-	-	-	-
Total Purchased Power	TPP		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Transmission Expenses</b>														
560 OPERATION SUPERVISION AND ENG	OM560	PTRAN	-	-	-	-	-	-	-	-	-	-	-	-
561 LOAD DISPATCHING	OM561	PTRAN	-	-	-	-	-	-	-	-	-	-	-	-
562 STATION EXPENSES	OM562	PTRAN	-	-	-	-	-	-	-	-	-	-	-	-
563 OVERHEAD LINE EXPENSES	OM563	PTRAN	-	-	-	-	-	-	-	-	-	-	-	-
566 MISC. TRANSMISSION EXPENSES	OM566	PTRAN	-	-	-	-	-	-	-	-	-	-	-	-
568 MAINTENANCE SUPERVISION AND ENG	OM568	PTRAN	-	-	-	-	-	-	-	-	-	-	-	-
570 MAINT OF STATION EQUIPMENT	OM570	PTRAN	-	-	-	-	-	-	-	-	-	-	-	-
571 MAINT OF OVERHEAD LINES	OM571	PTRAN	-	-	-	-	-	-	-	-	-	-	-	-
Total Transmission Expenses			\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Distribution Operation Expense</b>														
580 OPERATION SUPERVISION AND ENGI	OM580	PDIST	403,778	344,008	-	43,814	40,745	20,046	-	-	-	-	-	-
581 LOAD DISPATCHING	OM581	P362	-	-	-	-	-	-	-	-	-	-	-	-
582 STATION EXPENSES	OM582	P362	-	-	-	-	-	-	-	-	-	-	-	-
583 OVERHEAD LINE EXPENSES	OM583	P365	379,902	22,451	-	-	-	-	-	-	-	-	-	-
584 UNDERGROUND LINE EXPENSES	OM584	P367	(7,008)	(12,346)	-	-	-	-	-	-	-	-	-	-
585 STREET LIGHTING EXPENSE	OM585	P371	-	-	-	-	-	611	-	-	-	-	-	-
586 METER EXPENSES	OM586	F007	-	-	-	-	2,093,839	-	-	-	-	-	-	-
586 METER EXPENSES - LOAD MANAGEMENT	OM586a	F007	-	-	-	-	-	-	-	-	-	-	-	-
587 CUSTOMER INSTALLATIONS EXPENSE	OM587	P371	-	-	-	-	-	-	32,477	-	-	-	-	-
588 MISCELLANEOUS DISTRIBUTION EXP	OM588	PDIST	559,081	476,323	-	60,666	56,416	27,757	-	-	-	-	-	-
588 MISC DISTR EXP - MAPPING	OM588x	F015	-	-	-	-	-	-	-	-	-	-	-	-
589 RENTS	OM589	PDIST	236,701	201,663	-	25,684	23,865	11,751	-	-	-	-	-	-
Total Distribution Operation Expense	OMDO		\$ 1,571,854	\$ 1,032,100	\$ -	\$ 130,164	\$ 2,214,885	\$ 92,642	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

SOUTHERN MARYLAND ELECTRIC COOPERATIVE  
Cost of Service Study  
Functional Assignment and Classification

12 Months Ended  
December 31, 2009

Description Operation and Maintenance Expenses (Continued)	Name	Functional Vector	Total System		Purchase Power		Energy		Transmission Demand	Station Equipment Demand
			Production Demand	Transmission Demand	Transmission Demand	Energy				
Distribution Maintenance Expense										
590 MAINTENANCE SUPERVISION AND EN	OMS90	PDIST	\$	434,692	-	-	-	-	-	68,306
592 MAINTENANCE OF STATION EQUIPME	OMS92	P362	\$	1,020,078	-	-	-	-	-	1,020,078
593 MAINTENANCE OF OVERHEAD LINES	OMS93	P365	\$	10,432,522	-	-	-	-	-	-
594 MAINTENANCE OF UNDERGROUND LIN	OMS94	P367	\$	3,707,737	-	-	-	-	-	-
595 MAINTENANCE OF LINE TRANSFORME	OMS95	P368	\$	40,319	-	-	-	-	-	-
596 MAINTENANCE OF ST LIGHTS & SIG SYSTEMS	OMS96	P371	\$	216,016	-	-	-	-	-	-
597 MAINTENANCE OF METERS	OMS97	F007	\$	156,291	-	-	-	-	-	-
598 MAINTENANCE OF MISC DISTR PLANT	OMS98	FDIST	\$	290,606	-	-	-	-	-	43,665
Total Distribution Maintenance Expense	OMDM		\$	16,298,261	\$	-	\$	-	\$	1,134,048
Total Distribution Operation and Maintenance Expenses				22,834,176						2,628,319
Transmission and Distribution Expenses				25,531,265					2,697,089	2,628,319
Purchased Power, Transmission and Distribution Expenses	OMSUB		\$	25,531,265	\$	-	\$	-	\$	2,697,089
Customer Accounts Expense				574,755						
901 SUPERVISION/CUSTOMER ACCTS	OM901	F009	\$	574,755	-	-	-	-	-	-
902 METER READING EXPENSES	OM902	F009	\$	1,379,300	-	-	-	-	-	-
903 RECORDS AND COLLECTION	OM903	F009	\$	5,039,333	-	-	-	-	-	-
904 UNCOLLECTIBLE ACCOUNTS	OM904	F009	\$	67,942	-	-	-	-	-	-
905 MISC CUST ACCOUNTS	OM905	F009	\$	(7,239)	-	-	-	-	-	-
Total Customer Accounts Expense	OMCA		\$	7,054,081	\$	-	\$	-	\$	-
Customer Service Expense				20,815						
907 SUPERVISION	OM907	F010	\$	20,815	-	-	-	-	-	-
908 CUSTOMER ASSISTANCE EXPENSES	OM908	F010	\$	2,292,636	-	-	-	-	-	-
908 CUSTOMER ASSISTANCE EXP-LOAD MGMT	OM908s	F012		181	-	-	-	-	-	-
909 INFORMATIONAL AND INSTRUCTIONA	OM909	F012		132,416	-	-	-	-	-	-
909 INFORM AND INSTRUC-LOAD MGMT	OM909s	F012		9	-	-	-	-	-	-
910 MISCELLANEOUS CUSTOMER SERVICE	OM910	F010		-	-	-	-	-	-	-
911 DEMONSTRATION AND SELLING EXP	OM911	F012		15,380	-	-	-	-	-	-
912 DEMONSTRATION AND SELLING EXP	OM912	F012		-	-	-	-	-	-	-
913 ADVERTISING EXPENSES	OM913	F012		-	-	-	-	-	-	-
915 MDSE-JOBING-CONTRACT	OM915	F012		-	-	-	-	-	-	-
916 MISC SALES EXPENSE	OM916	F012		-	-	-	-	-	-	-
Total Customer Service Expense	OMCS		\$	2,461,437	\$	-	\$	-	\$	-
Sub-Total Transmission, Distribution, Cust Acct and Cust Service	OMSUB2			35,046,784					2,697,089	2,628,319



SOUTHERN MARYLAND ELECTRIC COOPERATIVE  
Cost of Service Study  
Functional Assignment and Classification

12 Months Ended  
December 31, 2003

Description <u>Operation and Maintenance Expenses (Continued)</u>	Name	Functional Vector	Pr. & Sec. Distr. Plant		Customer Services		Meters		Lighting Systems		Meter Reading Billing and Cust Service		Marketing/ Economic Development	
			Demand	Customer	Demand	Customer	Customer	Customer	Customer	Customer	Customer	Customer	Customer	Customer
Distribution Maintenance Expense														
590 MAINTENANCE SUPERVISION AND EN	OM590	PDIST												
592 MAINTENANCE OF STATION EQUIPME	OM592	P362	173,557	147,866		18,833	17,514		8,617					
593 MAINTENANCE OF OVERHEAD LINES	OM593	P365	9,850,387	582,135										
594 MAINTENANCE OF UNDERGROUND LIN	OM594	P367	1,413,617	2,294,120										
595 MAINTENANCE OF LINE TRANSFORME	OM595	P368	14,695	25,624					216,016					
596 MAINTENANCE OF ST LIGHTS & SIG SYSTEMS	OM596	F371					156,291							
597 MAINTENANCE OF METERS	OM597	F007					11,708		5,760					
598 MAINTENANCE OF MISC DISTR PLANT	OM598	PDIST	116,029	98,853		12,590								
Total Distribution Maintenance Expense	OMDM		\$ 11,568,286	\$ 3,148,598	\$ -	\$ 31,423	\$ 185,513	\$ 230,393	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Distribution Operation and Maintenance Expenses			13,140,139	4,180,698		161,587	2,400,398	323,035						
Transmission and Distribution Expenses			13,140,139	4,180,698		161,587	2,400,398	323,035						
Purchased Power, Transmission and Distribution Expenses	OMSUB		\$ 13,140,139	\$ 4,180,698	\$ -	\$ 161,587	\$ 2,400,398	\$ 323,035	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Customer Accounts Expense														
901 SUPERVISION/CUSTOMER ACCTS	OM901	F009									574,755			
902 METER READING EXPENSES	OM902	F009									1,379,300			
903 RECORDS AND COLLECTION	OM903	F009									5,039,323			
904 UNCOLLECTIBLE ACCOUNTS	OM904	F009									67,942			
905 MISC CUST ACCOUNTS	OM905	F009									(7,239)			
Total Customer Accounts Expense	OMCA		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 7,054,081	\$ -	\$ -	\$ -
Customer Service Expense														
907 SUPERVISION	OM907	F010									20,815			
908 CUSTOMER ASSISTANCE EXPENSES	OM908	F010									2,292,636			
908 CUSTOMER ASSISTANCE EXP-LOAD MGMT	OM908x	F012										181		
909 INFORMATIONAL AND INSTRUCTIONA	OM909	F012										132,416		
909 INFORM AND INSTRUC-LOAD MGMT	OM909x	F012											9	
910 MISCELLANEOUS CUSTOMER SERVICE	OM910	F010												
911 DEMONSTRATION AND SELLING EXP	OM911	F012												
912 DEMONSTRATION AND SELLING EXP	OM912	F012												
913 ADVERTISING EXPENSES	OM913	F012												
915 MIDSE-JOBBER-CONTRACT	OM915	F012												
916 MISC SALES EXPENSE	OM916	F012												
Total Customer Service Expense	OMCS		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,313,451	\$ -	\$ 147,986	\$ -
Sub-Total Transmission, Distribution, Cust Acct and Cust Service	OMSUBZ		13,140,139	4,180,698		161,587	2,400,398	323,035			9,367,532		147,986	

SOUTHERN MARYLAND ELECTRIC COOPERATIVE  
Cost of Service Study  
Functional Assignment and Classification

12 Months Ended  
December 31, 2009

Description Operation and Maintenance Expenses (Continued)	Name	Functional Vector	Total System	Production Demand		Purchase Power Transmission Demand		Energy	Transmission Demand	Station Equipment Demand
				Production Demand	Transmission Demand	Purchase Power Transmission Demand	Energy			
Administrative and General Expense										
920 ADMIN. & GEN. SALARIES-	OM920	ONSUB2	\$ 6,953,413	-	-	-	-	535,113	521,468	
921 OFFICE SUPPLIES AND EXPENSES	OM921	LBSUB2	3,560,513	-	-	-	-	225,087	279,351	
923 OUTSIDE SERVICES EMPLOYED	OM923	ONSUB2	2,961,374	-	-	-	-	227,898	222,087	
924 PROPERTY INSURANCE	OM924	NTPLANT	176,175	-	-	-	-	34,615	17,203	
925 INJURIES AND DAMAGES - INSURAN	OM925	LBSUB2	1,622,728	-	-	-	-	68,502	85,017	
926 EMPLOYEE BENEFITS	OM926	LBSUB2	5,834,885	-	-	-	-	390,820	485,039	
928 REGULATORY COMMISSION EXPENSE	OM928	ONSUB2	192,780	-	-	-	-	14,836	14,457	
929 DUPLICATE CHARGES	OM929	ONSUB2	(990,236)	-	-	-	-	(30,031)	(29,266)	
930 MISCELLANEOUS GENERAL EXPENSES	OM930	ONSUB2	1,715,393	-	-	-	-	132,011	128,645	
931 RENTS AND LEASES	OM931	NTPLANT	-	-	-	-	-	-	-	
935 MAINTENANCE OF GENERAL PLANT	OM935	FGP	3,660,809	-	-	-	-	751,227	458,628	
Total Administrative and General Expense	OMAG		\$ 25,490,925	\$ -	\$ -	\$ -	\$ -	\$ 2,358,078	\$ 2,182,630	
Total Operation and Maintenance Expenses	TOM		\$ 60,537,708	\$ -	\$ -	\$ -	\$ -	\$ 5,047,167	\$ 4,810,949	
Operation and Maintenance Expenses Less Purchase Power	OMLPP		\$ 60,537,708	\$ -	\$ -	\$ -	\$ -	\$ 5,047,167	\$ 4,810,949	

SOUTHERN MARYLAND ELECTRIC COOPERATIVE  
Cost of Service Study  
Functional Assignment and Classification

12 Months Ended  
December 31, 2009

Description	Name	Functional Vector	Pri & Sec. Dist. Plant		Customer Services		Meters		Lighting Systems		Meter Reading Billing and Cust Service		Marketing/Economic Development	
			Demand	Customer	Demand	Customer	Customer	Customer	Customer	Customer	Customer	Customer	Customer	Customer
<b>Operation and Maintenance Expenses (Continued)</b>														
Administrative and General Expense														
920 ADMIN. & GEN. SALARIES-	OM920		2,607,053	829,466	-	32,060	476,248	64,091	1,858,553	29,361				
921 OFFICE SUPPLIES AND EXPENSES	OM921	LBSUB2	1,061,849	512,426	-	15,715	312,069	48,604	899,848	5,564				
923 OUTSIDE SERVICES EMPLOYED	OM923	OMSUB2	1,110,312	353,260	-	13,654	202,828	27,296	791,535	12,505				
924 PROPERTY INSURANCE	OM924	NTPLANT	59,571	45,018	-	3,787	3,228	2,754	-	-				
925 INJURIES AND DAMAGES - INSURAN	OM925	LBSUB2	323,160	155,950	-	4,783	94,974	14,792	273,857	1,693				
926 EMPLOYEE BENEFITS	OM926	LBSUB2	1,843,696	889,729	-	27,287	541,847	84,392	1,562,414	9,660				
928 REGULATORY COMMISSION EXPENSE	OM928	OMSUB2	72,279	22,997	-	889	13,204	1,777	51,527	814				
929 DUPLICATE CHARGES	OM929	OMSUB2	(146,312)	(46,551)	-	(1,799)	(26,728)	(3,597)	(104,305)	(1,648)				
930 MISCELLANEOUS GENERAL EXPENSES	OM930	OMSUB2	643,155	284,628	-	7,909	117,489	15,811	458,501	7,243				
931 RENTS AND LEASES	OM931	NTPLANT	-	-	-	-	-	-	-	-				
935 MAINTENANCE OF GENERAL PLANT	OM935	PGP	1,165,323	992,826	-	126,449	117,592	57,854	-	-				
Total Administrative and General Expense	OMAG		\$ 8,740,085	\$ 3,959,748	\$ -	\$ 232,733	\$ 1,854,751	\$ 313,775	\$ 5,791,932	\$ 65,193				
Total Operation and Maintenance Expenses	TOM		\$ 21,880,225	\$ 8,140,446	\$ -	\$ 394,320	\$ 4,255,150	\$ 636,810	\$ 15,159,464	\$ 213,179				
Operation and Maintenance Expenses Less Purchase Power	OMLPP		\$ 21,880,225	\$ 8,140,446	\$ -	\$ 394,320	\$ 4,255,150	\$ 636,810	\$ 15,159,464	\$ 213,179				

SOUTHERN MARYLAND ELECTRIC COOPERATIVE  
Cost of Service Study  
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12 Months Ended  
December 31, 2009

