

GTA Project  
 Economic Feasibility - 40 Year Horizon  
 Parameters and Results

---

Line No. Description

---

FEASIBILITY PARAMETERS

1.	Discount Rate	5.88%
2.	CCA Rate	6.00%
3.	Tax Rate	26.50%
4.	Municipal Tax rate	0.30%
5.	Capital Tax Rate	0.00%
6.	Customer Revenue Horizon (Years)	40
7.	Annual Volumes (m <sup>3</sup> )	706,621,245
8.	Annual Distribution Revenues (Dollars)	130,083,942
9.	Annual Average O&M (Dollars)	13,208,237
10.	Annual Average Transportation Services Charge (Dollars)	-
11.	Annual Average Transportation Savings (Dollars)	177,430,802
12.	Capital Investment (Dollars)	989,977,275
	Working Capital	
13.	O&M (Lead days)	(18.70)
14.	Commodity (Lag days)	3.70

FEASIBILITY RESULTS

15.	Net Present Value (Dollars)	624,452,756
16.	Profitability Index	1.76

**GTA Project  
Economic Feasibility - 40 year Horizon  
DCF Analysis**

Line No.	Description	Col. 1	Col. 2	Col. 3	Col. 4	Col. 5	Col. 6	Col. 7	Col. 8	Col. 9	Col. 10	Col. 11	Col. 12	Col. 13	Col. 14
		10/10 - 08/13	09/13 - 12/13	01/14 - 12/14	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	
	Discount factors to project outset	1.000	0.991	0.995	0.992	0.852	0.805	0.760	0.718	0.678	0.640	0.605	0.571	0.540	
	<b>INCREMENTAL CAPITAL INVESTMENT</b>														
1.	Investment in Main						(21,000,000)	(16,400,000)	(13,000,000)	(250,000)					
2.	Investment in Services						(37,577,338)	(37,554,031)	(37,555,634)	(37,591,302)	(38,308,295)	(38,308,295)	(38,308,295)	(38,308,295)	
3.	Investment in Stations														
4.	Investment in Land														
5.	Investment in Land Rights														
6.	Annual Capital Maintenance Costs	(16,356,221)	(7,512,671)	(187,581,944)	(380,695,413)	(38,054,471)	(58,980,124)	(53,956,817)	(50,559,620)	(38,244,088)	(39,332,881)	(38,311,081)	(38,311,081)	(38,311,081)	
7.	Contribution in Aid Of Construction				1,101		2,730	2,873	3,284	3,589	3,851	3,851	3,851	3,851	
8.	Net Investment Capital	(16,356,221)	(7,512,671)	(187,581,944)	(380,694,312)	(38,053,125)	(58,977,394)	(53,953,944)	(50,555,336)	(38,240,489)	(39,329,030)	(38,307,230)	(38,307,230)	(38,307,230)	
9.	Working Capital														
10.	PV Of Total Investment At Project Outset	(821,330,163)	(821,330,163)	(821,330,163)	(821,330,163)	(821,330,163)	(821,330,163)	(821,330,163)	(821,330,163)	(821,330,163)	(821,330,163)	(821,330,163)	(821,330,163)	(821,330,163)	
11.	<b>ACCUMULATED PV OF TOTAL INVESTMENT</b>														
12.	<b>CCA TAX SHIELD</b>														
13.	CCA Tax Shield				5,075,930	6,961,285	9,180,909	9,514,545	9,765,105	9,876,377	9,892,345	9,908,460	9,916,018	9,923,616	
14.	PV Of CCA Tax Shield At Project Outset				4,579,970	7,636,777	7,389,355	7,232,916	7,011,244	6,897,437	6,835,623	6,805,807	6,805,349	6,805,910	
15.	<b>ACCUMULATED PV OF CCA TAX SHIELD</b>				4,579,970	12,216,748	19,606,303	26,839,220	33,850,464	40,547,901	46,883,724	52,877,531	58,542,860	63,897,790	
16.	<b>INCREMENTAL OPERATING CASH FLOWS (BEFORE TAXES)</b>														
