

**Financial Feasibility  
DCF Analysis**

Line No.	Col. 1 Description	Col. 2 Year 0	Col. 3 Year 1	Col. 4 Year 2	Col. 5 Year 3	Col. 6 Year 4	Col. 7 Year 5	Col. 8 Year 6	Col. 9 Year 7	Col. 10 Year 8	Col. 11 Year 9	Col. 12 Year 10
<b><u>INCREMENTAL CAPITAL INVESTMENT</u></b>												
1.	Investment In Mains	(557,365)		(547,817)								
2.	Working Capital											
3.	Total Investments	(557,365)	-	(547,817)								
4.	PV of Net Investment At Project outset	(556,189)	-	(517,439)								
5.	<b>ACCUMULATED PV OF TOTAL INVESTMENT</b>	(556,189)	(556,189)	(1,073,627)	(1,073,627)	(1,073,627)	(1,073,627)	(1,073,627)	(1,073,627)	(1,073,627)	(1,073,627)	(1,073,627)
<b><u>CCA TAX SHIELD</u></b>												
6.	CCA Tax Shield		4,481	13,098	16,717	15,714	14,771	13,885	13,051	12,268	11,532	10,840
7.	PV Of CCA Tax Shield At Project Outset		4,351	12,087	14,664	13,103	11,707	10,461	9,347	8,352	7,462	6,668
8.	<b>ACCUMULATED PV OF CCA TAX SHIELD</b>		4,351	16,438	31,102	44,205	55,912	66,373	75,720	84,072	91,534	98,202
<b><u>INCREMENTAL OPERATING CASHFLOWS (BEFORE TAXES)</u></b>												
9.	Gas Distribution Revenue		-	-	-	-	-	-	-	-	-	-
10.	Gas Costs		-	-	-	-	-	-	-	-	-	-
11.	O&M		4,500	4,500	4,500	4,500	4,500	4,500	4,500	4,500	4,500	4,500
12.	Net Operating Cash (Before Taxes)		4,500	4,500	4,500	4,500	4,500	4,500	4,500	4,500	4,500	4,500
13.	PV of Net Operating Cash (Before Taxes) At Project Outset		4,369	4,153	3,947	3,752	3,567	3,390	3,223	3,063	2,912	2,768
14.	<b>ACCUMULATED PV OF NET OPERATING CASH (BEFORE TAXES)</b>		4,369	8,522	12,469	16,221	19,788	23,178	26,401	29,465	32,376	35,144
<b><u>TAXES</u></b>												
15.	Income Tax (Before Interest Tax Shield)		(109)	948	902	856	810	764	718	672	626	580
16.	Municipal Tax		(4,094)	(8,038)	(7,866)	(7,695)	(7,523)	(7,352)	(7,180)	(7,008)	(6,837)	(6,665)
17.	Total Taxes		(4,203)	(7,090)	(6,964)	(6,839)	(6,713)	(6,587)	(6,462)	(6,336)	(6,211)	(6,085)
18.	PV of Total Taxes At Project Outset		(4,080)	(6,543)	(6,109)	(5,702)	(5,321)	(4,963)	(4,628)	(4,313)	(4,019)	(3,743)
19.	<b>ACCUMULATED PV OF TOTAL TAXES</b>		(4,080)	(10,623)	(16,732)	(22,434)	(27,755)	(32,718)	(37,345)	(41,659)	(45,677)	(49,420)
<b><u>ACCUMULATED NPV AND PI</u></b>												
20.	Net Present Value		(551,549)	(1,059,291)	(1,046,788)	(1,035,635)	(1,025,682)	(1,016,794)	(1,008,852)	(1,001,750)	(995,394)	(989,702)
21.	Profitability Index		0.008	0.013	0.025	0.035	0.045	0.053	0.060	0.067	0.073	0.078

Note a) Construction period one month in August 2017 and one month in September of 2018 .

August 1 2017 is project outset as time 0.

