

**Projet Croissant de la Paix et Sarthe
Financial Feasibility - 40 years
Parameters and Results**

Base Case

Line No.	<u>Col. 1</u> Description	<u>Col. 2</u>
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FEASIBILITY PARAMETERS

1,	Discount Rate	6,23%
2,	CCA Rate	6,00%
3,	Tax Rate	26,50%
4,	Municipal Tax rate	0,75%

Capital Costs

5,	Mains (Dollars)	1 341 841
6,	Services (Dollars)	763 062

FEASIBILITY RESULTS

7,	Net Present Value (Dollars)	(1 915 034)
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DCF Analysis - 40 Year Horizon
 Projet Croissant de la Paix et Sarthe

(\$)	<u>Project Total</u>	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>	<u>6</u>	<u>7</u>	<u>8</u>	<u>9</u>	<u>10</u>
<u>Operating Cash Flow</u>											
Revenue	-	0	0	0	0	0	0	0	0	0	0
Expenses:											
Gas Cost	-	0	0	0	0	0	0	0	0	0	0
O & M Expense	-	0	0	0	0	0	0	0	0	0	0
Municipal Tax + Regie du batiment	(273 277)	(15 343)	(14 860)	(14 376)	(13 892)	(13 408)	(12 925)	(12 441)	(11 957)	(11 474)	(10 990)
Income Tax	79 032	10 680	3 938	3 810	3 681	3 553	3 425	3 297	3 169	3 040	2 912
Net Operating Cash Flow	<u>(194 245)</u>	<u>(4 663)</u>	<u>(10 922)</u>	<u>(10 566)</u>	<u>(10 211)</u>	<u>(9 855)</u>	<u>(9 500)</u>	<u>(9 144)</u>	<u>(8 789)</u>	<u>(8 433)</u>	<u>(8 077)</u>
<u>Capital</u>											
Incremental Capital	(2 104 904)	(2 104 904)	0	0	0	0	0	0	0	0	0
Change in Working Capital	-	-	-	-	-	-	-	-	-	-	-
Total Capital	<u>(2 104 904)</u>	<u>(2 104 904)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>CCA Tax Shield</u>											
CCA Tax Shield	527 555	33 071	31 087	29 222	27 468	25 820	24 271	22 815	21 446	20 159	18 950
<u>Net Present Value</u>											
PV of Operating Cash Flow	(100 499)	(4 457)	(9 826)	(8 948)	(8 140)	(7 396)	(6 711)	(6 081)	(5 502)	(4 970)	(4 481)
PV of Capital	(2 089 062)	(2 089 062)	-	-	-	-	-	-	-	-	-
PV of CCA Tax Shield	274 527	31 606	27 967	24 747	21 898	19 377	17 146	15 172	13 425	11 880	10 512
Total NPV by Year	<u>(1 915 034)</u>	<u>(2 061 914)</u>	<u>18 141</u>	<u>15 799</u>	<u>13 758</u>	<u>11 981</u>	<u>10 435</u>	<u>9 091</u>	<u>7 924</u>	<u>6 910</u>	<u>6 031</u>
<u>Cumulative NPV</u>											
	(1 915 034)										
<u>Profitability Index</u>											
By Year PI		0,01	0,02	0,03	0,04	0,04	0,05	0,05	0,05	0,06	0,06
Project PI	0,08										

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(\$)	11	12	13	14	15	16	17	18	19	20
<u>Operating Cash Flow</u>										
Revenue	0	0	0	0	0	0	0	0	0	0
Expenses:										
Gas Cost	0	0	0	0	0	0	0	0	0	0
O & M Expense	0	0	0	0	0	0	0	0	0	0
Municipal Tax + Regie du batim	(10 506)	(10 022)	(9 539)	(9 055)	(8 571)	(8 087)	(7 604)	(7 120)	(6 636)	(6 152)
Income Tax	2 784	2 656	2 528	2 400	2 271	2 143	2 015	1 887	1 759	1 630
Net Operating Cash Flow	(7 722)	(7 366)	(7 011)	(6 655)	(6 300)	(5 944)	(5 589)	(5 233)	(4 878)	(4 522)
<u>Capital</u>										
Incremental Capital	0	0	0	0	0	0	0	0	0	0
Change in Working Capital	-	-	-	-	-	-	-	-	-	-
Total Capital	-	-	-	-	-	-	-	-	-	-
<u>CCA Tax Shield</u>										
CCA Tax Shield	17 813	16 744	15 739	14 795	13 907	13 073	12 288	11 551	10 858	10 207
<u>Net Present Value</u>										
PV of Operating Cash Flow	(4 032)	(3 621)	(3 244)	(2 899)	(2 583)	(2 295)	(2 031)	(1 790)	(1 571)	(1 371)
PV of Capital	-	-	-	-	-	-	-	-	-	-
PV of CCA Tax Shield	9 302	8 231	7 283	6 445	5 703	5 046	4 465	3 951	3 496	3 094
Total NPV by Year	5 269	4 610	4 039	3 546	3 120	2 752	2 435	2 161	1 926	1 723
<u>Cumulative NPV</u>										
<u>Profitability Index</u>										
By Year PI	0,06	0,07	0,07	0,07	0,07	0,07	0,07	0,07	0,08	0,08
Project PI										

