

Capital Investment										
Year*	Capital	Accum. Depreciation	Deferred Tax**	Net Plant	Average Plant	Return + Tax***	Depreciation Expense	Property Tax	Revenue Requirement	
1	\$80,000,000	-\$6,663,540		\$73,336,460	\$76,668,230	\$6,156,459	\$6,663,540	\$2,750,117	\$15,570,116	
2	\$80,000,000	-\$14,140,176		\$66,859,824	\$69,598,142	\$5,588,731	\$7,476,636	\$2,469,743	\$15,535,110	
3	\$80,000,000	-\$21,616,811		\$58,383,189	\$62,121,506	\$4,988,357	\$7,476,636	\$2,189,370	\$14,654,362	
4	\$80,000,000	-\$29,093,447		\$50,906,553	\$54,644,871	\$4,387,983	\$7,476,636	\$1,908,996	\$13,773,614	
5	\$80,000,000	-\$36,570,082		\$43,429,918	\$47,168,235	\$3,787,609	\$7,476,636	\$1,628,622	\$12,892,867	
6	\$80,000,000	-\$44,046,718		\$35,953,282	\$39,691,600	\$3,187,235	\$7,476,636	\$1,348,248	\$12,012,110	
7	\$80,000,000	-\$51,523,353		\$28,476,647	\$32,214,964	\$2,586,862	\$7,476,636	\$1,067,874	\$11,131,373	
8	\$80,000,000	-\$58,999,989		\$21,000,011	\$24,738,329	\$1,986,488	\$7,476,636	\$787,500	\$10,250,624	
9	\$80,000,000	-\$66,476,624		\$13,523,376	\$17,261,693	\$1,386,114	\$7,476,636	\$507,127	\$9,369,876	
10	\$80,000,000	-\$73,953,260		\$6,046,740	\$9,785,058	\$785,740	\$7,476,636	\$226,753	\$8,489,128	
11	\$80,000,000	-\$80,000,000		\$0	\$3,023,370	\$242,777	\$6,046,740	\$0	\$6,289,517	
12	\$80,000,000	-\$80,000,000		\$0	\$0	\$0	\$0	\$0	\$0	
Total				Nominal			Nominal			

Source: Analysis Assumption Calculated Calculated Calculated 2021 Rate Case Se Calculated New Area Surcharge Model Calculation
 NPV **\$27,245,122** ROR of 6.65% NPV **\$94,515,047** ROR of 6.65%

*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)	Net Benefits	Financial Incentive	Source
2019	\$37,252,502	2,020,149	11.4	23,095,035	87,584,010	\$8,738,401	2019 CIP Status Report
2020	\$35,993,594	1,915,114	11.9	22,849,424	99,357,230	\$9,935,723	2020 CIP Status Report
2021	\$38,439,620	1,871,509	12.7	23,768,498	77,715,200	\$7,771,520	2021 CIP Status Report
2019-2021 AVG	\$37,228,572	1,935,591	12.0	23,237,985	88,218,813	\$8,821,881	Calculated
2022	\$39,057,099	2,003,321	12.0	24,090,714	76,735,910	\$7,673,591	2022 CIP Status Report

	Dth/Expense (Dth/\$)	Lifetime Dth/Expense (Dth/\$)
2022	0.05129	0.61681

	Assumed CIP Investment (\$)	Annual Energy savings (Dth)	Life (yr)	Lifetime Energy Savings (Dth)
2022 Estimate	\$80,000,000	4,103,369	12.0	49,344,606

	Incentive - Return or CIP	Costs - Capital or CIP Operations
NPV RR	50.55	\$1.36
2022 Cost Recover + Shared Benefits PIM	50.32	\$1.62
Nominal RR	50.71	\$1.92

