

**Financial Feasibility - 55 year Horizon
DCF Analysis**

	Col. 1	Col. 2	Col. 3	Col. 4	Col. 5	Col. 6	Col. 7	Col. 8	Col. 9	Col. 10	Col. 11	Col. 12
Line No.	Description	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
<u>INCREMENTAL CAPITAL INVESTMENT</u>												
1.	Investment In Mains	(816,922)	-	-	-	-	-	-	-	-	-	-
2.	Investment in Services		(65,108)	(66,836)	(67,412)	(46,669)	-	-	-	-	-	-
3.	Investment in Meters		(9,150)	(9,600)	(9,750)	(7,050)	-	-	-	-	-	-
4.	Investment in Station		-	-	-	-	-	-	-	-	-	-
5.	Contribution In Aid Of Construction											
6.	Net Investment Capital	(816,922)	(74,258)	(76,436)	(77,162)	(53,719)	-	-	-	-	-	-
7.	Working Capital		402	401	401	260	-	-	-	-	-	-
8.	Total Investments	(816,922)	(73,856)	(76,035)	(76,762)	(53,459)	-	-	-	-	-	-
9.	PV of Net Investment At Project outset	(808,337)	(70,502)	(68,993)	(66,208)	(43,829)	-	-	-	-	-	-
10.	ACCUMULATED PV OF TOTAL INVESTMENT	(808,337)	(878,838)	(947,831)	(1,014,039)	(1,057,868)	(1,057,868)	(1,057,868)	(1,057,868)	(1,057,868)	(1,057,868)	(1,057,868)
<u>CCA TAX SHIELD</u>												
11.	CCA Tax Shield		7,071	14,332	14,707	14,877	14,416	13,551	12,738	11,974	11,256	10,580
12.	PV Of CCA Tax Shield At Project Outset		6,750	13,005	12,685	12,197	11,235	10,039	8,970	8,015	7,161	6,399
13.	ACCUMULATED PV OF CCA TAX SHIELD		6,750	19,755	32,440	44,637	55,872	65,911	74,881	82,896	90,057	96,456
<u>INCREMENTAL OPERATING CASHFLOWS (BEFORE TAXES)</u>												
14.	Gas Distribution Revenue		27,067	81,666	136,884	183,368	202,167	202,167	202,167	202,167	202,167	202,167
15.	Gas Costs		(12,441)	(37,471)	(62,697)	(83,819)	(92,303)	(92,303)	(92,303)	(92,303)	(92,303)	(92,303)
16.	O&M		(2,864)	(8,733)	(14,789)	(20,048)	(22,254)	(22,254)	(22,254)	(22,254)	(22,254)	(22,254)
17.	Net Operating Cash (Before Taxes)		11,762	35,463	59,397	79,502	87,609	87,609	87,609	87,609	87,609	87,609
18.	PV of Net Operating Cash (Before Taxes) At Project Outset		11,228	32,178	51,231	65,180	68,276	64,900	61,691	58,640	55,741	52,985
19.	ACCUMULATED PV OF NET OPERATING CASH (BEFORE TAXES)		11,228	43,406	94,637	159,817	228,093	292,993	354,684	413,324	469,065	522,049
<u>TAXES</u>												
20.	Income Tax (Before Interest Tax Shield)		(1,374)	(7,602)	(13,897)	(19,220)	(21,445)	(21,503)	(21,560)	(21,617)	(21,674)	(21,731)
21.	Municipal Tax		(6,634)	(7,097)	(7,543)	(7,784)	(7,589)	(7,376)	(7,163)	(6,950)	(6,738)	(6,525)
22.	Total Taxes		(8,009)	(14,699)	(21,440)	(27,004)	(29,034)	(28,878)	(28,723)	(28,567)	(28,411)	(28,256)
23.	PV of Total Taxes At Project Outset		(7,645)	(13,338)	(18,492)	(22,140)	(22,627)	(21,393)	(20,225)	(19,121)	(18,076)	(17,088)
24.	ACCUMULATED PV OF TOTAL TAXES		(7,645)	(20,983)	(39,475)	(61,615)	(84,242)	(105,635)	(125,860)	(144,981)	(163,058)	(180,146)
<u>ACCUMULATED NPV AND PI</u>												
25.	Net Present Value	(808,337)	(868,505)	(905,653)	(926,437)	(915,028)	(858,144)	(804,598)	(754,163)	(706,629)	(661,803)	(619,508)
26.	Profitability Index		0.012	0.044	0.086	0.135	0.189	0.239	0.287	0.332	0.374	0.414

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Note a) Construction period August 1 2018 - December 31 2018.