17.	Gas Distribution Revenue				6,271,994	18,969,998	31,796,356	44,634,856	57,550,596	70,574,131	83,740,560	96,981,526	110,222,492	123,463,459	
18.	Transportation Services Charge				27,064,996	168,620,593	171,126,286	208,979,965	178,063,071	173,549,161	173,387,050	173,553,580	174,004,615	178,084,819	
19.	Gas Costs				(2,719,614)	(8,220,976)	(13,749,797)	(19,237,757)	(24,789,728)	(30,355,050)	(35,971,650)	(41,616,201)	(47,260,752)	(52,965,303)	
20.	CAW Expenses				(623,374)	(2,978,946)	(4,112,659)	(5,237,159)	(6,411,613)	(7,578,751)	(8,807,360)	(9,985,739)	(11,147,759)	(12,339,759)	
21.	Net Operating Cash (Before Taxes)				29,794,001	173,390,668	165,060,227	225,089,905	204,412,328	206,168,491	210,346,589	219,163,146	225,816,597	236,303,217	
22.	PV of Net Operating Cash (Before Taxes) At Project Outset				26,337,855	147,762,947	146,951,763	174,160,763	146,765,943	139,821,971	134,723,519	132,575,756	129,017,636	127,512,220	
23.	<b>ACCUMULATED PV OF NET OPERATING CASH (BEFORE TAXES)</b>				26,337,855	174,100,801	323,052,585	497,213,348	643,979,291	783,801,262	918,524,780	1,051,000,536	1,180,116,174	1,307,630,394	
24.	<b>TAXES</b>														
25.	Income Tax (Before Interest Tax Shield)				(7,773,680)	(45,447,518)	(48,493,379)	(60,120,988)	(53,538,596)	(53,876,876)	(55,050,035)	(57,355,432)	(59,068,669)	(61,836,636)	
26.	Municipal Tax				(469,321)	(1,690,602)	(2,066,343)	(2,226,213)	(2,379,869)	(2,494,621)	(2,612,620)	(2,727,953)	(2,842,466)	(2,957,419)	
27.	Capital Tax														
28.	Total Taxes				(8,243,001)	(47,138,120)	(50,559,722)	(62,349,201)	(55,918,485)	(56,371,497)	(57,662,654)	(60,082,385)	(61,931,156)	(64,794,056)	
29.	<b>ACCUMULATED PV OF TOTAL TAXES</b>				(7,282,073)	(40,341,387)	(40,894,648)	(47,397,603)	(40,848,896)	(38,256,200)	(36,331,625)	(36,345,206)	(35,353,319)	(34,963,656)	
30.	<b>ACCUMULATED NPV AND P</b>														
30.	Net Present Value				(821,330,163)	(682,636,074)	(566,989,383)	(432,983,306)	(319,385,014)	(211,141,805)	(107,014,089)	(4,769,812)	94,509,856	192,413,230	
31.	Profitability Index				0.000	0.169	0.310	0.473	0.611	0.743	0.870	0.994	1.115	1.234	

Notes:

- (1) September 12 2013 is project outset as time 0.
- (2) Oct 1 2010 to Sep 12 2013 - Project planning and engineering.
- (3) Sep 12 2013 to Dec 31 2013, mid-term discounting. Discount period equals 3.6/12\*0.5 = 0.15
- (4) Jan 1 to Dec 31 2014, mid-term discounting. Discount period equals 12/12\*0.5+3.6/12 = 0.80
- (5) Year 1 - capital spending Jan 1 to Dec 31 2015, mid-term discounting. Discount period equals 12/12\*0.5+1+3.6/12 = 1.80
- (6) 50% effectivity considered for the first year of customer additions revenue.
- (7) First year of customer additions revenues Jan 1 to Dec 31 2015. Discount period equals 12/12\*0.5+1+3.6/12 = 1.80
- (8) Transportation savings and Transportation Services Charge start Oct 15, 2015, mid-term discounting. Discount period equals 2.5/12\*0.5+9.5/12+1+3.6/12 = 2.196

