



August 27, 2015

The Honorable Kimberly D. Bose  
Secretary  
Federal Energy Regulatory Commission  
888 First Street, NE  
Washington D.C. 20426

**RE: City of Rochelle, Docket No. ER15-1464-000 (OATT)  
Errata**

Dear Secretary Bose:

The purpose of this filing is to correct certain information included in the City of Rochelle's Transmission Cost of Service Formula Rate, which was accepted for filing by the Federal Energy Regulatory Commission (FERC) on June 23, 2015 in the above-referenced docket, and which took effect as of August 1, 2015. Specifically, the information pertains to the PJM Transmission Service Network Peak Load (NPL) for 2015, which was designated on line 173 of Tab A of Exhibit No. RMU-205, Attachment H-25B, Page 4 of 5, in the City of Rochelle's original filing as being 22,269 MW. The correct number should be 19,721.2. Using the correct number does not effect a change in the City of Rochelle's approved revenue requirement, nor in its approved transmission cost of service formula rate. Rather, the change, when instituted, will result in an adjustment of the rate as it is applied in 2015.

Enclosed with this transmittal is the corrected version of Tab A of Exhibit No. RMU-205 showing the change to the NPL for the ComEd zone applicable for 2015.

Sincerely,

BOARDMAN & CLARK LLP

Richard A. Heinemann

Attachment  
cc: Service List

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ATTACHMENT H-25B					Summary
Rochelle Municipal Utilities (RMU) Transmission Cost of Service Formula Rate					
Appendix A - Transmission Service Revenue Requirement - RMU					
Formula Rate -- Itemized Costs	FERC Account No.	Notes	FERC Form 1 Page # or Instruction	2014 Actual	
Shaded cells are input cells					
Allocators					
<b>Wages &amp; Salary Allocation Factor</b>					
1	Transmission Wages Expense		p354.21.b	69,999	
2	Total Wages Expense		p354.28.b	2,176,432	
3	Less A&G Wages Expense		p354.27.b	108,973	
4	Total Wages Less A&G Wages Expense		(Line 2 - Line 3)	2,067,459	
5	<b>Wages &amp; Salary Allocator</b>		(Line 1 / Line 4)	<b>3.39%</b>	
<b>Plant Allocation Factors</b>					
6	Electric Plant in Service	101+102p-102s+103+106	(Note B) p207.104.g	71,101,379	
7	Accumulated Depreciation (Total Electric Plant)	108	(Note J) p219.29.c	38,801,798	
8	Accumulated Amortization	119	(Note A) p200.21.c	0	
9	Total Accumulated Depreciation		(Line 7 + 8)	38,801,798	
10	Net Plant		(Line 6 - Line 9)	32,299,581	
