

**Boulevard Lorrain Relocation Pipe
Financial Feasibility
DCF Analysis**

	Col. 1	Col. 2	Col. 3	Col. 4	Col. 5	Col. 6	Col. 7	Col. 8	Col. 9	Col. 10	Col. 11
Line No.	Description	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9
<u>INCREMENTAL CAPITAL INVESTMENT</u>											
1.	Investment In Mains	(774,670)	-	-	-	-	-	-	-	-	-
2.	Investment in Services	-	-	-	-	-	-	-	-	-	-
3.	Investment in Stations	-	-	-	-	-	-	-	-	-	-
4.	Investment in Meters	-	-	-	-	-	-	-	-	-	-
5.	Contribution In Aid Of Construction	-	-	-	-	-	-	-	-	-	-
6.	Net Investment Capital	(774,670)	-	-	-	-	-	-	-	-	-
7.	Working Capital	-	-	-	-	-	-	-	-	-	-
8.	Total Investments	(774,670)	-	-	-	-	-	-	-	-	-
9.	PV of Net Investment At Project outset	(772,218)	-	-	-	-	-	-	-	-	-
10.	ACCUMULATED PV OF TOTAL INVESTMENT	(772,218)	(772,218)	(772,218)	(772,218)	(772,218)	(772,218)	(772,218)	(772,218)	(772,218)	(772,218)
<u>CCA TAX SHIELD</u>											
11.	CCA Tax Shield	-	6,228	12,083	11,358	10,677	10,036	9,434	8,868	8,336	7,836
12.	PV Of CCA Tax Shield At Project Outset	-	6,034	11,127	9,942	8,884	7,938	7,093	6,337	5,663	5,060
13.	ACCUMULATED PV OF CCA TAX SHIELD	-	6,034	17,161	27,104	35,987	43,925	51,018	57,355	63,018	68,077
<u>INCREMENTAL OPERATING CASHFLOWS (BEFORE TAXES)</u>											
14.	Gas Distribution Revenue	-	-	-	-	-	-	-	-	-	-
15.	Gas Costs	-	-	-	-	-	-	-	-	-	-
16.	O&M	-	-	-	-	-	-	-	-	-	-
17.	Net Operating Cash (Before Taxes)	-	-	-	-	-	-	-	-	-	-
18.	PV of Net Operating Cash (Before Taxes) At Project Outset	-	-	-	-	-	-	-	-	-	-
19.	ACCUMULATED PV OF NET OPERATING CASH (BEFORE TAXES)	-	-	-	-	-	-	-	-	-	-
<u>TAXES</u>											
20.	Income Tax (Before Interest Tax Shield)	-	1,525	1,493	1,460	1,428	1,396	1,364	1,331	1,299	1,267
21.	Municipal Tax	-	(5,690)	(5,569)	(5,449)	(5,329)	(5,209)	(5,088)	(4,968)	(4,848)	(4,728)
22.	Total Taxes	-	(4,165)	(4,077)	(3,989)	(3,901)	(3,813)	(3,725)	(3,637)	(3,549)	(3,461)
23.	PV of Total Taxes At Project Outset	-	(4,035)	(3,754)	(3,492)	(3,246)	(3,016)	(2,800)	(2,599)	(2,411)	(2,235)
24.	ACCUMULATED PV OF TOTAL TAXES	-	(4,035)	(7,789)	(11,281)	(14,527)	(17,542)	(20,343)	(22,942)	(25,352)	(27,587)
<u>ACCUMULATED NPV AND PI</u>											
25.	Net Present Value	(772,218)	(770,219)	(762,846)	(756,396)	(750,758)	(745,836)	(741,543)	(737,805)	(734,553)	(731,728)
26.	Profitability Index	-	0.003	0.012	0.020	0.028	0.034	0.040	0.045	0.049	0.052

Note a) Construction period September 15 2018 - October 31 2018.

Note b) Year 1 of project is defined as November 1 2018 - October 31 2019. Year 2 from November 1 2019 - October 31 2020 and so on.