Description	Name	Functional Vector	Total System	Production Demand		Purchase Power		Energy	Transmission Demand		Station Equipment Demand
				Production Demand	Transmission Demand	Transmission Demand	Equipment Demand				
<b>LABOR EXPENSES</b>											
<b>Purchased Power</b>											
555 PURCHASED POWER	LB555	OMPP	\$ -	-	-	-	-	-	-	-	-
557 OTHER EXPENSES	LB557	OMPP	-	-	-	-	-	-	-	-	-
Total Purchased Power Labor	LBFP		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Transmission Labor Expenses</b>											
560 OPERATION SUPERVISION AND ENG	LB560	PTRAN	\$ 278,304	-	-	-	-	-	278,304	-	-
561 LOAD DISPATCHING	LB561	PTRAN	-	419,114	-	-	-	-	419,114	-	-
562 STATION EXPENSES	LB562	PTRAN	-	5,890	-	-	-	-	5,890	-	-
563 OVERHEAD LINE EXPENSES	LB563	PTRAN	-	34,417	-	-	-	-	34,417	-	-
566 MISC. TRANSMISSION EXPENSES	LB566	PTRAN	-	-	-	-	-	-	-	-	-
568 MAINTENANCE SUPERVISION AND ENG	LB568	PTRAN	-	24,151	-	-	-	-	24,151	-	-
570 MAINT OF STATION EQUIPMENT	LB570	PTRAN	-	189,512	-	-	-	-	189,512	-	-
571 MAINT OF OVERHEAD LINES	LB571	PTRAN	-	72,986	-	-	-	-	72,986	-	-
Total Transmission Labor Expenses			\$ 1,024,374	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,024,374	\$ -	\$ -
<b>Distribution Operation Labor Expense</b>											
580 OPERATION SUPERVISION AND ENGI	LB580	PDIST	\$ 699,625	-	-	-	-	-	-	-	109,936
581 LOAD DISPATCHING	LB581	P362	-	551,565	-	-	-	-	-	-	551,565
582 STATION EXPENSES	LB582	P362	-	104,833	-	-	-	-	-	-	104,833
583 OVERHEAD LINE EXPENSES	LB583	P365	-	175,392	-	-	-	-	-	-	-
584 UNDERGROUND LINE EXPENSES	LB584	P367	-	276,141	-	-	-	-	-	-	-
585 STREET LIGHTING EXPENSE	LB585	P371	-	-	-	-	-	-	-	-	-
586 METER EXPENSES	LB586	F007	-	1,245,883	-	-	-	-	-	-	-
586 METER EXPENSES - LOAD MANAGEMENT	LB586x	F012	-	25,321	-	-	-	-	-	-	-
587 CUSTOMER INSTALLATIONS EXPENSE	LB587	P371	-	42,008	-	-	-	-	-	-	-
588 MISCELLANEOUS DISTRIBUTION EXP	LB588	PDIST	-	483,850	-	-	-	-	-	-	76,030
589 RENTS	LB589	PDIST	-	-	-	-	-	-	-	-	-
Total Distribution Operation Labor Expense	LBDO		\$ 3,604,618	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 842,364

SOUTHERN MARYLAND ELECTRIC COOPERATIVE  
Cost of Service Study  
Functional Assignment and Classification

12 Months Ended  
December 31, 2009

Description	Name	Functional Vector	Pri & Sec. Distr Plant Demand		Customer Services Demand		Meters Customer		Lighting Systems Customer		Meter Reading Billing and Cust Service Customer		Marketing/Economic Development Customer	
<b>Laboer Expenses</b>														
Purchased Power														
555 PURCHASED POWER	LB555	ONPP	-	-	-	-	-	-	-	-	-	-	-	-
557 OTHER EXPENSES	LB557	ONPP	-	-	-	-	-	-	-	-	-	-	-	-
Total Purchased Power Labor	LBPP		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Transmission Labor Expenses</b>														
560 OPERATION SUPERVISION AND ENG	LB560	PTRAN	-	-	-	-	-	-	-	-	-	-	-	-
561 LOAD DISPATCHING	LB561	PTRAN	-	-	-	-	-	-	-	-	-	-	-	-
562 STATION EXPENSES	LB562	PTRAN	-	-	-	-	-	-	-	-	-	-	-	-
563 OVERHEAD LINE EXPENSES	LB563	PTRAN	-	-	-	-	-	-	-	-	-	-	-	-
566 MISC. TRANSMISSION EXPENSES	LB566	PTRAN	-	-	-	-	-	-	-	-	-	-	-	-
568 MAINTENANCE SUPERVISION AND ENG	LB568	PTRAN	-	-	-	-	-	-	-	-	-	-	-	-
570 MAINT OF STATION EQUIPMENT	LB570	PTRAN	-	-	-	-	-	-	-	-	-	-	-	-
571 MAINT OF OVERHEAD LINES	LB571	PTRAN	-	-	-	-	-	-	-	-	-	-	-	-
Total Transmission Labor Expenses			\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Distribution Operation Labor Expense</b>														
580 OPERATION SUPERVISION AND ENGI	LB580	PDIST	279,336	237,987	-	30,311	28,188	13,868	-	-	-	-	-	-
581 LOAD DISPATCHING	LB581	P362	-	-	-	-	-	-	-	-	-	-	-	-
582 STATION EXPENSES	LB582	P362	-	-	-	-	-	-	-	-	-	-	-	-
583 OVERHEAD LINE EXPENSES	LB583	P365	165,605	9,787	-	-	-	-	-	-	-	-	-	-
584 UNDERGROUND LINE EXPENSES	LB584	P367	105,282	170,859	-	-	-	-	-	-	-	-	-	-
585 STREET LIGHTING EXPENSE	LB585	P371	-	-	-	-	-	-	-	-	-	-	-	-
586 METER EXPENSES	LB586	F007	-	-	-	-	1,245,883	-	-	-	-	-	-	-
586 METER EXPENSES - LOAD MANAGEMENT	LB586a	F012	-	-	-	-	-	-	-	-	-	-	-	-
587 CUSTOMER INSTALLATIONS EXPENSE	LB587	P371	-	-	-	-	-	42,008	-	-	-	-	-	-
588 MISCELLANEOUS DISTRIBUTION EXP	LB588	PDIST	193,184	164,588	-	20,962	19,494	9,591	-	-	-	-	-	-
589 RENTS	LB589	PDIST	-	-	-	-	-	-	-	-	-	-	-	-
Total Distribution Operation Labor Expense	LDDO		\$ 743,407	\$ 583,221	\$ -	\$ 51,273	\$ 1,293,565	\$ 65,467	\$ -	\$ -	\$ -	\$ -	\$ 23,321	\$ -

SOUTHERN MARYLAND ELECTRIC COOPERATIVE  
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12 Months Ended  
December 31, 2009

Description	Name	Functional Vector	Total System		Purchase Power		Energy	Transmission Demand		Station Equipment Demand
			Production Demand	Transmission Demand	Transmission Demand	Transmission Demand				
<b>Labor Expenses (Continued)</b>										
Distribution Maintenance Labor Expense										
590 MAINTENANCE SUPERVISION AND EN	LB590	PDIST	\$	292,128	-	-	-	-	-	45,904
592 MAINTENANCE OF STATION EQUIPME	LB592	P362		355,527	-	-	-	-	-	355,527
593 MAINTENANCE OF OVERHEAD LINES	LB593	P365		3,213,389	-	-	-	-	-	-
594 MAINTENANCE OF UNDERGROUND LIN	LB594	P367		2,230,575	-	-	-	-	-	-
595 MAINTENANCE OF LINE TRANSFORME	LB595	P368		28,379	-	-	-	-	-	-
596 MAINTENANCE OF ST LIGHTS & SIG SYSTEMS	LB596	P373		146,468	-	-	-	-	-	-
597 MAINTENANCE OF METERS	LB597	F007		107,835	-	-	-	-	-	-
598 MAINTENANCE OF MISC DISTR PLANT	LB598	PDIST		175,225	-	-	-	-	-	27,534
Total Distribution Maintenance Labor Expense	LBDM		\$	6,569,526	\$	\$	\$	\$	\$	428,965
Total Distribution Operation and Maintenance Labor Expenses				10,174,144						1,271,329
Transmission and Distribution Labor Expenses				11,198,518					1,024,374	1,271,329
Purchased Power, Transmission and Distribution Labor Expenses	LBSUB		\$	11,198,518	\$	\$	\$	\$	1,024,374	\$ 1,271,329
<b>Customer Accounts Expense</b>										
901 SUPERVISION/CUSTOMER ACCTS	LB901	F009	\$	444,993	-	-	-	-	-	-
902 METER READING EXPENSES	LB902	F009		878,472	-	-	-	-	-	-
903 RECORDS AND COLLECTION	LB903	F009		2,168,162	-	-	-	-	-	-
904 UNCOLLECTIBLE ACCOUNTS	LB904	F009		-	-	-	-	-	-	-
905 MISC CUST ACCOUNTS	LB905	F009		-	-	-	-	-	-	-
Total Customer Accounts Labor Expense	LBCA		\$	3,491,627	\$	\$	\$	\$	\$	-
<b>Customer Service Expense</b>										
907 SUPERVISION	LB907	F010	\$	17,129	-	-	-	-	-	-
908 CUSTOMER ASSISTANCE EXPENSES	LB908	F010		583,826	-	-	-	-	-	-
908 CUSTOMER ASSISTANCE EXP-LOAD MGMT	LB908x	F012		-	-	-	-	-	-	-
909 INFORMATIONAL AND INSTRUCTIONA	LB909	F010		2,640	-	-	-	-	-	-
909 INFORM AND INSTRUC -LOAD MGMT	LB909x	F012		-	-	-	-	-	-	-
910 MISCELLANEOUS CUSTOMER SERVICE	LB910	F010		-	-	-	-	-	-	-
911 DEMONSTRATION AND SELLING EXP	LB911	F012		-	-	-	-	-	-	-
912 DEMONSTRATION AND SELLING EXP	LB912	F012		-	-	-	-	-	-	-
913 WATER HEATER - HEAT PUMP PROGRAM	LB913	F012		-	-	-	-	-	-	-
915 MDSE-JOBING-CONTRACT	LB915	F012		-	-	-	-	-	-	-
916 MISC SALES EXPENSE	LB916	F012		-	-	-	-	-	-	-
Total Customer Service Labor Expense	LBCS		\$	603,595	\$	\$	\$	\$	\$	-
Sub-Total Trans, Distr, Cust Acct and Cust Service Labor Exp	LBSUBZ			15,293,740				1,024,374		1,271,329

SOUTHERN MARYLAND ELECTRIC COOPERATIVE  
Cost of Service Study  
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12 Months Ended  
December 31, 2009

Description	Name	Functional Vector	Pri & Sec. Distr. Plant		Customer Services		Meters		Lighting Systems		Meter Reading Billing and Cust Service		Marketing/Economic Development	
			Demand	Customer	Demand	Customer	Customer	Customer	Customer	Customer	Customer	Customer	Customer	Customer
<b>Labor Expenses (Continued)</b>														
<b>Distribution Maintenance Labor Expense</b>														
590 MAINTENANCE SUPERVISION AND EN	LB590	PDIST	116,636	99,371	-	12,656	11,770	5,791	-	-	-	-	-	-
592 MAINTENANCE OF STATION EQUIPME	LB592	F362	-	-	-	-	-	-	-	-	-	-	-	-
593 MAINTENANCE OF OVERHEAD LINES	LB593	F365	3,034,082	179,307	-	-	-	-	-	-	-	-	-	-
594 MAINTENANCE OF UNDERGROUND LIN	LB594	F367	858,058	1,392,517	-	-	-	-	-	-	-	-	-	-
595 MAINTENANCE OF LINE TRANSFORME	LB595	F368	10,343	18,036	-	-	-	146,468	-	-	-	-	-	-
596 MAINTENANCE OF ST LIGHTS & SIG SYSTEMS	LB596	F373	-	-	-	-	107,835	-	-	-	-	-	-	-
597 MAINTENANCE OF METERS	LB597	F007	69,961	59,605	-	7,591	7,060	3,473	-	-	-	-	-	-
598 MAINTENANCE OF MISC DISTR PLANT	LB598	PDIST	-	-	-	-	-	-	-	-	-	-	-	-
Total Distribution Maintenance Labor Expense	LBDM		\$ 4,989,080	\$ 1,748,837	\$ -	\$ 20,248	\$ 126,664	\$ 155,732	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Total Distribution Operation and Maintenance Labor Expenses</b>														
Total Distribution Operation and Maintenance Labor Expenses			4,832,487	2,332,057	-	71,521	1,420,229	221,199	-	-	-	-	-	25,321
<b>Transmission and Distribution Labor Expenses</b>														
Transmission and Distribution Labor Expenses			4,832,487	2,332,057	-	71,521	1,420,229	221,199	-	-	-	-	-	25,321
<b>Purchased Power, Transmission and Distribution Labor Expenses</b>														
Purchased Power, Transmission and Distribution Labor Expenses	LBSUB		\$ 4,832,487	\$ 2,332,057	\$ -	\$ 71,521	\$ 1,420,229	\$ 221,199	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 25,321
<b>Customer Accounts Expense</b>														
901 SUPERVISION/CUSTOMER ACCTS	LB901	F009	-	-	-	-	-	-	-	-	444,993	-	-	-
902 METER READING EXPENSES	LB902	F009	-	-	-	-	-	-	-	-	878,472	-	-	-
903 RECORDS AND COLLECTION	LB903	F009	-	-	-	-	-	-	-	-	2,168,162	-	-	-
904 UNCOLLECTIBLE ACCOUNTS	LB904	F009	-	-	-	-	-	-	-	-	-	-	-	-
905 MISC CUST ACCOUNTS	LB905	F009	-	-	-	-	-	-	-	-	-	-	-	-
Total Customer Accounts Labor Expense	LBCA		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,491,627	\$ -	\$ -	\$ -
<b>Customer Service Expense</b>														
907 SUPERVISION	LB907	F010	-	-	-	-	-	-	-	-	17,129	-	-	-
908 CUSTOMER ASSISTANCE EXPENSES	LB908	F010	-	-	-	-	-	-	-	-	583,826	-	-	-
908 CUSTOMER ASSISTANCE EXP-LOAD MGMT	LB908x	F012	-	-	-	-	-	-	-	-	-	2,640	-	-
909 INFORMATIONAL AND INSTRUCTIONA	LB909	F010	-	-	-	-	-	-	-	-	-	-	-	-
909 INFORM AND INSTRUC-LOAD MGMT	LB909x	F012	-	-	-	-	-	-	-	-	-	-	-	-
910 MISCELLANEOUS CUSTOMER SERVICE	LB910	F010	-	-	-	-	-	-	-	-	-	-	-	-
911 DEMONSTRATION AND SELLING EXP	LB911	F012	-	-	-	-	-	-	-	-	-	-	-	-
912 DEMONSTRATION AND SELLING EXP	LB912	F012	-	-	-	-	-	-	-	-	-	-	-	-
913 WATER HEATER - HEAT PUMP PROGRAM	LB913	F012	-	-	-	-	-	-	-	-	-	-	-	-
915 MDSE-JOBING-CONTRACT	LB915	F012	-	-	-	-	-	-	-	-	-	-	-	-
916 MISC SALES EXPENSE	LB916	F012	-	-	-	-	-	-	-	-	-	-	-	-
Total Customer Service Labor Expense	LBCS		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 603,595	\$ -	\$ -	\$ -
Sub-Total Trans, Distr, Cust Acct and Cust Service Labor Exp	LBSUB2		4,832,487	2,332,057	-	71,521	1,420,229	221,199	-	-	4,095,222	-	-	25,321

SOUTHERN MARYLAND ELECTRIC COOPERATIVE  
Cost of Service Study  
Functional Assignment and Classification  
12 Months Ended  
December 31, 2009

Description	Name	Functional Vector	Total System	Production Demand		Purchase Power		Energy	Transmission Demand	Station Equipment Demand
				Production Demand	Transmission Demand	Purchase Power	Transmission Demand			
<b>Labor Expenses (Continued)</b>										
Administrative and General Expense										
920 ADMIN. & GEN. SALARIES-	LB920	OMSUB2	\$ 6,008,608	-	-	-	-	-	462,403	450,613
921 OFFICE SUPPLIES AND EXPENSES	LB921	LBSUB2	313	-	-	-	-	-	21	26
923 OUTSIDE SERVICES EMPLOYED	LB923	OMSUB2	-	-	-	-	-	-	5,088	2,529
924 PROPERTY INSURANCE	LB924	NTPLANT	25,013	-	-	-	-	-	6,492	8,057
925 INJURIES AND DAMAGES - INSURAN	LB925	LBSUB2	96,922	-	-	-	-	-	41,137	51,054
926 EMPLOYEE BENEFITS	LB926	LBSUB2	614,162	-	-	-	-	-	9,125	8,893
928 REGULATORY COMMISSION EXPENSES	LB928	OMSUB2	118,576	-	-	-	-	-	27,709	27,002
929 DUPLICATE CHARGES-CR	LB929	OMSUB2	-	-	-	-	-	-	-	-
930 MISCELLANEOUS GENERAL EXPENSES	LB930	OMSUB2	360,054	-	-	-	-	-	113,853	69,508
931 RENTS AND LEASES	LB931	NTPLANT	556,193	-	-	-	-	-	-	-
935 MAINTENANCE OF GENERAL PLANT	LB935	PGP	-	-	-	-	-	-	-	-
950 PAYROLL GENERAL LEDGER DEFAULT	LB950	PGP	-	-	-	-	-	-	-	-
Total Administrative and General Expense	LBAG		\$ 7,779,841	\$ -	\$ -	\$ -	\$ -	\$ 665,827	\$ -	\$ 617,680
Total Operation and Maintenance Expenses	TLB		\$ 23,073,581	\$ -	\$ -	\$ -	\$ -	\$ 1,690,201	\$ 1,889,010	\$ -
Operation and Maintenance Expenses Less Purchase Power	LBLFP		\$ 23,073,581	\$ -	\$ -	\$ -	\$ -	\$ 1,690,201	\$ 1,889,010	\$ -



