

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

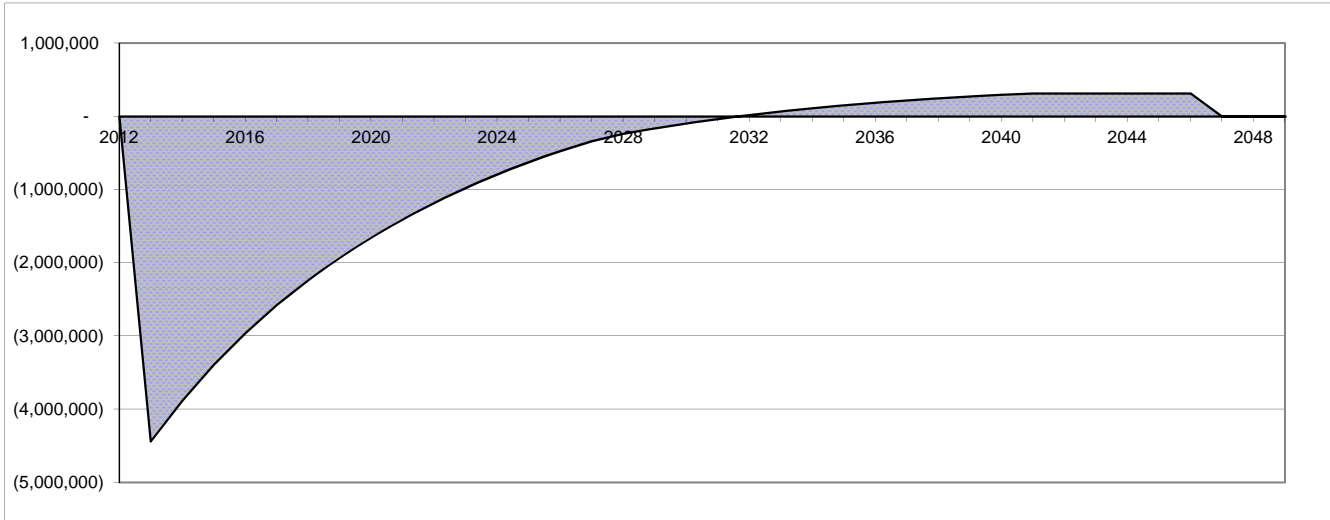
		<u>Cost</u>	<u>WACC</u>
Long Term Debt	48.00%	6.22%	2.99%
Conservation Trust	0.00%	7.13%	0.00%
Short Term Debt	4.00%	2.68%	0.11%
Capital Trust	0.00%	8.58%	0.00%
Preferred	0.00%	8.51%	0.00%
Common	48.00%	9.80%	4.70%
Total	<u>100%</u>		<u>7.80%</u>

	<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)	\$316,026	Levelized Revenue Requirement Rate	11.6984%
Present Value of Regulated Revenues	\$6,601,292	Present Value of Capital Investments	\$4,916,658
Present Value of Unregulated Revenues	\$0	Capital Recovery Factor	8.71%
Present Value of Total Revenues	\$6,601,292	Annuitized Revenue Requirement	\$575,171

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	<u>100%</u>		<u>7.80%</u>

After-Tax Cost of Capital 6.71%

	2012	2013
Regulated Revenues	0	801,602
Unregulated Revenues	0	0
Capital Investments	0	4,916,658
NPV	0	(4,438,540)

Present Value Revenue Requirement	6,601,292	30 Years
Present Value of Unregulated Revenues	-	30 Years
Present Value of Total Revenues	<u>6,601,292</u>	
Levelized Revenue Requirement (Reg)	575,171	30 Years
Levelized Revenue Requirement (UnR)	-	30 Years
PV (WACC) of Capitalized Investment	4,916,658	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	316,026	30 Years
Present Value of Capital Expenditures	4,654,044	

2014	2015	2016	2017	2018	2019	2020	2021
779,074	747,487	717,812	689,849	663,456	638,452	614,092	589,732
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
555,833	490,279	433,116	382,909	339,093	304,175	276,076	250,308

