

Archived: Thursday, May 31, 2012 3:59:59 PM
From: [Mark Hite](#)
Sent: Monday, February 27, 2012 11:22:39 AM
To: [Mark Bailey](#)
Subject: Tomorrow's CoBank meeting
Importance: Normal

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At CoBank's request, we added a 5-year financial projection, 2012-2016, the CSAPR/MATS Build Case, to tomorrow's presentation. Two recent developments not yet factored into the Environmental Compliance Plan (ECP) evaluation are (1) \$60 million of the CoBank term loan, assuming the CoBank term loan is \$225 million, being used for CapX, and (2) the Transition Reserve being replenished. As you may recall, the financial modeling for all 6 ECP cases currently reflect the Transition Reserve being extinguished, and the lines of credit being significantly utilized. Accordingly, 5-year financial projections for tomorrow's CoBank meeting are now being revised for the two items noted above, i.e. retaining \$60 million for CapX, and replenishing the Transition Reserve. This also means we'll continue the RUS claw-back until the Actual Principal Balance equals the Maximum Allowed Principal Balance.

Even though labeled a 5-year financial "projection", seems incorporating these two items makes for better management representation.

Wanted you to know about this. Your comments welcome.

Thanks,

Mark

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