SOUTHERN MARYLAND ELECTRIC COOPERATIVE  
Cost of Service Study  
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12 Months Ended  
December 31, 2009

Description	Name	Functional Vector	Prf & Sec. Dist. Plant		Customer Services		Meters		Lighting Systems		Meter Reading Billing and Cust Service		Marketing/Economic Development	
			Demand	Customer	Demand	Customer	Customer	Customer	Customer	Customer	Customer	Customer	Customer	Customer
<b>Laundry Expenses (Continued)</b>														
<b>Administrative and General Expense</b>														
920 ADMIN. & GEN. SALARIES-	LB920	OMSUB2	2,252,816	716,761	-	27,703	411,337	55,383	-	1,606,020	-	25,372	-	-
921 OFFICE SUPPLIES AND EXPENSES	LB921	LBSUB2	99	48	-	-	79	-	-	84	-	-	-	-
923 OUTSIDE SERVICES EMPLOYED	LB923	OMSUB2	-	-	-	-	-	-	-	-	-	-	-	-
924 PROPERTY INSURANCE	LB924	NTPLANT	8,756	6,617	-	851	768	405	-	-	-	-	-	-
925 INJURIES AND DAMAGES - INSURAN	LB925	LBSUB2	30,625	14,779	-	453	9,001	1,402	-	25,953	-	160	-	-
926 EMPLOYEE BENEFITS	LB926	LBSUB2	194,062	93,650	-	2,872	57,033	8,883	-	164,455	-	1,017	-	-
928 REGULATORY COMMISSION EXPENSES	LB928	OMSUB2	44,458	14,145	-	547	8,121	1,093	-	31,694	-	591	-	-
929 DUPLICATE CHARGES-CR	LB929	OMSUB2	-	-	-	-	-	-	-	-	-	-	-	-
930 MISCELLANEOUS GENERAL EXPENSES	LB930	OMSUB2	134,996	42,951	-	1,660	24,661	3,319	-	96,238	-	1,520	-	-
931 RENTS AND LEASES	LB931	NTPLANT	176,611	150,468	-	19,164	17,822	8,768	-	-	-	-	-	-
932 MAINTENANCE OF GENERAL PLANT	LB932	FGP	-	-	-	-	-	-	-	-	-	-	-	-
950 PAYROLL GENERAL LEDGER DEFAULT	LB950	FGP	-	-	-	-	-	-	-	-	-	-	-	-
Total Administrative and General Expense	LBAG		\$ 2,842,422	\$ 1,039,419	\$ -	\$ 53,252	\$ 528,972	\$ 79,257	\$ -	\$ 1,924,443	\$ -	\$ 28,570	\$ -	\$ -
Total Operation and Maintenance Expenses	TLB		\$ 7,674,909	\$ 3,371,476	\$ -	\$ 124,772	\$ 1,949,201	\$ 300,456	\$ -	\$ 6,019,665	\$ -	\$ 53,891	\$ -	\$ -
Operation and Maintenance Expenses Less Purchase Power	LBLFP		\$ 7,674,909	\$ 3,371,476	\$ -	\$ 124,772	\$ 1,949,201	\$ 300,456	\$ -	\$ 6,019,665	\$ -	\$ 53,891	\$ -	\$ -

SOUTHERN MARYLAND ELECTRIC COOPERATIVE  
Cost of Service Study  
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12 Months Ended  
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Description	Name	Functional Vector	Total System	Purchase Power		Energy	Transmission		Station Equipment Demand
				Production Demand	Transmission Demand		Demand	Demand	
<b>Other Expenses</b>									
Depreciation Expenses									
Transmission	DEPRTP	PTRAN	\$ 2,850,003	-	-	-	2,850,003	-	-
Dist-Structures	DEPRDP1	F361	-	-	-	-	-	-	-
Dist-Station	DEPRDP2	F362	-	-	-	-	-	-	-
Dist-Poles and Fixtures	DEPRDP3	F364	-	-	-	-	-	-	-
Dist-OH Conductor	DEPRDP4	F365	-	-	-	-	-	-	-
Dist-UG Conductor	DEPRDP5	F366	-	-	-	-	-	-	-
Dist-UG Conductor	DEPRDP6	F367	-	-	-	-	-	-	-
Dist-Line Transformers	DEPRDP7	F368	-	-	-	-	-	-	-
Dist-Services	DEPRDP8	F369	-	-	-	-	-	-	-
Dist-Meters	DEPRDP9	F370	-	-	-	-	-	-	-
Dist-Installations on Customer Premises	DEPRDP10	F371	-	-	-	-	-	-	-
Dist-Lighting & Signal Systems	DEPRDP11	F373	-	-	-	-	-	-	-
Distribution Plant	DEPRDP12	PDIST	\$ 15,272,511	-	-	-	1,433,662	2,399,860	875,258
General Plant	DEPRGP	PGP	7,003,734	-	-	-	593	362	-
AMORT LIMITED-TERM ELECT PLANT	DEPRLTP	PT&D	2,897	-	-	-	-	-	(256)
AMORT ELECT PLANT ACQUISIT/ADJ	DEPRANDJ	PDIST	(1,628)	-	-	-	-	-	-
Total Depreciation Expense	TDEPR		\$ 25,127,517	-	-	-	4,284,258	3,775,225	577,577
Property Taxes	PTAX	NTPLANT	\$ 5,713,581	-	-	-	1,162,181	-	-
Other Taxes	OT	NTPLANT	\$ 4,251,281	-	-	-	864,739	-	429,756
Interest - LTD	INTLTD	NTPLANT	\$ 15,670,653	-	-	-	3,187,517	-	1,584,122
Interest - Other	INTOTH	NTPLANT	\$ 1,897,095	-	-	-	385,882	-	191,774
Other Deductions	DEDUCT	NTPLANT	\$ 315,829	-	-	-	64,242	-	31,927
Total Other Expenses	TOE		\$ 52,975,957	\$ -	\$ -	\$ -	\$ 9,948,820	\$ 6,090,382	\$ -
Total Cost of Service (O&M + Other Expenses)			\$ 113,513,665	\$ -	\$ -	\$ -	\$ 14,995,986	\$ 10,901,331	\$ -

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12 Months Ended  
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Description	Name	Functional Vector	Pri & Sec. Distr Plant		Customer Services		Lighting Systems		Meter Reading Billing and Cust Service		Marketing/Economic Development	
			Demand	Customer	Demand	Customer	Customer	Customer	Customer	Customer	Customer	Customer
<b>Other Expenses</b>												
<b>Depreciation Expenses</b>												
Transmission	DETRP	PTPLAN	-	-	-	-	-	-	-	-	-	-
Dist-Structures	DETRDP1	P361	-	-	-	-	-	-	-	-	-	-
Dist-Station	DETRDP2	P362	-	-	-	-	-	-	-	-	-	-
Dist-Poles and Fixtures	DETRDP3	P364	-	-	-	-	-	-	-	-	-	-
Dist-OH Conductor	DETRDP4	P365	-	-	-	-	-	-	-	-	-	-
Dist-UG Conduit	DETRDP5	P366	-	-	-	-	-	-	-	-	-	-
Dist-UG Conductor	DETRDP6	P367	-	-	-	-	-	-	-	-	-	-
Dist-Line Transformers	DETRDP7	P368	-	-	-	-	-	-	-	-	-	-
Dist-Services	DETRDP8	P369	-	-	-	-	-	-	-	-	-	-
Dist-Meters	DETRDP9	P370	-	-	-	-	-	-	-	-	-	-
Dist-Installations on Customer Premises	DETRDP10	P371	-	-	-	-	-	-	-	-	-	-
Dist-Lighting & Signal Systems	DETRDP11	P373	-	-	-	-	-	-	-	-	-	-
Distribution Plant	DETRDP12	PDIST	6,097,774	5,195,151	-	-	661,670	615,321	-	-	-	-
General Plant	DETRGP	PGP	2,223,933	1,894,735	-	-	241,319	224,415	-	-	-	-
AMORT LIMITED-TERM ELECT PLANT	DETRLTER	PT&D	920	784	-	-	100	93	-	-	-	-
AMORT ELECT PLANT ACQUISIT ADJ	DETRLADJ	PDIST	(650)	(554)	-	-	(71)	(60)	-	-	-	-
Total Depreciation Expense	TDEPR		8,321,978	7,090,116	-	-	903,018	839,764	-	-	-	-
Property Taxes	FTAX	NTPLANT	2,000,080	1,511,479	-	-	194,291	175,522	-	-	-	-
Other Taxes	OT	NTPLANT	1,488,192	1,124,640	-	-	144,566	130,600	-	-	-	-
Interest -- LTD	INTLTD	NTPLANT	5,485,625	4,145,536	-	-	532,884	481,404	-	-	-	-
Interest -- Other	INTOTH	NTPLANT	664,092	501,860	-	-	64,511	58,279	-	-	-	-
Other Deductions	DEDUCT	NTPLANT	110,558	83,550	-	-	10,740	9,702	-	-	-	-
Total Other Expenses	TOE		\$ 18,070,524	\$ 14,457,180	\$ -	\$ -	\$ 1,850,010	\$ 1,695,271	\$ 863,770	\$ -	\$ -	\$ -
Total Cost of Service (O&M + Other Expenses)			\$ 39,050,749	\$ 22,597,626	\$ -	\$ -	\$ 2,244,329	\$ 5,050,421	\$ 1,506,580	\$ 15,159,464	\$ -	\$ 213,179

SOUTHERN MARYLAND ELECTRIC COOPERATIVE  
 Cost of Service Study  
 Functional Assignment and Classification

12 Months Ended  
 December 31, 2009

Description Functional Vectors	Name	Functional Vector	Total System	Purchase Power		Energy	Transmission Demand		Station Equipment Demand
				Production Demand	Transmission Demand		Transmission Demand	Demand	
Station Equipment	F001		1,000,000	0.000000	0.000000	0.000000	0.000000	0.000000	1,000,000
Pole, Towers and Fixtures	F002		1,000,000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
Overhead Conductors and Devices	F003		1,000,000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
Underground Conductors and Devices	F004		1,000,000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
Line Transformers	F005		1,000,000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
Services	F006		1,000,000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
Meters	F007		1,000,000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
Street Lighting	F008		1,000,000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
Meter Reading	F009		1,000,000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
Billing	F010		1,000,000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
Transmission	F011		1,000,000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
Load Management	F012		1,000,000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
<b>Purchased Power Expenses</b>	<b>OMPP</b>		<b>349,390,214</b>	<b>65,603,662</b>	<b>13,176,249</b>	<b>270,610,303</b>	<b>-</b>	<b>-</b>	<b>-</b>
Installations on Customer Premises - Plant in Service	F013		1,000,000	-	-	-	-	-	-
Installations on Customer Premises - Accum Depr	F014		1,000,000	-	-	-	-	-	-
Generators -Energy	F015		1,000,000	0.000000	0.000000	1,000,000	0.000000	0.000000	0.000000
Generators - Demand	F016		1,000,000	1,000,000	0.000000	0.000000	0.000000	0.000000	0.000000

SOUTHERN MARYLAND ELECTRIC COOPERATIVE  
Cost of Service Study  
Functional Assignment and Classification

12 Months Ended  
December 31, 2009

Description	Name	Functional Vector		FH & Sec. Distr. Plant		Customer Services		Meters		Lighting Systems		Meter Reading Billing and Cust. Service		Marketing/Economic Development	
		Demand	Customer	Demand	Customer	Demand	Customer	Demand	Customer	Demand	Customer	Demand	Customer	Demand	Customer
<b>Functional Vectors</b>															
Station Equipment	F001	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
Poles, Towers and Fixtures	F002	0.944200	0.053800	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
Overhead Conductors and Devices	F003	0.944200	0.053800	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
Underground Conductors and Devices	F004	0.381262	0.618738	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
Line Transformers	F005	0.364472	0.635528	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
Services	F006	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
Meters	F007	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
Street Lighting	F008	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
Meter Reading	F009	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
Billing	F010	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
Transmission	F011	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
Load Management	F012	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
<b>Purchased Power Expenses</b>															
	OMPP	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Installations on Customer Premises - Plant in Service</b>															
	F013	-	-	-	-	-	-	-	-	1.000000	-	-	-	-	-
<b>Installations on Customer Premises - Accum. Depr.</b>															
	F014	-	-	-	-	-	-	-	-	1.000000	-	-	-	-	-
<b>Generators - Energy</b>															
	F015	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
<b>Generators - Demand</b>															
	F016	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000

See Exhibit 2 - 22

SOUTHERN MARYLAND ELECTRIC COOPERATIVE  
Cost of Service Study  
Class Allocation

12 Months Ended  
December 31, 2009

Description	Name	Allocation Vector	Total System	Residential Service Rate R	General Service - Non Demand Rate GS (401 & 402)	General Service Demand Rate GSD (403 - 405)	Large Power Service Rate LP (501 - 503)
<b>Plant In Service</b>							
Purchase Power							
Production Demand	PLPPD	PPPTDA	\$ -	\$ -	\$ -	\$ -	\$ -
Transmission Demand	PLPPB	PPPTDA	\$ -	\$ -	\$ -	\$ -	\$ -
Substation Demand	PLPPS	PPSUBDA	\$ -	\$ -	\$ -	\$ -	\$ -
Energy	PLPPE	PPEA	\$ -	\$ -	\$ -	\$ -	\$ -
Total Purchase Power	PLPPT		\$ -	\$ -	\$ -	\$ -	\$ -
Transmission Plant Demand	PLTRD	T01	\$ 135,392,643	\$ 92,508,836	\$ 5,017,784	\$ 26,815,126	\$ 5,280,727
Station Equipment Demand	PLSED	SA1	\$ 82,657,927	\$ 56,373,948	\$ 2,654,727	\$ 17,292,489	\$ 2,999,196
Primary & Secondary Distribution Plant Demand	PLDPPD	DA1	\$ 210,024,465	\$ 134,141,841	\$ 7,398,864	\$ 55,215,048	\$ 8,923,485
Customer	PLDPC	CB1	\$ 178,935,563	\$ 162,337,552	\$ 10,455,375	\$ 3,876,213	\$ 42,711
Total Primary Distribution Plant	PLD		\$ 388,960,028	\$ 296,479,393	\$ 17,854,239	\$ 61,091,261	\$ 8,966,196
Customer Services Demand	PLCSD	CSA	\$ -	\$ -	\$ -	\$ -	\$ -
Customer	PLCSC	C02	\$ 22,789,755	\$ 22,789,755	\$ -	\$ -	\$ -
Total Customer Services			\$ 22,789,755	\$ 22,789,755	\$ -	\$ -	\$ -
Meters Customer	PLMC	C03	\$ 21,192,386	\$ 17,195,284	\$ 1,492,745	\$ 2,390,220	\$ 62,786
Lighting Systems Customer	PLLSC	LITLA	\$ 10,427,031	\$ -	\$ -	\$ -	\$ -
Meter Reading, Billing and Customer Service Customer	PLMRBC	C05	\$ -	\$ -	\$ -	\$ -	\$ -
Marketing/Economic Development Customer	PLCSC	C06	\$ -	\$ -	\$ -	\$ -	\$ -
Total	PLT		\$ 661,420,770	\$ 485,347,214	\$ 27,019,495	\$ 107,589,095	\$ 17,308,905

SOUTHERN MARYLAND ELECTRIC COOPERATIVE  
 Cost of Service Study  
 Class Allocation  
 12 Months Ended  
 December 31, 2009

Description	Name	Allocation Vector	Transmission Service Rate T	Security Yard Lighting Rate SYL	Street Lighting Rate ST	Fix River Navy Contract Special Contract
<b>Plant In Service</b>						
Purchase Power	PLPPD	PPPTDA	\$ -	\$ -	\$ -	-
Production Demand	PLPPB	PPPTDA	\$ -	\$ -	\$ -	-
Transmission Demand	PLPPS	PPSUBDA	\$ -	\$ -	\$ -	-
Substation Demand	PLPPE	PPPEA	\$ -	\$ -	\$ -	-
Energy	PLPPE	PPPEA	\$ -	\$ -	\$ -	-
Total Purchase Power	PLPPT		\$ -	\$ -	\$ -	-
Transmission Plant Demand	PLTRD	T01	\$ 427,122	\$ 51,067	\$ 78,107	\$ 5,213,875
Station Equipment Demand	PLSED	SA1	\$ 233,304	\$ 101,321	\$ 155,003	\$ 2,847,940
Primary & Secondary Distribution Plant Demand	PLDFD	DA1	\$ -	\$ 132,272	\$ 202,376	\$ 4,010,579
Customer	PLDFC	C01	\$ 2,418	\$ 97,296	\$ 117,955	\$ 6,044
Total Primary Distribution Plant	PLD		\$ 2,418	\$ 229,568	\$ 320,331	\$ 4,016,623
Customer Services Demand	PLCSD	CSA	\$ -	\$ -	\$ -	-
Customer	PLCSC	C02	\$ -	\$ -	\$ -	-
Total Customer Services			\$ -	\$ -	\$ -	-
Meters Customer	PLMC	C03	\$ 17,451	\$ -	\$ -	\$ 34,901
Lighting Systems Customer	PLLSC	LITPLA	\$ -	\$ 2,505,816	\$ 7,921,215	\$ -
Meter Reading, Billing and Customer Service Customer	PLMRBC	C05	\$ -	\$ -	\$ -	\$ -
Marketing/Economic Development Customer	PLCSC	C06	\$ -	\$ -	\$ -	\$ -
Total	PLT		\$ 680,294	\$ 2,887,772	\$ 8,474,656	\$ 12,113,339

