

BSRR Summary

Components Subject to Recovery

Amortization of Retirement Costs	\$206,254,422.65
WACC Carrying Charges	<u>182,834,797.99</u>
Total Costs to Recover	<u>\$389,089,220.65</u>

Annual Revenue --> Total Costs / 25 years - AG \$15,563,568.83

Jurisdictional Factor 0.986

Jurisdictional Revenue Requirement \$15,345,678.86

Big Sandy Retirement Cost Summary

Components Subject to WACC Return:	Estimated June 30,		Total
	2015 Balance	Future Costs	
NBV:	\$201,911,435.45	\$0.00	\$201,911,435.45
Original Cost	\$460,030,669.85	\$0.00	\$460,030,669.85
Accumulated Depreciation	(\$263,500,120.40)	\$0.00	(\$263,500,120.40)
CWIP to transfer to OC	\$1,607,100.00	\$0.00	\$1,607,100.00
RWIP to transfer to AD	\$3,773,786.00	\$0.00	\$3,773,786.00
Unusable M&S	\$4,342,987.20	\$0.00	\$4,342,987.20
Removal Costs and Salvage	\$0.00		
Unit 2 Ongoing Misc. Exp.	\$0.00		
ARO Cash Flow			
Retirement Costs	\$206,254,422.65	\$0.00	\$206,254,422.65
ADIT*	(\$72,189,047.93)	72,189,047.93	** \$0.00
Components Subject to WACC	\$134,065,374.72	\$72,189,047.93	\$206,254,422.65

Future Cost by Year

* ADIT calculated as Retirement Costs * 35%.

** ADIT calculated as net change in Regulatory Asset * 35%

WACC Calculation - Yearly Summary

WACC 8.8388%

Year	Bg	Additions	Payments	CC	Calculated		Ending
					Change in RA	ADIT on RA	
1	\$134,065,374.72		(15,563,568.83)	11,750,400.03	(\$3,813,168.80)	1,334,609.08	\$131,586,815.01
2	\$131,586,815.01		(15,563,568.83)	11,525,463.29	(\$4,038,105.53)	1,413,336.94	\$128,962,046.41
3	\$128,962,046.41		(15,563,568.83)	11,287,257.66	(\$4,276,311.16)	1,496,708.91	\$126,182,444.16
4	\$126,182,444.16		(15,563,568.83)	11,035,000.41	(\$4,528,568.41)	1,584,998.94	\$123,238,874.69
5	\$123,238,874.69		(15,563,568.83)	10,767,862.64	(\$4,795,706.18)	1,678,497.16	\$120,121,665.67
6	\$120,121,665.67		(15,563,568.83)	10,484,966.57	(\$5,078,602.26)	1,777,510.79	\$116,820,574.20
7	\$116,820,574.20		(15,563,568.83)	10,185,382.60	(\$5,378,186.22)	1,882,365.18	\$113,324,753.16
8	\$113,324,753.16		(15,563,568.83)	9,868,126.35	(\$5,695,442.48)	1,993,404.87	\$109,622,715.54
9	\$109,622,715.54		(15,563,568.83)	9,532,155.32	(\$6,031,413.51)	2,110,994.73	\$105,702,296.76
10	\$105,702,296.76		(15,563,568.83)	9,176,365.54	(\$6,387,203.28)	2,235,521.15	\$101,550,614.63
11	\$101,550,614.63		(15,563,568.83)	8,799,587.92	(\$6,763,980.90)	2,367,393.32	\$97,154,027.04
12	\$97,154,027.04		(15,563,568.83)	8,400,584.40	(\$7,162,984.43)	2,507,044.55	\$92,498,087.17
13	\$92,498,087.17		(15,563,568.83)	7,978,043.87	(\$7,585,524.95)	2,654,933.73	\$87,567,495.95
14	\$87,567,495.95		(15,563,568.83)	7,530,577.92	(\$8,032,990.91)	2,811,546.82	\$82,346,051.86
15	\$82,346,051.86		(15,563,568.83)	7,056,716.19	(\$8,506,852.64)	2,977,398.42	\$76,816,597.64
16	\$76,816,597.64		(15,563,568.83)	6,554,901.62	(\$9,008,667.21)	3,153,033.52	\$70,960,963.96
17	\$70,960,963.96		(15,563,568.83)	6,023,485.28	(\$9,540,083.55)	3,339,029.24	\$64,759,909.65
18	\$64,759,909.65	-	(15,563,568.83)	5,460,720.98	(\$10,102,847.85)	3,535,996.75	\$58,193,058.55
19	\$58,193,058.55	-	(15,563,568.83)	4,864,759.52	(\$10,698,809.30)	3,744,583.26	\$51,238,832.50
20	\$51,238,832.50	-	(15,563,568.83)	4,233,642.63	(\$11,329,926.20)	3,965,474.17	\$43,874,380.47
21	\$43,874,380.47	-	(15,563,568.83)	3,565,296.50	(\$11,998,272.33)	4,199,395.32	\$36,075,503.46
22	\$36,075,503.46	-	(15,563,568.83)	2,857,524.99	(\$12,706,043.84)	4,447,115.34	\$27,816,574.97
23	\$27,816,574.97	-	(15,563,568.83)	2,108,002.43	(\$13,455,566.40)	4,709,448.24	\$19,070,456.81
24	\$19,070,456.81	-	(15,563,568.83)	1,314,265.95	(\$14,249,302.88)	4,987,256.01	\$9,808,409.94
25	\$9,808,409.94	-	(15,563,568.83)	473,707.38	(\$15,089,861.44)	5,281,451.50	(\$0.00)
			\$389,089,220.65	182,834,797.99		72,189,047.93	