







**RNG INJECTION**  
**Revenue and Revenue Requirement**

Line No.	Col. 1 Description	Col. 2 Year 0	Col. 3 Year 1	Col. 4 Year 2	Col. 5 Year 3	Col. 6 Year 4	Col. 7 Year 5	Col. 8 Year 6	Col. 9 Year 7	Col. 10 Year 8	Col. 11 Year 9	Col. 12 Year 10	Col. 13 Year 11	Col. 14 Year 12	Col. 15 Year 13	Col. 16 Year 14	Col. 17 Year 15	Col. 18 Year 16	Col. 19 Year 17	Col. 20 Year 18	Col. 21 Year 19	Col. 22 Year 20	
1	Capital	5,439,025																					
2	Rate Base																						
3	Balance, beginning	5,439,025	5,247,157	4,995,206	4,743,255	4,491,303	4,239,352	3,987,401	3,735,450	3,483,498	3,231,547	2,979,596	2,727,645	2,475,693	2,223,742	1,971,791	1,719,840	1,467,888	1,215,937	963,986	712,035		
4	+ Additions	60,083	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
5	+ Working Capital Additions	(251,951)	(251,951)	(251,951)	(251,951)	(251,951)	(251,951)	(251,951)	(251,951)	(251,951)	(251,951)	(251,951)	(251,951)	(251,951)	(251,951)	(251,951)	(251,951)	(251,951)	(251,951)	(251,951)	(251,951)	(251,951)	(251,951)
6	- Depreciation	5,247,157	4,995,206	4,743,255	4,491,303	4,239,352	3,987,401	3,735,450	3,483,498	3,231,547	2,979,596	2,727,645	2,475,693	2,223,742	1,971,791	1,719,840	1,467,888	1,215,937	963,986	712,035	460,083		
7	Balance, ending	5,439,025	5,247,157	4,995,206	4,743,255	4,491,303	4,239,352	3,987,401	3,735,450	3,483,498	3,231,547	2,979,596	2,727,645	2,475,693	2,223,742	1,971,791	1,719,840	1,467,888	1,215,937	963,986	712,035	460,083	
8	Average Rate Base																						
9	Revenue Requirement																						
10	Common Rate Base	328,469	314,827	299,338	283,849	268,360	252,872	237,383	221,894	206,405	190,916	175,428	159,939	144,450	128,961	113,472	97,983	82,495	67,006	51,517	36,028		
11	Other Rate Base	107,100	109,942	111,427	113,685	115,928	118,247	120,612	123,024	125,485	127,994	130,554	133,165	135,829	138,545	141,316	144,142	147,025	149,966	152,965	156,024		
12	Municipal Taxes	3,241	3,274	3,306	3,339	3,373	3,406	3,441	3,475	3,510	3,545	3,580	3,616	3,652	3,689	3,726	3,763	3,800	3,838	3,877	3,916		
13	Depreciation	251,951	251,951	251,951	251,951	251,951	251,951	251,951	251,951	251,951	251,951	251,951	251,951	251,951	251,951	251,951	251,951	251,951	251,951	251,951	251,951	251,951	
14	Taxes	98,903	45,485	48,850	51,837	54,469	56,757	58,751	60,441	61,853	63,005	63,912	64,589	65,049	65,306	65,371	65,257	64,974	64,532	63,940	63,209		
15	Revenue Requirement	789,664	724,779	714,872	704,632	694,081	683,243	672,138	660,785	649,204	637,412	625,425	613,260	600,931	588,452	575,836	563,097	550,246	537,293	524,251	511,228		
16	Revenue	721,000	721,000	721,000	721,000	721,000	721,000	721,000	721,000	721,000	721,000	721,000	721,000	721,000	721,000	721,000	721,000	721,000	721,000	721,000	721,000	721,000	
17	RNG Injection Revenue																						
18	Sufficiency / (Deficiency)	(68,664)	(3,779)	6,128	16,368	26,919	37,757	48,862	60,215	71,796	83,588	95,575	107,740	120,069	132,548	145,164	157,903	170,754	183,707	196,749	209,872		

