

## Forecast Impacts of Merger on Customers and Shareholders

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039
Distribution Revenue vs. Status Quo (\$ millions)																								
Merged	\$512	\$533	\$549	\$565	\$583	\$601	\$619	\$638	\$657	\$676	\$661	\$683	\$707	\$731	\$752	\$776	\$798	\$820	\$841	\$856	\$877	\$899	\$923	\$947
		4.10%	3.00%	2.91%	3.19%	3.09%	3.00%	3.07%	2.98%	2.89%	-2.22%	3.33%	3.51%	3.39%	2.87%	3.19%	2.84%	2.76%	2.56%	1.78%	2.45%	2.51%	2.67%	2.60%
Status Quo	\$508	\$535	\$552	\$569	\$598	\$629	\$652	\$679	\$694	\$711	\$730	\$751	\$773	\$796	\$817	\$842	\$865	\$888	\$910	\$927	\$949	\$973	\$998	\$1,023
		5.31%	3.18%	3.08%	5.10%	5.18%	3.66%	4.14%	2.21%	2.45%	2.67%	2.88%	2.93%	2.98%	2.64%	3.06%	2.73%	2.66%	2.48%	1.87%	2.37%	2.53%	2.57%	2.51%
DX Revenue Savings (\$ millions)																								
Annual	-\$4	\$2	\$3	\$4	\$15	\$28	\$33	\$41	\$37	\$35	\$69	\$68	\$66	\$65	\$65	\$66	\$67	\$68	\$69	\$71	\$72	\$74	\$75	\$76
Cumul.		-\$2	\$1	\$5	\$20	\$48	\$81	\$122	\$159	\$194	\$263	\$331	\$397	\$462	\$527	\$593	\$660	\$728	\$797	\$868	\$940	\$1,014	\$1,089	\$1,165
% of Dx Revenue			0.06%	0.23%	0.73%	1.44%	2.04%	2.65%	3.02%	3.27%	3.99%	4.55%	4.97%	5.30%	5.57%	5.79%	5.98%	6.14%	6.27%	6.40%	6.51%	6.61%	6.70%	6.77%
Dx Bills per Customer (\$)																								
Merged	\$523	\$538	\$547	\$556	\$567	\$576	\$586	\$597	\$606	\$616	\$597	\$612	\$628	\$644	\$657	\$672	\$685	\$697	\$709	\$716	\$727	\$739	\$753	\$765
Annual Increase		2.87%	1.67%	1.65%	1.98%	1.59%	1.74%	1.88%	1.51%	1.65%	-3.08%	2.51%	2.61%	2.55%	2.02%	2.28%	1.93%	1.75%	1.72%	0.99%	1.54%	1.65%	1.89%	1.59%
Cumul. Increase		2.87%	4.59%	6.31%	8.41%	10.13%	12.05%	14.15%	15.87%	17.78%	14.15%	17.02%	20.08%	23.14%	25.62%	28.49%	30.98%	33.27%	35.56%	36.90%	39.01%	41.30%	43.98%	46.27%
Status Quo	\$519	\$540	\$550	\$560	\$581	\$603	\$617	\$635	\$641	\$648	\$660	\$673	\$687	\$701	\$713	\$729	\$742	\$755	\$768	\$775	\$787	\$800	\$813	\$827
Annual Increase		4.05%	1.85%	1.82%	3.75%	3.79%	2.32%	2.92%	0.94%	1.09%	1.85%	1.97%	2.08%	2.04%	1.71%	2.24%	1.78%	1.75%	1.72%	0.91%	1.55%	1.65%	1.63%	1.72%
Cumul. Increase		4.05%	5.97%	7.90%	11.95%	16.18%	18.88%	22.35%	23.51%	24.86%	27.17%	29.67%	32.37%	35.07%	37.38%	40.46%	42.97%	45.47%	47.98%	49.33%	51.64%	54.14%	56.65%	59.34%
Savings per Customer (\$)																								
Annual	-\$4	\$2	\$3	\$4	\$14	\$27	\$31	\$38	\$35	\$32	\$63	\$61	\$59	\$57	\$56	\$57	\$57	\$58	\$59	\$59	\$60	\$61	\$60	\$62
Cumul.		-\$2	\$1	\$5	\$19	\$46	\$77	\$115	\$150	\$182	\$245	\$306	\$365	\$422	\$478	\$535	\$592	\$650	\$709	\$768	\$828	\$889	\$949	\$1,011