August 1st 2018 is project outset as time 0.

Note b) Year1 Revenue start from January 1 2019- December 31 2019.

Year 2 Revenues start from January 1 2020 to Deceber 31 2020, and so on.

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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	Col. 23
Line No.	Description	Year 11	Year 12	Year 13	Year 14	Year 15	Year 16	Year 17	Year 18	Year 19	Year 20	Year 21
<u>INCREMENTAL CAPITAL INVESTMENT</u>												
1.	Investment In Mains	-										
2.	Investment in Services	-										
3.	Investment in Meters	-										
4.	Investment in Station	-										
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	(1,057,868)	(1,057,868)	(1,057,868)	(1,057,868)	(1,057,868)	(1,057,868)	(1,057,868)	(1,057,868)	(1,057,868)	(1,057,868)	(1,057,868)
<u>CCA TAX SHIELD</u>												
11.	CCA Tax Shield	9,945	9,349	8,788	8,261	7,765	7,299	6,861	6,449	6,062	5,699	5,357
12.	PV Of CCA Tax Shield At Project Outset	5,717	5,109	4,565	4,079	3,644	3,256	2,910	2,600	2,323	2,076	1,855
13.	ACCUMULATED PV OF CCA TAX SHIELD	102,173	107,282	111,847	115,925	119,569	122,826	125,735	128,335	130,658	132,734	134,588
<u>INCREMENTAL OPERATING CASHFLOWS (BEFORE TAXES)</u>												
14.	Gas Distribution Revenue	202,167	202,167	202,167	202,167	202,167	202,167	202,167	202,167	202,167	202,167	202,167
15.	Gas Costs	(92,303)	(92,303)	(92,303)	(92,303)	(92,303)	(92,303)	(92,303)	(92,303)	(92,303)	(92,303)	(92,303)
16.	O&M	(22,254)	(22,254)	(22,254)	(22,254)	(22,254)	(22,254)	(22,254)	(22,254)	(22,254)	(22,254)	(22,254)
17.	Net Operating Cash (Before Taxes)	87,609	87,609	87,609	87,609	87,609	87,609	87,609	87,609	87,609	87,609	87,609
18.	PV of Net Operating Cash (Before Taxes) At Project Outset	50,365	47,874	45,507	43,257	41,118	39,085	37,152	35,315	33,569	31,909	30,331
19.	ACCUMULATED PV OF NET OPERATING CASH (BEFORE TAXES)	572,414	620,288	665,795	709,052	750,170	789,255	826,407	861,722	895,291	927,200	957,531
<u>TAXES</u>												
20.	Income Tax (Before Interest Tax Shield)	(21,788)	(21,845)	(21,902)	(21,959)	(22,016)	(22,073)	(22,130)	(22,187)	(22,244)	(22,301)	(22,358)
21.	Municipal Tax	(6,312)	(6,100)	(5,887)	(5,674)	(5,461)	(5,249)	(5,036)	(4,823)	(4,610)	(4,398)	(4,185)
22.	Total Taxes	(28,100)	(27,944)	(27,788)	(27,633)	(27,477)	(27,321)	(27,165)	(27,010)	(26,854)	(26,698)	(26,543)
23.	PV of Total Taxes At Project Outset	(16,154)	(15,270)	(14,434)	(13,644)	(12,896)	(12,189)	(11,520)	(10,888)	(10,290)	(9,724)	(9,189)
24.	ACCUMULATED PV OF TOTAL TAXES	(196,300)	(211,570)	(226,004)	(239,648)	(252,544)	(264,732)	(276,252)	(287,140)	(297,429)	(307,153)	(316,343)
<u>ACCUMULATED NPV AND PI</u>												
25.	Net Present Value	(579,580)	(541,868)	(506,230)	(472,538)	(440,672)	(410,519)	(381,978)	(354,951)	(329,348)	(305,088)	(282,091)
26.	Profitability Index	0.452	0.488	0.521	0.553	0.583	0.612	0.639	0.664	0.689	0.712	0.733

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Note a) Construction period August 1 2018 - December 31 2018.

