

**General Assumptions**

Base Year	2012			
Forecast Period	30			
FIT Tax Rate	35%			
Levy Rate	100%			
Property Tax Rate	0.68%			
Revenue Taxes	4.82%			
Insurance	0.053%			
O&M Inflation	0.00%			
Capital Inflation	0.00%			
Regulated Scenario	Yes	1		
AFUDC	No			

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
Rate Case	Yes	Yes	Yes	Yes

## Capital Structure

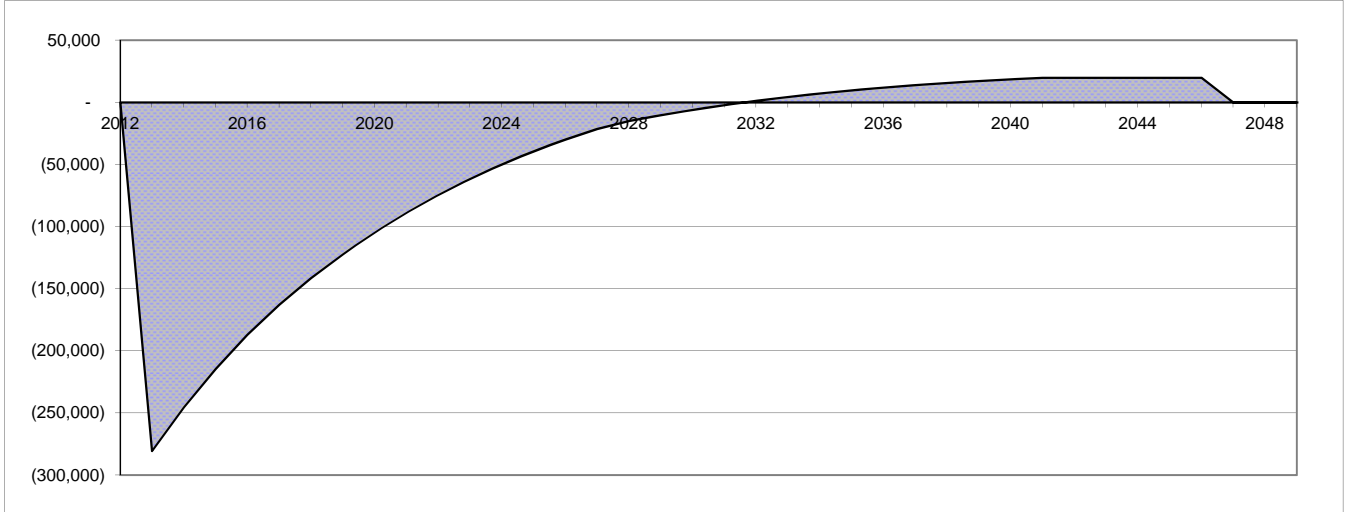
		<u>Cost</u>	<u>WACC</u>
Long Term Debt	48.00%	6.22%	2.99%
Conservation Trust	0.00%	7.13%	0.00%
Short Term Debt	4.00%	2.68%	0.11%
Capital Trust	0.00%	8.58%	0.00%
Preferred	0.00%	8.51%	0.00%
Common	48.00%	9.80%	4.70%
Total	<u>100%</u>		<u>7.80%</u>

	<u>Structure</u>	<u>Cost</u>	<u>After-Tax</u>
Long Term Debt	48%	6.22%	1.94%
Conservation Trust	0%	7.13%	0.00%
Short Term Debt	4%	2.68%	0.07%
Capital Trust	0%	8.58%	0.00%
Preferred	0%	8.51%	0.00%
Common	48%	9.80%	4.70%
Total	<u>100%</u>		<u>6.71%</u>

### Summary Results 30 Years

Net Present Value of Cash Flows (NPV)	\$19,975	Levelized Revenue Requirement Rate	11.6984%
Present Value of Regulated Revenues	\$417,251	Present Value of Capital Investments	\$310,770
Present Value of Unregulated Revenues	\$0	Capital Recovery Factor	8.71%
Present Value of Total Revenues	\$417,251	Annuitized Revenue Requirement	\$36,355