11	Transmission Gross Plant		(Line 29 - Line 28)	10,722,028	
12	<b>Gross Plant Allocator</b>		(Line 11 / Line 6)	<b>15.08%</b>	
13	Transmission Net Plant		(Line 41 - Line 28)	5,193,485	
14	<b>Net Plant Allocator</b>		(Line 13 / Line 10)	<b>16.08%</b>	
Electric Plant In Rate Base					
<b>Plant In Service</b>					
15	Transmission Plant In Service	(Note B)	p207.58.g	10,722,028	
16	For Reconciliation only - remove New Transmission Plant Additions for Current Calendar Year	For Reconciliation Only	Attachment 6 - Enter negative	0	
17	New Transmission Plant Additions for Current Calendar Year (weighted by months in service)	(Note B)	Attachment 6	0	
18	<b>Total Transmission Plant</b>		(Line 15 - Line 16 + Line 17)	<b>10,722,028</b>	
19	General		p207.99.g	6,508,717	
20	Intangible		p205.5.g	0	
21	Total General and Intangible Plant		(Line 19 + Line 20)	6,508,717	
22	Less: General Plant Account 397 -- Communications		p207.94.g	0	
23	General and Intangible Excluding Acct. 397		(Line 21 - Line 22)	6,508,717	
24	Wage & Salary Allocator		(Line 5)	3.39%	
25	General and Intangible Plant Allocated to Transmission		(Line 23 * Line 24)	220,369	
26	Account No. 397 Directly Assigned to Transmission		Attachment 5	0	
27	<b>Total General and Intangible Functionalized to Transmission</b>		(Line 25 + Line 26)	<b>220,369</b>	
28	<b>Plant Held for Future Use (Including Land)</b>	(Note C)	Attachment 5	0	
29	<b>Total Plant In Rate Base</b>		(Line 18 + Line 27 + Line 28)	<b>10,942,397</b>	
<b>Accumulated Depreciation</b>					
30	Transmission Accumulated Depreciation	(Note J)	p219.25.c	5,720,446	
31	Accumulated General Depreciation	(Note J)	p219.28.c	840,756	
32	Less: Amount of General Depreciation Associated with Acct. 397	(Note J)	Attachment 5	0	
33	Balance of Accumulated General Depreciation		(Line 31 - Line 32)	840,756	
34	Accumulated Amortization		(Line 8)	0	
35	Accumulated General and Intangible Depreciation Ex. Acct. 397		(Line 33 + 34)	840,756	
36	Wage & Salary Allocator		(Line 5)	3.39%	
37	Subtotal General and Intangible Accum. Depreciation Allocated to Transmission		(Line 35 * Line 36)	28,466	
38	Percent of Acct. 397 Directly Assigned to Transmission		(Line 26 / Line 22)	0.00%	
39	Amount of Gen. Depr. Associated with Acct. 397 Directly Assigned to Trans.		(Line 38 * Line 32)	0	
40	<b>Total Accumulated Depreciation</b>		(Sum Lines 30, 37 & 39)	<b>5,748,912</b>	
41	<b>Total Net Property, Plant &amp; Equipment</b>		(Line 29 - Line 40)	<b>5,193,485</b>	