**GTA Project  
Economic Feasibility - 40 year Horizon  
DCF Analysis**

Line No.	Description	Col. 15 Year 11	Col. 16 Year 12	Col. 17 Year 13	Col. 18 Year 14	Col. 19 Year 15	Col. 20 Year 16	Col. 21 Year 17	Col. 22 Year 18	Col. 23 Year 19	Col. 24 Year 20	Col. 25 Year 21	Col. 26 Year 22
	Discount factors to project outset	0.510	0.481	0.455	0.429	0.406	0.383	0.362	0.342	0.323	0.305	0.288	0.272
	<b>INCREMENTAL CAPITAL INVESTMENT</b>												
1.	Investment in Mains	-	-	-	-	-	-	-	-	-	-	-	-
2.	Investment in Services	-	-	-	-	-	-	-	-	-	-	-	-
3.	Investment in Stations	-	-	-	-	-	-	-	-	-	-	-	-
4.	Investment in Land	-	-	-	-	-	-	-	-	-	-	-	-
5.	Investment in Land Rights	-	-	-	-	-	-	-	-	-	-	-	-
6.	Annual Capital Maintenance Costs	(2,786)	(2,786)	(2,786)	(1,024,586)	(2,786)	(2,786)	(2,786)	(2,786)	(2,786)	(2,786)	(1,024,586)	(2,786)
7.	Contribution in Aid Of Construction	(2,786)	(2,786)	(2,786)	(1,024,586)	(2,786)	(2,786)	(2,786)	(2,786)	(2,786)	(2,786)	(1,024,586)	(2,786)
8.	Net Investment Capital	(2,786)	(2,786)	(2,786)	(1,024,586)	(2,786)	(2,786)	(2,786)	(2,786)	(2,786)	(2,786)	(1,024,586)	(2,786)
9.	Working Capital												
10.	Total Investment												
11.	PV Of Total Investment At Project Outset	(821,330,163)	(821,330,163)	(821,330,163)	(821,330,163)	(821,330,163)	(821,330,163)	(821,330,163)	(821,330,163)	(821,330,163)	(821,330,163)	(821,330,163)	(821,330,163)
12.	<b>ACCUMULATED PV OF TOTAL INVESTMENT</b>												
	<b>CCA TAX SHIELD</b>												
13.	CCA Tax Shield	9,626,672	9,043,420	8,485,563	7,989,070	7,513,313	7,058,298	6,630,882	6,229,388	5,852,243	5,497,965	5,173,291	4,888,305
14.	PV Of CCA Tax Shield At Project Outset	4,906,266	4,353,116	3,862,360	3,430,438	3,047,036	2,703,578	2,398,850	2,128,462	1,886,588	1,675,761	1,489,258	1,323,651
15.	<b>ACCUMULATED PV OF CCA TAX SHIELD</b>	68,604,057	73,157,175	77,019,535	80,449,973	83,497,009	86,200,387	88,599,437	90,727,919	92,616,517	94,292,278	95,781,536	97,105,167
	<b>INCREMENTAL OPERATING CASH FLOWS (BEFORE TAXES)</b>												
16.	Gas Distribution Revenue	130,083,942	130,083,942	130,083,942	130,083,942	130,083,942	130,083,942	130,083,942	130,083,942	130,083,942	130,083,942	130,083,942	130,083,942
17.	Transportation Services Charge												
