

APPENDIX 9

Borough of Madison
 Estimated Electric Utility Results
 For the Years 2015 thru 2017
 (in \$000's)

Scenario # 1
 Base

	2015	2016	2017
Tariff Collections	\$ 22,300	\$ 22,300	\$ 22,300
Less:			
Purchased Power	\$ 11,576	\$ 11,583	\$ 11,408
Operations	\$ 3,674	\$ 3,774	\$ 3,876
Capital Improvement	\$ 411	\$ 411	\$ 411
Total Appropriations	\$ 15,661	\$ 15,768	\$ 15,695
Subtotal Surplus	\$ 6,639	\$ 6,532	\$ 6,605
Add:			
Cancellation of Prior Year's Appropriation Reserves	400	400	400
Total Estimated Surplus	\$ 7,039	\$ 6,932	\$ 7,005

Assumptions:

1. No changes in rates or consumption
2. Purchased Power based on existing contracts and estimates from American Powernet
3. No material changes in Operations activity
4. Capital Improvement as per recommendation from Utilities Committee

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Scenario # 2
 Base, with Remaining
 Useful Life

	2015	2016	2017
Tariff Collections	\$ 22,300	\$ 22,300	\$ 22,300
Less:			
Purchased Power	\$ 11,576	\$ 11,583	\$ 11,408
Operations	\$ 3,674	\$ 3,774	\$ 3,876
Capital Improvement	\$ 1,601	\$ 1,601	\$ 1,601
Total Appropriations	\$ 16,851	\$ 16,958	\$ 16,885
Subtotal Surplus	\$ 5,449	\$ 5,342	\$ 5,415
Add:			
Cancellation of Prior Year's Appropriation Reserves	400	400	400
Total Estimated Surplus	\$ 5,849	\$ 5,742	\$ 5,815

Assumptions:

1. No changes in rates or consumption
2. Purchased Power based on existing contracts and estimates from American Powernet
3. No material changes in Operations activity
4. Capital Improvement as per recommendation from Utilities Committee

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Scenario # 3 Rates from Average of All - 15.23% Reduction from Madison	2015	2016	2017
Tariff Collections	\$ 18,903	\$ 18,903	\$ 18,903
Less:			
Purchased Power	\$ 11,576	\$ 11,583	\$ 11,408
Operations	\$ 3,674	\$ 3,774	\$ 3,876
Capital Improvement	\$ 411	\$ 411	\$ 411
Total Appropriations	\$ 15,661	\$ 15,768	\$ 15,695
Subtotal Surplus	\$ 3,242	\$ 3,135	\$ 3,208
Add:			
Cancellation of Prior Year's Appropriation Reserves	400	400	400
Total Estimated Surplus	\$ 3,642	\$ 3,535	\$ 3,608

Assumptions:

1. No changes in rates or consumption
2. Purchased Power based on existing contracts and estimates from American Powernet
3. No material changes in Operations activity
4. Capital Improvement as per recommendation from Utilities Committee

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Scenario # 4

Rates from Average of

Muni-Owned - 17.8% Reduction from Madison

	2015	2016	2017
Tariff Collections	\$ 18,331	\$ 18,331	\$ 18,331
Less:			
Purchased Power	\$ 11,576	\$ 11,583	\$ 11,408
Operations	\$ 3,674	\$ 3,774	\$ 3,876
Capital Improvement	\$ 411	\$ 411	\$ 411
Total Appropriations	\$ 15,661	\$ 15,768	\$ 15,695
Subtotal Surplus	\$ 2,670	\$ 2,563	\$ 2,636
Add:			
Cancellation of Prior Year's Appropriation Reserves	400	400	400
Total Estimated Surplus	\$ 3,070	\$ 2,963	\$ 3,036

Assumptions:

1. No changes in rates or consumption
2. Purchased Power based on existing contracts and estimates from American Powernet
3. No material changes in Operations activity
4. Capital Improvement as per recommendation from Utilities Committee

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Scenario # 5

Rates from Average of
 Investor- Owned - Reduction of 13.32% from Madison

	2015		2016		2017
Tariff Collections	\$ 19,330		\$ 19,330		\$ 19,330
Less:					
Purchased Power	\$ 11,576		\$ 11,583		\$ 11,408
Operations	\$ 3,674		\$ 3,774		\$ 3,876
Capital Improvement	\$ 411		\$ 411		\$ 411
Total Appropriations	\$ 15,661		\$ 15,768		\$ 15,695
Subtotal Surplus	\$ 3,669		\$ 3,562		\$ 3,635
Add:					
Cancellation of Prior Year's Appropriation Reserves	400		400		400
Total Estimated Surplus	\$ 4,069		\$ 3,962		\$ 4,035

Assumptions:

1. No changes in rates or consumption
2. Purchased Power based on existing contracts and estimates from American Powernet
3. No material changes in Operations activity
4. Capital Improvement as per recommendation from Utilities Committee

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Scenario # 6

Rates from Average of Investor- Owned
 (w/o JCP&L) - Reduction of 8.13%

	2015	2016	2017
Tariff Collections	\$ 20,487	\$ 20,487	\$ 20,487
Less:			
Purchased Power	\$ 11,576	\$ 11,583	\$ 11,408
Operations	\$ 3,674	\$ 3,774	\$ 3,876
Capital Improvement	\$ 411	\$ 411	\$ 411
Total Appropriations	\$ 15,661	\$ 15,768	\$ 15,695
Subtotal Surplus	\$ 4,826	\$ 4,719	\$ 4,792
Add:			
Cancellation of Prior Year's Appropriation Reserves	400	400	400
Total Estimated Surplus	\$ 5,226	\$ 5,119	\$ 5,192

Assumptions:

1. No changes in rates or consumption
2. Purchased Power based on existing contracts and estimates from American Powernet
3. No material changes in Operations activity
4. Capital Improvement as per recommendation from Utilities Committee