Cumulative PV of Cash Flows



0

Capital Structure

	<u>Structure</u>	<u>Cost</u>	<u>WACC</u>
Long Term Debt	48%	6.22%	2.99%
Conservation Trust	0%	7.13%	0.00%
Short Term Debt	4%	2.68%	0.11%
Capital Trust	0%	8.58%	0.00%
Preferred	0%	8.51%	0.00%
Common	48%	9.80%	4.70%
Total	100%		7.80%

After-Tax Cost of Capital 6.71%

	2012	2013
Regulated Revenues	0	50,667
Unregulated Revenues	0	0
Capital Investments	0	310,770
NPV	0	(280,549)

Present Value Revenue Requirement	417,251	30 Years
Present Value of Unregulated Revenues	-	30 Years
Present Value of Total Revenues	417,251	
Levelized Revenue Requirement (Reg)	36,355	30 Years
Levelized Revenue Requirement (UnR)	-	30 Years
PV (WACC) of Capitalized Investment	310,770	30 Years
Capital Recovery Factor (Reg)	8.71%	
Capital Recovery Factor (UnR)	0.00%	
Levelized Fixed Charge Rate (Reg)	11.70%	
Levelized Fixed Charge Rate (UnR)	0.00%	
Net Present Value of Cash Flows	19,975	30 Years
Present Value of Capital Expenditures	294,171	

2014	2015	2016	2017	2018	2019	2020	2021
49,243	47,247	45,371	43,604	41,935	40,355	38,815	37,276
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
35,133	30,989	27,376	24,203	21,433	19,226	17,450	15,821

2022	2023	2024	2025	2026	2027	2028	2029
35,736	34,196	32,656	31,117	29,577	28,037	26,497	25,339
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
14,329	12,961	11,709	10,563	9,515	8,557	6,438	4,665

2030	2031	2032	2033	2034	2035	2036	2037
24,552	23,764	22,976	22,189	21,401	20,613	19,826	19,038
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
4,220	3,813	3,440	3,099	2,788	2,503	2,243	2,006

2038	2039	2040	2041	2042	2043	2044	2045
18,250	17,462	16,675	15,887	0	0	0	0
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
1,790	1,593	1,414	1,251	0	0	0	0

2046	2047	2048	2049	2050	2051
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0



## Income Statement

0	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Regulated Revenues	0	50,667	49,243	47,247	45,371	43,604	41,935	40,355	38,815	37,276	35,736
Unregulated Revenues	0	0	0	0	0	0	0	0	0	0	0
<b>Total Revenues</b>	<b>0</b>	<b>50,667</b>	<b>49,243</b>	<b>47,247</b>	<b>45,371</b>	<b>43,604</b>	<b>41,935</b>	<b>40,355</b>	<b>38,815</b>	<b>37,276</b>	<b>35,736</b>
Operating Expenses:											
Insurance	0	178	178	178	178	178	178	178	178	178	178
O&M	0	0	0	0	0	0	0	0	0	0	0
Book Depreciation	0	11,167	11,167	11,167	11,167	11,167	11,167	11,167	11,167	11,167	11,167
Revenue Taxes	0	2,440	2,372	2,276	2,185	2,100	2,020	1,944	1,870	1,795	1,721
Property Taxes	0	2,278	2,278	2,278	2,278	2,278	2,278	2,278	2,278	2,278	2,278
Federal Income Tax											
Current	0	6,531	923	1,570	2,129	2,631	3,051	3,057	2,698	2,339	1,979
Deferred	0	1,954	7,230	6,117	5,120	4,205	3,396	3,021	3,021	3,021	3,021
<b>Total Operating Expenses</b>	<b>0</b>	<b>24,548</b>	<b>24,147</b>	<b>23,585</b>	<b>23,057</b>	<b>22,559</b>	<b>22,089</b>	<b>21,644</b>	<b>21,211</b>	<b>20,777</b>	<b>20,344</b>
Operating Income	0	26,119	25,096	23,662	22,314	21,045	19,846	18,711	17,604	16,498	15,392
Non Operating Income	0	0	0	0	0	0	0	0	0	0	0
Interest	0	10,361	9,955	9,386	8,852	8,348	7,872	7,422	6,983	6,544	6,106
Preferred Dividends	0	0	0	0	0	0	0	0	0	0	0
Net Income	0	15,758	15,141	14,276	13,463	12,697	11,974	11,289	10,621	9,954	9,286
Average Ratebase	0	335,000	321,879	303,482	286,199	269,912	254,540	239,977	225,789	211,602	197,414