Note b) Year 1 is defined as September 1 2017 - August 31 2018. Year 2 from September 1 2018 - August 31 2019 and so on.

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**Financial Feasibility  
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	Col. 1	Col. 13	Col. 14	Col. 15	Col. 16	Col. 17	Col. 18	Col. 19	Col. 20	Col. 21	Col. 22
Line No.	Description	Year 11	Year 12	Year 13	Year 14	Year 15	Year 16	Year 17	Year 18	Year 19	Year 20
<b><u>INCREMENTAL CAPITAL INVESTMENT</u></b>											
1.	Investment In Mains										
2.	Working Capital										
3.	Total Investments										
4.	PV of Net Investment At Project outset										
5.	<b>ACCUMULATED PV OF TOTAL INVESTMENT</b>	(1,073,627)	(1,073,627)	(1,073,627)	(1,073,627)	(1,073,627)	(1,073,627)	(1,073,627)	(1,073,627)	(1,073,627)	(1,073,627)
<b><u>CCA TAX SHIELD</u></b>											
6.	CCA Tax Shield	10,190	9,579	9,004	8,464	7,956	7,478	7,030	6,608	6,211	5,839
7.	PV Of CCA Tax Shield At Project Outset	5,958	5,323	4,757	4,250	3,798	3,393	3,032	2,709	2,421	2,163
8.	<b>ACCUMULATED PV OF CCA TAX SHIELD</b>	104,160	109,483	114,240	118,490	122,287	125,680	128,712	131,421	133,842	136,005
<b><u>INCREMENTAL OPERATING CASHFLOWS (BEFORE TAXES)</u></b>											
9.	Gas Distribution Revenue	-	-	-	-	-	-	-	-	-	-
10.	Gas Costs	-	-	-	-	-	-	-	-	-	-
11.	O&M	4,500	4,500	4,500	4,500	4,500	4,500	4,500	4,500	4,500	4,500
12.	Net Operating Cash (Before Taxes)	4,500	4,500	4,500	4,500	4,500	4,500	4,500	4,500	4,500	4,500
13.	PV of Net Operating Cash (Before Taxes) At Project Outset	2,631	2,501	2,377	2,260	2,148	2,042	1,941	1,845	1,754	1,667
14.	<b>ACCUMULATED PV OF NET OPERATING CASH (BEFORE TAXES)</b>	37,775	40,276	42,654	44,913	47,061	49,103	51,044	52,889	54,643	56,310
<b><u>TAXES</u></b>											
15.	Income Tax (Before Interest Tax Shield)	534	488	442	396	350	304	258	212	166	120
16.	Municipal Tax	(6,494)	(6,322)	(6,150)	(5,979)	(5,807)	(5,636)	(5,464)	(5,293)	(5,121)	(4,949)
17.	Total Taxes	(5,959)	(5,834)	(5,708)	(5,583)	(5,457)	(5,331)	(5,206)	(5,080)	(4,955)	(4,829)
18.	PV of Total Taxes At Project Outset	(3,484)	(3,242)	(3,016)	(2,803)	(2,605)	(2,419)	(2,245)	(2,083)	(1,931)	(1,789)
19.	<b>ACCUMULATED PV OF TOTAL TAXES</b>	(52,905)	(56,147)	(59,162)	(61,966)	(64,570)	(66,989)	(69,235)	(71,317)	(73,248)	(75,037)
<b><u>ACCUMULATED NPV AND PI</u></b>											
20.	Net Present Value	(984,597)	(980,015)	(975,896)	(972,190)	(968,849)	(965,833)	(963,106)	(960,635)	(958,391)	(956,350)
21.	Profitability Index	0.083	0.087	0.091	0.094	0.098	0.100	0.103	0.105	0.107	0.109

Note a) Construction period one month in August 2017 and one month in September of 2018 .

August 1 2017 is project outset as time 0.