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Note b) Year1 Revenue start from January 1 2019- December 31 2019.

Year 2 Revenues start from January 1 2020 to Deceber 31 2020, and so on.

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Line No.	Col. 1 Description	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	Col. 33 Year 31	Col. 34 Year 32
<u>INCREMENTAL CAPITAL INVESTMENT</u>												
1.	Investment In Mains											
2.	Investment in Services											
3.	Investment in Meters											
4.	Investment in Station											
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	(1,057,868)	(1,057,868)	(1,057,868)	(1,057,868)	(1,057,868)	(1,057,868)	(1,057,868)	(1,057,868)	(1,057,868)	(1,057,868)	(1,057,868)
<u>CCA TAX SHIELD</u>												
11.	CCA Tax Shield	5,035	4,733	4,449	4,182	3,931	3,695	3,474	3,265	3,069	2,885	2,712
12.	PV Of CCA Tax Shield At Project Outset	1,657	1,481	1,323	1,182	1,056	944	843	753	673	602	538
13.	ACCUMULATED PV OF CCA TAX SHIELD	136,245	137,726	139,049	140,231	141,287	142,231	143,074	143,828	144,501	145,103	145,640
<u>INCREMENTAL OPERATING CASHFLOWS (BEFORE TAXES)</u>												
14.	Gas Distribution Revenue	202,167	202,167	202,167	202,167	202,167	202,167	202,167	202,167	202,167	202,167	202,167
15.	Gas Costs	(92,303)	(92,303)	(92,303)	(92,303)	(92,303)	(92,303)	(92,303)	(92,303)	(92,303)	(92,303)	(92,303)
16.	O&M	(22,254)	(22,254)	(22,254)	(22,254)	(22,254)	(22,254)	(22,254)	(22,254)	(22,254)	(22,254)	(22,254)
17.	Net Operating Cash (Before Taxes)	87,609	87,609	87,609	87,609	87,609	87,609	87,609	87,609	87,609	87,609	87,609
18.	PV of Net Operating Cash (Before Taxes) At Project Outset	28,831	27,406	26,051	24,763	23,538	22,374	21,268	20,216	19,217	18,266	17,363
19.	ACCUMULATED PV OF NET OPERATING CASH (BEFORE TAXES)	986,362	1,013,768	1,039,819	1,064,581	1,088,119	1,110,494	1,131,762	1,151,978	1,171,194	1,189,461	1,206,824
<u>TAXES</u>												
20.	Income Tax (Before Interest Tax Shield)	(22,415)	(22,472)	(22,525)	(22,573)	(22,615)	(22,652)	(22,687)	(22,722)	(22,758)	(22,793)	(22,829)
21.	Municipal Tax	(3,972)	(3,759)	(3,560)	(3,382)	(3,226)	(3,088)	(2,956)	(2,824)	(2,692)	(2,560)	(2,428)
22.	Total Taxes	(26,387)	(26,231)	(26,085)	(25,955)	(25,841)	(25,740)	(25,643)	(25,546)	(25,450)	(25,353)	(25,256)
23.	PV of Total Taxes At Project Outset	(8,684)	(8,206)	(7,756)	(7,336)	(6,943)	(6,574)	(6,225)	(5,895)	(5,582)	(5,286)	(5,006)
24.	ACCUMULATED PV OF TOTAL TAXES	(325,026)	(333,232)	(340,988)	(348,325)	(355,267)	(361,841)	(368,066)	(373,961)	(379,543)	(384,829)	(389,835)
<u>ACCUMULATED NPV AND PI</u>												
25.	Net Present Value	(260,286)	(239,606)	(219,988)	(201,380)	(183,728)	(166,984)	(151,098)	(136,023)	(121,715)	(108,133)	(95,238)
26.	Profitability Index	0.754	0.774	0.792	0.810	0.826	0.842	0.857	0.871	0.885	0.898	0.910

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Note a) Construction period August 1 2018 - December 31 2018.

August 1st 2018 is project outset as time 0.