## Income Statement

0	2023	2024	2025	2026	2027	2028	2029	2030	2031
Regulated Revenues	34,196	32,656	31,117	29,577	28,037	26,497	25,339	24,552	23,764
Unregulated Revenues	0	0	0	0	0	0	0	0	0
<b>Total Revenues</b>	<b>34,196</b>	<b>32,656</b>	<b>31,117</b>	<b>29,577</b>	<b>28,037</b>	<b>26,497</b>	<b>25,339</b>	<b>24,552</b>	<b>23,764</b>
Operating Expenses:									
Insurance	178	178	178	178	178	178	178	178	178
O&M	0	0	0	0	0	0	0	0	0
Book Depreciation	11,167	11,167	11,167	11,167	11,167	11,167	11,167	11,167	11,167
Revenue Taxes	1,647	1,573	1,499	1,425	1,350	1,276	1,221	1,183	1,145
Property Taxes	2,278	2,278	2,278	2,278	2,278	2,278	2,278	2,278	2,278
Federal Income Tax									
Current	1,620	1,260	901	542	182	3,341	6,482	6,298	6,115
Deferred	3,021	3,021	3,021	3,021	3,021	(496)	(3,908)	(3,908)	(3,908)
<b>Total Operating Expenses</b>	<b>19,910</b>	<b>19,477</b>	<b>19,043</b>	<b>18,610</b>	<b>18,176</b>	<b>17,743</b>	<b>17,417</b>	<b>17,195</b>	<b>16,973</b>
<b>Operating Income</b>	<b>14,286</b>	<b>13,180</b>	<b>12,073</b>	<b>10,967</b>	<b>9,861</b>	<b>8,755</b>	<b>7,923</b>	<b>7,357</b>	<b>6,791</b>
Non Operating Income	0	0	0	0	0	0	0	0	0
Interest	5,667	5,228	4,789	4,350	3,912	3,473	3,143	2,918	2,694
Preferred Dividends	0	0	0	0	0	0	0	0	0
<b>Net Income</b>	<b>8,619</b>	<b>7,952</b>	<b>7,284</b>	<b>6,617</b>	<b>5,949</b>	<b>5,282</b>	<b>4,780</b>	<b>4,439</b>	<b>4,097</b>
Average Ratebase	183,226	169,038	154,850	140,663	126,475	112,287	101,617	94,358	87,100

## Cash Flow Statement

0	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
<b>Cash Flow from Operations</b>											
Earnings Before Interest & Dividends	-	26,119	25,096	23,662	22,314	21,045	19,846	18,711	17,604	16,498	15,392
Plus: Book Depreciation	-	11,167	11,167	11,167	11,167	11,167	11,167	11,167	11,167	11,167	11,167
Plus: Deferred Taxes	-	1,954	7,230	6,117	5,120	4,205	3,396	3,021	3,021	3,021	3,021
Less: AFUDC	-	-	-	-	-	-	-	-	-	-	-
Less: Tax Benefit of Interest	0	3,626	3,484	3,285	3,098	2,922	2,755	2,598	2,444	2,291	2,137
Cash Flow from Operations	-	35,614	40,009	37,660	35,503	33,495	31,654	30,301	29,348	28,395	27,443
<b>Cash Flow from Investing</b>											
Capital Expenditures	-	335,000	-	-	-	-	-	-	-	-	-
Cash Flow From Investments	-	335,000	-	-	-	-	-	-	-	-	-
Miscellaneous Cash Adjustments	-	-	-	-	-	-	-	-	-	-	-
Net Cash Flow	-	(299,386)	40,009	37,660	35,503	33,495	31,654	30,301	29,348	28,395	27,443
PV Discount Factor	1.000	1.067	1.139	1.215	1.297	1.384	1.477	1.576	1.682	1.795	1.915
PV	-	(280,549)	35,133	30,989	27,376	24,203	21,433	19,226	17,450	15,821	14,329
Cumulative PV	-	(280,549)	(245,416)	(214,427)	(187,051)	(162,848)	(141,415)	(122,189)	(104,739)	(88,917)	(74,589)

