

Hidden Valley InService Date: Sep-01-2023 Economic Feasibility Parameters and Results			
Discounting Assumptions			
Project Time Horizon		40 years	
Discount Rate		Incremental After Tax Cost of Capital of 4.79%	
Key DCF Input Parameters, Values and Assumptions			
<u>Operating Cash Flow</u>			
Revenue:		Rates as per EB-2021-0147 and EB-2021-0148 Effective January 1, 2022	
Incremental Distribution Revenues			
Expenses:		Estimated incremental costs	
Operating and Maintenance Expense		Estimated incremental cost	
Municipal Tax		26.5%	
Income Tax Rate			
<u>Capital Expenditures</u>		<u>Capital (\$000's)</u>	
Gross Capital Costs		3,339	
Funding		(1,890)	
Net Capital Costs		1,450	
Change in Working Capital:		5.051% applied to O&M	
<u>CCA Tax Shield</u>			
CCA Rates:		Declining balance rates by CCA class	
CCA Classes:		CCA Class	CCA Rate
Distribution Mains		51	6%
Customer Services & MRI		51	6%
Accelerated CCA (Bill C-97) included.			
Feasibility Results			
		NPV (\$000's)	PI
Economic Feasibility excluding SES and Funding		(2,177)	0.30
Economic Feasibility including SES		(1,571)	0.50
Economic Feasibility including SES and Funding		6	1.00
Funding Required Based on Feasibility Analysis		1,890	