Note b) Year 1 is defined as September 1 2017 - August 31 2018. Year 2 from September 1 2018 - August 31 2019 a

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**Financial Feasibility  
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Line No.	Col. 1 Description	Col. 23 Year 21	Col. 24 Year 22	Col. 25 Year 23	Col. 26 Year 24	Col. 27 Year 25	Col. 28 Year 26	Col. 29 Year 27	Col. 30 Year 28	Col. 31 Year 29	Col. 32 Year 30
<b><u>INCREMENTAL CAPITAL INVESTMENT</u></b>											
1.	Investment In Mains										
2.	Working Capital										
3.	Total Investments										
4.	PV of Net Investment At Project outset										
5.	<b>ACCUMULATED PV OF TOTAL INVESTMENT</b>	(1,073,627)	(1,073,627)	(1,073,627)	(1,073,627)	(1,073,627)	(1,073,627)	(1,073,627)	(1,073,627)	(1,073,627)	(1,073,627)
<b><u>CCA TAX SHIELD</u></b>											
6.	CCA Tax Shield	5,488	5,159	4,850	4,559	4,285	4,028	3,786	3,559	3,346	3,145
7.	PV Of CCA Tax Shield At Project Outset	1,933	1,727	1,543	1,379	1,232	1,101	983	879	785	702
8.	<b>ACCUMULATED PV OF CCA TAX SHIELD</b>	137,937	139,664	141,207	142,586	143,817	144,918	145,902	146,780	147,565	148,267
<b><u>INCREMENTAL OPERATING CASHFLOWS (BEFORE TAXES)</u></b>											
9.	Gas Distribution Revenue	-	-	-	-	-	-	-	-	-	-
10.	Gas Costs	-	-	-	-	-	-	-	-	-	-
11.	O&M	4,500	4,500	4,500	4,500	4,500	4,500	4,500	4,500	4,500	4,500
12.	Net Operating Cash (Before Taxes)	4,500	4,500	4,500	4,500	4,500	4,500	4,500	4,500	4,500	4,500
13.	PV of Net Operating Cash (Before Taxes) At Project Outset	1,585	1,506	1,432	1,361	1,294	1,230	1,169	1,111	1,056	1,004
14.	<b>ACCUMULATED PV OF NET OPERATING CASH (BEFORE TAXES)</b>	57,894	59,400	60,832	62,193	63,486	64,716	65,885	66,996	68,052	69,056
<b><u>TAXES</u></b>											
15.	Income Tax (Before Interest Tax Shield)	74	28	(18)	(63)	(109)	(155)	(201)	(247)	(293)	(339)
16.	Municipal Tax	(4,778)	(4,606)	(4,435)	(4,263)	(4,092)	(3,920)	(3,748)	(3,577)	(3,405)	(3,234)
17.	Total Taxes	(4,703)	(4,578)	(4,452)	(4,327)	(4,201)	(4,075)	(3,950)	(3,824)	(3,699)	(3,573)
18.	PV of Total Taxes At Project Outset	(1,656)	(1,532)	(1,416)	(1,308)	(1,208)	(1,114)	(1,026)	(944)	(868)	(797)
19.	<b>ACCUMULATED PV OF TOTAL TAXES</b>	(76,693)	(78,225)	(79,642)	(80,950)	(82,158)	(83,271)	(84,297)	(85,241)	(86,110)	(86,907)
<b><u>ACCUMULATED NPV AND PI</u></b>											
20.	Net Present Value	(954,489)	(952,788)	(951,230)	(949,799)	(948,481)	(947,265)	(946,138)	(945,093)	(944,120)	(943,211)
21.	Profitability Index	0.111	0.113	0.114	0.115	0.117	0.118	0.119	0.120	0.121	0.121

Note a) Construction period one month in August 2017 and one month in September of 2018 .

August 1 2017 is project outset as time 0.