18.	Transportation Savings	177,738,679											
19.	Gas Costs	(55,727,578)	(55,727,578)	(55,727,578)	(55,727,578)	(55,727,578)	(55,727,578)	(55,727,578)	(55,727,578)	(55,727,578)	(55,727,578)	(55,727,578)	(55,727,578)
20.	OGM Expenses	(12,935,757)	(12,935,757)	(12,935,757)	(12,935,757)	(12,935,757)	(12,935,757)	(12,935,757)	(12,935,757)	(12,935,757)	(12,935,757)	(12,935,757)	(12,935,757)
21.	Net Operating Cash (Before Taxes)	239,159,466	61,420,606	61,420,606	59,377,006	61,420,606	61,420,606	61,420,606	61,420,606	61,420,606	61,420,606	61,420,606	61,420,606
22.	PV of Net Operating Cash (Before Taxes) At Project Outset	121,688,456	29,565,271	27,923,609	25,495,976	24,909,226	23,526,268	22,220,091	20,966,433	19,821,257	18,720,792	17,693,115	16,689,743
23.	<b>ACCUMULATED PV OF NET OPERATING CASH (BEFORE TAXES)</b>	1,428,516,851	1,469,064,121	1,467,007,930	1,512,503,906	1,537,413,133	1,560,359,400	1,563,159,491	1,604,145,521	1,623,967,191	1,642,667,993	1,659,781,097	1,676,480,841
	<b>TAXES</b>												
24.	Income Tax (Before Interest Tax Shield)	(62,593,545)	(15,492,740)	(15,492,738)	(14,950,369)	(15,491,921)	(15,491,919)	(15,491,917)	(15,491,914)	(15,491,912)	(15,491,910)	(14,949,541)	(15,491,693)
25.	Municipal Tax	(2,957,428)	(2,957,436)	(2,957,446)	(2,960,516)	(2,960,527)	(2,960,539)	(2,960,543)	(2,960,552)	(2,960,560)	(2,960,566)	(2,963,642)	(2,963,651)
26.	Capital Tax												
27.	Total Taxes	(65,550,973)	(18,450,176)	(18,450,182)	(17,910,888)	(18,452,448)	(18,452,454)	(18,452,460)	(18,452,466)	(18,452,472)	(18,452,478)	(17,913,184)	(18,454,744)
28.	PV of Total Taxes At Project Outset	(39,408,279)	(8,881,131)	(8,388,054)	(7,690,761)	(7,067,943)	(6,394,311)	(6,075,534)	(5,794,864)	(5,554,864)	(5,324,253)	(5,156,748)	(5,017,689)
29.	<b>ACCUMULATED PV OF TOTAL TAXES</b>	(39,193,012)	(400,074,143)	(406,462,197)	(416,152,978)	(423,636,398)	(430,704,342)	(437,379,675)	(443,684,786)	(449,639,651)	(455,263,903)	(460,420,649)	(465,438,337)
	<b>ACCUMULATED NPV AND PI</b>												
30.	Net Present Value	285,799,733	310,836,991	334,235,105	355,470,738	375,943,561	395,105,483	413,048,890	429,858,894	445,613,895	460,386,195	473,811,822	486,817,227
31.	Profitability Index	1.346	1.378	1.407	1.433	1.458	1.481	1.503	1.523	1.543	1.561	1.577	1.593