2022	2023	2024	2025	2026	2027	2028	2029
565,372	541,013	516,653	492,293	467,933	443,573	419,213	400,893
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
226,690	205,053	185,242	167,111	150,529	135,372	101,852	73,805

2030	2031	2032	2033	2034	2035	2036	2037
388,431	375,969	363,506	351,044	338,582	326,120	313,657	301,195
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
66,767	60,324	54,426	49,032	44,101	39,597	35,485	31,733

2038	2039	2040	2041	2042	2043	2044	2045
288,733	276,271	263,808	251,346	0	0	0	0
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
28,313	25,198	22,363	19,785	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	801,602	779,074	747,487	717,812	689,849	663,456	638,452	614,092	589,732	565,372
Unregulated Revenues	0	0	0	0	0	0	0	0	0	0	0
Total Revenues	0	801,602	779,074	747,487	717,812	689,849	663,456	638,452	614,092	589,732	565,372
Operating Expenses:											
Insurance	0	2,809	2,809	2,809	2,809	2,809	2,809	2,809	2,809	2,809	2,809
O&M	0	0	0	0	0	0	0	0	0	0	0
Book Depreciation	0	176,667	176,667	176,667	176,667	176,667	176,667	176,667	176,667	176,667	176,667
Revenue Taxes	0	38,611	37,526	36,004	34,575	33,228	31,957	30,752	29,579	28,406	27,232
Property Taxes	0	36,040	36,040	36,040	36,040	36,040	36,040	36,040	36,040	36,040	36,040
Federal Income Tax											
Current	0	103,328	14,595	24,846	33,687	41,630	48,269	48,369	42,684	36,998	31,313
Deferred	0	30,917	114,392	96,769	81,002	66,533	53,733	47,797	47,797	47,797	47,797
Total Operating Expenses	0	388,371	382,028	373,135	364,779	356,906	349,475	342,434	335,575	328,717	321,858
Operating Income	0	413,230	397,046	374,352	353,033	332,943	313,981	296,018	278,517	261,016	243,515
Non Operating Income	0	0	0	0	0	0	0	0	0	0	0
Interest	0	163,918	157,498	148,496	140,040	132,070	124,549	117,423	110,481	103,539	96,596
Preferred Dividends	0	0	0	0	0	0	0	0	0	0	0
Net Income	0	249,312	239,547	225,856	212,993	200,873	189,433	178,595	168,036	157,477	146,918
Average Ratebase	0	5,300,000	5,092,417	4,801,358	4,527,923	4,270,254	4,027,055	3,796,655	3,572,191	3,347,727	3,123,264

Income Statement

01	2023	2024	2025	2026	2027	2028	2029	2030	2031
Regulated Revenues	541,013	516,653	492,293	467,933	443,573	419,213	400,893	388,431	375,969
Unregulated Revenues	0	0	0	0	0	0	0	0	0
Total Revenues	541,013	516,653	492,293	467,933	443,573	419,213	400,893	388,431	375,969
Operating Expenses:									
Insurance	2,809	2,809	2,809	2,809	2,809	2,809	2,809	2,809	2,809
O&M	0	0	0	0	0	0	0	0	0
Book Depreciation	176,667	176,667	176,667	176,667	176,667	176,667	176,667	176,667	176,667
Revenue Taxes	26,059	24,886	23,712	22,539	21,366	20,192	19,310	18,710	18,109
Property Taxes	36,040	36,040	36,040	36,040	36,040	36,040	36,040	36,040	36,040
Federal Income Tax									
Current	25,627	19,942	14,256	8,571	2,885	52,850	102,554	99,646	96,737
Deferred	47,797	47,797	47,797	47,797	47,797	(7,853)	(61,833)	(61,833)	(61,833)
Total Operating Expenses	314,999	308,140	301,281	294,422	287,564	280,705	275,546	272,038	268,529
Operating Income	226,014	208,513	191,012	173,511	156,010	138,509	125,347	116,393	107,440
Non Operating Income	0	0	0	0	0	0	0	0	0
Interest	89,654	82,712	75,770	68,827	61,885	54,943	49,722	46,170	42,619
Preferred Dividends	0	0	0	0	0	0	0	0	0
Net Income	136,360	125,801	115,242	104,683	94,124	83,566	75,625	70,223	64,821
Average Ratebase	2,898,800	2,674,336	2,449,872	2,225,408	2,000,944	1,776,481	1,607,667	1,492,833	1,378,000