Note: Row 17, RNG Injection Revenue is derived by using Row 15 Revenue Requirement to calculate a constant annual charge which achieves a PI of 1.1 in this example. This number is then divided by 12 to achieve a monthly service fee. Therefore the Present value of Row 17 (Revenue) is equal to 1.1x the Present value of Row 15 (Revenue Requirement)

Witnesses: A. Chagani  
 P. Datta  
 S. McGill

RNG INJECTION  
Economic Feasibility  
Parameters and Results

<u>Line No.</u>	<u>Col. 1</u> Description	<u>Col. 2</u>
FEASIBILITY PARAMETERS		
1.	Discount Rate	5.37%
2.	CCA Rate - Biomethane Injection Capital	6.00%
3.	Income Tax Rate	26.50%
4.	Municipal Tax Rate	0.06%
5.	Customer Revenue Horizon (Years)	20
6.	Capital Investment (Dollars)	
7.	Biomethane Injection Capital	5,439,025
8.	Working Capital (Days of Revenue)	30
FEASIBILITY RESULTS		
9.	Net Present Value (Dollars)	536,526
10.	Profitability Index	1.10

Witnesses: A. Chagani  
P. Datta  
S. McGill

**RING INJECTION**  
**Economic Feasibility - 20 year Horizon**  
**DCF Analysis**

Line No.	Description	Col.1 Year 0	Col.2 Year 1	Col.3 Year 2	Col.4 Year 3	Col.5 Year 4	Col.6 Year 5	Col.7 Year 6	Col.8 Year 7	Col.9 Year 8	Col.10 Year 9	Col.11 Year 10	Col.12 Year 11	Col.13 Year 12	Col.14 Year 13	Col.15 Year 14	Col.16 Year 15	Col.17 Year 16	Col.18 Year 17	Col.19 Year 18	Col.20 Year 19	Col.21 Year 20	
	Discount factors to project outset	0.9913	0.9573	0.9065	0.8622	0.8182	0.7765	0.7369	0.6983	0.6637	0.6298	0.5977	0.5672	0.5383	0.5108	0.4848	0.4601	0.4366	0.4144	0.3932	0.3732	0.3541	
1.	<b>INCREMENTAL CAPITAL INVESTMENT</b>	(5,439,025)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
2.	RNG Injection	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
3.	Contribution in Aid Of Construction	(5,439,025)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
4.	Working Capital	(60,093)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
5.	Total Investment	(5,499,118)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
6.	PV of Net Operating Cash (Before Taxes) At Project Outset	(5,381,768)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
7.	<b>ACCUMULATED PV OF TOTAL INVESTMENT</b>	-	(5,449,305)	(5,449,305)	(5,449,305)	(5,449,305)	(5,449,305)	(5,449,305)	(5,449,305)	(5,449,305)	(5,449,305)	(5,449,305)	(5,449,305)	(5,449,305)	(5,449,305)	(5,449,305)	(5,449,305)	(5,449,305)	(5,449,305)	(5,449,305)	(5,449,305)	(5,449,305)	
8.	<b>CCA TAX SHIELD</b>	-	39,750	77,115	154,230	308,460	616,920	1,233,840	2,467,680	4,935,360	9,870,720	19,741,440	39,482,880	78,965,760	157,931,520	315,863,040	631,726,080	1,263,452,160	2,526,904,320	5,053,808,640	10,107,617,280	20,215,234,560	40,430,469,120
9.	PV of CCA Tax Shield At Project Outset	-	39,750	77,115	154,230	308,460	616,920	1,233,840	2,467,680	4,935,360	9,870,720	19,741,440	39,482,880	78,965,760	157,931,520	315,863,040	631,726,080	1,263,452,160	2,526,904,320	5,053,808,640	10,107,617,280	20,215,234,560	40,430,469,120
