

**New Debt Assumptions  
v. November 2016**

These tables show the complete list of money borrowed through bonds for the utility over the 20 year period. The table on top matches the inputs in the FFT. The tables below are a summary broken down by time period (pre-Day1, Day 1, and Post-Day 1)

Debt Summary											
Purpose	Date of Issue		Amount 2016(\$)	Amount Inflated to Year of Issue(\$)	Amort (Years)	Interest - High (Pct)	Interest - Medium (Pct)	Interest - Low (Pct)	Capitalized Interest	Taxable or Tax-Exempt Debt	Description
	Year (yyyy)	Month (mm)									
Acquisition Cost	2018	1	\$ 150,000,000	\$ 150,000,000	30	6.5	5.5	4.5	Yes	Taxable	Purchase of Distribution System Assets
Working Capital	2018	1		Approx. \$30M	30	6.5	5.5	4.5	No	Taxable	3 months of Operations & Maintenance; amount varies based on power supply
Start Up / Bridge Loan	2018	1	\$ 8,527,702	\$ 11,605,309	30	5.5	4.5	3.5	No	Tax-Exempt	Pre-Day 1 start up costs (office space, staff, IT/OT systems, planning/engineering). Assumes 6 months before operations at 8% interest + issuance cost, payments deferred until repaid through debt issued on Day 1. \$11.6M includes inflation plus cost of capital for the short term debt
Repayment to the General Fund	2018	1	\$ 3,212,819	\$ 3,342,617	30	5.5	4.5	3.5	No	Tax-Exempt	Included in Start/Up Bridge Loan Repayment debt line item in FFT
Start Up/Other	2020	1	\$ 32,134,400	\$ 34,783,308	30	5.5	4.5	3.5	No	Tax-Exempt	<a href="#">Transition Plan costs starting in Year 3, Listed in Start-up costs estimates</a>
Separation Year 1	2018	7	\$ 17,832,667	\$ 18,553,106	30	5.5	4.5	3.5	No	Tax-Exempt	Separation Year 1 - total is \$53.4M, over three years + inflation
Separation Year 2	2019	7	\$ 17,832,667	\$ 18,924,169	30	5.5	4.5	3.5	No	Tax-Exempt	Separation Year 2 - total is \$53.4M, over three years + inflation
Separation Year 3	2020	7	\$ 17,832,667	\$ 19,302,652	30	5.5	4.5	3.5	No	Tax-Exempt	Separation Year 3 - total is \$53.4M, over three years + inflation
Cap Improvement	2021	7	\$ 14,750,039	\$ 17,282,022	30	5.5	4.5	3.5	No	Tax-Exempt	1/2 of Complete Long Range Capital Plan, includes undergrounding; Assume to fund remaining through revenue
Cap Improvement	2026	7	\$ 14,750,039	\$ 19,080,749	30	5.5	4.5	3.5	No	Tax-Exempt	1/2 of Complete Long Range Capital Plan, includes undergrounding; Assume to fund remaining through revenue
Cap Improvement	2031	7	\$ 14,750,039	\$ 21,066,688	30	5.5	4.5	3.5	No	Tax-Exempt	1/2 of Complete Long Range Capital Plan, includes undergrounding; Assume to fund remaining through revenue
Cap Improvement	2036	7	\$ 14,750,039	\$ 23,259,326	30	5.5	4.5	3.5	No	Tax-Exempt	1/2 of Complete Long Range Capital Plan, includes undergrounding; Assume to fund remaining through revenue

**SUMMARY OF MODELED DEBT ASSUMPTIONS**

Debt Assumptions: Pre-Day 1	Amount (2016\$)	Date of Issue
Bridge loan for start up costs	\$8.5M	~6 months before Day 1

Debt Assumptions: Day 1 (Jan 2018)	Amount (2016\$)	Date of Issue
Acquisition	\$150M	January 2018
Repayment of Bridge Loan	\$8.5M	January 2018
Repayment of General Fund	\$3.2M	January 2018
Operating Reserves (Working Capital)	~ \$30	January 2018

Debt Assumptions: Post-Day 1	Amount (2016\$)	Date of Issue
Separation Year 1	\$17.8M	July 2018
Separation Year 2	\$17.8M	July 2019
Start up/Transition Plan	\$32.1M	January 2020
Separation Year 3	\$17.8M	July 2020
Capital Improvements	\$14.8M	July 2021
Capital Improvements	\$14.8M	July 2026
Capital Improvements	\$14.8M	July 2031
Capital Improvements	\$14.8M	July 2036