

AMR Device Purchase Impact to Customers

Before Device Purchase		Difference	
Devices	692,325		
Monthly Read Cost	0.980		
Annual Read Cost		8,141,742	
After Device Purchase			
Devices	692,325		
Monthly Read Cost	0.240		
Annual Read Cost		1,993,896	(6,147,846)
Capital Cost	16,600,000		
Amortization Rate	14.3%		
Property Tax Rate	2.5%		
Equity %	54.0%		
Return on Equity	10.35%		
Pre-Tax Rate	162.31%		
Debt	46.0%		
Interest	4.16%		
Annual Amortization		2,371,429	
Annual Property Tax		415,000	
2,500,000 Incremental Replacement Cost	27.77%	694,256	
Cost of Capital		1,823,433	5,304,118
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Revenue Requirement		7,298,014	(843,728)
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Estimated L&G Book Value

Devices	692,325	
Hardware Cost (2005)	59.50	
Installation Cost (2005)	12.00	
Total Original Device Cost		49,501,238
Device Life	20.0	
Remaining Life	7.5	
		0.38
Estimate Book Value		18,562,964