SOUTHERN MARYLAND ELECTRIC COOPERATIVE  
Cost of Service Study  
Class Allocation

12 Months Ended  
December 31, 2009

Description	Name	Allocation Vector	Total System	Residential Service Rate R.	General Service- Non Demand		General Service Demand Rate GSD (400 - 405)	Large Power Service Rate LP (501 - 503)
					Rate GS (401 & 402)	Rate GSD (400 - 405)		
<b>Net Utility Plant</b>								
Purchase Power								
Production Demand								
Transmission Demand								
Substation Demand								
Energy								
Total Purchase Power								
Transmission Plant Demand	NPTRD	TOI	\$ 89,667,247 \$	61,266,347 \$	3,323,156 \$	17,759,004 \$	3,497,207	
Station Equipment Demand	NFSED	SAI	\$ 44,362,553 \$	30,392,330 \$	1,431,217 \$	9,322,729 \$	1,616,927	
Primary Distribution Plant Demand	NFDPD	DAI	\$ 154,314,743 \$	98,560,249 \$	5,436,289 \$	40,569,064 \$	6,556,500	
Customer	NFDPC	CHI	\$ 116,617,042 \$	105,799,679 \$	6,814,045 \$	3,829,683 \$	27,836	
Total Primary Distribution Plant			\$ 270,931,785 \$	204,359,928 \$	12,250,334 \$	44,398,747 \$	6,584,336	
Customer Services Demand	NFCSD	CSA	\$ - \$	- \$	- \$	- \$	-	
Customer	NPCSC	CUZ	\$ 14,990,418 \$	14,990,418 \$	- \$	- \$	-	
Total Customer Services			\$ 14,990,418 \$	14,990,418 \$	- \$	- \$	-	
Meters Customer	NFMC	CO3	\$ 13,542,266 \$	10,987,537 \$	953,842 \$	1,527,316 \$	40,119	
Lighting Systems Customer	NFLSC	LITPLA	\$ 7,132,956 \$	- \$	- \$	- \$	-	
Meter Reading, Billing and Customer Service Customer	NFNBC	CO5	\$ - \$	- \$	- \$	- \$	-	
Marketing/Economic Development Customer	NPCSC	CO6	\$ - \$	- \$	- \$	- \$	-	
Total	NFT		\$ 440,827,226 \$	321,996,561 \$	17,948,549 \$	73,007,796 \$	11,738,679	



SOUTHERN MARYLAND ELECTRIC COOPERATIVE  
Cost of Service Study  
Class Allocation  
12 Months Ended  
December 31, 2009

Description	Name	Allocation Vector	Transmission Service Rate T	Security Yard Lighting Rate SYL	Street Lighting Rate ST	Pax River Navy Contract Special Contract
<b>Net Utility Plant</b>						
Purchase Power						
Production Demand						
Transmission Demand						
Substation Demand						
Energy						
Total Purchase Power						
Transmission Plant Demand			282,872 \$	33,820 \$	51,729 \$	3,453,022
Station Equipment Demand			125,779 \$	34,624 \$	83,565 \$	1,515,382
Primary Distribution Plant Demand				97,186 \$	148,695 \$	2,946,759
Customer			1,576 \$	63,410 \$	76,874 \$	3,939
Total Primary Distribution Plant			1,576 \$	160,597 \$	225,569 \$	2,950,698
Customer Services Demand						
Customer						
Total Customer Services						
Meters Customer			11,151 \$			22,301
Lighting Systems Customer				1,714,187 \$	5,418,770 \$	
Meter Reading, Billing and Customer Service Customer						
Marketing/Economic Development Customer						
Total			421,377 \$	1,963,228 \$	5,779,632 \$	7,961,403

SOUTHERN MARYLAND ELECTRIC COOPERATIVE  
Cost of Service Study  
Class Allocation  
12 Months Ended  
December 31, 2009

Description	Name	Allocation Vector	Total System	Residential Service Rate R	General Service - Non Demand		General Service Demand Rate GSD (403 - 405)	Large Power Service Rate LP (501 - 503)
					Rate GS (401 & 402)	Demand		
<b>Net Cost Rate Base</b>								
Purchase Power								
Production Demand								
Transmission Demand								
Substation Demand								
Energy								
Total Purchase Power								
Transmission Plant Demand	RETRD	T01	\$ 89,847,010	\$ 61,389,172	\$ 3,329,818	\$ 17,794,607	\$ 3,504,308	
Station Equipment Demand	RBESE	SAL	\$ 44,733,902	\$ 30,509,193	\$ 1,436,720	\$ 9,358,576	\$ 1,623,144	
Primary Distribution Plant Demand	RBDPD	DAI	\$ 155,094,038	\$ 99,057,983	\$ 5,463,743	\$ 40,773,939	\$ 6,585,610	
Customer	RBDPC	C01	\$ 116,906,976	\$ 106,052,719	\$ 6,830,986	\$ 3,839,205	\$ 27,905	
Total Primary Distribution Plant			\$ 272,001,014	\$ 205,120,701	\$ 12,294,729	\$ 44,613,144	\$ 6,617,515	
Customer Services Demand	RBCSD	CSA	\$ -	\$ -	\$ -	\$ -	\$ -	
Customer	RBCSC	C02	\$ 15,004,463	\$ 15,004,463	\$ -	\$ -	\$ -	
Total Customer Services			\$ 15,004,463	\$ 15,004,463	\$ -	\$ -	\$ -	
Meters Customer	RBMC	C03	\$ 13,693,819	\$ 11,110,500	\$ 964,517	\$ 1,544,408	\$ 40,568	
Lighting Systems Customer	RLSC	LTPLA	\$ 7,155,637	\$ -	\$ -	\$ -	\$ -	
Meter Reading, Billing and Customer Service Customer	RBRBC	C05	\$ 539,956	\$ 489,843	\$ 31,548	\$ 17,731	\$ 129	
Marketing/Economic Development Customer	RBCSC	C06	\$ 7,593	\$ 6,542	\$ 421	\$ 237	\$ 2	
Total	RBT		\$ 442,983,363	\$ 323,639,413	\$ 18,057,753	\$ 73,328,703	\$ 11,785,667	

SOUTHERN MARYLAND ELECTRIC COOPERATIVE  
Cost of Service Study  
Class Allocation

12 Months Ended  
December 31, 2009

Description	Name	Allocation Vector	Transmission Service Rate T	Security Yard Lighting Rate SYL	Street Lighting Rate ST	Pax River Navy Contract Special Contract
<b>Net Cost Rate Base</b>						
Purchase Power	RBPPD	PPFTDA	\$ -	\$ -	\$ -	\$ -
Production Demand	RBPPB	PPFTDA	\$ -	\$ -	\$ -	\$ -
Transmission Demand	RBPPS	PPSUBDA	\$ -	\$ -	\$ -	\$ -
Substation Demand	RBPPE	PPEA	\$ -	\$ -	\$ -	\$ -
Energy	RBPPT		\$ -	\$ -	\$ -	\$ -
Total Purchase Power			\$ -	\$ -	\$ -	\$ -
Transmission Plant Demand	RBTRD	T01	\$ 283,439	\$ 33,888	\$ 51,832	\$ 3,459,945
Station Equipment Demand	RBSED	S01	\$ 126,262	\$ 54,834	\$ 83,887	\$ 1,541,285
Primary Distribution Plant Demand	RBDFD	D01	\$ -	\$ 97,677	\$ 149,446	\$ 2,961,640
Customer	RBDFC	C01	\$ 1,580	\$ 63,568	\$ 77,065	\$ 3,049
Total Primary Distribution Plant			\$ 1,580	\$ 161,245	\$ 226,511	\$ 2,965,589
Customer Services Demand	RBCSD	CSA	\$ -	\$ -	\$ -	\$ -
Customer	RBCSC	C02	\$ -	\$ -	\$ -	\$ -
Total Customer Services			\$ -	\$ -	\$ -	\$ -
Meters Customer	RBMC	C03	\$ 11,275	\$ -	\$ -	\$ 22,551
Lighting Systems Customer	RBLSC	LTPLA	\$ -	\$ 1,719,637	\$ 5,436,000	\$ -
Meter Reading, Billing and Customer Service Customer	RBMBC	C05	\$ 7	\$ 294	\$ 356	\$ 18
Marketing/Economic Development Customer	RBCSC	C06	\$ 0	\$ 176	\$ 214	\$ 0
Total	RDT		\$ 422,564	\$ 1,970,075	\$ 5,798,800	\$ 7,989,389

SOUTHERN MARYLAND ELECTRIC COOPERATIVE  
Cost of Service Study  
Class Allocation

12 Months Ended  
December 31, 2009

Description	Name	Allocation Vector	Total System	Residential Service Rate R	General Service - Non Demand		General Service Demand Rate GSD (403 - 405)	Large Power Service Rate LP (501 - 503)
					Rate GS (401 & 402)	Demand		
<b>Operation and Maintenance Expenses</b>								
Purchase Power								
Production Demand	ONPPD	PPFDA	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transmission Demand	ONPPB	PPFDA	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Substation Demand	ONPPS	PPSUBDA	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Energy	ONPPE	PPEA	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Purchase Power	ONPPT		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transmission Plant Demand	ONTRLD	TU2	\$ 5,047,167	\$ 3,448,544	\$ 187,053	\$ 999,614	\$ 196,855	
Station Equipment Demand	ONSED	SOMA	\$ 4,810,949	\$ 3,281,140	\$ 154,513	\$ 1,006,477	\$ 174,563	
Primary Distribution Plant Demand	ONDPD	DOM	\$ 21,880,225	\$ 13,974,818	\$ 770,809	\$ 5,752,271	\$ 929,643	
Customer	ONDPC	CW1	\$ 8,140,446	\$ 7,385,340	\$ 475,654	\$ 267,331	\$ 1,943	
Total Primary Distribution Plant	TDJST		\$ 30,020,670	\$ 21,360,158	\$ 1,246,463	\$ 6,019,602	\$ 931,586	
Customer Services Demand	OMCSD	CSA	\$ -	\$ -	\$ -	\$ -	\$ -	
Customer	OMCSC	CW2	\$ 394,320	\$ 394,320	\$ -	\$ -	\$ -	
Total Customer Services			\$ 394,320	\$ 394,320	\$ -	\$ -	\$ -	
Meters Customer	OMMC	CW3	\$ 4,255,150	\$ 3,452,422	\$ 299,709	\$ 479,902	\$ 12,606	
Lighting Systems Customer	OMLSC	LTEXP	\$ 636,810	\$ -	\$ -	\$ -	\$ -	
Meter Reading, Billing and Customer Service Customer	OMMRBC	CW5	\$ 15,159,464	\$ 13,753,276	\$ 885,782	\$ 497,834	\$ 3,619	
Marketing/Economic Development Customer	OMCSC	CW6	\$ 213,179	\$ 183,682	\$ 11,830	\$ 6,649	\$ 48	
Total	OMTT		\$ 60,537,768	\$ 45,873,542	\$ 2,785,351	\$ 9,010,078	\$ 1,319,277	

See Exhibit 3 - 7

SOUTHERN MARYLAND ELECTRIC COOPERATIVE  
Cost of Service Study  
Class Allocation

12 Month Ended  
December 31, 2009

Description	Name	Allocation Vector	Transmission Service Rate T	Security Yard Lighting Rate SYL	Street Lighting Rate ST	Fax River Navy Contract Special Contract
<b>Operation and Maintenance Expenses</b>						
Purchase Power	OMPPD	PPPTDA	\$	\$	\$	\$
Production Demand	OMPPB	PPPTDA	\$	\$	\$	\$
Transmission Demand	OMPPS	PPSUBDA	\$	\$	\$	\$
Substation Demand	OMPPE	PPEA	\$	\$	\$	\$
Energy	OMPPE		\$	\$	\$	\$
Total Purchase Power	OMPPT		\$	\$	\$	\$
Transmission Plant Demand	OMTRD	T02	\$ 15,922	\$ 1,904	\$ 2,912	\$ 194,363
Station Equipment Demand	OMSED	SOMA	\$ 13,579	\$ 5,897	\$ 9,022	\$ 165,759
Primary Distribution Plant Demand	OMDFD	DOM	\$	\$ 13,780	\$ 21,083	\$ 417,820
Customer	OMDPC	C01	\$ 110	\$ 4,426	\$ 5,366	\$ 275
Total Primary Distribution Plant	TDIST		\$ 110	\$ 18,206	\$ 26,450	\$ 418,095
Customer Services Demand	OMCSD	CSA	\$	\$	\$	\$
Customer	OMCSC	C02	\$	\$	\$	\$
Total Customer Services			\$	\$	\$	\$
Meters Customer	OMMC	C03	\$ 3,504	\$	\$	\$ 7,007
Lighting Systems Customer	OMLSC	LTEXP	\$	\$ 49,032	\$ 587,777	\$
Meter Reading, Billing and Customer Service Customer	OMMRBC	C05	\$ 205	\$ 8,243	\$ 9,593	\$ 512
Marketing/Economic Development Customer	OMCSC	C06	\$ 3	\$ 4,954	\$ 6,006	\$ 7
Total	OMT		\$ 33,322	\$ 88,237	\$ 642,159	\$ 785,743

SOUTHERN MARYLAND ELECTRIC COOPERATIVE  
Cost of Service Study  
Class Allocation  
12 Months Ended  
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Description	Name	Allocation Vector	Total System	Residential Service Rate R	General Service - Non Demand Rate GS (401 & 402)	General Service Demand Rate GSD (403 - 405)	Large Power Service Rate LP (501 - 503)
<b>Labour Expenses</b>							
Purchase Power							
Production Demand							
Transmission Demand							
Substation Demand							
Energy							
Total Purchase Power							
Transmission Plant Demand	OMTRD	T02	\$ 1,690,201	\$ 1,154,852	\$ 62,640	\$ 334,752	\$ 65,923
Station Equipment Demand	LBSER	SOMA	\$ 1,889,010	\$ 1,288,333	\$ 60,069	\$ 395,191	\$ 68,542
Primary Distribution Plant Customer	LBDPD LBDPC	DOM C01	\$ 7,674,909 \$ 3,371,476	\$ 4,901,936 \$ 3,038,739	\$ 270,376 \$ 196,999	\$ 2,617,720 \$ 110,719	\$ 326,090 \$ 805
Total Primary Distribution Plant Customer			\$ 11,046,385	\$ 7,909,675	\$ 467,375	\$ 2,128,438	\$ 326,895
Customer Services Demand	LBCSD	CSA	\$ -	\$ -	\$ -	\$ -	\$ -
Customer	LBCSC	C02	\$ 124,772	\$ 124,772	\$ -	\$ -	\$ -
Total Customer Services			\$ 124,772	\$ 124,772	\$ -	\$ -	\$ -
Meters Customer	LBNIC	C03	\$ 1,949,201	\$ 1,581,487	\$ 137,291	\$ 219,834	\$ 5,775
Lighting System Customer	LBLSC	LTEXP	\$ 309,456	\$ -	\$ -	\$ -	\$ -
Meter Reading, Billing and Customer Service Customer	LBNRBC	C05	\$ 6,019,665	\$ 5,461,282	\$ 351,735	\$ 197,685	\$ 1,437
Marketing/Economic Development Customer	LBCSC	C06	\$ 53,891	\$ 46,435	\$ 2,991	\$ 1,661	\$ 12
Total	LBT		\$ 23,073,581	\$ 17,617,836	\$ 1,082,701	\$ 3,277,561	\$ 468,583

SOUTHERN MARYLAND ELECTRIC COOPERATIVE  
Cost of Service Study  
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12 Months Ended  
December 31, 2009