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Shaded cells are input cells					
<b>Accumulated Deferred Income Taxes</b>					
42	ADIT net of FASB 106 and 109		Attachment 1	0	
<b>CWIP for Incentive Transmission Projects</b>					
43	CWIP Balances for Current Rate Year	(Note H)	Attachment 6	0	
<b>Prepayments</b>					
44	Prepayments (excluding Prepaid Pension Asset)	(Note A)	Attachment 5	7,841	
<b>Materials and Supplies</b>					
45	Undistributed Stores Expense	(Note A)	p227.6.c & 16.c	162,393	
46	Wage & Salary Allocator		(Line 5)	3.39%	
47	Total Undistributed Stores Expense Allocated to Transmission		(Line 45 * Line 46)	5,498	
48	Transmission Materials & Supplies		p227.8.c	39,294	
49	Total Materials & Supplies Allocated to Transmission		(Line 47 + Line 48)	44,792	
<b>Cash Working Capital</b>					
50	Operation & Maintenance Expense (excluding Interest Only Return on Prepaid Pension Asset)		(Line 85 - Line 84)	204,083	
51	1/8th Rule		1/8	12.5%	
52	Total Cash Working Capital Allocated to Transmission		(Line 50 * Line 51)	25,510	
<b>Network Credits</b>					
53	Outstanding Network Credits	(Note N)	Attachment 5	0	
54	<b>Total Adjustment to Rate Base</b>		(Lines 42 + 43 + 44 + 49 + 52 - 53)	78,143	
55	<b>Rate Base</b>		(Line 41 + Line 54)	5,271,628	
<b>Operations &amp; Maintenance Expense</b>					
<b>Transmission O&amp;M</b>					
56	Transmission O&M		Attachment 5	1,339,308	
57	Less Account 565		Attachment 5	1,203,434	
58	Plus (Reserved)		Attachment 5	0	
59	Plus Schedule 12 Charges billed to Transmission Owner and booked to Account 565	(Note O)	PJM Data		
60	Plus Transmission Lease Payments	(Note A)	p200.4.c	0	
61	<b>Transmission O&amp;M</b>		(Lines 56 - 57 + 58 + 59 + 60)	135,874	
<b>Allocated Administrative &amp; General Expenses</b>					
62	Total A&G		Attachment 5	1,788,892	
63	Plus: Fixed PBOP expense	(Note J)	fixed	0	
64	Less: Actual PBOP expense		Attachment 5	0	
65	Less: Reserved		Attachment 5	0	
66	Less: Power Procurement Expense		Attachment 5	0	
67	Less Property Insurance Account 924		p323.185.b	60,203	
68	Less Regulatory Commission Exp Account 928	(Note E)	p323.189.b	0	
69	Less General Advertising Exp Account 930.1		p323.191.b	0	
70	Less EPRI Dues	(Note D)	p352 & 353	0	
71	<b>Administrative &amp; General Expenses</b>		Sum (Lines 62 to 63) - Sum (Lines 64 to 70)	1,728,689	
72	Wage & Salary Allocator		(Line 5)	3.39%	
73	<b>Administrative &amp; General Expenses Allocated to Transmission</b>		(Line 71 * Line 72)	58,529	
<b>Directly Assigned A&amp;G</b>					
74	Regulatory Commission Exp Account 928	(Note G)	Attachment 5	0	
75	General Advertising Exp Account 930.1 - Edu. & Outreach	(Note K)	Attachment 5	0	
76	Subtotal - Accounts 928 and 930.1 - Transmission Related		(Line 74 + Line 75)	0	
77	Property Insurance Account 924		(Line 67)	60,203	
78	General Advertising Exp Account 930.1 - Safety	(Note F)	Attachment 5	0	
79	Total Accounts 928 and 930.1 - General		(Line 77 + Line 78)	60,203	
80	Net Plant Allocator		(Line 14)	16.08%	
81	<b>A&amp;G Directly Assigned to Transmission</b>		(Line 79 * Line 80)	9,680	
<b>Interest on Prepaid Pension Asset</b>					
82	Prepaid Pension Asset (net of associated ADIT)		Attachment 5	0	
83	LTD Cost Rate		(Line 120)	3.95%	
84	<b>Interest on Prepaid Pension Asset</b>		(Line 82 * Line 83)	0	
85	<b>Total Transmission O&amp;M and Interest on Prepaid Pension Asset</b>		(Lines 61 + 73 + 76 + 81 + 84)	204,083	