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(\$)	21	22	23	24	25	26	27	28	29	30
Operating Cash Flow										
Revenue	0	0	0	0	0	0	0	0	0	0
Expenses:										
Gas Cost	0	0	0	0	0	0	0	0	0	0
O & M Expense	0	0	0	0	0	0	0	0	0	0
Municipal Tax + Regie du batim	(5 669)	(5 185)	(4 701)	(4 408)	(4 171)	(3 935)	(3 698)	(3 462)	(3 225)	(2 989)
Income Tax	1 502	1 374	1 246	1 168	1 105	1 043	980	917	855	792
Net Operating Cash Flow	(4 167)	(3 811)	(3 455)	(3 240)	(3 066)	(2 892)	(2 718)	(2 544)	(2 370)	(2 197)
Capital										
Incremental Capital	0	0	0	0	0	0	0	0	0	0
Change in Working Capital	-	-	-	-	-	-	-	-	-	-
Total Capital	-	-	-	-	-	-	-	-	-	-
CCA Tax Shield										
CCA Tax Shield	9 594	9 018	8 477	7 969	7 491	7 041	6 619	6 222	5 848	5 497
Net Present Value										
PV of Operating Cash Flow	(1 189)	(1 024)	(874)	(771)	(687)	(610)	(540)	(476)	(417)	(364)
PV of Capital	-	-	-	-	-	-	-	-	-	-
PV of CCA Tax Shield	2 738	2 422	2 144	1 897	1 678	1 485	1 314	1 163	1 029	911
Total NPV by Year	1 549	1 399	1 270	1 126	991	875	775	687	612	547
Cumulative NPV										
Profitability Index										
By Year PI	0,08	0,08	0,08	0,08	0,08	0,08	0,08	0,08	0,08	0,08
Project PI										

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(\$)	31	32	33	34	35	36	37	38	39	40
Operating Cash Flow										
Revenue	0	0	0	0	0	0	0	0	0	0
Expenses:										
Gas Cost	0	0	0	0	0	0	0	0	0	0
O & M Expense	0	0	0	0	0	0	0	0	0	0
Municipal Tax + Regie du batim	(2 752)	(2 516)	(2 279)	(2 043)	(1 806)	(1 570)	(1 333)	(1 097)	(860)	(624)
Income Tax	729	667	604	541	479	416	353	291	228	165
Net Operating Cash Flow	(2 023)	(1 849)	(1 675)	(1 501)	(1 327)	(1 154)	(980)	(806)	(632)	(458)
Capital										
Incremental Capital	0	0	0	0	0	0	0	0	0	0
Change in Working Capital	-	-	-	-	-	-	-	-	-	-
Total Capital	-	-	-	-	-	-	-	-	-	-
CCA Tax Shield										
CCA Tax Shield	5 168	4 857	4 566	4 292	4 035	3 792	3 565	3 351	3 150	25 719
Net Present Value										
PV of Operating Cash Flow	(315)	(271)	(231)	(195)	(163)	(133)	(106)	(82)	(61)	(41)
PV of Capital	-	-	-	-	-	-	-	-	-	-
PV of CCA Tax Shield	806	713	631	558	494	437	387	342	303	2 328
Total NPV by Year	490	442	399	363	331	304	280	260	242	2 286
Cumulative NPV										
Profitability Index										
By Year PI	0,08	0,08	0,08	0,08	0,08	0,08	0,08	0,08	0,08	0,08
Project PI										