Description	Name	Allocation Vector	Transmission Service Rate T	Security Yard Lighting Rate SYL	Street Lighting Rate ST	Pax River Navy Contract Special Contract
<b>Labour Expenses</b>						
Purchase Power	LBPPD	PPPTDA	\$ -	\$ -	\$ -	\$ -
Production Demand	LBPPB	PPPTDA	\$ -	\$ -	\$ -	\$ -
Transmission Demand	LBPPS	PPSUBDA	\$ -	\$ -	\$ -	\$ -
Substation Demand	LBPPF	PPEA	\$ -	\$ -	\$ -	\$ -
Energy	LBPPF		\$ -	\$ -	\$ -	\$ -
Total Purchase Power			\$ -	\$ -	\$ -	\$ -
Transmission Plant Demand	OMTRD	T02	\$ 5,332	\$ 638	\$ 975	\$ 65,088
Station Equipment Demand	LESED	SOMA	\$ 5,332	\$ 2,316	\$ 3,542	\$ 65,085
Primary Distribution Plant Demand	LBDDP	DOM	\$ -	\$ 4,834	\$ 7,395	\$ 146,558
Customer	LBDDC	C01	\$ 46	\$ 1,833	\$ 2,222	\$ 114
Total Primary Distribution Plant			\$ 46	\$ 6,667	\$ 9,618	\$ 146,672
Customer Services Demand	LBDCS	CSA	\$ -	\$ -	\$ -	\$ -
Customer	LBDCS	C02	\$ -	\$ -	\$ -	\$ -
Total Customer Services			\$ -	\$ -	\$ -	\$ -
Meters Customer	LBMC	C03	\$ 1,605	\$ -	\$ -	\$ 3,210
Lighting Systems Customer	LBLS	LTEXP	\$ -	\$ 23,134	\$ 277,321	\$ -
Meter Reading, Billing and Customer Service Customer	LBMRBC	C05	\$ 81	\$ 3,273	\$ 3,968	\$ 203
Marketing/Economic Development Customer	LBDCS	C06	\$ 1	\$ 1,252	\$ 1,518	\$ 2
Total	LBTT		\$ 12,396	\$ 37,280	\$ 296,943	\$ 280,261

SOUTHERN MARYLAND ELECTRIC COOPERATIVE  
Cost of Service Study  
Class Allocation

12 Months Ended  
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Description	Name	Allocation Vector	Total System	Residential Service Rate R	General Service - Non Demand Rate GS (401 & 402)	General Service Demand Rate GSD (403 - 405)	Large Power Service Rate LP (501 - 503)
<b>Depreciation Expenses</b>							
Purchase Power							
Production Demand	DPPPD	PPPTDA	\$ -	\$ -	\$ -	\$ -	\$ -
Transmission Demand	DPPPB	PPPTDA	\$ -	\$ -	\$ -	\$ -	\$ -
Substation Demand	DPPPS	PPSUBDA	\$ -	\$ -	\$ -	\$ -	\$ -
Energy	DPPPE	PPPEA	\$ -	\$ -	\$ -	\$ -	\$ -
Total Purchase Power	DPPPT		\$ -	\$ -	\$ -	\$ -	\$ -
Transmission Plant Demand	DPTRD	T01	\$ 4,284,258	\$ 2,927,277	\$ 158,779	\$ 848,517	\$ 167,099
Station Equipment Demand	DPSED	S/A1	\$ 3,275,225	\$ 2,233,753	\$ 105,190	\$ 685,195	\$ 118,840
Primary Distribution Plant Demand	DPDPD	DA1	\$ 8,321,978	\$ 5,315,216	\$ 293,171	\$ 2,187,833	\$ 353,583
Customer	DPDFC	C01	\$ 7,890,116	\$ 6,432,439	\$ 414,282	\$ 232,838	\$ 1,692
Total Primary Distribution Plant			\$ 15,412,093	\$ 11,747,655	\$ 707,454	\$ 2,420,671	\$ 355,275
Customer Services Demand	DPCSD	CSA	\$ -	\$ -	\$ -	\$ -	\$ -
Customer	DPCSC	C02	\$ 903,018	\$ 903,018	\$ -	\$ -	\$ -
Total Customer Services			\$ 903,018	\$ 903,018	\$ -	\$ -	\$ -
Meters Customer	DPMIC	C03	\$ 839,764	\$ 681,343	\$ 59,148	\$ 94,710	\$ 2,488
Lighting Systems Customer	DPLSC	LTPLA	\$ 413,159	\$ -	\$ -	\$ -	\$ -
Meter Reading, Billing and Customer Service Customer	DPMRBC	C05	\$ -	\$ -	\$ -	\$ -	\$ -
Marketing/Economic Development Customer	DFCSC	C06	\$ -	\$ -	\$ -	\$ -	\$ -
Total	DFT		\$ 25,127,517	\$ 18,493,645	\$ 1,030,571	\$ 4,049,092	\$ 643,702



SOUTHERN MARYLAND ELECTRIC COOPERATIVE  
Cost of Service Study  
Class Allocation

12 Months Ended  
December 31, 2009

Description	Name	Allocation Factor	Transmission Service Rate T	Security Yard Lighting Rate SYL	Street Lighting Rate ST	Pass River Navy Contract Special Contract
<b>Depreciation Expenses</b>						
Purchase Power						
Production Demand	DPPD	PPTDA	\$ -	\$ -	\$ -	-
Transmission Demand	DPTD	PPTDA	\$ -	\$ -	\$ -	-
Substation Demand	DSPD	PPTDA	\$ -	\$ -	\$ -	-
Energy	DPE	PPEA	\$ -	\$ -	\$ -	-
Total Purchase Power	DPPFT		\$ -	\$ -	\$ -	-
Transmission Plant						
Demand	DPTD	T01	\$ 13,516	\$ 1,616	\$ 2,472	\$ 164,984
Station Equipment						
Demand	DPSD	SA1	\$ 9,244	\$ 4,015	\$ 6,142	\$ 112,846
Primary Distribution Plant						
Demand	DPPD	DA1	\$ -	\$ 5,241	\$ 8,019	\$ 158,915
Customer	DPCFC	CB1	\$ 96	\$ 3,855	\$ 4,674	\$ 239
Total Primary Distribution Plant			\$ 96	\$ 9,096	\$ 12,693	\$ 159,154
Customer Services						
Demand	DPCSD	CSA	\$ -	\$ -	\$ -	-
Customer	DPCSC	CO2	\$ -	\$ -	\$ -	-
Total Customer Services			\$ -	\$ -	\$ -	-
Meters						
Customer	DPAIC	CO3	\$ 691	\$ -	\$ -	\$ 1,383
Lighting Systems						
Customer	DPLSC	LTPLA	\$ -	\$ 99,290	\$ 313,869	-
Meter Reading, Billing and Customer Service						
Customer	DPAIBC	CO5	\$ -	\$ -	\$ -	-
Marketing/Economic Development						
Customer	DPCSC	CO6	\$ -	\$ -	\$ -	-
Total	DPT		\$ 23,547	\$ 114,017	\$ 335,175	\$ 438,367

SOUTHERN MARYLAND ELECTRIC COOPERATIVE  
Cost of Service Study  
Class Allocation

12 Months Ended  
December 31, 2009

Description	Name	Allocation Vector	Total System	Residential Service		General Service - Non Demand		General Service Demand Rate GSD (403 - 405)	Large Power Service Rate LP (501 - 503)
				Rate R	Demand	Rate GS (401 & 402)	Demand		
<b>Property Taxes</b>									
Purchase Power									
Production Demand									
Transmission Demand									
Substation Demand									
Energy									
Total Purchase Power									
<b>Transmission Plant Demand</b>									
	PTTRD	T02	\$ 1,162,181	\$ 794,076	\$ 43,072	\$ 230,175	\$ 45,329		
<b>Station Equipment Demand</b>									
	PTSED	SOMA	\$ 577,577	\$ 393,916	\$ 18,550	\$ 120,832	\$ 20,957		
<b>Primary Distribution Plant Demand</b>									
	PTDFD	DOM	\$ 2,000,080	\$ 1,277,444	\$ 70,460	\$ 525,817	\$ 84,979		
Customer	PTDFC	CO1	\$ 1,511,479	\$ 1,371,274	\$ 88,317	\$ 49,637	\$ 361		
Total Primary Distribution Plant			\$ 3,511,559	\$ 2,648,718	\$ 158,777	\$ 575,454	\$ 85,340		
<b>Customer Services Demand</b>									
	PTCSD	CSA	\$ 194,291	\$ 194,291	\$ -	\$ -	\$ -		
Customer	PTCSC	CO2	\$ 194,291	\$ 194,291	\$ -	\$ -	\$ -		
Total Customer Services			\$ 388,582	\$ 388,582	\$ -	\$ -	\$ -		
<b>Meters Customer</b>									
	PTMC	CO3	\$ 175,522	\$ 142,410	\$ 12,363	\$ 19,796	\$ 520		
<b>Lighting Systems Customer</b>									
	PTLSC	LITLA	\$ 92,451	\$ -	\$ -	\$ -	\$ -		
<b>Meter Reading, Billing and Customer Service Customer</b>									
	PTMRBC	CO5	\$ -	\$ -	\$ -	\$ -	\$ -		
<b>Marketing/Economic Development Customer</b>									
	PTCSC	CO6	\$ -	\$ -	\$ -	\$ -	\$ -		
Total	PTT		\$ 5,713,581	\$ 4,173,412	\$ 232,762	\$ 946,237	\$ 152,146		

SOUTHERN MARYLAND ELECTRIC COOPERATIVE  
Cost of Service Study  
Class Allocation

12 Months Ended  
December 31, 2009

Description	Name	Allocation Vector	Transmission Service Rate T	Security Yard Lighting Rate SYL	Street Lighting Rate SL	Pax River Navy Contract Special Contract
<b>Property Taxes</b>						
Purchase Power		PPPTDA	\$	\$	\$	-
Production Demand		PPPTDA	\$	\$	\$	-
Transmission Demand		PPSUBDA	\$	\$	\$	-
Substation Demand		PPPEA	\$	\$	\$	-
Energy						
Total Purchase Power						
Transmission Plant Demand	PTTRD	T02	\$ 3,666	\$ 438	\$ 670	\$ 44,755
Station Equipment Demand	PTSED	SOMA	\$ 1,630	\$ 708	\$ 1,083	\$ 19,900
Primary Distribution Plant Demand	PTDFD	DOM	\$	\$ 1,269	\$ 1,927	\$ 38,193
Customer	PTDFC	C01	\$ 20	\$ 822	\$ 996	\$ 51
Total Primary Distribution Plant			\$ 20	\$ 2,091	\$ 2,924	\$ 38,244
Customer Services Demand	PTCSD	CSA	\$	\$	\$	-
Customer	PTCSC	C02	\$	\$	\$	-
Total Customer Services			\$	\$	\$	-
Meters Customer	PTMC	C03	\$ 145	\$	\$	\$ 289
Lighting Systems Customer	PTLSC	LTPLA	\$	\$ 22,218	\$ 70,233	-
Meter Reading, Billing and Customer Service Customer	PTMRBC	C05	\$	\$	\$	-
Marketing/Economic Development Customer	PTCSC	C06	\$	\$	\$	-
Total	PTT		\$ 5,461	\$ 25,445	\$ 74,910	\$ 103,188

SOUTHERN MARYLAND ELECTRIC COOPERATIVE  
Cost of Service Study  
Class Allocation  
12 Months Ended  
December 31, 2009

Description	Name	Allocation Vector	Total System	Residential Service		General Service - Non Demand		General Service Demand Rate GSD (403 - 405)	Large Power Service Rate LP (501 - 503)
				Rate R	Rate GS (401 & 402)	Rate GS (401 & 402)			
<b>Other Taxes</b>									
Purchase Power									
Production Demand									
Transmission Demand									
Substation Demand									
Energy									
Total Purchase Power									
Transmission Plant Demand	OTTRD	TU2	\$ 864,739	\$ 590,845	\$ 32,048	\$ 171,266	\$ 33,727		
Station Equipment Demand	OTSED	SOMA	\$ 429,756	\$ 293,100	\$ 13,802	\$ 89,907	\$ 15,593		
Primary Distribution Plant Demand	OTDPD	DIOM	\$ 1,488,192	\$ 950,502	\$ 52,427	\$ 391,243	\$ 63,230		
Customer	OTDPC	CUI	\$ 1,124,640	\$ 1,020,319	\$ 65,714	\$ 36,933	\$ 268		
Total Primary Distribution Plant			\$ 2,612,831	\$ 1,970,821	\$ 118,141	\$ 428,176	\$ 63,498		
Customer Services Demand	OTCSD	CSA	\$ -	\$ -	\$ -	\$ -	\$ -		
Customer	OTCSC	CO2	\$ 144,566	\$ 144,566	\$ -	\$ -	\$ -		
Total Customer Services			\$ 144,566	\$ 144,566	\$ -	\$ -	\$ -		
Meters Customer	OTMC	CO3	\$ 130,600	\$ 105,962	\$ 9,199	\$ 14,729	\$ 387		
Lighting Systems Customer	OTLSC	LTPLA	\$ 68,789	\$ -	\$ -	\$ -	\$ -		
Meter Reading, Billing and Customer Service Customer	OTMRBC	CO5	\$ -	\$ -	\$ -	\$ -	\$ -		
Marketing/Economic Development Customer	OTCSC	CO6	\$ -	\$ -	\$ -	\$ -	\$ -		
Total	OTT		\$ 4,251,281	\$ 3,105,293	\$ 173,190	\$ 764,078	\$ 113,206		

SOUTHERN MARYLAND ELECTRIC COOPERATIVE  
Cost of Service Study  
Class Allocation

12 Months Ended  
December 31, 2009

Description	Name	Allocation Vector	Transmission Service Rate T	Security Yard Lighting Rate SYL	Street Lighting Rate ST	Pax River Navy Contract Special Contract
<b>Other Taxes</b>						
Purchase Power Production Demand	OTPPD	PPPTDA	\$ -	\$ -	\$ -	-
Transmission Demand	OTPTB	PPPTDA	\$ -	\$ -	\$ -	-
Substation Demand	OTRPS	PPSUBDA	\$ -	\$ -	\$ -	-
Energy	OTRPE	PPEA	\$ -	\$ -	\$ -	-
Total Purchase Power	OTRPT		\$ -	\$ -	\$ -	-
Transmission Plant Demand	OTTRD	TOZ	\$ 2,728	\$ 326	\$ 499	\$ 33,301
Station Equipment Demand	OTSED	SOMA	\$ 1,213	\$ 527	\$ 806	\$ 14,807
Primary Distribution Plant Demand	OTDPP	DOM	\$ -	\$ 937	\$ 1,434	\$ 28,418
Customer	OTDPC	C01	\$ 15	\$ 612	\$ 741	\$ 38
Total Primary Distribution Plant			\$ 15	\$ 1,549	\$ 2,175	\$ 28,456
Customer Services Demand	OTCSD	CSA	\$ -	\$ -	\$ -	-
Customer	OTCSC	C02	\$ -	\$ -	\$ -	-
Total Customer Services			\$ -	\$ -	\$ -	-
Meters Customer	OTMC	C03	\$ 108	\$ -	\$ -	\$ 215
Lighting Systems Customer	OTLSC	LTPLA	\$ -	\$ 16,531	\$ 52,258	-
Meter Reading, Billing and Customer Service Customer	OTMRBC	C05	\$ -	\$ -	\$ -	-
Marketing/Economic Development Customer	OTCSC	C06	\$ -	\$ -	\$ -	-
Total	OTT		\$ 4,064	\$ 18,933	\$ 55,738	\$ 16,779

SOUTHERN MARYLAND ELECTRIC COOPERATIVE  
Cost of Service Study  
Class Allocation