Note b) Year1 Revenue start from January 1 2019- December 31 2019.

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	Col. 1	Col. 35	Col. 36	Col. 37	Col. 38	Col. 39	Col. 40	Col. 41	Col. 42	Col. 43	Col. 44	Col. 45
Line No.	Description	Year 33	Year 34	Year 35	Year 36	Year 37	Year 38	Year 39	Year 40	Year 41	Year 42	Year 43
<u>INCREMENTAL CAPITAL INVESTMENT</u>												
1.	Investment In Mains											
2.	Investment in Services											
3.	Investment in Meters											
4.	Investment in Station											
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	(1,057,868)	(1,057,868)	(1,057,868)	(1,057,868)	(1,057,868)	(1,057,868)	(1,057,868)	(1,057,868)	(1,057,868)	(1,057,868)	(1,057,868)
<u>CCA TAX SHIELD</u>												
11.	CCA Tax Shield	2,549	2,396	2,253	2,117	1,990	1,871	1,759	1,653	1,554	1,461	1,373
12.	PV Of CCA Tax Shield At Project Outset	480	429	383	343	306	274	244	218	195	174	156
13.	ACCUMULATED PV OF CCA TAX SHIELD	146,120	146,550	146,933	147,276	147,582	147,855	148,100	148,318	148,513	148,688	148,843
<u>INCREMENTAL OPERATING CASHFLOWS (BEFORE TAXES)</u>												
14.	Gas Distribution Revenue	202,167	202,167	202,167	202,167	202,167	202,167	202,167	202,167	202,167	202,167	202,167
15.	Gas Costs	(92,303)	(92,303)	(92,303)	(92,303)	(92,303)	(92,303)	(92,303)	(92,303)	(92,303)	(92,303)	(92,303)
16.	O&M	(22,254)	(22,254)	(22,254)	(22,254)	(22,254)	(22,254)	(22,254)	(22,254)	(22,254)	(22,254)	(22,254)
17.	Net Operating Cash (Before Taxes)	87,609	87,609	87,609	87,609	87,609	87,609	87,609	87,609	87,609	87,609	87,609
18.	PV of Net Operating Cash (Before Taxes) At Project Outset	16,505	15,689	14,913	14,175	13,474	12,808	12,175	11,573	11,001	10,457	9,940
19.	ACCUMULATED PV OF NET OPERATING CASH (BEFORE TAXES)	1,223,329	1,239,017	1,253,930	1,268,105	1,281,580	1,294,388	1,306,563	1,318,136	1,329,136	1,339,593	1,349,533
<u>TAXES</u>												
20.	Income Tax (Before Interest Tax Shield)	(22,864)	(22,900)	(22,935)	(22,970)	(23,006)	(23,041)	(23,077)	(23,112)	(23,147)	(23,183)	(23,218)
21.	Municipal Tax	(2,295)	(2,163)	(2,031)	(1,899)	(1,767)	(1,635)	(1,503)	(1,371)	(1,239)	(1,106)	(974)
22.	Total Taxes	(25,160)	(25,063)	(24,966)	(24,869)	(24,773)	(24,676)	(24,579)	(24,483)	(24,386)	(24,289)	(24,192)
23.	PV of Total Taxes At Project Outset	(4,740)	(4,488)	(4,250)	(4,024)	(3,810)	(3,608)	(3,416)	(3,234)	(3,062)	(2,899)	(2,745)
24.	ACCUMULATED PV OF TOTAL TAXES	(394,574)	(399,062)	(403,312)	(407,336)	(411,146)	(414,754)	(418,169)	(421,404)	(424,466)	(427,365)	(430,109)
<u>ACCUMULATED NPV AND PI</u>												
25.	Net Present Value	(82,993)	(71,363)	(60,317)	(49,823)	(39,852)	(30,378)	(21,374)	(12,817)	(4,683)	3,049	10,399
26.	Profitability Index	0.922	0.933	0.943	0.953	0.962	0.971	0.980	0.988	0.996	1.003	1.010

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Note a) Construction period August 1 2018 - December 31 2018.

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Note b) Year1 Revenue start from January 1 2019- December 31 2019.