Note b) Year 1 is defined as September 1 2017 - August 31 2018. Year 2 from September 1 2018 - August 31 2019 a

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**Financial Feasibility  
DCF Analysis**

	Col. 1	Col. 33	Col. 34	Col. 35	Col. 36	Col. 37	Col. 38	Col. 39	Col. 40	Col. 41	Col. 42
Line No.	Description	Year 31	Year 32	Year 33	Year 34	Year 35	Year 36	Year 37	Year 38	Year 39	Year 40
<b><u>INCREMENTAL CAPITAL INVESTMENT</u></b>											
1.	Investment In Mains										
2.	Working Capital										
3.	Total Investments										
4.	PV of Net Investment At Project outset										
5.	<b>ACCUMULATED PV OF TOTAL INVESTMENT</b>	(1,073,627)	(1,073,627)	(1,073,627)	(1,073,627)	(1,073,627)	(1,073,627)	(1,073,627)	(1,073,627)	(1,073,627)	(1,073,627)
<b><u>CCA TAX SHIELD</u></b>											
6.	CCA Tax Shield	2,956	2,779	2,612	2,455	2,308	2,170	2,039	1,917	1,802	1,694
7.	PV Of CCA Tax Shield At Project Outset	627	560	500	447	400	357	319	285	255	228
8.	<b>ACCUMULATED PV OF CCA TAX SHIELD</b>	148,894	149,454	149,954	150,402	150,801	151,158	151,477	151,762	152,017	152,245
<b><u>INCREMENTAL OPERATING CASHFLOWS (BEFORE TAXES)</u></b>											
9.	Gas Distribution Revenue	-	-	-	-	-	-	-	-	-	-
10.	Gas Costs	-	-	-	-	-	-	-	-	-	-
11.	O&M	4,500	4,500	4,500	4,500	4,500	4,500	4,500	4,500	4,500	4,500
12.	Net Operating Cash (Before Taxes)	4,500	4,500	4,500	4,500	4,500	4,500	4,500	4,500	4,500	4,500
13.	PV of Net Operating Cash (Before Taxes) At Project Outset	954	907	862	820	779	741	704	669	636	605
14.	<b>ACCUMULATED PV OF NET OPERATING CASH (BEFORE TAXES)</b>	70,010	70,917	71,779	72,599	73,378	74,118	74,822	75,491	76,127	76,732
<b><u>TAXES</u></b>											
15.	Income Tax (Before Interest Tax Shield)	(385)	(431)	(477)	(523)	(569)	(615)	(661)	(707)	(753)	(799)
16.	Municipal Tax	(3,062)	(2,890)	(2,719)	(2,547)	(2,376)	(2,204)	(2,033)	(1,861)	(1,689)	(1,518)
17.	Total Taxes	(3,447)	(3,322)	(3,196)	(3,071)	(2,945)	(2,819)	(2,694)	(2,568)	(2,443)	(2,317)
18.	PV of Total Taxes At Project Outset	(731)	(670)	(612)	(559)	(510)	(464)	(421)	(382)	(345)	(311)
19.	<b>ACCUMULATED PV OF TOTAL TAXES</b>	(87,638)	(88,307)	(88,920)	(89,479)	(89,989)	(90,453)	(90,874)	(91,256)	(91,601)	(91,912)
<b><u>ACCUMULATED NPV AND PI</u></b>											
20.	Net Present Value	(942,361)	(941,564)	(940,813)	(940,106)	(939,437)	(938,803)	(938,202)	(937,630)	(937,084)	(936,563)
21.	Profitability Index	0.122	0.123	0.124	0.124	0.125	0.126	0.126	0.127	0.127	0.128

Note a) Construction period one month in August 2017 and one month in September of 2018 .

August 1 2017 is project outset as time 0.