Notes:

- (1) September 12 2013 is project outset as time 0.
- (2) Oct 1 2010 to Sep 12 2013 - Project planning and engineering.
- (3) Sep 12 2013 to Dec 31 2013, mid-term discounting. Discount period equals 3.6/12\*0.5 = 0.1;
- (4) Jan 1 to Dec 31 2014, mid-term discounting. Discount period equals 12/12\*0.5+3.6/12 = 0.9
- (5) Year 1 - capital spending Jan 1 to Dec 31 2015, mid-term discounting. Discount period equals 12/12\*0.5+3.6/12 = 1.80
- (6) 50% effectivity considered for the first year of customer additions revenue.
- (7) First year of customer additions revenues Jan 1 to Dec 31 2015. Discount period equals 12/12\*0.5+1+3.6/12 = 1.80
- (8) Transportation savings and Transportation Services Charge start Oct 15, 2015, mid-term discounting. Discount period equals 2.5/12\*0.5+9.5/12+1+3.6/12 = 2.196

**GTA Project  
Economic Feasibility - 40 year Horizon  
DCF Analysis**

Line No.	Description	Col. 27 Year 23	Col. 28 Year 24	Col. 29 Year 25	Col. 30 Year 26	Col. 31 Year 27	Col. 32 Year 28	Col. 33 Year 29	Col. 34 Year 30	Col. 35 Year 31	Col. 36 Year 32	Col. 37 Year 33	Col. 38 Year 34
	Discount factors to project outset	0.257	0.243	0.229	0.216	0.204	0.193	0.182	0.172	0.163	0.154	0.145	0.137
	<b>INCREMENTAL CAPITAL INVESTMENT</b>												
1.	Investment in Mains	-	-	-	-	-	-	-	-	-	-	-	-
2.	Investment in Services	-	-	-	-	-	-	-	-	-	-	-	-
3.	Investment in Stations	-	-	-	-	-	-	-	-	-	-	-	-
4.	Investment in Land	-	-	-	-	-	-	-	-	-	-	-	-
5.	Investment in Land Rights	-	-	-	-	-	-	-	-	-	-	-	-
6.	Annual Capital Maintenance Costs	(2,786)	(2,786)	(2,786)	(2,786)	(2,786)	(1,024,586)	(2,786)	(2,786)	(2,786)	(2,786)	(2,786)	(2,786)
7.	Contribution in Aid Of Construction	(2,786)	(2,786)	(2,786)	(2,786)	(2,786)	(1,024,586)	(2,786)	(2,786)	(2,786)	(2,786)	(2,786)	(2,786)
8.	Net Investment Capital	(2,786)	(2,786)	(2,786)	(2,786)	(2,786)	(1,024,586)	(2,786)	(2,786)	(2,786)	(2,786)	(2,786)	(2,786)
9.	Working Capital												
10.	Total Investment												
11.	PV Of Total Investment At Project Outset	(821,330,163)	(821,330,163)	(821,330,163)	(821,330,163)	(821,330,163)	(821,330,163)	(821,330,163)	(821,330,163)	(821,330,163)	(821,330,163)	(821,330,163)	(821,330,163)
12.	<b>ACCUMULATED PV OF TOTAL INVESTMENT</b>												
13.	CCA Tax Shield	4,573,687	4,296,926	4,036,938	3,792,704	3,563,268	3,355,866	3,161,014	2,989,955	2,790,273	2,621,567	2,463,077	2,314,183
14.	PV of CCA Tax Shield At Project Outset	1,174,505	1,042,171	924,754	820,570	728,129	647,673	576,198	511,297	453,709	402,610	357,288	317,035
