VOS Distribution Capacity Cost per kW

A. Estimate the percentage of distribution cost that is deferrable per the VOS methodology

		MN Electric Distribution Costs *Nominal*	Percent Capacity Related	Capacity Related Project Costs *Nominal*	2020 Inflation Adjustment Inflation Rate 2.23%	Capacity Related Project Cost *Adjusted for Inflation*
		(a)	(a / b)	(b)	(c)	(c * b) = (d)
1	2018	$175,490,525	4.5%	$7,812,185	104.5%	$8,164,493
2	2017	$155,018,178	6.6%	$10,270,204	106.8%	$10,972,716
3	2016	$165,929,956	9.6%	$15,936,132	109.2%	$17,405,895
4	2015	$134,867,264	12.1%	$16,309,114	111.7%	$18,210,513
5	2014	$129,899,465	16.3%	$21,147,768	114.1%	$24,139,858
6	2013	$142,118,822	20.3%	$28,825,462	116.7%	$33,637,585
7	2012	$109,286,058	20.8%	$22,683,879	119.3%	$27,061,023
8	2011	$100,102,075	7.5%	$7,502,291	122.0%	$9,149,538
9	2010	$98,267,667	11.0%	$10,823,959	124.7%	$13,494,902
10	2009	$82,821,606	10.6%	$8,749,417	127.5%	$11,151,700
	2009-18 Total					$173,388,223

B. Identify Peak Demand historical 10-yr growth rate

		Peak Data MN	KW Growth 2018 vs. 2009	Average Annual Growth Rate
1	2018	**6,419,811**	27,347	
2	2017	6,493,385		
3	2016	6,700,468		
4	2015	6,579,852		
5	2014	6,801,376		
6	2013	7,124,354		
7	2012	6,947,755		
8	2011	6,951,472		
9	2010	6,727,832		
10	2009	**6,392,464**		

C. Calulate Cost per kW Growth 2009-18

Distribution Cost	$173,388,223	(g)	From A
10yrs of KW Growth	27,347	(h)	From B
Cost per kW	$6,340	(i) = (g) / (h)	
Cost per kW (Inserted into Table 15)	$6,340	(j) = (i) unless (i) < 0, then 0	