**Boulevard Lorrain Relocation Pipe
Financial Feasibility
DCF Analysis**

	Col. 1	Col. 12	Col. 13	Col. 14	Col. 15	Col. 16	Col. 17	Col. 18	Col. 19	Col. 20	Col. 21	Col. 22
Line No.	Description	Year 10	Year 11	Year 12	Year 13	Year 14	Year 15	Year 16	Year 17	Year 18	Year 19	Year 20
<u>INCREMENTAL CAPITAL INVESTMENT</u>												
1.	Investment In Mains	-										
2.	Investment in Services	-										
3.	Investment in Stations	-	-									
4.	Investment in Meters	-	-									
5.	Contribution In Aid Of Construction											
6.	Net Investment Capital	-	-	-	-	-	-	-	-	-	-	-
7.	Working Capital	-	-	-	-	-	-	-	-	-	-	-
8.	Total Investments	-	-	-	-	-	-	-	-	-	-	-
9.	PV of Net Investment At Project outset	-	-	-	-	-	-	-	-	-	-	-
10.	ACCUMULATED PV OF TOTAL INVESTMENT	(772,218)										
<u>CCA TAX SHIELD</u>												
11.	CCA Tax Shield	7,365	6,923	6,508	6,118	5,751	5,406	5,081	4,776	4,490	4,220	3,967
12.	PV Of CCA Tax Shield At Project Outset	4,521	4,039	3,609	3,225	2,882	2,575	2,301	2,056	1,837	1,641	1,466
13.	ACCUMULATED PV OF CCA TAX SHIELD	72,598	76,637	80,247	83,472	86,353	88,928	91,229	93,285	95,121	96,762	98,229
<u>INCREMENTAL OPERATING CASHFLOWS (BEFORE TAXES)</u>												
14.	Gas Distribution Revenue	-	-	-	-	-	-	-	-	-	-	-
15.	Gas Costs	-	-	-	-	-	-	-	-	-	-	-
16.	O&M	-	-	-	-	-	-	-	-	-	-	-
17.	Net Operating Cash (Before Taxes)	-	-	-	-	-	-	-	-	-	-	-
18.	PV of Net Operating Cash (Before Taxes) At Project Outset	-	-	-	-	-	-	-	-	-	-	-
19.	ACCUMULATED PV OF NET OPERATING CASH (BEFORE TAXES)	-										
<u>TAXES</u>												
20.	Income Tax (Before Interest Tax Shield)	1,235	1,203	1,170	1,138	1,106	1,074	1,041	1,009	977	945	912
21.	Municipal Tax	(4,607)	(4,487)	(4,367)	(4,247)	(4,126)	(4,006)	(3,886)	(3,765)	(3,645)	(3,525)	(3,405)
22.	Total Taxes	(3,373)	(3,285)	(3,197)	(3,108)	(3,020)	(2,932)	(2,844)	(2,756)	(2,668)	(2,580)	(2,492)
23.	PV of Total Taxes At Project Outset	(2,070)	(1,916)	(1,773)	(1,639)	(1,514)	(1,397)	(1,288)	(1,186)	(1,092)	(1,003)	(921)
24.	ACCUMULATED PV OF TOTAL TAXES	(29,657)	(31,573)	(33,346)	(34,985)	(36,498)	(37,895)	(39,183)	(40,369)	(41,461)	(42,464)	(43,386)
<u>ACCUMULATED NPV AND PI</u>												
25.	Net Present Value	(729,277)	(727,154)	(725,318)	(723,731)	(722,363)	(721,185)	(720,172)	(719,303)	(718,558)	(717,920)	(717,375)
26.	Profitability Index	0.056	0.058	0.061	0.063	0.065	0.066	0.067	0.069	0.069	0.070	0.071

Note a) Construction period September 15 2018 - October 31 2018 .

Note b) Year 1 of project is defined as November 1 2018 - October 31 2019. Year 2 from November 1 2019 - October