15.	<b>ACCUMULATED PV OF CCA TAX SHIELD</b>	96,279,692	99,321,863	100,246,617	101,067,167	101,795,316	102,442,989	103,019,167	103,530,484	103,984,193	104,386,803	104,744,071	105,061,106
16.	<b>INCREMENTAL OPERATING CASHFLOWS (BEFORE TAXES)</b>												
17.	Gas Distribution Revenue	130,083,942	130,083,942	130,083,942	130,083,942	130,083,942	130,083,942	130,083,942	130,083,942	130,083,942	130,083,942	130,083,942	130,083,942
18.	Transportation Services Charge	-	-	-	-	-	-	-	-	-	-	-	-
19.	Transportation Savings	(55,727,578)	(55,727,578)	(55,727,578)	(55,727,578)	(55,727,578)	(55,727,578)	(55,727,578)	(55,727,578)	(55,727,578)	(55,727,578)	(55,727,578)	(55,727,578)
20.	Gas Costs	(12,935,757)	(12,935,757)	(12,935,757)	(12,935,757)	(12,935,757)	(12,935,757)	(12,935,757)	(12,935,757)	(12,935,757)	(12,935,757)	(12,935,757)	(12,935,757)
21.	CCM Expenses	61,420,606	61,420,606	61,420,606	61,420,606	61,420,606	61,420,606	61,420,606	61,420,606	61,420,606	61,420,606	61,420,606	61,420,606
22.	Net Operating Cash (Before Taxes)	15,772,575	14,866,882	14,069,808	13,288,663	12,550,868	11,459,634	11,195,909	10,574,313	9,397,228	8,432,737	8,893,032	8,414,403
23.	<b>ACCUMULATED PV OF NET OPERATING CASH (BEFORE TAXES)</b>	1,692,253,415	1,707,150,236	1,721,220,106	1,734,508,759	1,747,069,627	1,758,519,262	1,769,115,171	1,780,289,483	1,790,276,711	1,799,970,946	1,808,616,480	1,817,032,864
24.	<b>TAXES</b>												
25.	Income Tax (Before Interest Tax Shield)	(15,491,091)	(15,491,089)	(15,491,087)	(15,491,084)	(15,491,082)	(14,946,714)	(15,490,265)	(15,490,263)	(15,490,261)	(15,490,259)	(15,490,256)	(15,490,254)
26.	Municipal Tax	(2,963,659)	(2,963,667)	(2,963,676)	(2,963,684)	(2,963,692)	(2,966,766)	(2,966,774)	(2,966,783)	(2,966,791)	(2,966,800)	(2,966,808)	(2,966,816)
27.	Capital Tax	(18,454,750)	(18,454,756)	(18,454,762)	(18,454,768)	(18,454,774)	(17,915,480)	(18,457,040)	(18,457,046)	(18,457,052)	(18,457,058)	(18,457,064)	(18,457,071)
28.	Total Taxes	(4,739,109)	(4,475,985)	(4,227,469)	(3,992,711)	(3,771,103)	(3,457,649)	(3,364,386)	(3,177,607)	(3,001,166)	(2,834,563)	(2,677,169)	(2,528,553)
29.	<b>ACCUMULATED PV OF TOTAL TAXES</b>	(470,177,446)	(474,653,441)	(478,680,930)	(482,673,711)	(486,644,814)	(490,102,463)	(493,466,861)	(496,644,468)	(499,645,656)	(502,480,219)	(505,157,409)	(507,685,961)
30.	<b>ACCUMULATED NPV AND P</b>												
31.	Net Present Value	498,025,498	510,488,557	521,255,630	531,372,072	540,879,966	549,529,624	557,937,334	565,845,336	573,285,085	580,285,869	586,871,980	593,077,866
	Profitability Index	1.608	1.622	1.635	1.647	1.659	1.669	1.679	1.689	1.698	1.707	1.715	1.722

