

RSU 12 | YEAR 1 COST-SAVINGS ANALYSIS

PROJECTED ELECTRICITY NEED BASED ON HISTORICAL USAGE

Historical data based on invoices from CMP and any competitive electricity supplier for all electric accounts.

Historical Usage (kWh)	953,911
Approximate Cost of Historical Usage (\$)	\$125,000
Adjustment to Historical Usage ("Buffer")	100%
Projected Electricity Need	953,911

VARIABLES

1. The historical usage may or may not be a reflection of your future electricity needs.
2. The costs of delivery: The delivery rate is set by the PUC. It is typically adjusted once annually (on July 1st).
3. The cost of supply: The supply charge could go up or down in future years.

COST TO PURCHASE SOLAR POWER UNDER THE NET ENERGY BILLING CREDITS AGREEMENT (NEBCA)

Solar production is based on technical modeling software production estimates for the solar developer's project.

	WITHOUT RECS	WITH RECS
Total Projected Solar Production, Year 1 (kWh)	1,012,584	1,012,584
Purchaser's Percentage (Projected Need ÷ Solar Production)	94.21%	94.21%
Annual Production To Be Purchased (kWh)	953,911	953,911
Year 1 NEB Rate per kWh (\$) (Note: 1.5% escalator in future years)	\$ 0.0710	\$ 0.0911
Purchaser's Cost (Year 1)	\$ 67,727.68	\$ 86,901.29

VARIABLES

1. Solar production estimates are just that -- estimates. Actual solar output may vary and thus change the Purchaser's Cost.
2. Future years' costs will increase as a result of an increase to the NEB Rate (1.5% escalator), as set forth in the NEBCA.
3. Purchaser's Percentage will be fine-tuned based on calculations to properly size the purchaser's offtake volume. A reduction in Purchaser's Percentage will yield a reduction in Purchaser's Cost, but also a reduction in the NEB Credit Value, calculated below.

NET ENERGY BILLING CREDIT VALUE

The NEB Credit Value is calculated by multiplying Production Purchased by a Tariff Rate published annually by the PUC.

The Tariff Rate is composed of two parts:

- (1) a delivery component composed of 75% of CMP's Delivery Rate, which is typically adjusted once annually (on July 1st), plus
- (2) the 12-month average of CMP's Standard Offer for the appropriate commercial and institutional account class.

The Purchaser's NEB Credit Value depends on what percentage of the purchaser's accounts are in which account class.

2020 Tariff Rate for "Medium" class (\$/kWh)	\$ 0.127597	\$ 0.127597
Purchaser's Credit (Year 1)	\$ 121,716.18	\$ 121,716.18
(Production Purchased x Tariff Rate)		

VARIABLES

1. The standard offer for CMP is put out to bid by the PUC every year; it will vary from month to month.
2. The SGS delivery rate is also put out to bid by the PUC. It is typically adjusted once annually; it will vary from year to year.

NET PROJECTED SAVINGS (Year 1)

	WITHOUT RECS	WITH RECS
Purchaser's Credit, less Purchaser's Cost	\$ 53,988.50	\$ 34,814.89