Fortress Thurso feasibility
Financial Feasibility - 10 year Horizon
Rate Impact Analysis

Dollars		Year 1 **1**	Year 2 **2**	Year 3 **3**	Year 4 **4**	Year 5 **5**	Year 6 **6**	Year 7 **7**	Year 8 **8**	Year 9 **9**	Year 10 **10**
REVENUE											
A. Effective Project Revenue		3,548,031	3,548,031	3,548,031	3,548,031	3,548,031	3,548,031	3,548,031	3,548,031	2,771,869	2,513,149
B. Year "0" Revenue Rate Case)	51,733,100										
C. Total Revenue (year "0" + projected revenue)	51,733,100	55,281,131	55,281,131	55,281,131	55,281,131	55,281,131	55,281,131	55,281,131	55,281,131	54,504,969	54,246,249
REVENUE REQUIREMENT											
D. Effective Project Revenue Requirement		2,865,612	2,998,192	2,994,833	2,991,082	2,986,961	2,982,494	2,977,700	2,972,599	2,666,370	2,560,189
E. Year "0" Revenue Requirement	51,733,100										
F. Total Revenue Requirement (year "0" + project rev.req.)	51,733,100	54,598,712	54,731,292	54,727,933	54,724,182	54,720,061	54,715,594	54,710,800	54,705,699	54,399,470	54,293,289
(D - A) DEFICIENCY or RATE IMPACT		(682,419)	(549,838)	(553,197)	(556,949)	(561,069)	(565,537)	(570,331)	(575,431)	(105,499)	47,041
(D - A)/ C % Rate Impact vs Yr 0		-1.23%	-0.99%	-1.00%	-1.01%	-1.01%	-1.02%	-1.03%	-1.04%	-0.19%	0.09%
LEVELIZED RATE IMPACT CALCULATION											
L. Rate Impact (D -A)		(682,419)	(549,838)	(553,197)	(556,949)	(561,069)	(565,537)	(570,331)	(575,431)	(105,499)	47,041
M. $ Levelized Impact (10 yrs.)	(495,390)										
N. Levelized Revenue	55,142,821										
O. % Levelized Impact	-0.898%	(496,633)	(496,633)	(496,633)	(496,633)	(496,633)	(496,633)	(496,633)	(496,633)	(489,660)	(487,336)
Levelized Rate Impact Detailed Calculation											
Period		0.5	1.5	2.5	3.5	4.5	5.5	6.5	7.5	8.5	9.5
Discount rate (pre-tax)		6.44%	6.44%	6.44%	6.44%	6.44%	6.44%	6.44%	6.44%	6.44%	6.44%
Discount factor		0.9693	0.9107	0.8556	0.8038	0.7552	0.7095	0.6666	0.6263	0.5884	0.5528
Rate Impact		(682,419)	(549,838)	(553,197)	(556,949)	(561,069)	(565,537)	(570,331)	(575,431)	(105,499)	47,041
PV Rate Impact		(661,457)	(500,711)	(473,296)	(447,682)	(423,713)	(401,253)	(380,176)	(360,374)	(62,074)	26,004
DCF	(3,684,732)										
Levelized Rate Impact		(495,390)	(495,390)	(495,390)	(495,390)	(495,390)	(495,390)	(495,390)	(495,390)	(495,390)	(495,390)
PV Levelized Rate Impact		(480,173)	(451,128)	(423,839)	(398,201)	(374,113)	(351,483)	(330,222)	(310,246)	(291,480)	(273,848)
DCF	(3,684,732)										
s/b=0	0										
Levelized Revenue Detailed Calculation											
Period		0.5	1.5	2.5	3.5	4.5	5.5	6.5	7.5	8.5	9.5
Discount rate (pre-tax)		6.44%	6.44%	6.44%	6.44%	6.44%	6.44%	6.44%	6.44%	6.44%	6.44%
Discount factor		0.9693	0.9107	0.8556	0.8038	0.7552	0.7095	0.6666	0.6263	0.5884	0.5528
Revenue		55,281,131	55,281,131	55,281,131	55,281,131	55,281,131	55,281,131	55,281,131	55,281,131	54,504,969	54,246,249
PV Rate Impact		53,583,064	50,341,807	47,296,614	44,435,626	41,747,701	39,222,369	36,849,795	34,620,738	32,069,838	29,986,904
DCF	410,154,455										
Levelized Rate Impact		55,142,821	55,142,821	55,142,821	55,142,821	55,142,821	55,142,821	55,142,821	55,142,821	55,142,821	55,142,821
PV Levelized Rate Impact		53,449,002	50,215,855	47,178,281	44,324,451	41,643,251	39,124,237	36,757,599	34,534,119	32,445,139	30,482,522
DCF	410,154,455										
s/b=0	0										