Notes:

- (1) September 12 2013 is project outset as time 0.
- (2) Oct 1 2010 to Sep 12 2013 - Project planning and engineering.
- (3) Sep 12 2013 to Dec 31 2013, mid-term discounting. Discount period equals 3.6/12\*0.5 = 0.1;
- (4) Jan 1 to Dec 31 2014, mid-term discounting. Discount period equals 12/12\*0.5+3.6/12 = 0.9
- (5) Year 1 - capital spending Jan 1 to Dec 31 2015, mid-term discounting. Discount period equals 12/12\*0.5+1+3.6/12 = 1.80
- (6) 50% effectivity considered for the first year of customer additions revenue.
- (7) First year of customer additions revenues Jan 1 to Dec 31 2015. Discount period equals 12/12\*0.5+1+3.6/12 = 1.80
- (8) Transportation savings and Transportation Services Charge start Oct 15, 2015, mid-term discounting. Discount period equals 2.5/12\*0.5+9.5/12+1+3.6/12 = 2.196

**GTA Project  
 Economic Feasibility - 40 year Horizon  
 DCF Analysis**

Line No.	Description	Col. 39 Year 35	Col. 40 Year 36	Col. 41 Year 37	Col. 42 Year 38	Col. 43 Year 39	Col. 44 Year 40
	Discount factors to project outset	0.129	0.122	0.115	0.109	0.103	0.097
	<b>INCREMENTAL CAPITAL INVESTMENT</b>						
1.	Investment in Mains	-	-	-	-	-	-
2.	Investment in Services	-	-	-	-	-	-
3.	Investment in Stations	-	-	-	-	-	-
4.	Investment in Land	-	-	-	-	-	-
5.	Investment in Land Rights	-	-	-	-	-	-
6.	Annual Capital Maintenance Costs	(1,024,586)	(2,786)	(2,786)	(2,786)	(2,786)	(2,786)
7.	Contribution In Aid Of Construction	(1,024,586)	(2,786)	(2,786)	(2,786)	(2,786)	(2,786)
8.	Net Investment Capital	(1,024,586)	(2,786)	(2,786)	(2,786)	(2,786)	(2,786)
9.	Working Capital	-	-	-	-	-	-
10.	Total Investment	(2,049,172)	(5,572)	(5,572)	(5,572)	(5,572)	(5,572)
11.	PV Of Total Investment At Project Outset	(2,049,172)	(5,572)	(5,572)	(5,572)	(5,572)	(5,572)
12.	<b>ACCUMULATED PV OF TOTAL INVESTMENT</b>	(2,049,172)	(5,572)	(5,572)	(5,572)	(5,572)	(5,572)
	<b>CCA TAX SHIELD</b>						
13.	CCA Tax Shield	2,182,426	2,058,650	1,934,247	1,817,374	1,707,573	14,253,178
14.	PV Of CCA Tax Shield At Project Outset	282,365	231,581	223,234	196,116	175,814	1,386,046
15.	<b>ACCUMULATED PV OF CCA TAX SHIELD</b>	282,365	231,581	223,234	196,116	175,814	1,386,046
	<b>INCREMENTAL OPERATING CASHFLOWS (BEFORE TAXES)</b>						
16.	Gas Distribution Revenue	130,083,942	130,083,942	130,083,942	130,083,942	130,083,942	130,083,942
17.	Transportation Services Charge	-	-	-	-	-	-
18.	Transportation Savings	-	-	-	-	-	-
19.	Gas Costs	(55,727,578)	(55,727,578)	(55,727,578)	(55,727,578)	(55,727,578)	(55,727,578)
20.	CCM Expenses	(14,979,357)	(12,935,757)	(12,935,757)	(12,935,757)	(12,935,757)	(12,935,757)
21.	Net Operating Cash (Before Taxes)	59,377,006	61,420,606	61,420,606	61,420,606	61,420,606	61,420,606
22.	PV of Net Operating Cash (Before Taxes) At Project Outset	7,682,814	7,506,006	7,089,273	6,685,677	6,323,353	5,972,829
23.	<b>ACCUMULATED PV OF NET OPERATING CASH (BEFORE TAXES)</b>	7,682,814	15,192,814	22,282,087	28,967,764	35,291,117	41,263,946
	<b>TAXES</b>						
24.	Income Tax (Before Interest Tax Shield)	(14,947,886)	(15,469,438)	(15,469,438)	(15,469,438)	(15,469,438)	(15,469,438)
25.	Municipal Tax	(2,969,690)	(2,969,690)	(2,969,907)	(2,969,915)	(2,969,923)	(2,969,932)
26.	Capital Tax	-	-	-	-	-	-
27.	Total Taxes	(17,917,576)	(18,439,128)	(18,439,345)	(18,439,353)	(18,439,361)	(18,439,369)
28.	PV of Total Taxes At Project Outset	(2,316,368)	(2,236,853)	(2,157,338)	(2,077,823)	(2,000,308)	(1,926,793)
29.	<b>ACCUMULATED PV OF TOTAL TAXES</b>	(2,316,368)	(4,553,221)	(6,710,559)	(8,788,482)	(10,788,890)	(12,715,683)
	<b>ACCUMULATED NPV AND P</b>						
30.	Net Present Value	598,724,677	604,226,410	609,408,328	614,289,805	618,888,956	624,452,756
31.	Profitability Index	1.729	1.736	1.742	1.748	1.754	1.760

