

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	118,990,949													
9	Rate Base	356,244,680													
10	Other Costs from Lansford Sched MJL-D1	91,000,965													
11	Total Regulatory Asset	447,245,644													

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	447,245,644	417,429,268	387,612,892	357,796,515	327,980,139	298,163,763	268,347,386	238,531,010	208,714,634	178,898,258	149,081,881	119,265,505	89,449,129	59,632,753	29,816,376
13	Equity Return	21,601,965	20,161,834	18,721,703	17,281,572	15,841,441	14,401,310	12,961,179	11,521,048	10,080,917	8,640,786	7,200,655	5,760,524	4,320,393	2,880,262	1,440,131
14	Debt Return	9,056,724	8,452,943	7,849,161	7,245,379	6,641,598	6,037,816	5,434,035	4,830,253	4,226,471	3,622,690	3,018,908	2,415,126	1,811,345	1,207,563	603,782
15	Amortization	29,816,376	29,816,376	29,816,376	29,816,376	29,816,376	29,816,376	29,816,376	29,816,376	29,816,376	29,816,376	29,816,376	29,816,376	29,816,376	29,816,376	29,816,376
16	Income Taxes	16,000,518	15,552,373	15,104,229	14,656,085	14,207,940	13,759,796	13,311,651	12,863,507	12,415,363	11,967,218	11,519,074	11,070,929	10,622,785	10,174,641	9,726,496
17	Total Traditional Revenue Requirement	76,475,583	73,983,526	71,491,469	68,999,412	66,507,355	64,015,298	61,523,241	59,031,184	56,539,127	54,047,070	51,555,013	49,062,956	46,570,899	44,078,842	41,586,785
18	Present Value of Annual RR	636,073,018														

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	20,115,795	20,931,079	22,101,126	23,336,579	24,641,094	26,018,531	27,472,966	29,008,705	30,630,292	32,342,525	34,150,472	36,059,484	38,075,209	40,203,613	42,450,995
20	Interest Payment	25,370,341	23,892,927	22,722,880	21,487,427	20,182,912	18,805,475	17,351,039	15,815,300	14,193,714	12,481,481	10,673,533	8,764,522	6,748,797	4,620,393	2,373,011
21	Income Taxes	6,259,695	6,513,397	6,877,496	7,261,948	7,667,891	8,096,527	8,549,122	9,027,018	9,531,629	10,064,447	10,627,049	11,221,101	11,848,361	12,510,684	13,210,031
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	52,537,713	52,129,286	52,493,385	52,877,837	53,283,780	53,712,415	54,165,011	54,642,907	55,147,517	55,680,335	56,242,938	56,836,990	57,464,249	58,126,573	58,825,920
24	Present Value of Annual RR	565,869,183														
25	Quantifiable NPV Benefits of Securitization	70,203,835														