**Boulevard Lorrain Relocation Pipe
Financial Feasibility
DCF Analysis**

	Col. 1	Col. 23	Col. 24	Col. 25	Col. 26	Col. 27	Col. 28	Col. 29	Col. 30	Col. 31
Line No.	Description	Year 21	Year 22	Year 23	Year 24	Year 25	Year 26	Year 27	Year 28	Year 29
<u>INCREMENTAL CAPITAL INVESTMENT</u>										
1.	Investment In Mains									
2.	Investment in Services									
3.	Investment in Stations									
4.	Investment in Meters									
5.	Contribution In Aid Of Construction									
6.	Net Investment Capital	-	-	-	-	-	-	-	-	-
7.	Working Capital	-	-	-	-	-	-	-	-	-
8.	Total Investments	-	-	-	-	-	-	-	-	-
9.	PV of Net Investment At Project outset	-	-	-	-	-	-	-	-	-
10.	ACCUMULATED PV OF TOTAL INVESTMENT	(772,218)								
<u>CCA TAX SHIELD</u>										
11.	CCA Tax Shield	3,729	3,505	3,295	3,097	2,911	2,737	2,573	2,418	2,273
12.	PV Of CCA Tax Shield At Project Outset	1,310	1,171	1,046	935	835	746	667	596	532
13.	ACCUMULATED PV OF CCA TAX SHIELD	99,539	100,710	101,756	102,691	103,526	104,272	104,939	105,535	106,067
<u>INCREMENTAL OPERATING CASHFLOWS (BEFORE TAXES)</u>										
14.	Gas Distribution Revenue	-	-	-	-	-	-	-	-	-
15.	Gas Costs	-	-	-	-	-	-	-	-	-
16.	O&M	-	-	-	-	-	-	-	-	-
17.	Net Operating Cash (Before Taxes)	-	-	-	-	-	-	-	-	-
18.	PV of Net Operating Cash (Before Taxes) At Project Outset	-	-	-	-	-	-	-	-	-
19.	ACCUMULATED PV OF NET OPERATING CASH (BEFORE TAXES)	-								
<u>TAXES</u>										
20.	Income Tax (Before Interest Tax Shield)	880	848	816	784	751	719	687	655	622
21.	Municipal Tax	(3,284)	(3,164)	(3,044)	(2,924)	(2,803)	(2,683)	(2,563)	(2,443)	(2,322)
22.	Total Taxes	(2,404)	(2,316)	(2,228)	(2,140)	(2,052)	(1,964)	(1,876)	(1,788)	(1,700)
23.	PV of Total Taxes At Project Outset	(845)	(774)	(707)	(646)	(589)	(536)	(486)	(441)	(398)
24.	ACCUMULATED PV OF TOTAL TAXES	(44,230)	(45,004)	(45,711)	(46,357)	(46,946)	(47,481)	(47,968)	(48,408)	(48,806)
<u>ACCUMULATED NPV AND PI</u>										
25.	Net Present Value	(716,909)	(716,512)	(716,174)	(715,885)	(715,638)	(715,427)	(715,247)	(715,092)	(714,957)
26.	Profitability Index	0.072	0.072	0.073	0.073	0.073	0.074	0.074	0.074	0.074

Note a) Construction period September 15 2018 - October 31 2018.

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**Boulevard Lorrain Relocation Pipe
Financial Feasibility
DCF Analysis**

	Col. 1	Col. 32	Col. 33	Col. 34	Col. 35	Col. 36	Col. 37	Col. 38	Col. 39	Col. 40		
Line No.	Description	Year 30	Year 31	Year 32	Year 33	Year 34	Year 35	Year 36	Year 37	Year 38	Year 39	Year 40
<u>INCREMENTAL CAPITAL INVESTMENT</u>												
1.	Investment In Mains											
2.	Investment in Services											
3.	Investment in Stations											
4.	Investment in Meters											
5.	Contribution In Aid Of Construction											
6.	Net Investment Capital	-	-	-	-	-	-	-	-	-	-	-
7.	Working Capital	-	-	-	-	-	-	-	-	-	-	-
8.	Total Investments	-	-	-	-	-	-	-	-	-	-	-
9.	PV of Net Investment At Project outset	-	-	-	-	-	-	-	-	-	-	-
10.	ACCUMULATED PV OF TOTAL INVESTMENT	(772,218)										
<u>CCA TAX SHIELD</u>												
11.	CCA Tax Shield	2,137	2,009	1,888	1,775	1,668	1,568	1,474	1,386	1,302	1,224	1,151
12.	PV Of CCA Tax Shield At Project Outset	476	425	380	339	303	271	242	216	193	173	154
13.	ACCUMULATED PV OF CCA TAX SHIELD	106,543	106,968	107,348	107,687	107,990	108,261	108,503	108,719	108,913	109,085	109,240
<u>INCREMENTAL OPERATING CASHFLOWS (BEFORE TAXES)</u>												
14.	Gas Distribution Revenue	-	-	-	-	-	-	-	-	-	-	-
15.	Gas Costs	-	-	-	-	-	-	-	-	-	-	-
16.	O&M	-	-	-	-	-	-	-	-	-	-	-
17.	Net Operating Cash (Before Taxes)	-	-	-	-	-	-	-	-	-	-	-
18.	PV of Net Operating Cash (Before Taxes) At Project Outset	-	-	-	-	-	-	-	-	-	-	-
19.	ACCUMULATED PV OF NET OPERATING CASH (BEFORE TAXES)	-										
<u>TAXES</u>												
20.	Income Tax (Before Interest Tax Shield)	590	558	526	493	461	429	397	365	332	300	268
21.	Municipal Tax	(2,202)	(2,082)	(1,961)	(1,841)	(1,721)	(1,601)	(1,480)	(1,360)	(1,240)	(1,120)	(999)
22.	Total Taxes	(1,612)	(1,524)	(1,436)	(1,348)	(1,260)	(1,172)	(1,084)	(996)	(908)	(820)	(732)
23.	PV of Total Taxes At Project Outset	(359)	(322)	(289)	(258)	(229)	(202)	(178)	(155)	(135)	(116)	(98)
24.	ACCUMULATED PV OF TOTAL TAXES	(49,165)	(49,487)	(49,776)	(50,034)	(50,263)	(50,465)	(50,643)	(50,799)	(50,933)	(51,049)	(51,147)
<u>ACCUMULATED NPV AND PI</u>												
25.	Net Present Value	(714,840)	(714,738)	(714,647)	(714,565)	(714,491)	(714,423)	(714,358)	(714,298)	(714,239)	(714,182)	(714,126)
26.	Profitability Index	0.074	0.074	0.075	0.075	0.075	0.075	0.075	0.075	0.075	0.075	0.075

