

ATTACHMENT A

REVISED December 9, 2009

The Wild Horse Expansion is a 44MW Wind Project with a total cost of \$102.4MM

\$102,385,913	Total Cost
95.8%	Assumed percentage of qualifying property
30.0%	Grant percentage of qualifying property
\$29,431,616	Grant \$ = ~28.8% of total investment cost

Benefit to utility customers under various assumptions

	Net present value	After FIT adjustment
Grant Normalized over 10 years w/ cash returned	\$19,657,976	\$30,243,040
Adjustment for MACRS Basis Reduction	(\$2,245,739)	(\$3,454,983)
Adjustment for Tax on Flow Through Depreciation	<u>(\$2,140,880)</u>	<u>(\$3,293,661)</u>
NET Grant Normalized over 10 years w/ cash returned	\$15,271,357	\$23,494,396
Grant Normalized 10 years w/ RB reduction (1)		(\$11,962,717)
PTC (assuming no deferral)	\$14,585,312	\$22,438,941
PTC Carrying Cost (2)	<u>(\$3,128,156)</u>	<u>(\$4,812,548)</u>
PTC Realized Value	\$11,457,155	\$17,626,393

(1) Assumes reduction in ratebase over 10 years

(2) Assumes the Wild Horse Expansion is fully burdened with the carrying costs associated with PTCs deferred. In other words, all other PTCs generated or tax reductions would be used prior to the Expansion PTCs.