

SETTLEMENT DOCUMENT
Appendix B – MEEIA Cycle 1 Performance Incentive Calculation

A. Performance Target

The following table provides the baseline assumption from the filed MEEIA Report.

Filed MEEIA Targets (MWh) based on 20% Opt Out, January 2012				
	2013	2014	2015	3-Year Cum. Target
RES	165,275	168,237	171,957	505,469
BUS	75,122	87,208	125,303	287,633
Total	240,397	255,445	297,260	793,102

Revised Annual Target = (Annual 20% MWh Target)/(1 - 0.2) * (1 - Actual Annual Opt-Out %)

Adjusted MEEIA Target as of January 2016				
	2013 (Actual)	2014 (Actual)	2015 (Actual)	3-Year Cum. Target (Actual)
RES	165,275	168,237	171,957	505,469
BUS	85,517	95,067	135,249	315,834
Annual Opt Out	8.93%	12.79%	13.65%	
Total	250,792	263,305	307,206	821,303

B. MEEIA Cycle 1 Results

	2013 (Stipulated)	2014 (NTG Adjusted)	2015 NTG (Adjusted)	3-Year Cum.
MWh Savings	347,360	360,445	460,562	1,168,367
Total Benefits (2013\$)	\$158,079,084	\$195,924,278	\$225,584,885	\$579,588,246
Program Costs (2013\$)	\$34,432,402	\$38,820,093	\$52,030,962	\$125,238,458
Net Benefits (2013\$)	\$123,646,682	\$157,104,184	\$173,553,922	\$454,304,788

C. MEEIA Cycle 1 Performance Incentive Calculation

Performance: $(1,168,367/821,303)*100 = 142\%$

Sharing Percent of ">130%" = 6.19%

Net Benefit (PV, 2013\$)	\$454,304,788		
Sharing Percent	6.19%		
Initial Sharing Amount (PV)	\$28,121,466.41		
Class	RES	BUS	Low Income
MWh (3-Year Cum.)	619,540	532,810	16,017
MWh Allocation	53.03%	45.60%	1.37%
Before-Tax Rev. Req. (PV)	\$14,911,727.52	\$12,824,225.22	\$385,513.67
Revenue Requirement* (2-Year Annuity)	\$7,706,253.97	\$6,627,450.53	\$199,230.19

=\$14,532,934.69†

†The total amount to be recovered over ~2 years (i.e. \$14,532,934.69 + \$14,532,934.69 = \$29,065,869.38)