

Errata Sheet

Header:

- Deletes ****Privileged & Confidential**** header

Page 4:

- Adds “, using the 6.77% customer weighted average cost of capital (“WACC”) proposed in Case No. ER-2019-0314 to determine carrying costs under AAO and as the discount rate” to end of parenthetical beginning “\$25 million on a NPV basis”)
- Adds footnote 7 to end of same paranthetical: “Using an illustrative carrying cost rate of 6.77% and an illustrative blended discount rate of 5.16%, comprising the authorized cost of long-term debt of 4.65% for Winter Storm Uri and the 6.77% WACC for Asbury, weighted by the respective recovery amounts for Winter Storm Uri and Asbury, the implied NPV benefit of securitization relative to AAO is approximately \$28 million. Adjusting the carrying cost rate to reflect an illustrative blended rate of 5.16% and discounting the cost of securitization at the 6.77% WACC and the cost of AAO recovery by the illustrative 5.16% blended rate described above implies an illustrative NPV benefit of securitization of approximately \$25 million. Discounting the cost of securitization by the authorized cost of long-term debt of 4.65%, instead of the 6.77% WACC, would imply an illustratively higher NPV cost of securitization of approximately \$4 million relative to the illustrative AAO case, driven by a negative balance associated with an Asbury securitization under these assumptions and a relatively neutral balance associated with a Winter Storm Uri securitization.”

Pages 5:

Deletes “weighted average cost of capital (“WACC”)” and replaces with “WACC”.