## Cash Flow Statement

0	2023	2024	2025	2026	2027	2028	2029	2030	2031
<b>Cash Flow from Operations</b>									
Earnings Before Interest & Dividends	14,286	13,180	12,073	10,967	9,861	8,755	7,923	7,357	6,791
Plus: Book Depreciation	11,167	11,167	11,167	11,167	11,167	11,167	11,167	11,167	11,167
Plus: Deferred Taxes	3,021	3,021	3,021	3,021	3,021	(496)	(3,908)	(3,908)	(3,908)
Less: AFUDC	-	-	-	-	-	-	-	-	-
Less: Tax Benefit of Interest	1,983	1,830	1,676	1,523	1,369	1,215	1,100	1,021	943
Cash Flow from Operations	26,490	25,538	24,585	23,632	22,680	18,210	14,081	13,594	13,107
<b>Cash Flow from Investing</b>									
Capital Expenditures	-	-	-	-	-	-	-	-	-
Cash Flow From Investments	-	-	-	-	-	-	-	-	-
Miscellaneous Cash Adjustments	-	-	-	-	-	-	-	-	-
Net Cash Flow	26,490	25,538	24,585	23,632	22,680	18,210	14,081	13,594	13,107
PV Discount Factor	2.044	2.181	2.328	2.484	2.651	2.829	3.018	3.221	3.437
PV	12,961	11,709	10,563	9,515	8,557	6,438	4,665	4,220	3,813
Cumulative PV	(61,628)	(49,919)	(39,357)	(29,842)	(21,285)	(14,848)	(10,183)	(5,962)	(2,150)

## Tax Statement

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
Regulated Revenues	-	50,667	49,243	47,247	45,371	43,604	41,935	40,355	38,815	37,276	35,736	34,196	32,656	31,117	29,577	28,037	26,497	25,339	24,552	23,764
Unregulated Revenues	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Revenues	-	50,667	49,243	47,247	45,371	43,604	41,935	40,355	38,815	37,276	35,736	34,196	32,656	31,117	29,577	28,037	26,497	25,339	24,552	23,764
Operating Expenses:																				
Insurance	-	178	178	178	178	178	178	178	178	178	178	178	178	178	178	178	178	178	178	178
O&M	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Tax Depreciation	-	16,750	31,825	28,643	25,795	23,182	20,871	19,799	19,799	19,799	19,799	19,799	19,799	19,799	19,799	19,799	9,749	-	-	-
Revenue Taxes	-	2,440	2,372	2,276	2,185	2,100	2,020	1,944	1,870	1,795	1,721	1,647	1,573	1,499	1,425	1,350	1,276	1,221	1,183	1,145
Property Taxes	-	2,278	2,278	2,278	2,278	2,278	2,278	2,278	2,278	2,278	2,278	2,278	2,278	2,278	2,278	2,278	2,278	2,278	2,278	2,278
Interest	-	10,361	9,955	9,386	8,852	8,348	7,872	7,422	6,983	6,544	6,106	5,667	5,228	4,789	4,350	3,912	3,473	3,143	2,918	2,694
Total Operating Expenses	-	32,007	46,608	42,760	39,288	36,086	33,218	31,620	31,107	30,594	30,081	29,568	29,055	28,542	28,029	27,516	16,953	6,819	6,556	6,294
Schedule M's	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Taxable Income	-	18,660	2,636	4,487	6,084	7,518	8,717	8,735	7,708	6,682	5,655	4,628	3,601	2,575	1,548	521	9,544	18,521	17,995	17,470
Taxes	-	6,531	923	1,570	2,129	2,631	3,051	3,057	2,698	2,339	1,979	1,620	1,260	901	542	182	3,341	6,482	6,298	6,115