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Line No.	Col. 1 Description	Col. 46 Year 44	Col. 47 Year 45	Col. 48 Year 46	Col. 49 Year 47	Col. 50 Year 48	Col. 51 Year 49	Col. 52 Year 50	Col. 53 Year 51	Col. 54 Year 52	Col. 55 Year 53	Col. 56 Year 54	Col. 57 Year 55
<u>INCREMENTAL CAPITAL INVESTMENT</u>													
1.	Investment In Mains												
2.	Investment in Services												
3.	Investment in Meters												
4.	Investment in Station												
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	(1,057,868)	(1,057,868)	(1,057,868)	(1,057,868)	(1,057,868)	(1,057,868)	(1,057,868)	(1,057,868)	(1,057,868)	(1,057,868)	(1,057,868)	(1,057,868)
<u>CCA TAX SHIELD</u>													
11.	CCA Tax Shield	1,291	1,213	1,141	1,072	1,008	947	890	837	787	740	695	6,137
12.	PV Of CCA Tax Shield At Project Outset	139	124	111	99	89	79	71	63	57	51	45	379
13.	ACCUMULATED PV OF CCA TAX SHIELD	148,983	149,107	149,218	149,317	149,406	149,485	149,556	149,620	149,676	149,727	149,772	150,151
<u>INCREMENTAL OPERATING CASHFLOWS (BEFORE TAXES)</u>													
14.	Gas Distribution Revenue	202,167	202,167	202,167	202,167	202,167	202,167	202,167	202,167	202,167	202,167	202,167	202,167
15.	Gas Costs	(92,303)	(92,303)	(92,303)	(92,303)	(92,303)	(92,303)	(92,303)	(92,303)	(92,303)	(92,303)	(92,303)	(92,303)
16.	O&M	(22,254)	(22,254)	(22,254)	(22,254)	(22,254)	(22,254)	(22,254)	(22,254)	(22,254)	(22,254)	(22,254)	(22,254)
17.	Net Operating Cash (Before Taxes)	87,609	87,609	87,609	87,609	87,609	87,609	87,609	87,609	87,609	87,609	87,609	87,609
18.	PV of Net Operating Cash (Before Taxes) At Project Outset	9,448	8,981	8,537	8,115	7,714	7,332	6,970	6,625	6,297	5,986	5,690	5,409
19.	ACCUMULATED PV OF NET OPERATING CASH (BEFORE TAXES)	1,358,981	1,367,962	1,376,499	1,384,614	1,392,327	1,399,659	1,406,629	1,413,254	1,419,551	1,425,537	1,431,227	1,436,636
<u>TAXES</u>													
20.	Income Tax (Before Interest Tax Shield)	(23,254)	(23,289)	(23,324)	(23,360)	(23,395)	(23,424)	(23,426)	(23,427)	(23,428)	(23,429)	(23,429)	(23,429)
21.	Municipal Tax	(842)	(710)	(578)	(446)	(314)	(206)	(201)	(195)	(191)	(189)	(188)	(188)
22.	Total Taxes	(24,096)	(23,999)	(23,902)	(23,806)	(23,709)	(23,630)	(23,626)	(23,622)	(23,619)	(23,618)	(23,617)	(23,617)
23.	PV of Total Taxes At Project Outset	(2,599)	(2,460)	(2,329)	(2,205)	(2,087)	(1,978)	(1,880)	(1,786)	(1,698)	(1,614)	(1,534)	(1,458)
24.	ACCUMULATED PV OF TOTAL TAXES	(432,708)	(435,168)	(437,497)	(439,702)	(441,790)	(443,767)	(445,647)	(447,433)	(449,131)	(450,745)	(452,278)	(453,736)
<u>ACCUMULATED NPV AND PI</u>													
25.	Net Present Value	17,388	24,033	30,352	36,361	42,076	47,510	52,671	57,572	62,229	66,651	70,853	75,182
26.	Profitability Index	1.016	1.023	1.029	1.034	1.040	1.045	1.050	1.054	1.059	1.063	1.067	1.071

Note a) Construction period August 1 2018 - December 31 2018.

August 1st 2018 is project outset as time 0.

Note b) Year1 Revenue start from January 1 2019- December 31 2019.

Year 2 Revenues start from January 1 2020 to Deceber 31 2020, and so on.