Cash Flow Statement

0	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Cash Flow from Operations											
Earnings Before Interest & Dividends	-	413,230	397,046	374,352	353,033	332,943	313,981	296,018	278,517	261,016	243,515
Plus: Book Depreciation	-	176,667	176,667	176,667	176,667	176,667	176,667	176,667	176,667	176,667	176,667
Plus: Deferred Taxes	-	30,917	114,392	96,769	81,002	66,533	53,733	47,797	47,797	47,797	47,797
Less: AFUDC	-	-	-	-	-	-	-	-	-	-	-
Less: Tax Benefit of Interest	0	57,371	55,124	51,974	49,014	46,225	43,592	41,098	38,668	36,238	33,809
Cash Flow from Operations	-	563,442	632,979	595,814	561,688	529,918	500,789	479,383	464,312	449,241	434,170
Cash Flow from Investing											
Capital Expenditures	-	5,300,000	-	-	-	-	-	-	-	-	-
Cash Flow From Investments	-	5,300,000	-	-	-	-	-	-	-	-	-
Miscellaneous Cash Adjustments	-	-	-	-	-	-	-	-	-	-	-
Net Cash Flow	-	(4,736,558)	632,979	595,814	561,688	529,918	500,789	479,383	464,312	449,241	434,170
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	-	(4,438,540)	555,833	490,279	433,116	382,909	339,093	304,175	276,076	250,308	226,690
Cumulative PV	-	(4,438,540)	(3,882,707)	(3,392,429)	(2,959,313)	(2,576,404)	(2,237,311)	(1,933,136)	(1,657,060)	(1,406,752)	(1,180,062)

Cash Flow Statement

0	2023	2024	2025	2026	2027	2028	2029	2030	2031
Cash Flow from Operations									
Earnings Before Interest & Dividends	226,014	208,513	191,012	173,511	156,010	138,509	125,347	116,393	107,440
Plus: Book Depreciation	176,667	176,667	176,667	176,667	176,667	176,667	176,667	176,667	176,667
Plus: Deferred Taxes	47,797	47,797	47,797	47,797	47,797	(7,853)	(61,833)	(61,833)	(61,833)
Less: AFUDC	-	-	-	-	-	-	-	-	-
Less: Tax Benefit of Interest	31,379	28,949	26,519	24,090	21,660	19,230	17,403	16,160	14,917
Cash Flow from Operations	419,099	404,027	388,956	373,885	358,814	288,092	222,777	215,067	207,357
Cash Flow from Investing									
Capital Expenditures	-	-	-	-	-	-	-	-	-
Cash Flow From Investments	-	-	-	-	-	-	-	-	-
Miscellaneous Cash Adjustments	-	-	-	-	-	-	-	-	-
Net Cash Flow	419,099	404,027	388,956	373,885	358,814	288,092	222,777	215,067	207,357
PV Discount Factor	2.044	2.181	2.328	2.484	2.651	2.829	3.018	3.221	3.437
PV	205,053	185,242	167,111	150,529	135,372	101,852	73,805	66,767	60,324
Cumulative PV	(975,009)	(789,767)	(622,656)	(472,127)	(336,755)	(234,903)	(161,099)	(94,331)	(34,007)