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<b>Depreciation &amp; Amortization Expense</b>					
<b>Depreciation Expense</b>					
86	Transmission Depreciation Expense Including Amortization of Limited Term Plant	(Note J)	p336.7.b&c&d	349,290	
87	General Depreciation Expense Including Amortization of Limited Term Plant	(Note J)	p336.10.b&c&d	72,728	
88	Amount of General Depreciation Expense Associated with Acct. 397	(Note J)	Attachment 5	0	
89	Balance of General Depreciation Expense		(Line 87 - Line 88)	72,728	
90	Intangible Amortization	(Note A)	p336.1.d&e	0	
91	Total		(Line 89 + Line 90)	72,728	
92	Wage & Salary Allocator		(Line 5)	3.39%	
93	General Depreciation & Intangible Amortization Allocated to Transmission		(Line 91 * Line 92)	2,462	
94	General Depreciation Expense for Acct. 397 Directly Assigned to Transmission		(Line 88 * Line 38)	0	
95	<b>General Depreciation and Intangible Amortization Functionalized to Transmission</b>		(Line 93 + Line 94)	<b>2,462</b>	
96	<b>Total Transmission Depreciation &amp; Amortization</b>		<b>(Lines 86 + 95)</b>	<b>351,752</b>	
<b>Taxes Other than Income Taxes</b>					
97	Taxes Other than Income Taxes		Attachment 2	231,758	
98	<b>Total Taxes Other than Income Taxes</b>		<b>(Line 97)</b>	<b>231,758</b>	
<b>Return \ Capitalization Calculations</b>					
<b>Long Term Interest</b>					
99	Long Term Interest		p117.62-67.c	658,610	
100	Less LTD Interest on Securitization Bonds	(Note P)	Attachment 8	0	
101	<b>Long Term Interest</b>		(Line 99 - Line 100)	<b>658,610</b>	
102	<b>Preferred Dividends</b>	enter positive	p118.29.c	<b>0</b>	
<b>Common Stock</b>					
103	Proprietary Capital		p112.16.c	42,769,726	
104	Less Accumulated Other Comprehensive Income Account 219		p112.15.c	0	
105	Less Preferred Stock		(Line 114)	0	
106	Less Account 216.1		p112.12.c	0	
107	<b>Common Stock</b>		(Line 103 - 104 - 105 - 106)	<b>42,769,726</b>	
<b>Capitalization</b>					
108	Long Term Debt		p112.18-21.c	16,695,000	
109	Less Loss on Reacquired Debt		p111.81.c	26,099	
110	Plus Gain on Reacquired Debt		p113.61.c	0	
111	Less ADIT associated with Gain or Loss		Attachment 1	0	
112	Less LTD on Securitization Bonds	(Note P)	Attachment 8	0	
113	<b>Total Long Term Debt</b>		(Line 108 - 109 + 110 - 111 - 112)	<b>16,668,901</b>	
114	Preferred Stock		p112.3.c	0	
115	Common Stock		(Line 107)	42,769,726	
116	<b>Total Capitalization</b>		(Sum Lines 113 to 115)	<b>59,438,627</b>	
117	Debt %	Total Long Term Debt	(Note Q) (Line 113 / Line 116)	45.0%	
118	Preferred %	Preferred Stock	(Line 114 / Line 116)	0.0%	
119	Common %	Common Stock	(Note Q) (Line 115 / Line 116)	55.0%	
120	Debt Cost	Total Long Term Debt	(Line 101 / Line 113)	3.95%	
121	Preferred Cost	Preferred Stock	(Line 102 / Line 114)	0.00%	
122	Common Cost	Common Stock	(Note J) Fixed	11.50%	
123	Weighted Cost of Debt	Total Long Term Debt (WCLTD)	(Line 117 * Line 120)	1.78%	
124	Weighted Cost of Preferred	Preferred Stock	(Line 118 * Line 121)	0.00%	
125	Weighted Cost of Common	Common Stock	(Line 119 * Line 122)	6.33%	
126	<b>Rate of Return on Rate Base ( ROR )</b>		(Sum Lines 123 to 125)	<b>8.10%</b>	
127	<b>Investment Return = Rate Base * Rate of Return</b>		<b>(Line 55 * Line 126)</b>	<b>427,161</b>	

