

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	138,927,203														
9	Rate Base	336,308,426														
10	OPC Adjustment	-34,000,000														
11	Total Regulatory Asset	302,308,426														

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	302,308,426	282,154,531	262,000,636	241,846,741	221,692,846	201,538,951	181,385,056	161,231,160	141,077,265	120,923,370	100,769,475	80,615,580	60,461,685	40,307,790	20,153,895
13	Equity Return	14,601,497	13,628,064	12,654,631	11,681,198	10,707,764	9,734,331	8,760,898	7,787,465	6,814,032	5,840,599	4,867,166	3,893,733	2,920,299	1,946,866	973,433
14	Debt Return	6,121,746	5,713,629	5,305,513	4,897,396	4,489,280	4,081,164	3,673,047	3,264,931	2,856,815	2,448,698	2,040,582	1,632,465	1,224,349	816,233	408,116
15	Amortization	20,153,895	20,153,895	20,153,895	20,153,895	20,153,895	20,153,895	20,153,895	20,153,895	20,153,895	20,153,895	20,153,895	20,153,895	20,153,895	20,153,895	20,153,895
16	Income Taxes	10,815,290	10,512,374	10,209,458	9,906,542	9,603,626	9,300,710	8,997,794	8,694,879	8,391,963	8,089,047	7,786,131	7,483,215	7,180,299	6,877,383	6,574,467
17	Total Traditional Revenue Requirement	51,692,428	50,007,962	48,323,497	46,639,031	44,954,566	43,270,100	41,585,635	39,901,170	38,216,704	36,532,239	34,847,773	33,163,308	31,478,842	29,794,377	28,109,912
18	Present Value of Annual RR	429,943,221														

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	13,678,388	14,443,010	15,250,374	16,102,870	17,003,020	17,953,489	18,957,089	20,016,790	21,135,729	22,317,216	23,564,749	24,882,018	26,272,923	27,741,579	29,292,333
20	Interest Payment	17,251,387	16,486,765	15,679,401	14,826,905	13,926,755	12,976,286	11,972,686	10,912,985	9,794,046	8,612,559	7,365,026	6,047,757	4,656,852	3,188,196	1,637,441
21	Income Taxes	4,256,483	4,494,420	4,745,658	5,010,941	5,291,052	5,586,822	5,899,125	6,228,886	6,577,081	6,944,740	7,332,951	7,742,863	8,175,689	8,632,710	9,115,279
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	35,912,188	36,150,125	36,401,363	36,666,646	36,946,757	37,242,527	37,554,830	37,884,591	38,232,786	38,600,445	38,988,656	39,398,568	39,831,394	40,288,415	40,770,984
24	Present Value of Annual RR	391,833,260														
25	Quantifiable NPV Benefits of Securitization	38,109,961														