Tax Statement

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
Regulated Revenues	-	801,602	779,074	747,487	717,812	689,849	663,456	638,452	614,092	589,732	565,372	541,013	516,653	492,293	467,933	443,573	419,213	400,893	388,431	375,969
Unregulated Revenues	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Revenues	-	801,602	779,074	747,487	717,812	689,849	663,456	638,452	614,092	589,732	565,372	541,013	516,653	492,293	467,933	443,573	419,213	400,893	388,431	375,969
Operating Expenses:																				
Insurance	-	2,809	2,809	2,809	2,809	2,809	2,809	2,809	2,809	2,809	2,809	2,809	2,809	2,809	2,809	2,809	2,809	2,809	2,809	2,809
O&M	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Tax Depreciation	-	265,000	503,500	453,150	408,100	366,760	330,190	313,230	313,230	313,230	313,230	313,230	313,230	313,230	313,230	313,230	154,230	-	-	-
Revenue Taxes	-	38,611	37,526	36,004	34,575	33,228	31,957	30,752	29,579	28,406	27,232	26,059	24,886	23,712	22,539	21,366	20,192	19,310	18,710	18,109
Property Taxes	-	36,040	36,040	36,040	36,040	36,040	36,040	36,040	36,040	36,040	36,040	36,040	36,040	36,040	36,040	36,040	36,040	36,040	36,040	36,040
Interest	-	163,918	157,498	148,496	140,040	132,070	124,549	117,423	110,481	103,539	96,596	89,654	82,712	75,770	68,827	61,885	54,943	49,722	46,170	42,619
Total Operating Expenses	-	506,378	737,373	676,500	621,563	570,907	525,544	500,254	492,139	484,023	475,908	467,792	459,676	451,561	443,445	435,330	268,214	107,881	103,729	99,577
Schedule M's	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Taxable Income	-	295,224	41,701	70,987	96,249	118,942	137,912	138,198	121,953	105,709	89,465	73,221	56,976	40,732	24,488	8,243	150,999	293,012	284,702	276,391
Taxes	-	103,328	14,595	24,846	33,687	41,630	48,269	48,369	42,684	36,998	31,313	25,627	19,942	14,256	8,571	2,885	52,850	102,554	99,646	96,737

Tax Statement

	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045	2046	2047	2048	2049	2050
Regulated Revenues	363,506	351,044	338,582	326,120	313,657	301,195	288,733	276,271	263,808	251,346	-	-	-	-	-	#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	363,506	351,044	338,582	326,120	313,657	301,195	288,733	276,271	263,808	251,346	-	-	-	-	-	#REF!	#REF!	#REF!	#REF!
Operating Expenses:																			
Insurance	2,809	2,809	2,809	2,809	2,809	2,809	2,809	2,809	2,809	2,809	2,809	2,809	2,809	2,809	2,809	2,809	2,809	2,809	2,809
O&M	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Tax Depreciation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Revenue Taxes	17,509	16,909	16,308	15,708	15,108	14,508	13,907	13,307	12,707	12,107	-	-	-	-	-	#REF!	#REF!	#REF!	#REF!
Property Taxes	36,040	36,040	36,040	36,040	36,040	36,040	36,040	36,040	36,040	36,040	36,040	36,040	36,040	36,040	36,040	36,040	36,040	36,040	36,040
Interest	39,067	35,516	31,964	28,413	24,861	21,309	17,758	14,206	10,655	7,103	-	-	-	-	-	-	-	-	-
Total Operating Expenses	95,425	91,273	87,122	82,970	78,818	74,666	70,514	66,362	62,211	58,059	38,849	38,849	38,849	38,849	38,849	#REF!	#REF!	#REF!	#REF!
Schedule M's	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Taxable Income	268,081	259,771	251,460	243,150	234,839	226,529	218,219	209,908	201,598	193,287	(38,849)	(38,849)	(38,849)	(38,849)	(38,849)	#REF!	#REF!	#REF!	#REF!
Taxes	93,828	90,920	88,011	85,102	82,194	79,285	76,377	73,468	70,559	67,651	(13,597)	(13,597)	(13,597)	(13,597)	(13,597)	#REF!	#REF!	#REF!	#REF!

Tax Statement

	2051
Regulated Revenues	#REF!
Unregulated Revenues	0
Total Revenues	#REF!
Operating Expenses:	
Insurance	2,809
O&M	-
Tax Depreciation	#REF!
Revenue Taxes	#REF!
Property Taxes	36,040
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

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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	5,300,000	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				-	5,300,000	-	-
Gross Plant				-	5,300,000	5,300,000	5,300,000
Book Depr				-	176,667	176,667	176,667
Tax Depr							

AFUDC

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
Book Depreciation						
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	176,667	176,667	176,667	176,667	176,667
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	-	176,667	176,667	176,667	176,667	176,667