## Tax Statement

	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045	2046	2047	2048	2049	2050
Regulated Revenues	22,976	22,189	21,401	20,613	19,826	19,038	18,250	17,462	16,675	15,887	-	-	-	-	-	#REF!	#REF!	#REF!	#REF!
Unregulated Revenues	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Revenues	22,976	22,189	21,401	20,613	19,826	19,038	18,250	17,462	16,675	15,887	-	-	-	-	-	#REF!	#REF!	#REF!	#REF!
Operating Expenses:																			
Insurance	178	178	178	178	178	178	178	178	178	178	178	178	178	178	178	178	178	178	178
O&M	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Tax Depreciation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	#REF!	#REF!	#REF!	#REF!
Revenue Taxes	1,107	1,069	1,031	993	955	917	879	841	803	765	-	-	-	-	-	#REF!	#REF!	#REF!	#REF!
Property Taxes	2,278	2,278	2,278	2,278	2,278	2,278	2,278	2,278	2,278	2,278	2,278	2,278	2,278	2,278	2,278	2,278	2,278	2,278	2,278
Interest	2,469	2,245	2,020	1,796	1,571	1,347	1,122	898	673	449	-	-	-	-	-	#REF!	#REF!	#REF!	#REF!
Total Operating Expenses	6,032	5,769	5,507	5,244	4,982	4,719	4,457	4,195	3,932	3,670	2,456	2,456	2,456	2,456	2,456	#REF!	#REF!	#REF!	#REF!
Schedule M's	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Taxable Income	16,945	16,419	15,894	15,369	14,844	14,318	13,793	13,268	12,743	12,217	(2,456)	(2,456)	(2,456)	(2,456)	(2,456)	#REF!	#REF!	#REF!	#REF!
Taxes	5,931	5,747	5,563	5,379	5,195	5,011	4,828	4,644	4,460	4,276	(859)	(859)	(859)	(859)	(859)	#REF!	#REF!	#REF!	#REF!

## Tax Statement

	2051
Regulated Revenues	#REF!
Unregulated Revenues	0
Total Revenues	#REF!
Operating Expenses:	
Insurance	178
O&M	-
Tax Depreciation	#REF!
Revenue Taxes	#REF!
Property Taxes	2,278
Interest	#REF!
Total Operating Expenses	#REF!
Schedule M's	-
Taxable Income	#REF!
Taxes	#REF!

	0	2012	2013	2014	2015	2016	2017
O&M Projection		-	-	-	-	-	-
O&M Expenses		0	0	0	0	0	0
Non-Operating Income							
Cash Adjustments							
Schedule-Adjustments							
Unregulated Revenues							
Processing Flag		1	1	1	1	1	1



2018      2019      2020      2021      2022      2023      2024      2025

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# Capital Projects

## Capital Projects

	Book Life	Tax Life	Close Date	2012	2013	2014	2015
Project 1	10	7	2012	0	0	0	0
Project 2	20	15	2005	0	0	0	0
Project 3	25	15	2006	0	0	0	0
Project 4	20	15	2007	0	0	0	0
Project 5	30	15	2004	0	0	0	0
Project 6	30	15	2006	0	0	0	0
Project 7	30	15	2003	0	0	0	0
Project 8	30	15	2004	0	0	0	0
Project 9	30	15	2004	0	0	0	0
Project 10	30	15	2008	0	0	0	0
Project 11	30	15	2003	0	0	0	0
Project 12	30	15	2006	0	0	0	0
Project 13	30	15	2007	0	0	0	0
Project 14	30	15	2003	0	0	0	0
Project 15	30	15	2008	0	0	0	0
Project 16	30	15	2006	0	0	0	0
Project 17	30	15	2015	0	0	0	0
Project 18	30	15	2014	0	0	0	0
Project 19	30	15	2002	0	0	0	0
Project 20	30	15	2003	0	0	0	0
Project 21	30	15	2004	0	0	0	0
Project 22	30	15	2005	0	0	0	0
Project 23	30	15	2006	0	0	0	0
Project 24	30	15	2007	0	0	0	0
Project 25	30	15	2008	0	0	0	0
Project 26	30	15	2009	0	0	0	0
Project 27	30	15	2010	0	0	0	0
Project 28	30	15	2011	0	0	0	0
Project 29	30	15	2012	0	0	0	0
Project 30	30	15	2013	0	335,000	0	0
Project 31	30	15	2014	0	0	0	0
Project 32	30	15	2015	0	0	0	0
Project 33	30	15	2016	0	0	0	0
Project 34	30	15	2017	0	0	0	0
Project 35	30	15	2018	0	0	0	0
Project 36	30	15	2019	0	0	0	0
Project 37	30	15	2020	0	0	0	0
Project 38	30	15	2021	0	0	0	0
Project 39	30	15	2022	0	0	0	0
Project 40	30	15	2023	0	0	0	0
Project 41	30	15	2015	0	0	0	0
Project 42	30	15	2021	0	0	0	0
Project 43	30	15	2022	0	0	0	0
Project 44	30	15	2023	0	0	0	0
Project 45	30	15	2024	0	0	0	0
Project 46	30	15	2025	0	0	0	0
Project 47	30	20	2026	0	0	0	0
Capital Expenditures				-	335,000	-	-
Gross Plant				-	335,000	335,000	335,000
Book Depr				-	11,167	11,167	11,167
Tax Depr							
<b>AFUDC</b>							