% of Dx Bills			0.06%	0.23%	0.70%	1.39%	1.98%	2.56%	2.94%	3.19%	3.88%	4.42%	4.84%	5.15%	5.40%	5.62%	5.80%	5.96%	6.11%	6.23%	6.34%	6.44%	6.52%	6.60%
Net Income vs. Status Quo (\$ millions)																								
Merged	\$87.0	\$111.4	\$129.3	\$148.3	\$154.4	\$152.2	\$155.0	\$153.6	\$162.2	\$170.3	\$149.6	\$155.3	\$160.9	\$166.6	\$172.6	\$178.7	\$184.5	\$190.1	\$196.0	\$202.3	\$208.7	\$215.2	\$221.8	\$228.4
		28.05%	16.07%	14.69%	4.11%	-1.42%	1.84%	-0.90%	5.60%	4.99%	-12.16%	3.81%	3.61%	3.54%	3.60%	3.53%	3.25%	3.04%	3.10%	3.21%	3.16%	3.11%	3.07%	2.98%
Status Quo	\$80.0	\$91.3	\$95.9	\$100.8	\$104.3	\$109.3	\$114.4	\$119.1	\$123.4	\$127.9	\$132.7	\$137.6	\$142.6	\$147.7	\$153.0	\$158.5	\$163.8	\$168.8	\$174.1	\$179.8	\$185.6	\$191.5	\$197.4	\$203.5
		14.13%	5.04%	5.11%	3.47%	4.79%	4.67%	4.11%	3.61%	3.65%	3.75%	3.69%	3.63%	3.58%	3.59%	3.59%	3.34%	3.05%	3.14%	3.27%	3.23%	3.18%	3.08%	3.09%
Increased Income To Shareholders (\$ millions)																								
Annual	\$7.0	\$20.1	\$33.4	\$47.5	\$50.1	\$42.9	\$40.6	\$34.5	\$38.8	\$42.4	\$16.9	\$17.7	\$18.3	\$18.9	\$19.6	\$20.2	\$20.7	\$21.3	\$21.9	\$22.5	\$23.1	\$23.7	\$24.4	\$24.9
Cumul.		\$27.1	\$60.5	\$108.0	\$158.1	\$201.0	\$241.6	\$276.1	\$314.9	\$357.3	\$374.2	\$391.9	\$410.2	\$429.1	\$448.7	\$468.9	\$489.6	\$510.9	\$532.8	\$555.3	\$578.4	\$602.1	\$626.5	\$651.4
% Income Increases			22.64%	29.35%	33.47%	34.56%	34.71%	33.87%	33.55%	33.51%	31.21%	29.32%	27.73%	26.37%	25.21%	24.19%	23.29%	22.50%	21.79%	21.15%	20.58%	20.06%	19.58%	19.14%
Income as % of Distribution Revenues																								
Merged	16.99%	20.90%	23.55%	26.25%	26.48%	25.32%	25.04%	24.08%	24.69%	25.19%	22.63%	22.74%	22.76%	22.79%	22.95%	23.03%	23.12%	23.18%	23.31%	23.63%	23.80%	23.94%	24.03%	24.12%
Status Quo	15.75%	17.07%	17.37%	17.72%	17.44%	17.38%	17.55%	17.54%	17.78%	17.99%	18.18%	18.32%	18.45%	18.56%	18.73%	18.82%	18.94%	19.01%	19.13%	19.40%	19.56%	19.68%	19.78%	19.89%
Benefits as % of Distribution Revenues																								
Customers - Annual		0.37%	0.54%	0.70%	2.51%	4.45%	5.06%	6.04%	5.33%	4.92%	9.45%	9.05%	8.54%	8.17%	7.96%	7.84%	7.75%	7.66%	7.58%	7.66%	7.59%	7.61%	7.52%	7.43%
- Cumulative		-0.19%	0.06%	0.23%	0.72%	1.42%	2.00%	2.58%	2.94%	3.17%	3.84%	4.35%	4.74%	5.03%	5.27%	5.47%	5.64%	5.78%	5.90%	6.02%	6.11%	6.20%	6.28%	6.34%
Shareholders - Annual		3.76%	6.05%	8.35%	8.38%	6.82%	6.23%	5.08%	5.59%	5.96%	2.32%	2.36%	2.37%	2.37%	2.40%	2.40%	2.39%	2.40%	2.41%	2.43%	2.43%	2.44%	2.44%	2.43%
- Cumulative		2.60%	3.79%	4.99%	5.72%	5.93%	5.98%	5.85%	5.81%	5.83%	5.46%	5.15%	4.89%	4.68%	4.49%	4.33%	4.18%	4.06%	3.95%	3.85%	3.76%	3.68%	3.61%	3.55%

Sources: Attachment 2, pages 6, 8 and 9