

**Traditional Ratemaking Based on Allowed Pre-Tax ROR of 8.36% vs. Securitization Based on Rush Island Expected Account Balances at August 31, 2024**

Line No.	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
	<u>8/31/2024</u>														
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	138,927,203													
9	Rate Base	336,308,426													
10	Other Costs from Lansford Sched MJL-D1	91,000,965													
11	Total Regulatory Asset	427,309,390													

**Traditional Ratemaking for Early Retirement:**

	1	2	3	4	5	6	7	Years								
								8	9	10	11	12	13	14	15	
12	Regulatory Asset	427,309,390	398,822,098	370,334,805	341,847,512	313,360,220	284,872,927	256,385,634	227,898,342	199,411,049	170,923,756	142,436,463	113,949,171	85,461,878	56,974,585	28,487,293
13	Equity Return	20,639,044	19,263,107	17,887,171	16,511,235	15,135,299	13,759,362	12,383,426	11,007,490	9,631,554	8,255,617	6,879,681	5,503,745	4,127,809	2,751,872	1,375,936
14	Debt Return	8,653,015	8,076,147	7,499,280	6,922,412	6,345,544	5,768,677	5,191,809	4,614,941	4,038,074	3,461,206	2,884,338	2,307,471	1,730,603	1,153,735	576,868
15	Amortization	28,487,293	28,487,293	28,487,293	28,487,293	28,487,293	28,487,293	28,487,293	28,487,293	28,487,293	28,487,293	28,487,293	28,487,293	28,487,293	28,487,293	28,487,293
16	Income Taxes	15,287,285	14,859,117	14,430,948	14,002,780	13,574,612	13,146,444	12,718,276	12,290,108	11,861,940	11,433,772	11,005,604	10,577,436	10,149,268	9,721,100	9,292,932
17	Total Traditional Revenue Requirement	73,066,636	70,685,664	68,304,692	65,923,720	63,542,748	61,161,776	58,780,804	56,399,832	54,018,860	51,637,888	49,256,916	46,875,944	44,494,972	42,114,000	39,733,028
18	Present Value of Annual RR	<b>607,719,666</b>														

**Securitization Revenue Requirement for Early Retirement:**

	1	2	3	4	5	6	7	Years								
								8	9	10	11	12	13	14	15	
19	Principal Payment	19,232,173	20,307,252	21,442,427	22,641,059	23,906,694	25,243,078	26,654,166	28,144,134	29,717,391	31,378,593	33,132,657	34,984,772	36,940,421	39,005,390	41,185,792
20	Interest Payment	24,255,904	23,180,826	22,045,651	20,847,019	19,581,384	18,244,999	16,833,911	15,343,944	13,770,686	12,109,484	10,355,421	8,503,305	6,547,657	4,482,687	2,302,286
21	Income Taxes	5,984,727	6,319,273	6,672,520	7,045,514	7,439,359	7,855,219	8,294,326	8,757,978	9,247,549	9,764,487	10,310,322	10,886,669	11,495,234	12,137,818	12,816,322
22	Ongoing Financing Costs	791,883	791,883	791,883	791,883	791,883	791,883	791,883	791,883	791,883	791,883	791,883	791,883	791,883	791,883	791,883
23	Total Securitization Annual Revenue Requirements	50,264,687	50,599,233	50,952,481	51,325,475	51,719,319	52,135,179	52,574,286	53,037,939	53,527,510	54,044,448	54,590,282	55,166,629	55,775,194	56,417,778	57,096,282
24	Present Value of Annual RR	<b>548,553,071</b>														
25	Quantifiable NPV Benefits of Securitization	59,166,595														