10.	<b>ACCUMULATED PV OF CCA TAX SHIELD</b>	-	39,750	116,865	194,095	292,555	421,475	580,835	780,695	1,020,055	1,308,915	1,647,275	2,046,135	2,514,495	3,063,355	3,702,715	4,442,075	5,281,435	6,220,795	7,260,155	8,409,515	9,668,875	11,038,235
11.	<b>INCREMENTAL OPERATING CASHFLOWS (BEFORE TAXES)</b>	-	721,000	721,000	721,000	721,000	721,000	721,000	721,000	721,000	721,000	721,000	721,000	721,000	721,000	721,000	721,000	721,000	721,000	721,000	721,000	721,000	721,000
12.	RNG Injection Revenues	-	721,000	721,000	721,000	721,000	721,000	721,000	721,000	721,000	721,000	721,000	721,000	721,000	721,000	721,000	721,000	721,000	721,000	721,000	721,000	721,000	721,000
13.	O&M Expenses	-	(107,000)	(107,000)	(107,000)	(107,000)	(107,000)	(107,000)	(107,000)	(107,000)	(107,000)	(107,000)	(107,000)	(107,000)	(107,000)	(107,000)	(107,000)	(107,000)	(107,000)	(107,000)	(107,000)	(107,000)	(107,000)
14.	PV of Net Operating Cash (Before Taxes) At Project Outset	-	597,700	597,700	597,700	597,700	597,700	597,700	597,700	597,700	597,700	597,700	597,700	597,700	597,700	597,700	597,700	597,700	597,700	597,700	597,700	597,700	597,700
15.	<b>ACCUMULATED PV OF NET OPERATING CASH (BEFORE TAXES)</b>	-	597,700	1,195,400	1,793,100	2,390,800	2,988,500	3,586,200	4,183,900	4,781,600	5,379,300	5,977,000	6,574,700	7,172,400	7,770,100	8,367,800	8,965,500	9,563,200	10,160,900	10,758,600	11,356,300	11,954,000	12,551,700
16.	<b>TAXES</b>	-	(161,225)	(161,225)	(161,225)	(161,225)	(161,225)	(161,225)	(161,225)	(161,225)	(161,225)	(161,225)	(161,225)	(161,225)	(161,225)	(161,225)	(161,225)	(161,225)	(161,225)	(161,225)	(161,225)	(161,225)	(161,225)
17.	Income Tax (Before Interest Tax Shield)	-	(161,225)	(161,225)	(161,225)	(161,225)	(161,225)	(161,225)	(161,225)	(161,225)	(161,225)	(161,225)	(161,225)	(161,225)	(161,225)	(161,225)	(161,225)	(161,225)	(161,225)	(161,225)	(161,225)	(161,225)	(161,225)
18.	Total Taxes	-	(161,225)	(161,225)	(161,225)	(161,225)	(161,225)	(161,225)	(161,225)	(161,225)	(161,225)	(161,225)	(161,225)	(161,225)	(161,225)	(161,225)	(161,225)	(161,225)	(161,225)	(161,225)	(161,225)	(161,225)	(161,225)
19.	PV of Total Taxes At Project Outset	-	(159,021)	(159,021)	(159,021)	(159,021)	(159,021)	(159,021)	(159,021)	(159,021)	(159,021)	(159,021)	(159,021)	(159,021)	(159,021)	(159,021)	(159,021)	(159,021)	(159,021)	(159,021)	(159,021)	(159,021)	(159,021)
20.	<b>ACCUMULATED PV OF TOTAL TAXES</b>	-	(159,021)	(318,042)	(477,063)	(636,084)	(795,105)	(954,126)	(1,113,147)	(1,272,168)	(1,431,189)	(1,590,210)	(1,749,231)	(1,908,252)	(2,067,273)	(2,226,294)	(2,385,315)	(2,544,336)	(2,703,357)	(2,862,378)	(3,021,399)	(3,180,420)	
21.	<b>ACCUMULATED NPV AND PI</b>	(5,381,768)	(4,984,572)	(4,587,376)	(4,190,180)	(3,792,984)	(3,395,788)	(2,998,592)	(2,598,396)	(2,198,200)	(1,798,004)	(1,397,808)	(997,612)	(597,416)	(197,220)	202,976)	603,180)	1,003,384)	1,403,588)	1,803,792)	2,203,996)	2,604,200)	3,004,404)
22.	Profitability Index	0.000	0.906	0.173	0.255	0.332	0.404	0.472	0.538	0.595	0.651	0.704	0.753	0.800	0.844	0.885	0.923	0.960	0.994	1.028	1.066	1.098	

Witnesses: A. Chagani  
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