

Residential added load - Gas Stove
Financial Feasibility - 21 year Horizon
Parameters and Results

| Line No. | <u>Col. 1</u> Description | <u>Col. 2</u> | <u>Col. 4</u> Year 1 | <u>Col. 5</u> Year 2 | <u>Col. 6</u> Year 3 | <u>Col. 7</u> Year 4 | <u>Col. 8</u> Year 5 | <u>Col. 9</u> Year 6 | <u>Col. 10</u> Year 7 | <u>Col. 11</u> Year 8 |
|-------------------------------|----------------------------------|---------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|--------------------------|--------------------------|
| FEASIBILITY PARAMETERS | | | | | | | | | | |
| 1. | Discount Rate | 5.57% | | | | | | | | |
| 2. | CCA Rate | 6.00% | | | | | | | | |
| 3. | Tax Rate | 26.90% | | | | | | | | |
| 4. | Municipal Tax rate | 0.00% | | | | | | | | |
| 5. | Capital Tax Rate | 0.00% | | | | | | | | |
| 6. | Revenue Horizon | 21 | | | | | | | | |
| 7. | Total number of participants | | 1 | | | | | | | |
| 8. | Capital Costs | | | | | | | | | |
| 9. | Mains (Dollars) | | - | - | - | - | - | - | - | - |
| 10. | Services (Dollars) | | - | - | - | - | - | - | - | - |
| 11. | Meters (Dollars) | | - | - | - | - | - | - | - | - |
| 12. | Stations (Dollars) | | - | - | - | - | - | - | - | - |
| 13. | Commercial program (Dollars) | | 150 | - | - | - | - | - | - | - |
| 14. | Annual Revenues (Dollars) | | 15 | 29 | 29 | 29 | 29 | 29 | 29 | 29 |
| 15. | Annual O&M (Dollars) | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| FEASIBILITY RESULTS | | | | | | | | | | |
| 16. | Net Present Value (Dollars) | 146.62 | | | | | | | | |
| 17. | Profitability Index | 2.004 | | | | | | | | |
| 18. | IRR | 20.98% | | | | | | | | |
| 19. | Levelized Rate Impact (21 years) | -0.000026% | | | | | | | | |
| 20. | Cross-Over Year | 1 and 6 | | | | | | | | |

Note a) 50% effectivity considered for the first and last year revenues

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| Line No. | <u>Col. 1</u> Description | <u>Col. 12</u> Year 9 | <u>Col. 13</u> Year 10 | <u>Col. 14</u> Year 11 | <u>Col. 15</u> Year 12 | <u>Col. 16</u> Year 13 | <u>Col. 17</u> Year 14 | <u>Col. 18</u> Year 15 | <u>Col. 19</u> Year 16 | <u>Col. 20</u> Year 17 | <u>Col. 21</u> Year 18 | <u>Col. 22</u> Year 19 | <u>Col. 23</u> Year 20 | <u>Col. 24</u> Year 21 |
|-------------------------------|------------------------------|--------------------------|---------------------------|---------------------------|---------------------------|---------------------------|---------------------------|---------------------------|---------------------------|---------------------------|---------------------------|---------------------------|---------------------------|---------------------------|
| FEASIBILITY PARAMETERS | | | | | | | | | | | | | | |
| 1. | Discount Rate | | | | | | | | | | | | | |
| 2. | CCA Rate | | | | | | | | | | | | | |
| 3. | Tax Rate | | | | | | | | | | | | | |
| 4. | Municipal Tax rate | | | | | | | | | | | | | |
| 5. | Capital Tax Rate | | | | | | | | | | | | | |
| 6. | Revenue Horizon | | | | | | | | | | | | | |
| 7. | Total number of participants | | | | | | | | | | | | | |
| 8. | Capital Costs | | | | | | | | | | | | | |
| 9. | Mains (Dollars) | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 10. | Services (Dollars) | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 11. | Meters (Dollars) | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 12. | Stations (Dollars) | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 13. | Commercial program (Dollars) | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 14. | Annual Revenues (Dollars) | 29 | 29 | 29 | 29 | 29 | 29 | 29 | 29 | 29 | 29 | 29 | 29 | 15 |
| 15. | Annual O&M (Dollars) | | | | | | | | | | | | | |

FEASIBILITY RESULTS

- 16. Net Present Value (Dollars)
- 17. Profitability Index
- 18. IRR
- 19. Levelized Rate Impact (21 years)
- 20. Cross-Over Year

