

Capital Investment									
Year*	Plant	Accum Depreciation	Deferred Tax**	Net Plant	Average Plant	Return + Tax***	Depreciation Expense	Property Tax	Revenue Requirement
1	\$80,000,000	-\$7,463,344		\$72,536,656	\$76,268,328	\$6,124,347	\$7,463,344	\$2,720,125	\$16,307,816
2	\$80,000,000	-\$14,939,980		\$65,060,020	\$68,798,338	\$5,524,507	\$7,476,636	\$2,439,751	\$15,440,893
3	\$80,000,000	-\$22,416,615		\$57,583,385	\$61,321,703	\$4,924,133	\$7,476,636	\$2,159,377	\$14,560,145
4	\$80,000,000	-\$29,893,251		\$50,106,749	\$53,845,067	\$4,323,759	\$7,476,636	\$1,879,003	\$13,679,397
5	\$80,000,000	-\$37,369,886		\$42,630,114	\$46,368,432	\$3,723,385	\$7,476,636	\$1,598,629	\$12,798,650
6	\$80,000,000	-\$44,846,522		\$35,153,478	\$38,891,796	\$3,123,011	\$7,476,636	\$1,318,255	\$11,917,902
7	\$80,000,000	-\$52,323,157		\$27,676,843	\$31,415,160	\$2,522,637	\$7,476,636	\$1,037,882	\$11,037,155
8	\$80,000,000	-\$59,799,793		\$20,200,207	\$23,938,525	\$1,922,264	\$7,476,636	\$757,508	\$10,156,407
9	\$80,000,000	-\$67,276,428		\$12,723,572	\$16,461,889	\$1,321,890	\$7,476,636	\$477,134	\$9,275,659
10	\$80,000,000	-\$74,753,064		\$5,246,936	\$8,985,254	\$721,516	\$7,476,636	\$196,760	\$8,394,912
11	\$80,000,000	-\$80,000,000		\$0	\$2,623,468	\$210,664	\$5,246,936	\$0	\$5,457,601
12	\$80,000,000	-\$80,000,000		\$0	\$0	\$0	\$0	\$0	\$0
Total						\$34,442,112			\$129,026,536

Source: Analysis Assumption Calculated Calculated Calculated 2021 Rate Case Set Calculated New Area Surcharge Model Calculation

NPV **\$26,800,942** ROR of 6.65% from 2021 rate case \$94,212,768.46

*Assumes Jan. 1 Implementation in Year 1

**No Deferred Tax Calculation

***Uses Weighted Cost of Capital (Grossed Up for Taxes) from Docket No. G008/GR-21-435 Settlement

Year	Expenses	Annual Energy savings (Dth)	Life (yr)	Lifetime Energy Savings (Dth)
2019	\$33,278,577	2,216,409	10.3	22,762,518
2020	\$32,952,384	2,127,993	10.6	22,599,289
2021	\$34,337,144	2,076,067	11.3	23,459,551
2019-2021 AVG	\$33,522,702	2,140,156	10.7	22,940,453

	Dth/Expense (Dth/\$)	Lifetime Dth/Expense (Dth/\$)
Estimate	0.06	0.68

	Assumed CIP Investment (\$)	Annual Energy savings (Dth)	Life (yr)	Lifetime Energy Savings (Dth)
Estimate	\$80,000,000	5,107,360	10.7	54,746,072