

Electric Forecast Assumptions

Proposed Budget FY 23-24 and 24-25

A	B	C	D	I	J	K	L	M
			Line	Proposed FY 23-24	Proposed FY 24-25	Forecast FY 25-26	Forecast FY 26-27	Forecast FY 27-28
		Income Statement Assumptions:						
1		NEL growth (budget to budget change %)	1	0.43%	2.48%	3.53%	3.13%	2.73%
2		Distribution losses	2	3.00%	3.00%	3.00%	3.00%	3.00%
3		Rate increase %, effective July 1 each year		8.50%	8.00%	8.00%	8.00%	7.00%
4		Low Carbon Fuel Standard (LCFS) sale proceeds	14	\$ 1,018	\$ 1,443	\$ 1,676	\$ 1,844	\$ 1,999
5		General inflation for unknown items	19, 28-37	4.1%	3.0%	2.5%	2.0%	2.0%
6		Utility cost rising @ 2X - 2.6X general inflation	19, 28-37	Best estimates	Best estimates	5.0%	4.0%	4.0%
7		Labor overhead rates	19, 28-37	140%	144%	148%	150%	152%
8		Staffing Full Time Equivalent or FTE	19, 28-37	296.0	296.0	296.0	296.0	296.0
9		Interest income	44	2.50%	2.50%	2.60%	2.70%	2.50%
10		Retail power supply and fuel:	18					
		IPP outage			6 weeks			
		IPP capacity		74MW @ 28% capacity factor		28MW @ 80% capacity factor (IPP Repowered with natural gas)		
		Average spot/ unhedged gas		\$ 8.02	\$ 7.70	\$ 7.79	\$ 7.83	\$ 7.91
		Average spot power		\$ 82.37	\$ 72.76	\$ 84.43	\$ 86.54	\$ 88.70
		Renewable mandate		43%	45%	48%	51%	53%
		SCPPA gas reserves mmbtu/day		322	322	322	322	322
		Running Olive Units		No	No	No	No	No
		MPP scheduled outage:			Major maint.			
11		Net wholesale margin (\$)	11, 21	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000
12		Telecom revenues:						
		Current telecom revenues - dark fiber leasing		\$ 2,300	\$ 2,300	\$ 2,300	\$ 2,300	\$ 2,300
		Internet services		\$ 2,100	\$ 2,300	\$ 2,450	\$ 2,550	\$ 2,650
		Subtotal telecom revenues	13	\$ 4,400	\$ 4,600	\$ 4,750	\$ 4,850	\$ 4,950
13		Other income:						
		BABs interest subsidy from the federal government @5.7% sequestration rate	46	\$ 1,088	\$ 1,043	\$ 997	\$ 948	\$ 898
		MPP site lease	46	\$ 431	\$ 431	\$ 431	\$ 431	\$ 431
				\$ 1,519	\$ 1,474	\$ 1,428	\$ 1,379	\$ 1,329
		Cash Assumptions (in thousand \$)						
14		Capital spending - 90% of budget plus carryover		\$ 74,884	\$ 75,767	\$ 58,221	\$ 51,184	\$ 56,913
15		Funding from the Inflation Reduction Act		\$ 4,260	\$ 3,000	\$ 3,000	\$ 7,000	\$ -
16		Annual budgetary savings		\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000
17		Voluntary pension payment		\$ 996	\$ 996			
		Exclusions:						
		Power supply expense does not include transmission buildout, greenhouse gas reduction projects, Olive unit replacement with renewable peaker unit(s) and green hydrogen implementation						
		No additional pension liability payments post FY24-25						
		Intermountain Power Project (IPP) decommissioning funds in 2027						