## Capital Projects

Project 1	-	-	-	-
Project 2	-	-	-	-
Project 3	-	-	-	-
Project 4	-	-	-	-
Project 5	-	-	-	-
Project 6	-	-	-	-
Project 7	-	-	-	-
Project 8	-	-	-	-
Project 9	-	-	-	-
Project 10	-	-	-	-
Project 11	-	-	-	-
Project 12	-	-	-	-
Project 13	-	-	-	-
Project 14	-	-	-	-
Project 15	-	-	-	-
Project 16	-	-	-	-
Project 17	-	-	-	-
Project 18	-	-	-	-
Project 19	-	-	-	-
Project 20	-	-	-	-
Project 21	-	-	-	-
Project 22	-	-	-	-
Project 23	-	-	-	-
Project 24	-	-	-	-
Project 25	-	-	-	-
Project 26	-	-	-	-
Project 27	-	-	-	-
Project 28	-	-	-	-
Project 29	-	-	-	-
Project 30	-	-	-	-
Project 31	-	-	-	-
Project 32	-	-	-	-
Project 33	-	-	-	-
Project 34	-	-	-	-
Project 35	-	-	-	-
Project 36	-	-	-	-
Project 37	-	-	-	-
Project 38	-	-	-	-
Project 39	-	-	-	-
Project 40	-	-	-	-
Project 41	-	-	-	-
Project 42	-	-	-	-
Project 43	-	-	-	-
Project 44	-	-	-	-
Project 45	-	-	-	-
Project 46	-	-	-	-
Project 47	-	-	-	-
AFUDC	-	-	-	-
AFUDC Closed to Plant	-	-	-	-























**Book Depreciation**

	2012	2013	2014	2015	2016	2017
<b>Book Depreciation</b>						
Project 1	0	0	0	0	0	0
Project 2	0	0	0	0	0	0
Project 3	0	0	0	0	0	0
Project 4	0	0	0	0	0	0
Project 5	0	0	0	0	0	0
Project 6	0	0	0	0	0	0
Project 7	0	0	0	0	0	0
Project 8	0	0	0	0	0	0
Project 9	0	0	0	0	0	0
Project 10	0	0	0	0	0	0
Project 11	0	0	0	0	0	0
Project 12	0	0	0	0	0	0
Project 13	0	0	0	0	0	0
Project 14	0	0	0	0	0	0
Project 15	0	0	0	0	0	0
Project 16	0	0	0	0	0	0
Project 17	0	0	0	0	0	0
Project 18	0	0	0	0	0	0
Project 19	0	0	0	0	0	0
Project 20	0	0	0	0	0	0
Project 21	0	0	0	0	0	0
Project 22	0	0	0	0	0	0
Project 23	0	0	0	0	0	0
Project 24	0	0	0	0	0	0
Project 25	0	0	0	0	0	0
Project 26	0	0	0	0	0	0
Project 27	0	0	0	0	0	0
Project 28	0	0	0	0	0	0
Project 29	0	0	0	0	0	0
Project 30	0	11,167	11,167	11,167	11,167	11,167
Project 31	0	0	0	0	0	0
Project 32	0	0	0	0	0	0
Project 33	0	0	0	0	0	0
Project 34	0	0	0	0	0	0
Project 35	0	0	0	0	0	0
Project 36	0	0	0	0	0	0
Project 37	0	0	0	0	0	0
Project 38	0	0	0	0	0	0
Project 39	0	0	0	0	0	0
Project 40	0	0	0	0	0	0
Project 41	0	0	0	0	0	0
Project 42	0	0	0	0	0	0
Project 43	0	0	0	0	0	0
Project 44	0	0	0	0	0	0
Project 45	0	0	0	0	0	0
Project 46	0	0	0	0	0	0
Project 47	0	0	0	0	0	0
Total Book Depreciation	-	11,167	11,167	11,167	11,167	11,167



