Note b) Year 1 is defined as September 1 2017 - August 31 2018. Year 2 from September 1 2018 - August 31 2019 a

**Financial Feasibility  
DCF Analysis**

	Col. 1	Col. 43	Col. 44	Col. 45	Col. 46	Col. 47	Col. 48	Col. 49	Col. 50	Col. 51
Line No.	Description	Year 41	Year 42	Year 43	Year 44	Year 45	Year 46	Year 47	Year 48	Year 49
<b><u>INCREMENTAL CAPITAL INVESTMENT</u></b>										
1.	Investment In Mains									
2.	Working Capital									
3.	Total Investments									
4.	PV of Net Investment At Project outset	-	-	-	-	-	-	-	-	-
5.	<b>ACCUMULATED PV OF TOTAL INVESTMENT</b>	<b>(1,073,627)</b>	<b>(1,073,627)</b>	<b>(1,073,627)</b>	<b>(1,073,627)</b>	<b>(1,073,627)</b>	<b>(1,073,627)</b>	<b>(1,073,627)</b>	<b>(1,073,627)</b>	<b>(1,073,627)</b>
<b><u>CCA TAX SHIELD</u></b>										
6.	CCA Tax Shield	1,592	1,497	1,407	1,322	1,243	1,169	1,098	1,033	9,115
7.	PV Of CCA Tax Shield At Project Outset	203	182	162	145	130	116	103	92	776
8.	<b>ACCUMULATED PV OF CCA TAX SHIELD</b>	<b>152,448</b>	<b>152,630</b>	<b>152,792</b>	<b>152,937</b>	<b>153,067</b>	<b>153,182</b>	<b>153,286</b>	<b>153,378</b>	<b>154,154</b>
<b><u>INCREMENTAL OPERATING CASHFLOWS (BEFORE TAXES)</u></b>										
9.	Gas Distribution Revenue	-	-	-	-	-	-	-	-	-
10.	Gas Costs	-	-	-	-	-	-	-	-	-
11.	O&M	4,500	4,500	4,500	4,500	4,500	4,500	4,500	4,500	4,500
12.	Net Operating Cash (Before Taxes)	4,500	4,500	4,500	4,500	4,500	4,500	4,500	4,500	4,500
13.	PV of Net Operating Cash (Before Taxes) At Project Outset	575	546	519	494	469	446	424	403	383
14.	<b>ACCUMULATED PV OF NET OPERATING CASH (BEFORE TAXES)</b>	<b>77,307</b>	<b>77,853</b>	<b>78,372</b>	<b>78,866</b>	<b>79,335</b>	<b>79,781</b>	<b>80,205</b>	<b>80,608</b>	<b>80,991</b>
<b><u>TAXES</u></b>										
15.	Income Tax (Before Interest Tax Shield)	(845)	(891)	(937)	(983)	(1,029)	(1,075)	(1,121)	(1,167)	(1,197)
16.	Municipal Tax	(1,346)	(1,175)	(1,003)	(832)	(660)	(488)	(317)	(145)	(33)
17.	Total Taxes	(2,191)	(2,066)	(1,940)	(1,815)	(1,689)	(1,563)	(1,438)	(1,312)	(1,230)
18.	PV of Total Taxes At Project Outset	(280)	(251)	(224)	(199)	(176)	(155)	(135)	(118)	(105)
19.	<b>ACCUMULATED PV OF TOTAL TAXES</b>	<b>(92,192)</b>	<b>(92,443)</b>	<b>(92,667)</b>	<b>(92,866)</b>	<b>(93,042)</b>	<b>(93,197)</b>	<b>(93,332)</b>	<b>(93,450)</b>	<b>(93,555)</b>
<b><u>ACCUMULATED NPV AND PI</u></b>										
20.	Net Present Value	(936,065)	(935,588)	(935,130)	(934,691)	(934,268)	(933,861)	(933,469)	(933,091)	<b>(932,037)</b>
21.	Profitability Index	0.128	0.129	0.129	0.129	0.130	0.130	0.131	0.131	<b>0.132</b>

Note a) Construction period one month in August 2017 and one month in September of 2018 .

August 1 2017 is project outset as time 0.

Note b) Year 1 is defined as September 1 2017 - August 31 2018. Year 2 from September 1 2018 - August 31 2019 a