12 Months Ended  
December 31, 2009

Description	Name	Allocation Vector	Total System	Residential Service Rate R	General Services- Non Demand		General Service Demand Rate GSD (403 - 405)	Large Power Service Rate LP (501 - 503)
					Rate GS (401 & 402)	Demand		
<b>Cost of Service Summary - Unadjusted Results</b>								
Operating Revenues								
Sales to Members	REVUC R01		\$ 104,426,382	\$ 73,713,766	\$	\$ 4,702,950	\$ 17,946,778	\$ 3,144,185
Accrued Revenues (Unbilled Revenues)	REVUNBIL R01		\$	\$	\$	\$	\$	\$
Forfeited Discounts	REVFD R01		\$ 2,557,383	\$ 1,805,237	\$	\$ 115,174	\$ 439,513	\$ 77,001
Misc Service Revenues	REVMISC R01		\$ 256,323	\$ 180,936	\$	\$ 11,544	\$ 44,052	\$ 7,718
Rent from Electric Property	REVRENT R01		\$ 541,636	\$ 395,703	\$	\$ 22,079	\$ 89,659	\$ 14,410
Other Electric Revenues	REVOTHR R01		\$ 2,296,203	\$ 1,620,872	\$	\$ 103,412	\$ 394,627	\$ 69,137
Lease Income	REVLEASE R01		\$ 3,086,513	\$ 2,178,745	\$	\$ 139,004	\$ 530,450	\$ 92,932
Total Operating Revenues	TOR		\$ 113,164,440	\$ 79,895,259	\$	\$ 5,094,164	\$ 19,445,079	\$ 3,405,382
Operating Expenses								
Operation and Maintenance Expenses	TOE		\$ 60,537,708	\$ 45,873,542	\$	\$ 2,785,351	\$ 9,010,078	\$ 1,319,277
Depreciation and Amortization Expenses	TOM		\$ 25,127,517	\$ 18,493,045	\$	\$ 1,030,371	\$ 4,049,092	\$ 643,702
Property Taxes			\$ 5,713,581	\$ 4,173,412	\$	\$ 232,762	\$ 946,257	\$ 152,146
Other Taxes			\$ 4,251,281	\$ 3,105,293	\$	\$ 173,190	\$ 704,078	\$ 113,206
Other Expenses	RBT		\$ 315,829	\$ 230,735	\$	\$ 12,874	\$ 52,280	\$ 8,403
Total Operating Expenses	TOE		\$ 95,945,917	\$ 71,876,028	\$	\$ 4,234,748	\$ 14,761,785	\$ 2,236,733
Utility Operating Margin before Interest	TOM		\$ 17,218,523	\$ 8,019,232	\$	\$ 859,416	\$ 4,683,294	\$ 1,168,649
Net Cost Rate Base			\$ 442,983,363	\$ 323,630,413	\$	\$ 18,057,753	\$ 73,328,703	\$ 11,785,667
Rate of Return on Rate Base			3.89%	2.48%		4.76%	6.39%	9.92%
Interest on Long Term Debt	RBT		\$ 15,670,654	\$ 11,448,512	\$	\$ 638,798	\$ 2,594,022	\$ 416,921
Other Interest	RBT		\$ 533,834	\$ 390,003	\$	\$ 21,761	\$ 88,368	\$ 14,303
Utility Operating Margins			\$ 1,014,035	\$ (3,819,283)	\$	\$ 198,857	\$ 2,090,904	\$ 737,525
Operating TIER			1.06	0.67		1.31	1.77	2.77
Other Payments Allocations	RBT		\$ 1,324,959	\$ 967,975	\$	\$ 54,011	\$ 219,325	\$ 35,251
Nonoperating Margins	RBT		\$ 910,283	\$ 665,026	\$	\$ 37,107	\$ 150,683	\$ 24,218
Total Margins			\$ 3,240,277	\$ (2,186,282)	\$	\$ 289,974	\$ 2,370,912	\$ 796,994
Mortgage TIER			1.21	0.81		1.45	1.91	2.91

SOUTHERN MARYLAND ELECTRIC COOPERATIVE  
Cost of Service Study  
Class Allocation

12 Months Ended  
December 31, 2009

Description	Name	Allocation Vector	Transmission Service Rate T	Security Yard Lighting Rate SYL	Street Lighting Rate ST	Fax River Navy Contract Special Contract
<b>Cost of Service Summary - Unadjusted Results</b>						
Operating Revenues						
Sales to Members	REVUC	R01	\$ 100,365	\$ 643,007	\$ 1,364,386	\$ 2,810,745
Accrued Revenues (Unbilled Revenues)	REVUNBIL	R01	\$ -	\$ -	\$ -	\$ -
Forfeited Discounts	REVFFD	R01	\$ 2,458	\$ 15,747	\$ 33,418	\$ 68,835
Misc Service Revenues	REVMISC	R01	\$ 246	\$ 1,578	\$ 3,349	\$ 6,899
Rent from Electric Property	REVOTHR	R01	\$ 517	\$ 2,409	\$ 7,090	\$ 9,769
Other Electric Revenues	REVLEAS	R01	\$ 2,207	\$ 14,139	\$ 30,006	\$ 61,805
Lease Income	REVLEAS	R01	\$ 2,966	\$ 19,005	\$ 40,333	\$ 83,077
Total Operating Revenues	TOR		\$ 108,759	\$ 695,885	\$ 1,478,782	\$ 3,041,129
Operating Expenses						
Operation and Maintenance Expenses			\$ 33,322	\$ 88,237	\$ 642,159	\$ 785,743
Depreciation and Amortization Expenses			\$ 23,547	\$ 14,917	\$ 335,175	\$ 438,367
Property Taxes			\$ 5,461	\$ 23,445	\$ 74,910	\$ 103,188
Other Taxes			\$ 4,064	\$ 18,933	\$ 55,738	\$ 76,779
Other Expenses			\$ 301	\$ 1,405	\$ 4,134	\$ 5,696
Total Operating Expenses	TOE		\$ 66,696	\$ 248,037	\$ 1,112,117	\$ 1,409,773
Utility Operating Margin before Interest	TOM		\$ 42,063	\$ 447,848	\$ 366,666	\$ 1,631,356
Net Cost Rate Base			\$ 422,564	\$ 1,970,075	\$ 5,798,800	\$ 7,989,389
Rate of Return on Rate Base			9.95%	22.73%	6.32%	20.42%
Interest on Long Term Debt			\$ 14,948	\$ 69,692	\$ 205,134	\$ 282,627
Other Interest			\$ 509	\$ 2,374	\$ 6,988	\$ 9,628
Utility Operating Margins			\$ 26,606	\$ 375,782	\$ 154,544	\$ 1,339,101
Operating TIER			2.78	6.39	1.75	5.74
Other Patronage Allocations			\$ 1,264	\$ 5,892	\$ 17,344	\$ 23,896
Nonoperating Margins			\$ 868	\$ 4,048	\$ 11,916	\$ 16,417
Total Margins			\$ 28,738	\$ 385,723	\$ 183,804	\$ 1,379,415
Mortgage TIER			2.97	6.53	1.90	5.88

SOUTHERN MARYLAND ELECTRIC COOPERATIVE  
Cost of Service Study  
Class Allocation

12 Months Ended  
December 31, 2009

Description	Name	Allocation Vector	Total System	Residential Service Rate R	General Service - Non Demand Rate GS (401 & 402)	General Service Demand Rate GSD (403 - 405)	Large Power Service Rate LP (501 - 502)
<b>Cost of Service Summary - Pro-Forma 2010</b>							
<b>Operating Revenues</b>							
Total Operating Revenue - Actual			\$ 113,164,440	\$ 79,895,259	\$ 5,094,164	\$ 19,445,079	\$ 3,405,382
<b>Pro-Forma Adjustments:</b>							
Total Pro-Forma Operating Revenue			\$ 113,164,440	\$ 79,895,259	\$ 5,094,164	\$ 19,445,079	\$ 3,405,382
<b>Operating Expenses</b>							
Total Operating Expenses - Actual			\$ 95,945,917	\$ 71,876,028	\$ 4,234,748	\$ 14,761,785	\$ 2,236,733
<b>Pro-Forma Adjustments:</b>							
Transmission Expense	T02		\$ 26,112	\$ 17,841	\$ 868	\$ 5,172	\$ 1,018
Distribution Operations Expense	TDIST		\$ 136,386	\$ 97,041	\$ 5,665	\$ 27,347	\$ 4,232
Distribution Maintenance Expense	DMIST		\$ 219,709	\$ 156,326	\$ 9,122	\$ 44,055	\$ 6,818
Customer Accounts Expense	C05		\$ 122,207	\$ 110,871	\$ 7,141	\$ 4,013	\$ 29
Customer Service and Information Expense	C05		\$ 21,126	\$ 19,166	\$ 1,234	\$ 694	\$ 5
Administrative and General Expense	LBT		\$ 1,750,776	\$ 1,336,805	\$ 82,153	\$ 248,696	\$ 35,555
Depreciation and Amortization Expense	DFT		\$ 1,966,037	\$ 1,446,940	\$ 80,634	\$ 316,811	\$ 50,365
Tax Expense	OTT		\$ 176,547	\$ 128,956	\$ 7,192	\$ 29,239	\$ 4,701
Other Expenses	RBT		\$ (305,663)	\$ (223,308)	\$ (12,460)	\$ (50,598)	\$ (8,132)
Total Pro-Forma Operating Expenses			\$ 100,059,154	\$ 74,966,667	\$ 4,416,396	\$ 15,387,215	\$ 2,331,325
<b>Utility Operating Margin - Pro-Forma</b>							
Utility Operating Margin - Pro-Forma			\$ 13,105,286	\$ 4,928,592	\$ 677,768	\$ 4,057,865	\$ 1,074,057
Net Cost Rate Base			\$ 442,983,363	\$ 323,630,413	\$ 18,057,753	\$ 73,328,703	\$ 11,785,667
<b>Rate of Return</b>			<b>2.96%</b>	<b>1.52%</b>	<b>3.75%</b>	<b>5.53%</b>	<b>9.11%</b>
Interest on Long Term-Debt	RBT		\$ 15,670,654	\$ 11,448,512	\$ 638,798	\$ 2,594,022	\$ 416,921
Interest Expense	RBT		\$ 3,403,453	\$ 2,486,461	\$ 138,738	\$ 563,386	\$ 90,530
Utility Operating Margins			\$ (5,968,821)	\$ (9,006,381)	\$ (99,768)	\$ 900,456	\$ 566,587
<b>Operating TIER</b>			<b>0.69</b>	<b>0.35</b>	<b>0.87</b>	<b>1.29</b>	<b>2.12</b>
Other Patrimoine Allocations	RBT		\$ 1,324,959	\$ 967,975	\$ 54,011	\$ 219,325	\$ 35,251
Nonoperating Margins	RBT		\$ 910,118	\$ 664,965	\$ 37,100	\$ 150,655	\$ 24,214
Total Margins			\$ (3,733,744)	\$ (7,373,500)	\$ (8,657)	\$ 1,270,437	\$ 626,051
<b>Mortgage TIER</b>			<b>0.80</b>	<b>0.47</b>	<b>0.99</b>	<b>1.40</b>	<b>2.23</b>



SOUTHERN MARYLAND ELECTRIC COOPERATIVE  
Cost of Service Study  
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12 Months Ended  
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Description	Name	Allocation Vector	Transmission Service Rate T	Security Yard Lighting Rate SYL	Street Lighting Rate ST	Faa River Navy Contract Special Contract
<b>Cost of Service Summary -- Pro-Forma 2010</b>						
<b>Operating Revenues</b>						
Total Operating Revenue -- Actual			\$ 108,759 \$	695,885 \$	1,478,782 \$	3,041,129
<b>Pro-Forma Adjustments:</b>						
Total Pro-Forma Operating Revenue			\$ 108,759 \$	695,885 \$	1,478,782 \$	3,041,129
<b>Operating Expenses</b>						
Total Operating Expenses -- Actual			\$ 66,696 \$	248,037 \$	1,112,117 \$	1,409,773
<b>Pro-Forma Adjustments:</b>						
Transmission Expense	TO2		82 \$	10 \$	15 \$	1,006
Distribution Operations Expense	TDIST		0 \$	83 \$	120 \$	1,899
Distribution Maintenance Expense	TDIST		1 \$	133 \$	194 \$	3,060
Customer Accounts Expense	CO5		2 \$	66 \$	81 \$	4
Customer Service and Information Expense	CO5		0 \$	11 \$	14 \$	1
Administrative and General Expense	LBT		941 \$	2,829 \$	22,531 \$	21,266
Depreciation and Amortization Expense	DPT		1,842 \$	8,921 \$	26,223 \$	34,299
Tax Expense	OTT		169 \$	786 \$	2,315 \$	3,188
Other Expenses	RBT		(292) \$	(1,159) \$	(4,001) \$	(5,513)
Total Pro-Forma Operating Expenses			\$ 69,442 \$	259,517 \$	1,159,610 \$	1,468,983
<b>Utility Operating Margin -- Pro-Forma</b>						
Utility Operating Margin -- Pro-Forma			\$ 39,318 \$	436,368 \$	319,173 \$	1,572,146
Net Cost Rate Base			\$ 422,564 \$	1,970,075 \$	5,798,800 \$	7,989,389
<b>Rate of Return</b>			<b>9.30%</b>	<b>22.15%</b>	<b>5.50%</b>	<b>19.68%</b>
Interest on Long Term Debt	RBT		14,948 \$	69,692 \$	205,134 \$	282,627
Interest Expense	RBT		3,247 \$	15,136 \$	44,552 \$	61,383
Utility Operating Margins			\$ 21,123 \$	351,540 \$	69,486 \$	1,228,137
<b>Operating TIER</b>			<b>2.16</b>	<b>5.14</b>	<b>1.28</b>	<b>4.57</b>
Other Patronage Allocations	RBT		1,264 \$	5,892 \$	17,744 \$	23,896
Nonoperating Margins	RBT		868 \$	4,048 \$	11,914 \$	16,414
Total Margins			\$ 23,255 \$	361,480 \$	98,744 \$	1,268,447
<b>Mortgage TIER</b>			<b>2.28</b>	<b>5.26</b>	<b>1.40</b>	<b>4.69</b>

SOUTHERN MARYLAND ELECTRIC COOPERATIVE  
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Description	Name	Allocation Vector	Total System	Residential Service		General Service - Non Demand		General Service Demand Rate GSD (403 - 405)	Large Power Service Rate LP (501 - 503)
				Rate R	Rate GS (401 & 402)	Rate GS (401 & 402)	Rate LP (501 - 503)		
<b>Cost of Service Summary -- Pro-Forma 2010 w/Proposed Increase</b>									
<b>Operating Revenues</b>									
Total Operating Revenue -- Actual			\$ 113,164,440 \$	79,895,259 \$	5,094,164 \$	19,445,079 \$			3,405,382
Pro-Forma Adjustments:									
Proposed Increase			\$ 22,824,496 \$	17,559,188 \$	1,086,878 \$	3,727,489 \$			331,780
Total Pro-Forma Operating Revenue			\$ 135,988,936 \$	97,454,447 \$	6,181,041 \$	23,172,568 \$			3,737,162
<b>Operating Expenses</b>									
Total Pro-forma Operating Expenses			\$ 100,059,154 \$	74,966,667 \$	4,416,396 \$	15,387,215 \$			2,331,325
Utility Operating Margin -- Pro-Forma			\$ 35,929,782 \$	22,487,780 \$	1,764,646 \$	7,785,354 \$			1,405,837
Net Cost Rate Base			\$ 442,983,363 \$	323,030,413 \$	18,057,753 \$	73,328,703 \$			11,785,667
Rate of Return			8.11%	6.95%	9.77%	10.62%			11.93%
Interest on Long Term Debt	RBT		\$ 15,676,654 \$	11,448,512 \$	638,798 \$	2,594,022 \$			416,921
Interest Expense	RBT		\$ 3,403,453 \$	2,486,461 \$	138,738 \$	563,386 \$			90,550
Utility Operating Margins			\$ 16,855,675 \$	8,552,807 \$	987,110 \$	4,627,945 \$			898,366
<b>Operating TIER</b>									
Other Patronage Allocations	RBT		\$ 1,324,959 \$	967,975 \$	54,011 \$	219,325 \$			35,251
Nonoperating Margins	RBT		\$ 910,118 \$	664,905 \$	37,100 \$	150,655 \$			24,214
Total Margins			\$ 19,090,752 \$	10,185,688 \$	1,078,220 \$	4,997,926 \$			957,851
Mortgage TIER			2.00	1.75	2.39	2.58			2.89

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Description	Name	Allocation Vector	Transmission Service Rate T	Security Yard Lighting Rate SYL	Street Lighting Rate ST	Fax River Navy Contract Special Contract
<b>Cost of Service Summary -- Pro-Forma 2010 w/Proposed Increase</b>						
<b>Operating Revenues</b>						
Total Operating Revenue -- Actual			\$ 108,759	\$ 695,885	\$ 1,478,782	\$ 3,041,129
Pro-Forma Adjustments:						
Proposed Increase			\$ 9,344	\$ 33,536	\$ 76,282	\$ -
Total Pro-Forma Operating Revenue			\$ 118,103	\$ 729,421	\$ 1,555,064	\$ 3,041,129
<b>Operating Expenses</b>						
Total Pro-Forma Operating Expenses			\$ 69,442	\$ 259,517	\$ 1,159,610	\$ 1,468,983
Utility Operating Margin -- Pro-Forma			\$ 48,661	\$ 469,904	\$ 395,454	\$ 1,572,146
Net Cost Rate Base			\$ 422,564	\$ 1,970,075	\$ 5,798,800	\$ 7,985,389
Rate of Return			11.52%	23.85%	6.82%	19.68%
Interest on Long Term Debt	RBT		\$ 14,948	\$ 69,692	\$ 205,134	\$ 282,627
Interest Expense	RBT		\$ 3,247	\$ 15,136	\$ 44,552	\$ 61,383
Utility Operating Margins			\$ 30,466	\$ 385,076	\$ 145,768	\$ 1,228,137
Operating TIER			7.67	5.54	1.58	4.57
Other Patronage Allocations	RBT		\$ 1,264	\$ 5,892	\$ 17,344	\$ 23,896
Nonoperating Margins	RBT		\$ 868	\$ 4,048	\$ 11,914	\$ 16,414
Total Margins			\$ 32,598	\$ 395,016	\$ 175,026	\$ 1,268,447
Mortgage TIER			2.79	5.66	1.70	4.69