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<b>Composite Income Taxes</b>					
<b>Income Tax Rates</b>					
128	FIT=Federal Income Tax Rate	(Note I)		0.00%	
129	SIT=State Income Tax Rate or Composite			0.00%	
130	p	(percent of federal income tax deductible for state purposes)	Per State Tax Code	0.00%	
131	T			0.00%	
132	T / (1-T)	$T = 1 - \{[(1 - SIT) * (1 - FIT)] / (1 - SIT * FIT * p)\} =$		0.00%	
<b>ITC Adjustment</b>					
133	Amortized Investment Tax Credit	(Note I)	p266.8.f	0	
134	1/(1-T)	enter negative	1 / (1 - Line 131)	100.00%	
135	Net Plant Allocation Factor		(Line 14)	16.08%	
136	<b>ITC Adjustment Allocated to Transmission</b>		(Line 133 * Line 134 * Line 135)	0	
137	<b>Income Tax Component =</b>	$(T/1-T) * \text{Investment Return} * (1 - (WCLTD/ROR)) =$	[Line 132 * Line 127 * (1 - (Line 123 / Line 126))]	-	
138	<b>Total Income Taxes</b>		<b>(Line 136 + Line 137)</b>	-	
<b>Revenue Requirement</b>					
<b>Summary</b>					
139	Net Property, Plant & Equipment		(Line 41)	5,193,485	
140	Total Adjustment to Rate Base		(Line 54)	78,143	
141	<b>Rate Base</b>		(Line 55)	<b>5,271,628</b>	
142	Total Transmission O&M		(Line 85)	204,083	
143	Total Transmission Depreciation & Amortization		(Line 96)	351,752	
144	Taxes Other than Income		(Line 98)	231,758	
145	Investment Return		(Line 127)	427,161	
146	Income Taxes		(Line 138)	0	
<b>147</b>	<b>Gross Revenue Requirement</b>		<b>(Sum Lines 142 to 146)</b>	<b>1,214,754</b>	
<b>Adjustment to Remove Revenue Requirements Associated with Excluded Transmission Facilities</b>					
148	Transmission Plant In Service		(Line 15)	10,722,028	
149	Excluded Transmission Facilities	(Note M)	Attachment 5	0	
150	Included Transmission Facilities		(Line 148 - Line 149)	10,722,028	
151	Inclusion Ratio		(Line 150 / Line 148)	100.00%	
152	Gross Revenue Requirement		(Line 147)	1,214,754	
153	<b>Adjusted Gross Revenue Requirement</b>		(Line 151 * Line 152)	<b>1,214,754</b>	
<b>Revenue Credits &amp; Interest on Network Credits</b>					
154	Revenue Credits		Attachment 3	0	
155	Interest on Network Credits	(Note N)	Attachment 5	0	
<b>156</b>	<b>Net Revenue Requirement</b>		<b>(Line 153 - Line 154 + Line 155)</b>	<b>1,214,754</b>	
<b>Net Plant Carrying Charge</b>					
157	Gross Revenue Requirement		(Line 152)	1,214,754	
158	Net Transmission Plant		(Line 15 - Line 30)	5,001,582	
159	Net Plant Carrying Charge		(Line 157 / Line 158)	24.29%	
160	Net Plant Carrying Charge without Depreciation		(Line 157 - Line 86) / Line 158	17.30%	
161	Net Plant Carrying Charge without Depreciation, Return, nor Income Taxes		(Line 157 - Line 86 - Line 127 - Line 138) / Line 158	8.76%	
<b>Net Plant Carrying Charge Calculation with 100 Basis Point increase in ROE</b>					
162	Gross Revenue Requirement Less Return and Taxes		(Line 152 - Line 145 - Line 146)	787,594	
163	Increased Return and Taxes		Attachment 4	456,154	
164	Net Revenue Requirement per 100 Basis Point increase in ROE		(Line 162 + Line 163)	1,243,748	
165	Net Transmission Plant		(Line 15 - Line 30)	5,001,582	
166	Net Plant Carrying Charge with 100 Basis Point increase in ROE		(Line 164 / Line 165)	24.87%	
167	Net Plant Carrying Charge with 100 Basis Point increase in ROE without Depreciation		(Line 164 - Line 86) / Line 165	17.88%	
168	<b>Net Revenue Requirement</b>		(Line 156)	<b>1,214,754</b>	
169	True-up amount		Attachment 6	-	
170	Plus any increased ROE calculated on Attachment 7 other than PJM Sch. 12 projects not paid by other PJM transmission zones		Attachment 7	-	
171	Facility Credits under Section 30.9 of the PJM OATT		Attachment 5	-	
172	<b>Net Zonal Revenue Requirement</b>		(Line 168 + 169 + 170 + 171)	<b>1,214,754</b>	
<b>Network Zonal Service Rate</b>					
173	1 CP Peak	(Note L)	PJM Data	19,721.2	
174	Rate (\$/MW-Year)		(Line 172 / 173)	\$ 61.60	
<b>175</b>	<b>Network Service Rate (\$/MW/Year)</b>		<b>(Line 174)</b>	<b>\$ 61.60</b>	