**Notes:**

- (1) September 12 2013 is project outset as time 0.
- (2) Oct 1 2010 to Sep 12 2013 - Project planning and engineering.
- (3) Sep 12 2013 to Dec 31 2013, mid-term discounting. Discount period equals 3.6/12\*0.5 = 0.15
- (4) Jan 1 to Dec 31 2014, mid-term discounting. Discount period equals 12/12\*0.5+3.6/12 = 0.9
- (5) Year 1 - capital spending Jan 1 to Dec 31 2015, mid-term discounting. Discount period equals 12/12\*0.5+1+3.6/12 = 1.80
- (6) 50% effectivity considered for the first year of customer additions revenue.
- (7) First year of customer additions revenues Jan 1 to Dec 31 2015. Discount period equals 12/12\*0.5+1+3.6/12 = 1.80
- (8) Transportation savings and Transportation Services Charge start Oct 15, 2015, mid-term discounting. Discount period equals 2.5/12\*0.5+9.5/12+1+3.6/12 = 2.196

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
Residential	12,277	12,607	13,034	13,148	13,331	13,535	13,748	13,748	13,748	13,748
Commercial	1,291	1,327	1,250	1,253	1,250	1,261	1,269	1,269	1,269	1,269
Apartment	71	71	69	69	68	67	67	67	67	67
Industrial	3	3	2	2	2	2	2	2	2	2
<b>Total</b>	<b>13,642</b>	<b>14,008</b>	<b>14,355</b>	<b>14,472</b>	<b>14,651</b>	<b>14,865</b>	<b>15,086</b>	<b>15,086</b>	<b>15,086</b>	<b>15,086</b>

**Average Annual Volume per Customer**

Residential	2.568
Commercial	20.230
Apartment	154.877
Industrial	109.481

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
Residential	15,764	47,715	80,638	114,255	148,254	182,750	217,782	253,087	288,392	323,696	341,349
Commercial	13,058	39,540	65,606	90,924	116,242	141,640	167,231	192,903	218,575	244,247	257,083
Apartment	5,498	16,494	27,336	38,022	48,631	59,086	69,462	79,839	90,216	100,593	105,781
Industrial	164	493	766	985	1,204	1,423	1,642	1,861	2,080	2,299	2,409
<b>Total</b>	<b>34,484</b>	<b>104,241</b>	<b>174,346</b>	<b>244,187</b>	<b>314,332</b>	<b>384,900</b>	<b>456,118</b>	<b>527,690</b>	<b>599,263</b>	<b>670,835</b>	<b>706,621</b>

Note\* 50% effectivity considered for the first year of customer additions

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
Residential	12,277	12,607	13,034	13,148	13,331	13,535	13,748	13,748	13,748	13,748	13,748
Commercial	1,291	1,327	1,250	1,253	1,250	1,261	1,269	1,269	1,269	1,269	1,269
Apartment	71	71	69	69	68	67	67	67	67	67	67
Industrial	3	3	2	2	2	2	2	2	2	2	2
<b>Total Savings</b>	<b>27,064,996</b>	<b>165,620,593</b>	<b>171,126,286</b>	<b>208,979,965</b>	<b>178,063,071</b>	<b>173,549,161</b>	<b>173,387,050</b>	<b>173,753,580</b>	<b>174,004,615</b>	<b>178,084,819</b>	<b>177,738,879</b>