Note a) 50% effectivity considered for the first and last

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Rate Impact Analysis

| Dollars | Year 1 | Year 2 | Year 3 | Year 4 | Year 5 | Year 6 | Year 7 | Year 8 | Year 9 | Year 10 |
|--|---------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|
| | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 |
| REVENUE | | | | | | | | | | |
| A. Effective Project Revenue | 15 | 29 | 29 | 29 | 29 | 29 | 29 | 29 | 29 | 29 |
| B. Year "0" Revenue (2015 Rate Case) | 60,741,800 | | | | | | | | | |
| C. Total Revenue (year "0" + projected revenue) | 60,741,800 | 60,741,815 | 60,741,829 | 60,741,829 | 60,741,829 | 60,741,829 | 60,741,829 | 60,741,829 | 60,741,829 | 60,741,829 |
| REVENUE REQUIREMENT | | | | | | | | | | |
| D. Effective Project Revenue Requirement | (30) | 50 | 48 | 46 | 43 | 21 | 0 | 0 | 0 | 0 |
| E. Year "0" Revenue Requirement | 60,741,800 | | | | | | | | | |
| F. Total Revenue Requirement (year "0" + project rev.req.) | 60,741,800 | 60,741,770 | 60,741,850 | 60,741,848 | 60,741,846 | 60,741,843 | 60,741,821 | 60,741,800 | 60,741,800 | 60,741,800 |
| (D - A) DEFICIENCY or RATE IMPACT | (44) | 21 | 19 | 16 | 14 | (8) | (29) | (29) | (29) | (29) |
| (D - A) / C % Rate Impact vs Yr 0 | 0.000% | 0.00% | 0.00% | 0.00% | 0.000% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| LEVELIZED RATE IMPACT CALCULATION | | | | | | | | | | |
| L. Rate Impact (D -A) | (44) | 21 | 19 | 16 | 14 | (8) | (29) | (29) | (29) | (29) |
| M. \$ Levelized Impact (21 yrs.) | Disc. Rate of | (16) | | | | | | | | |
| N. Levelized Revenue | 6.285% | 60,741,828 | | | | | | | | |
| O. % Levelized Impact | 0.000% | (16) | (16) | (16) | (16) | (16) | (16) | (16) | (16) | (16) |

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| Dollars | Year 11 | Year 12 | Year 13 | Year 14 | Year 15 | Year 16 | Year 17 | Year 18 | Year 19 | Year 20 | Year 21 |
|--|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|
| | 11 | 12 | 13 | 14 | 15 | 16 | 17 | 18 | 19 | 20 | 21 |
| REVENUE | | | | | | | | | | | |
| A. Effective Project Revenue | 29 | 29 | 29 | 29 | 29 | 29 | 29 | 29 | 29 | 29 | 15 |
| B. Year "0" Revenue (2015 Rate Case) | | | | | | | | | | | |
| C. Total Revenue (year "0" + projected revenue) | 60,741,829 | 60,741,829 | 60,741,829 | 60,741,829 | 60,741,829 | 60,741,829 | 60,741,829 | 60,741,829 | 60,741,829 | 60,741,829 | 60,741,815 |
| REVENUE REQUIREMENT | | | | | | | | | | | |
| D. Effective Project Revenue Requirement | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| E. Year "0" Revenue Requirement | | | | | | | | | | | |
| F. Total Revenue Requirement (year "0" + project rev.req.) | 60,741,800 | 60,741,800 | 60,741,800 | 60,741,800 | 60,741,800 | 60,741,800 | 60,741,800 | 60,741,800 | 60,741,800 | 60,741,800 | 60,741,800 |
| (D - A) DEFICIENCY or RATE IMPACT | (29) | (29) | (29) | (29) | (29) | (29) | (29) | (29) | (29) | (29) | (15) |
| (D - A) / C % Rate Impact vs Yr 0 | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| LEVELIZED RATE IMPACT CALCULATION | | | | | | | | | | | |
| L. Rate Impact (D -A) | (29) | (29) | (29) | (29) | (29) | (29) | (29) | (29) | (29) | (29) | (15) |
| M. \$ Levelized Impact (21 yrs.) | | | | | | | | | | | |
| N. Levelized Revenue | | | | | | | | | | | |
| O. % Levelized Impact | (16) | (16) | (16) | (16) | (16) | (16) | (16) | (16) | (16) | (16) | (16) |