SOUTHERN MARYLAND ELECTRIC COOPERATIVE  
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12 Months Ended  
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Description	Name	Allocation Vector	Total System	Residential Service Rate R	General Service - Non Demand Rate GS (401 & 402)	General Service Demand Rate GSD (403 - 405)	Large Power Service Rate LP (501 - 503)
<b>Allocation Factors</b>							
Energy Allocation Factors							
Energy Usage by Class	E01	Benergy	1,000,000	0.609361	0.043019	0.235466	0.049072
<b>Demand Allocation Factors</b>							
Purchase Power - Average 12 CP	D01	CPDemands	1,000,000	0.683263	0.037061	0.198055	0.039003
Station Equipment - Maximum Class Demand	D02	NCP	1,000,000	0.682015	0.032117	0.209205	0.036284
Primary Distribution Plant - Maximum Class Demand	D03	NCP	1,000,000	0.682015	0.032117	0.209205	0.036284
Services - Maximum Individual Demand	D04	NCP	1,000,000	0.682015	0.032117	0.209205	0.036284
<b>Customer Allocation Factors</b>							
Primary Distribution Plant - Average Number of Customers	C01	Cust05	1,000,000	0.90724	0.05843	0.03284	0.00024
Customer Services - Average Number of Customers	C02		1,000,000	1.00000			
Meter Costs - Weighted Cost of Meters	C03		1,000,000	0.81135	0.07043	0.11278	0.00296
Lighting Systems - Lighting Customers	C04	Cust04	1,000,000				
Meter Reading and Billing - Weighted Cost	C05	Cust03	1,000,000	0.90724	0.05843	0.03284	0.00024
Marketing/Economic Development	C06	Cust06	1,000,000	0.86163	0.05549	0.03119	0.00023
<b>Revenue</b>							
Billed Energy	R01		106,273,383	75,017,550	4,786,132	18,264,205	3,199,796
Purchased Energy	BEnergy		3,341,884,412	2,036,414,278	143,762,998	786,900,368	163,992,764
Customers (Monthly Bills)	Energy		3,314,293,820	2,148,093,634	149,223,643	818,794,578	182,772,878
Average Customers (Billing - Lights)	Cust01		1,870,339	1,611,548	103,792	58,334	424
Average Customers (Lighting - Lights)	Cust02		155,862	134,296	8,649	-4,861	35
Average Customers (Lighting -45 Lights per Cust)	Cust03		148,027	134,296	8,649	-4,861	35
Street Lighting	Cust04		8,013				
Average Customers	Cust05		148,027	134,296	8,649	-4,861	35
Marketing/Economic Development	Cust06		155,862	134,296	8,649	-4,861	35
<b>12 Month Coincident Peak Demands</b>							
Substation Demands	CPDemands		7,815,984	5,340,376	289,668	1,547,991	304,847
Class Non-Coincident Peak Demands	SNCP		937,747	653,198	30,760	200,366	34,751
Sum of the Individual Customer Demands	CLNCP		8,530,190	5,901,677	322,424	1,949,934	366,870
Winter CP Demand Allocator	NCP		937,747	653,198	30,760	200,366	34,751
Summer CP Demand Allocator	CNCP		16,637,442	12,577,308	560,194	2,638,736	422,985
Transmission CP Demand	SCP		2,087,787	1,421,359	84,537	402,805	87,169
Billed Demand	WCP		2,324,537	1,749,550	70,973	359,031	65,012
	TRCP		7,815,984	5,340,376	289,668	1,547,991	304,847
			2,379,613			1,675,723	428,850

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Description	Name	Allocation Vector	Transmission Service Rate T	Security Yard Lighting Rate SYL	Street Lighting Rate ST	Pax River Navy Contract Special Contract
<b>Allocation Factors</b>						
Energy Allocation Factors						
Energy Usage by Class	E01	Benergy	0.001130	0.001059	0.001620	0.059273
Demand Allocation Factors						
Purchase Power – Average 12 CP	D01	CPDemands	0.003155	0.003377	0.000577	0.038509
Station Equipment – Maximum Class Demand	D02	NCP	0.002823	0.001226	0.001875	0.034455
Primary Distribution Plant – Maximum Class Demand	D03	NCP	0.002823	0.001226	0.001875	0.034455
Services – Maximum Individual Demand	D04	NCP	0.002823	0.001226	0.001875	0.034455
Customer Allocation Factors						
Primary Distribution Plant – Average Number of Customers	C01	Cust05	0.00001	0.00054	0.00066	0.006003
Customer Services – Average Number of Customers	C02		-	-	-	0.00165
Meter Costs – Weighted Cost of Meters	C03		0.00082	0.45201	0.54799	-
Lighting Systems – Lighting Customers	C04	Cust04	-	0.00054	0.00066	0.00003
Meter Reading and Billing – Weighted Cost	C05	Cust03	0.00001	0.02324	0.02817	0.00003
Marketing/Economic Development	C06	Cust06	0.00001	0.02324	0.02817	0.00003
Rev	R01		102,140	654,379	1,388,722	2,860,459
Billed Energy	BEnergy		3,775,213	3,539,316	5,415,467	198,084,008
Purchased Energy	Energy		3,877,810	3,082,712	5,633,969	200,843,717
Customers (Monthly Bills)	Cust01		24	43,464	52,693	60
Average Customers (Bills/12)	Cust02		2	3,622	4,391	5
Average Customers (Lighting = Lights)	Cust03		2	3,622	4,391	5
Average Customers (Lighting = 4.5 Lights per Cust)	Cust04		2	3,622	4,391	5
Street Lighting	Cust05		2	80	98	5
Average Customers	Cust06		2	80	98	5
Marketing/Economic Development			2	3,622	4,391	5
12 Month Coincident Peak Demands	CPDemands		24,657	2,948	4,509	300,988
Substation Demands	SNCP		2,703	1,174	1,796	32,999
Sum of Class NCP Demands	CLNCP		28,613	12,402	18,975	349,275
Class Non-Coincident Peak Demands	NCP		2,703	1,174	1,796	32,999
Sum of the individual Customer Demands	CNCP		30,805	12,402	18,975	376,037
Summer CP Demand Allocator	SCP		6,960	-	-	84,956
Winter CP Demand Allocator	WCP		5,857	1,037	1,586	71,491
Transmission CP Demand	TRCP		24,657	2,948	4,509	300,988
Billed Demand			24,657	-	-	258,383

SOUTHERN MARYLAND ELECTRIC COOPERATIVE  
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12 Months Ended  
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Description	Name	Allocation Vector	Total System	Residential Service Rate R	General Service - Non Demand Rate GS (401 & 402)	General Service Demand Rate GSD (403 & 405)	Large Power Service Rate LP (501 - 503)
Transmission Residual Demand Allocator	TRDA		7,815,984	5,340,376	289,668	1,547,991	304,847
Transmission Plant In Service			\$ 119,064,062				
Customer Specific Assignment			\$				
Transmission Residual	TAI	TRDA	\$ 119,064,062	81,352,114	4,412,630	23,581,176	4,643,863
Transmission Total	T01	TAI	\$ 1,000,000	0.68326	0.03706	0.19805	0.03900
Transmission Plant Allocator							
Transmission Residual Demand Allocator	TOMDA		7,815,984	5,340,376	289,668	1,547,991	304,847
Transmission Plant In Service			\$ 119,064,062				
Customer Specific Assignment			\$				
Transmission Residual	TOMA	TOMDA	\$ 119,064,062	81,352,114	4,412,630	23,581,176	4,643,863
Transmission Total	T02	TOMA	\$ 1,000,000	0.68326	0.03706	0.19805	0.03900
Transmission O&M Allocator							
Distribution Residual Demand Allocator	DDA		19,692,158	12,577,308	693,727	5,177,932	836,677
Distribution Plant In Service			\$ 184,695,161				
Customer Specific Assignment			\$				
Distribution Residual	DTI	DOMDA	\$ 184,695,161	117,964,109	6,506,548	48,556,020	7,847,298
Distribution Total	DA1	DTI	\$ 1,000,000	0.63870	0.03523	0.26290	0.04249
Distribution Plant Allocator							
Distribution Residual Demand Allocator	DOMDA		19,692,158	12,577,308	693,727	5,177,932	836,677
Distribution Plant In Service			\$ 184,695,161				
Customer Specific Assignment			\$				
Distribution Residual	DOMA	DOMDA	\$ 184,695,161	117,964,108.8	6,506,548	48,556,020	7,847,298
Distribution Total	DOM1	DOMA	\$ 1,000,000	0.63870	0.03523	0.26290	0.04249
Distribution O&M Allocator							
Substation Residual Demand Allocator	SDA		957,747	653,198	30,760	200,366	34,751
Substation Plant In Service			\$ 72,689,242				
Customer Specific Assignment			\$				
Substation Residual	STI	SDA	\$ 72,689,241.9200	49,575,155	2,334,562	15,206,986	2,637,488
Substation Total	SA1	STI	\$ 72,689,242	49,575,154.5	2,334,562	15,206,986	2,637,488
Substation Plant Allocator			\$ 1,000,000	0.68202	0.03212	0.20921	0.03628
Substation Residual Demand Allocator	SONDA		957,747	653,198	30,760	200,366	34,751
Substation Plant In Service			\$ 72,689,242				
Customer Specific Assignment			\$				
Substation Residual	STOM	SOMDA	\$ 72,689,242	49,575,155	2,334,562	15,206,986	2,637,488
Substation Total	SOMA	STOM	\$ 1,000,000	0.68202	0.03212	0.20921	0.03628
Substation O&M Allocator							
Customer Services Demand	CSD	CSD	16,213,421	12,577,308	560,194	2,658,736	422,985
Customer Services Demand Allocator	CSA	CSD	\$ 1,000,000	0.77573	0.03455	0.16275	0.02609

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Description	Name	Allocation Vector	Transmission Service Rate T	Security Yard Lighting Rate SYL	Street Lighting Rate ST	Pax River Navy Contract Special Contract
Transmission Residual Demand Allocator	TRDA		24,657	2,948	4,509	308,988
Transmission Plant In Service						
Customer Specific Assignment						
Transmission Residual	TRDA		\$ 375,610	\$ 44,908	\$ 68,687	\$ 4,585,073
Transmission Total	TAI		\$ 375,610	\$ 44,908	\$ 68,687	\$ 4,585,073
Transmission Plant Allocator	TOI		0.00315	0.00038	0.00058	0.03851
Transmission Residual Demand Allocator	TOMDA		24,657	2,948	4,509	308,988
Transmission Plant In Service						
Customer Specific Assignment						
Transmission Residual	TOMDA		\$ 375,610	\$ 44,908	\$ 68,687	\$ 4,585,073
Transmission Total	TOMA		\$ 375,610	\$ 44,908	\$ 68,687	\$ 4,585,073
Transmission O&M Allocator	TOZ		0.00315	0.00038	0.00058	0.03851
Distribution Residual Demand Allocator	DDA		-	12,402	18,975	376,037
Distribution Plant In Service						
Customer Specific Assignment						
Distribution Residual	DOMDA		\$ -	\$ 116,320	\$ 177,969	\$ 3,526,897
Distribution Total	DTI		\$ -	\$ 116,320	\$ 177,969	\$ 3,526,897
Distribution Plant Allocator	DAI		-	0.00063	0.00096	0.01910
Distribution Residual Demand Allocator	DOMDA		-	12,402	18,975	376,037
Distribution Plant In Service						
Customer Specific Assignment						
Distribution Residual	DOMDA		\$ -	\$ 116,320	\$ 177,969	\$ 3,526,897
Distribution Total	DOMA		\$ -	\$ 116,320	\$ 177,969	\$ 3,526,897
Distribution O&M Allocator	DOMA		-	0.00063	0.00096	0.01910
Substation Residual Demand Allocator	SDA		2,703	1,174	1,796	32,999
Substation Plant In Service						
Customer Specific Assignment						
Substation Residual	SDA		\$ 205,167	\$ 89,102	\$ 136,309	\$ 2,504,473
Substation Total	STI		\$ 205,167	\$ 89,102	\$ 136,309	\$ 2,504,473
Substation Plant Allocator	SAI		0.00282	0.00123	0.00188	0.03445
Substation Residual Demand Allocator	SOMDA		2,703	1,174	1,796	32,999
Substation Plant In Service						
Customer Specific Assignment						
Substation Residual	SOMDA		\$ 205,167	\$ 89,102	\$ 136,309	\$ 2,504,473
Substation Total	STOM		\$ 205,167	\$ 89,102	\$ 136,309	\$ 2,504,473
Substation O&M Allocator	SOMIA		0.00282	0.00123	0.00188	0.03445
Customer Services Demand	CSD		-	12,402	1,796	-
Customer Services Demand Allocator	CSA		-	0.00076	0.00011	-

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Description	Name	Allocation Vector	Total System	Residential Service		General Service - Non Demand		General Service Demand Rate GSD (403 - 405)	Large Power Service Rate LP (501 - 503)
				Rate R	Rate GS (401 & 402)	Rate GS (401 & 402)	Rate LP (501 - 503)		
Customer Services Customer	CSC		148,027	134,296	8,649	4,861		35	
Customer Services Customer Allocator	CSCA		1,000,000	0.90724	0.05843	0.03284		0.00024	
Lighting Plant	LGHTPL		9,169,314	-	-	-	-	-	
Lighting Plant Allocator	LGHTPL		1,000,000	-	-	-	-	-	
Lighting Expense	LGHTEXP		216,016	-	-	-	-	-	
Lighting Expense Allocator	LHTEXP		1,000,000	-	-	-	-	-	
Actual Purchased Power Cost Allocator									
Pro/Tms Purchased Power Residual Demand Allocator	PPPTDRA		7,815,984	5,340,376	289,668	1,547,991		304,847	
Purchased Power Demand Costs									
Customer Specific Assignment									
Purchased Power Demand Residual	PPPTDRA								
Purchased Power Demand Total	PPPTDT								
Purchased Power Demand Allocator	PPPTDA								
Substa Purchased Power Residual Demand Allocator	PPSUBDRA		1,225,737	653,198	30,760	280,366		34,751	
Purchased Power Demand Costs									
Customer Specific Assignment									
Purchased Power Demand Residual	PPSUBDRA								
Purchased Power Demand Total	PPSUBDT								
Purchased Power Demand Allocator	PPSUBDA								
Purchased Power Residual Energy Allocator	PPERA		3,341,884,412	2,036,414,278	143,762,998	786,900,368		163,992,764	
Purchased Power Energy Costs									
Customer Specific Assignment									
Purchased Power Energy Residual	PPERA								
Purchased Power Energy Total	PPPET								
Purchased Power Energy Allocator	PPPEA								
Security Lighting O&M allocator	SLOMA		3622						
Expense Adjustment O&M Allocator	EAOM		60,537,708	45,873,542	2,785,351	9,010,078		1,319,277	



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Description	Nme	Allocation Vector	Transmission Service Rate T	Security Yard Lighting Rate SYL	Street Lighting Rate ST	Tax River Navy Contract Special Contract
Customer Services Customer	CSC	CSC	2	80	98	5
Customer Services Customer Allocator	CSCA		0.00001	0.00054	0.00066	0.00003
Lighting Plant	LGHTPL			2,203,611	6,565,903	
Lighting Plant Allocator	LGHTPL			0.24032	0.725968	
Lighting Expense	LGHTEXP			16,633	193,383	
Lighting Expense Allocator	LTEXP			0.07700	0.92300	
Actual Purchased Power Cost Allocator						
Purchased Power Residual Demand Allocator	PPFTDRA		24,657	7,948	4,509	300,988
Customer Specific Assignment						
Purchased Power Demand Residual	PPFTDRA		\$	\$	\$	\$
Purchased Power Demand Total	PPFTDT		\$	\$	\$	\$
Purchased Power Demand Allocator	PPFTDA					
Subsidiary Purchased Power Residual Demand Allocator	PPSUBDRA		2,703	1,174	1,796	300,988
Customer Specific Assignment						
Purchased Power Demand Residual	PPSUBDRA		\$	\$	\$	\$
Purchased Power Demand Total	PPSUBDT		\$	\$	\$	\$
Purchased Power Demand Allocator	PPSUBDA					
Purchased Power Residual Energy Allocator	PPERA		3,775,213	3,539,316	5,418,467	198,084,008
Customer Specific Assignment						
Purchased Power Energy Residual	PPERA		\$	\$	\$	\$
Purchased Power Energy Total	PPET		\$	\$	\$	\$
Purchased Power Energy Allocator	PPEA					
Security Lighting O&M allocator	SLOMA			3,622		
Expense Adjustment O&M Allocator	EAOM		33,322	88,237	642,159	785,743

