

Traditional Ratemaking (Based on Application of 8.36% Pre-Tax ROR) vs. Securitization Based on Office of the Public Counsel's Recommended Recovery Amount

Line No.		1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
1	Original Cost of Plant	897,863,380														
2	Depreciation Reserve	422,627,751														
3	Net Plant	475,235,629														
4	Book Basis	475,235,629														
5	Tax Basis	0														
6	Cumulative Tax Timing Difference	475,235,629														
7	Tax Rate	23.733%														
8	ADIT or Deferred Tax Liability	118,990,949														
9	Rate Base	356,244,680														
10	OPC Adjustment	-34,000,000														
11	Total Regulatory Asset	322,244,680														

Traditional Ratemaking for Early Retirement:

Line No.		Years														
		1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
12	Regulatory Asset	322,244,680	300,761,701	279,278,722	257,795,744	236,312,765	214,829,786	193,346,808	171,863,829	150,380,850	128,897,872	107,414,893	85,931,915	64,448,936	42,965,957	21,482,979
13	Equity Return	15,564,418	14,526,790	13,489,162	12,451,534	11,413,907	10,376,279	9,338,651	8,301,023	7,263,395	6,225,767	5,188,139	4,150,511	3,112,884	2,075,256	1,037,628
14	Debt Return	6,525,455	6,090,424	5,655,394	5,220,364	4,785,333	4,350,303	3,915,273	3,480,243	3,045,212	2,610,182	2,175,152	1,740,121	1,305,091	870,061	435,030
15	Amortization	21,482,979	21,482,979	21,482,979	21,482,979	21,482,979	21,482,979	21,482,979	21,482,979	21,482,979	21,482,979	21,482,979	21,482,979	21,482,979	21,482,979	21,482,979
16	Income Taxes	11,528,523	11,205,631	10,882,739	10,559,846	10,236,954	9,914,062	9,591,170	9,268,277	8,945,385	8,622,493	8,299,601	7,976,708	7,653,816	7,330,924	7,008,032
17	Total Traditional Revenue Requirement	55,101,374	53,305,824	51,510,274	49,714,723	47,919,173	46,123,622	44,328,072	42,532,521	40,736,971	38,941,421	37,145,870	35,350,320	33,554,769	31,759,219	29,963,669
18	Present Value of Annual RR	411,870,228														

Securitization Revenue Requirement for Early Retirement:

Line No.		Years														
		1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
19	Principal Payment	14,562,009	15,081,038	15,924,068	16,814,224	17,754,139	18,746,595	19,794,530	20,901,044	22,069,413	23,303,093	24,605,736	25,981,196	27,433,545	28,967,080	30,586,340
20	Interest Payment	18,365,824	17,215,078	16,372,048	15,481,893	14,541,978	13,549,521	12,501,586	11,395,072	10,226,704	8,993,024	7,690,381	6,314,920	4,862,571	3,329,036	1,709,776
21	Income Taxes	4,531,451	4,692,964	4,955,301	5,232,302	5,524,788	5,833,623	6,159,723	6,504,051	6,867,628	7,251,528	7,656,889	8,084,909	8,536,855	9,014,065	9,517,951
22	Ongoing Financing Costs	725,930	725,930	725,930	725,930	725,930	725,930	725,930	725,930	725,930	725,930	725,930	725,930	725,930	725,930	725,930
23	Total Securitization Annual Revenue Requirements	38,185,214	37,715,010	37,977,347	38,254,348	38,546,834	38,855,670	39,181,769	39,526,098	39,889,674	40,273,575	40,678,935	41,106,955	41,558,902	42,036,112	42,539,998
24	Present Value of Annual RR	362,507,506														
25	Quantifiable NPV Benefits of Securitization	49,362,722														