Note a) Construction period September 15 2018 - October 31 2018.

Note b) Year 1 of project is defined as November 1 2018 - October 31 2019. Year 2 from November 1 2019 - October

**Boulevard Lorrain Relocation Pipe
Financial Feasibility
DCF Analysis**

Col. 1

Line No.	Description	Year 41	Year 42	Year 43	Year 44	Year 45	Year 46	Year 47	Year 48	Year 49
<u>INCREMENTAL CAPITAL INVESTMENT</u>										
1.	Investment In Mains									
2.	Investment in Services									
3.	Investment in Stations									
4.	Investment in Meters									
5.	Contribution In Aid Of Construction									
6.	Net Investment Capital	-	-	-	-	-	-	-	-	-
7.	Working Capital	-	-	-	-	-	-	-	-	-
8.	Total Investments	-	-	-	-	-	-	-	-	-
9.	PV of Net Investment At Project outset	-	-	-	-	-	-	-	-	-
10.	ACCUMULATED PV OF TOTAL INVESTMENT	(772,218)								
<u>CCA TAX SHIELD</u>										
11.	CCA Tax Shield	1,082	1,017	956	899	845	794	746	702	6,193
12.	PV Of CCA Tax Shield At Project Outset	138	123	110	98	88	79	70	63	526
13.	ACCUMULATED PV OF CCA TAX SHIELD	109,377	109,501	109,611	109,709	109,797	109,875	109,946	110,008	110,534
<u>INCREMENTAL OPERATING CASHFLOWS (BEFORE TAXES)</u>										
14.	Gas Distribution Revenue	-	-	-	-	-	-	-	-	-
15.	Gas Costs	-	-	-	-	-	-	-	-	-
16.	O&M	-	-	-	-	-	-	-	-	-
17.	Net Operating Cash (Before Taxes)	-	-	-	-	-	-	-	-	-
18.	PV of Net Operating Cash (Before Taxes) At Project Outset	-	-	-	-	-	-	-	-	-
19.	ACCUMULATED PV OF NET OPERATING CASH (BEFORE TAXES)	-								
<u>TAXES</u>										
20.	Income Tax (Before Interest Tax Shield)	236	203	171	139	107	74	42	10	-
21.	Municipal Tax	(879)	(759)	(639)	(518)	(398)	(278)	(157)	(37)	-
22.	Total Taxes	(643)	(555)	(467)	(379)	(291)	(203)	(115)	(27)	-
23.	PV of Total Taxes At Project Outset	(82)	(67)	(54)	(42)	(30)	(20)	(11)	(2)	-
24.	ACCUMULATED PV OF TOTAL TAXES	(51,229)	(51,296)	(51,350)	(51,392)	(51,422)	(51,442)	(51,453)	(51,455)	(51,455)
<u>ACCUMULATED NPV AND PI</u>										
25.	Net Present Value	(714,070)	(714,014)	(713,958)	(713,901)	(713,843)	(713,785)	(713,725)	(713,665)	(713,139)
26.	Profitability Index	0.075	0.075	0.075	0.076	0.076	0.076	0.076	0.076	0.077

Note a) Construction period September 15 2018 - October 31 2018.

Note b) Year 1 of project is defined as November 1 2018 - October 31 2019. Year 2 from November 1 2019 - October