Energy Conservation Upgrades Hydro Place, $832,600, Page B-34

Q. Provide the annualized cost of the energy conservation upgrades over the 15 year projected life of the project. This cost should reflect capital costs less annual maintenance cost savings. Please express the costs on a dollar basis and a cents per kWh basis.

A. Please see the table below.

Annualized Costs						
		Net Present Value @ 8%	Years	Annualized Costs	Annualized Costs cents per kWh	
		$446,254	15	**$29,750**	**2.02**	
	Total System Impact	Project Costs	Operating and Maintenance Savings	Percent Escalation	Cumulative Change	Future Dollars[1]
	kWh					
2008					1.000	
2009		$832,600	$0		1.020	$832,600
2010	1,476,237	0	-$38,700	2.000	1.040	-$40,263
2011	1,476,237	0	-$38,700	2.000	1.061	-$41,069
2012	1,476,237	0	-$38,700	2.000	1.082	-$41,890
2013	1,476,237	0	-$38,700	2.000	1.104	-$42,728
2014	1,476,237	0	-$38,700	2.000	1.126	-$43,582
2015	1,476,237	0	-$38,700	2.000	1.149	-$44,454
2016	1,476,237	0	-$38,700	2.000	1.172	-$45,343
2017	1,476,237	0	-$38,700	2.000	1.195	-$46,250
2018	1,476,237	0	-$38,700	2.000	1.219	-$47,175
2019	1,476,237	0	-$38,700	2.000	1.243	-$48,119
2020	1,476,237	0	-$38,700	2.000	1.268	-$49,081
2021	1,476,237	0	-$38,700	2.000	1.294	-$50,063
2022	1,476,237	0	-$38,700	2.000	1.319	-$51,064
2023	1,476,237	0	-$38,700	2.000	1.346	-$52,085
2024	1,476,237	0	-$38,700	2.000	1.373	-$53,127

[1] Project cost of $832,600 includes escalation.

The expected annualized costs are $29,750. This value is calculated by dividing the net present value of the costs ($446,254) by 15 years, the period 2010 to 2024. The expected annualized costs expressed as cents per kWh is 2.02 which is calculated by dividing $29,750 by the total system impact of 1,476,237 kWh.