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Notes				

- A** Electric portion only
- B** Line 16, for the Reconciliation, includes New Transmission Plant that was actually placed in service weighted by the number of months it was actually in service  
 Line 17 includes New Transmission Plant to be placed in service in the current calendar year that is not included in the PJM regional Transmission Plan (RTEP) (time-weighted) as shown on Attachment 6.
- C** Includes Transmission portion only. At each annual informational filing, Company will identify for each parcel of land an intended use within a 15 year period.
- D** Includes all EPRI Annual Membership Dues
- E** Includes all Regulatory Commission Expenses
- F** Includes Safety related advertising included in Account 930.1
- G** Includes Regulatory Commission Expenses directly related to transmission service, RTO filings, or transmission siting itemized in Form 1 at 351.h.
- H** CWIP can only be included if authorized by the Commission.
- I** The currently effective income tax rate where FIT is the Federal income tax rate; SIT is the State income tax rate, and p = the percentage of federal income tax deductible for state income taxes.
- J** ROE will be supported in the original filing and no change in ROE will be made absent a filing at FERC.  
 PBOP expense is fixed until changed as the result of a filing at FERC.  
 Depreciation rates shown in Attachment 9 are fixed until changed as the result of a filing at FERC.  
 If book depreciation rates are different than the Attachment 9 rates, ComEd will provide workpapers at the annual update to reconcile formula depreciation expense and depreciation accruals to Form No. 1 amounts.
- K** Education and outreach expenses relating to transmission, for example siting or billing
- L** As provided for in Section 34.1 of the PJM OATT; the PJM established billing determinants will not be revised or updated in the annual rate reconciliations.
- M** Amount of transmission plant excluded from rates per Attachment 5.
- N** Outstanding Network Credits is the balance of Network Facilities Upgrades Credits due Transmission Customers who have made lump-sum payments towards the construction of Network Transmission Facilities consistent with Paragraph 657 of Order 2003-A.  
 Interest on the Network Credits as booked each year is added to the revenue requirement to make the Transmission Owner whole on Line 155.
- O** Payments made under Schedule 12 of the PJM OATT that are not directly assessed to load in the Zone under Schedule 12 are included in Transmission O&M on Line 56. If they are booked to Acct 565, they are included on Line 59.
- P** Securitization bonds may be included in the capital structure.
- Q** Equity and debt ratios will be the ratios determined by the actual capital structure and the specified calculation processes of the formula, except that if during the period May 1, 2007 through May 31, 2009 the formula produces an equity ratio exceeding 58.0%, the formulaic value at Line 119 shall be manually set to 58.0% and the formulaic value at Line 117 shall be manually set to 42.0% less the percentage shown at Line 118.  
 If, during the period June 1, 2009 through May 31, 2010, the formula produces an equity ratio exceeding 57.0%, the formulaic value at Line 119 shall be manually set to 57% and the value at Line 117 shall be manually set to 43.0% less the percentage shown at Line 118.  
 If, during the period June 1, 2010 through May 31, 2011, the formula produces an equity ratio exceeding 56.0%, the formulaic value at Line 119 shall be manually set to 56% and the value at Line 117 shall be manually set to 44.0% less the percentage shown at Line 118.  
 If, during any period following May 31, 2011, the formula produces an equity ratio exceeding 55.0%, the formulaic value at Line 119 shall be manually set to 55.0% and the formulaic value at Line 117 shall be manually set to 45.0% less the percentage shown at Line 118.