SOUTHERN MARYLAND ELECTRIC COOPERATIVE  
 Cost of Service Study  
 Chair Allocation

12 Months Ended  
 December 31, 2009

Description	Nname	Allocation Vector	Total System	Residential Service Rate R	General Service - Non Demand		General Service Demand Rate GSD (403 & 405)	Large Power Service Rate LP (501 - 503)
					Rate GS (401 & 402)	Demand		
<b>Operating Expenses</b>								
Pre-Forma								
Purchased Power Demand	\$		\$			\$		\$
Purchased Power Energy	\$		\$			\$		\$
Distribution Demand	\$		\$			\$		\$
Distribution Customer	\$		\$			\$		\$
Total	\$		\$			\$		\$
<b>Rate Base</b>								
Distribution Demand	\$		\$			\$		\$
Distribution Customer	\$		\$			\$		\$
Total	\$		\$			\$		\$
<b>Operating Expenses-Unit Costs</b>								
Purchased Power Demand	\$		\$			\$		\$
Purchased Power Energy	\$		\$			\$		\$
Distribution Demand	\$		\$			\$		\$
Distribution Customer	\$		\$			\$		\$
<b>Rate Base-Unit Costs</b>								
Distribution Demand	\$		\$			\$		\$
Distribution Customer	\$		\$			\$		\$

SOUTHERN MARYLAND ELECTRIC COOPERATIVE  
 Cost of Service Study  
 Class Allocation

12 Months Ended  
 December 31, 2009

Description	Name	Allocation Vector	Transmission Service Rate T	Security Yard Lighting Rate SYL	Street Lighting Rate ST	Pax River Navy Contract Special Contract
<b>Operating Expenses</b>						
Pre-Forma			\$ -	\$ -	\$ -	\$ -
Purchased Power Demand			\$ -	\$ -	\$ -	\$ -
Purchased Power Energy			\$ -41,216	\$ (11,032)	\$ (33,886)	\$ 1,033,853
Distribution Demand			\$ 6,015	\$ 214,651	\$ 1,072,694	\$ 34,066
Distribution Customer			\$ 47,231	\$ 203,618	\$ 1,038,807	\$ 1,067,919
Total			\$ -	\$ -	\$ -	\$ -
<b>Rate Base</b>						
Distribution Demand			\$ 409,702	\$ 186,400	\$ 285,165	\$ 7,962,870
Distribution Customer			\$ 12,862	\$ 1,783,675	\$ 5,513,635	\$ 26,518
Total			\$ 422,564	\$ 1,970,075	\$ 5,798,800	\$ 7,989,389
<b>Operating Expenses-Unit Costs</b>						
Purchased Power Demand			\$ -	\$ -	\$ -	\$ -
Purchased Power Energy			\$ -	\$ -	\$ -	\$ -
Distribution Demand			\$ 1.671560	\$ (0.003117)	\$ (0.006257)	\$ 4.001243
Distribution Customer			\$ 230.63	\$ 4.94	\$ 20.36	\$ 567.76
<b>Rate Base-Unit Costs</b>						
Distribution Demand			\$ 14.318877	\$ 0.057666	\$ 0.052657	\$ 22.798204
Distribution Customer			\$ 555.9307253	\$ 41.0379885	\$ 104.6369549	\$ 441.9689613

SOUTHERN MARYLAND ELECTRIC COOPERATIVE  
 Cost of Service Study  
 Class Allocation

12 Months Ended  
 December 31, 2009

Description	Name	Allocation Vector	Total System	Residential Service		General Service- Non Demand		General Service Demand		Large Power Service	
				Rate R	Rate GS (401 & 402)	Rate GSD (403 - 405)	Rate LP (501 - 503)				
<b>Unit Revenue Requirement @ Current Class Revenues</b>											
Purchased Power											
Purchased Power Demand											
Purchased Power Energy											
Distribution Demand											
Distribution Demand (Per Kwh or Kw)											
Distribution Demand Margin (Per Kwh or Kw)											
Total Distribution Demand (Per Kwh or Kw)											
Distribution Customer											
Distribution Customer (Per Customer Per Month)											
Distribution Customer Margin (Per Customer Per Month)											
Total Distribution Customer (Per Customer Per Month)											
<b>Unit Revenue Requirement @ Total System Rate of Return</b>											
Purchased Power											
Transmission Demand											
Substation Demand											
Distribution Demand											
Distribution Demand (Per Kwh or Kw)											
Distribution Demand Margin (Per Kwh or Kw)											
Total Distribution Demand (Per Kwh or Kw)											
Distribution Customer											
Distribution Customer (Per Customer Per Month)											
Distribution Customer Margin (Per Customer Per Month)											
Total Distribution Customer (Per Customer Per Month)											

SOUTHERN MARYLAND ELECTRIC COOPERATIVE  
Cost of Service Study  
Class Allocation

12 Months Ended  
December 31, 2009

Description	Name	Allocation Vector	Transmission Service Rate T	Security Yard Lighting Rate SYL	Street Lighting Rate ST	Pax River Navy Contract Special Contract
<b>Unit Revenue Requirement @ Current Class Revenues</b>						
Purchased Power		-	-	-	-	-
Purchased Power Demand		-	-	-	-	-
Purchased Power Energy		-	-	-	-	-
<b>Distribution Demand</b>						
Distribution Demand (Per Kwh or Kw)			1.671560	(0.003117)	(0.006257)	4.001243
Distribution Demand Margin (Per Kwh or Kw)			1.654012	0.011972	0.003230	6.292756
Total Distribution Demand (Per Kwh or Kw)			3.325572	0.008855	(0.002928)	10.293999
<b>Distribution Customer</b>						
Distribution Customer (Per Customer Per Month)			230.63	4.94	20.36	567.76
Distribution Customer Margin (Per Customer Per Month)			53.25	9.33	6.62	96.25
Total Distribution Customer (Per Customer Per Month)			303.98	14.27	26.97	658.01
<b>Unit Revenue Requirement @ Total System Rate of Return</b>						
Purchased Power		-	-	-	-	-
Transmission Demand		-	-	-	-	-
Substation Demand		-	-	-	-	-
<b>Distribution Demand</b>						
Distribution Demand (Per Kwh or Kw)			1.671560	(0.003117)	(0.006257)	4.001243
Distribution Demand Margin (Per Kwh or Kw)			0.645857	0.002047	0.002047	1.197882
Total Distribution Demand (Per Kwh or Kw)			2.317417	(0.001070)	(0.004211)	5.199126
<b>Distribution Customer</b>						
Distribution Customer (Per Customer Per Month)			230.63	4.94	20.36	567.76
Distribution Customer Margin (Per Customer Per Month)			20.83	1.60	-4.07	13.08
Total Distribution Customer (Per Customer Per Month)			271.46	6.53	24.42	580.84

SOUTHERN MARYLAND ELECTRIC COOPERATIVE  
 Cost of Service Study  
 Class Allocation

12 Months Ended  
 December 31, 2009

Description	Name	Allocation Vector	Total System	Residential Service		General Service - Non Demand		General Service Demand		Large Power Service	
				Rate R	Rate GS (401 & 402)	Rate GS (401 & 402)	Rate GSD (403 - 405)	Rate LP (501 - 503)			
Unit Revenue Requirement @ Specified Rate of Return			8.00%	7.61%	9.70%	8.00%	8.00%	8.00%			
Purchased Power											
Transmission Demand											
Substation Demand											
Distribution Demand											
Distribution Demand (Per Kwh or Kw)				0.013789	0.010081	6.580565	4.353380				
Distribution Demand Margin (Per Kwh or Kw)				0.007134	0.006902	3.242880	2.227314				
Total Distribution Demand (Per Kwh or Kw)				0.020923	0.016983	9.823445	6.580693				
Distribution Customer											
Distribution Customer (Per Customer Per Month)				23.30	23.16	33.62	147.42				
Distribution Customer Margin (Per Customer Per Month)				6.26	7.32	7.41	12.94				
Total Distribution Customer (Per Customer Per Month)				29.56	30.48	41.02	160.36				

SOUTHERN MARYLAND ELECTRIC COOPERATIVE  
 Cost of Service Study  
 Class Allocation  
 12 Months Ended  
 December 31, 2009

Description	Name	Allocation Vector	Transmission Service Rate T	Security Yard Lighting Rate SYL	Street Lighting Rate ST	Pax River Navy Contract Special Contract
Unit Revenue Requirement @ Specified Rate of Return			8.00%	8.00%	8.00%	8.00%
Purchased Power			-	-	-	-
Transmission Demand			-	-	-	-
Substation Demand			-	-	-	-
Distribution Demand			1.671560	(0.003117)	(0.006257)	4.001243
Distribution Demand (Per Kwh or Kw)			1.322284	0.004213	0.004213	2.465447
Distribution Demand Margin (Per Kwh or Kw)			3.000844	0.001096	(0.002045)	6.466690
Total Distribution Demand (Per Kwh or Kw)						
Distribution Customer			250.63	4.94	20.36	567.76
Distribution Customer (Per Customer Per Month)			42.87	3.28	8.37	35.36
Distribution Customer Margin (Per Customer Per Month)			293.50	8.22	28.73	603.12
Total Distribution Customer (Per Customer Per Month)						

Zero Intercept Analysis  
Account 365 -- Overhead Conductor

December 31, 2009

	Size	Cost	Quantity	Unit Cost (\$ per Unit)
1/0, ACSR	105 600	119,154.94	1167388.05	0.10207
1/0, HDDB	105 600	141,792.59	256632	0.55251
2, ACSR	66 360	5,317,665.95	7859572	0.67658
2, ACWD	66 360	84,406.86	103399	0.81632
2, HDDB	66 360	69,888.31	272561	0.25641
2, TBWP	66 360	13,226.14	34791	0.38016
2/0 #7, HDDB	133 100	46,549.07	108220	0.43013
2/0, ACSR	133 100	4,665,414.28	5411264	0.86217
3/6, AAWD	94 645	414.01	2225	0.18607
336 4MCM, ASCR	336 400	19,016,357.13	10479647.3	1.81460
4, ACSR	41 740	420,211.41	3515419	0.11953
4, ACWD	41 740	178,940.42	987177.6	0.18126
4, HDDB	41 740	114,905.02	1190406.5	0.09653
4/0 7 strand, HDDB	211 600	195,811.14	186013	1.05267
4/0, ACSR	211 600	116,365.86	355816	0.32704
4/0, TBWP	211 600	118,836.78	96473	1.23181
477, ACSR	477 000	1,123,387.18	405619	2.76956
6 & under, ACWD	26 240	981,830.26	9844138.85	0.09974
6, HDDB	26 240	120,695.22	1394171.1	0.08657
7 #9, AL	21 375	2,076.23	1702	1.21988
		\$ 32,847,928.80	43,672,635	



Zero Intercept Analysis  
Account 365 -- Overhead Conductor

December 31, 2009

Weighted Linear Regression Statistics

	Estimate	Standard Error
Size Coefficient (\$ per MCM)	0.0053288	0.0003438
Zero Intercept (\$ per Unit)	0.0419463	0.0631662
R-Square	0.9677107	

Plant Classification

Total Number of Units	43,672,635
Zero Intercept	0.0419463
Zero Intercept Cost	\$ 1,831,906
Total Cost of Sample	\$ 32,847,929
Percentage of Total	0.055769303
Percentage Classified as Customer-Related	5.58%
Percentage Classified as Demand-Related	94.42%

Zero Intercept Analysis  
Account 367 -- Underground Conductor

December 31, 2009

Description	Size	Cost	Quantity
Cable: #4	41.740	2,475.79	5659
Cable: #6	26.240	10.52	66
Cable: #8	16.510	348.18	1211
Cable: 15KV, #2	66.360	13,276.68	5119
Cable: 15KV, #2, ANA	66.360	7,355.32	6085.5
Cable: 15KV, 1/0, 220 MIL, jackete	105.600	53,931,135.97	14032218.35
Cable: 15KV, 1/0, AL	105.600	14,867,664.07	7441012.5
Cable: 15KV, 1/0, AL, jacketed	105.600	363,164.64	146825
Cable: 15KV, 1/0, AWC, thermo	105.600	1,775,756.34	1820161
Cable: 15KV, 1000MCM, 220 MIL, ERP	1,000.000	3,334,519.96	260271.5
Cable: 15KV, 350MCM, AL	350.000	6,441,646.14	634442
Cable: 15KV, 500MCM	500.000	2,561,001.98	193755
Cable: 15KV, 750MCM, 220 MIL	750.000	1,572,487.76	182744
Cable: 15KV, 750MCM, 220 MIL, EPR	750.000	10,610,419.22	1129956.5
Cable: 15KV, 750MCM, AL	750.000	2,516,450.32	873673
Cable: 15KV, 750MCM, jacketed	750.000	2,451,018.96	295089
		\$ 100,448,732	27,028,288

Zero Intercept Analysis  
 Account 367 -- Underground Conductor

December 31, 2009

Weighted Linear Regression Statistics

	Estimate	Standard Error
Size Coefficient (\$ per MCM)	0.0077894	0.002221
Zero Intercept (\$ per Unit)	2,299,498.0	0.610669
R-Square	0.8480904	

Plant Classification

Total Number of Feet	27,028,288
Zero Intercept	2,299,498.0
Zero Intercept Cost	\$ 62,151,495
Total Cost of Sample	\$ 100,448,732
Percentage of Total	0.618738473
Percentage Classified as Customer-Related	61.87%
Percentage Classified as Demand-Related	38.13%

Zero Intercept Analysis  
Account 368 -- Line Transformers

December 31, 2009

Description	Size KVA	Cost	Quantity	Unit Cost
7.5KVA & under	7.5	170,765.62	2,221.5	\$ 76.87
10-15KVA	10.0	7,831,465.81	21,281.5	\$ 367.99
10-15KVA, underground	10.0	130,998.39	384	\$ 341.14
25-50KVA	25.0	7,023,247.17	11,857	\$ 592.33
25-50KVA, pad mount	25.0	31,707,694.57	18,880.5	\$ 1,679.39
25-50KVA, underground	25.0	2,885,738.07	5,228	\$ 551.98
75-150KVA	75.0	848,785.42	600.5	\$ 1,413.46
75KVA, pad mount	75.0	2,570,429.47	704.5	\$ 3,648.59
100KVA, pad mount	100.0	2,969,807.17	1,110	\$ 2,675.50
100KVA, substation se	100.0	4,037.31	3	\$ 1,345.77
150KVA, pad mount	150.0	3,015,210.05	620	\$ 4,863.24
150KVA, underground	150.0	51,195.34	33	\$ 1,551.37
167KVA	167.0	218,111.04	154	\$ 1,416.31
167KVA, pad mount	167.0	1,820,661.68	514	\$ 3,542.14
225KVA, pad mount	225.0	2,052,593.44	282	\$ 7,278.70
300KVA, pad mount	300.0	2,822,701.26	448	\$ 6,300.67
500KVA	500.0	222,894.77	43	\$ 5,183.60
500KVA, pad mount	500.0	2,833,397.61	870	\$ 3,256.78
667KVA	667.0	7,667.01	8	\$ 958.38
750KVA, pad mount	750.0	2,143,202.47	196	\$ 10,934.71
1000KVA, pad mount	1,000.0	974,057.07	94	\$ 10,362.31
1500KVA, pad mount	1,500.0	414,438.50	42	\$ 9,867.58
2000KVA, pad mount	2,000.0	267,938.00	14	\$ 19,138.43
2500KVA, pad mount	2,500.0	405,898.69	12	\$ 33,824.89
		\$ 73,392,935.93	65,601	

Zero Intercept Analysis  
Account 368 -- Line Transformers

December 31, 2009

Weighted Linear Regression Statistics

	Estimate	Standard Error
Size Coefficient (\$ per KVA)	10 39700889	1 713164997
Zero Intercept (\$ per Transformer)	711 02043	188 3237336
R-Square	0 778385945	

Plant Classification

Total Number of Transformers	65.601
Zero Intercept	711.02043
Zero Intercept Cost	\$ 46,643,295.72
Total Cost of Sample	73,392,935.93
Percentage of Total	63.55%
Percentage Classified as Customer-Related	63.55%
Percentage Classified as Demand-Related	36.45%

Southern Maryland Electric Cooperative				
Summary of Demand Allocators from Load Research Data*				
	kWh Usage	Coincident Peak	Non-Coincident Peak	Sum of Individual Customer Demands
Residential	2,148,093,654	5,340,376	5,501,677	12,577,908
General Service Non Demand	149,223,643	289,668	322,424	560,194
General Service Demand	818,794,578	1,547,991	1,949,954	2,638,736
Large Power	182,772,878	304,847	366,870	422,985
Transmission	3,827,810	24,657	28,613	30,805
Security Yard Lighting	3,682,212	2,948	12,402	12,402
Street Lighting	5,633,969	4,509	18,975	18,975
Pax River	200,843,717	300,988	349,275	376,037

\* Data Provided by KEMA Load Research Division