



Heber Light and Power
Capital and Operating Budgets
For Fiscal 2015

Heber Light & Power Company

2015 Budget – Executive Summary

| | 2013 Actual | 2014 Budget | 2014 Projected | 2015 Budget |
|---|------------------------|---------------------|---------------------|---------------------|
| REVENUES | | | | |
| Electricity Sales | \$13,511,454.00 | \$14,150,240 | \$13,665,437 | \$14,035,551 |
| Connect Fees | 29,038.68 | 25,141 | 30,836 | 31,091 |
| Interest Income | 28,661.43 | 22,800 | 18,130 | 20,707 |
| Receivables Penalty Income | 36,461.47 | 40,700 | 37,156 | 32,000 |
| Other / Miscellaneous Income | 122,267.32 | 41,352 | 106,880 | 115,000 |
| <i>Total Revenues</i> | <i>\$13,727,882.90</i> | <i>\$14,280,233</i> | <i>\$13,858,439</i> | <i>\$14,234,349</i> |
| OPERATING EXPENSES | | | | |
| Power Purchases | \$5,566,440.47 | \$6,057,312 | \$6,561,512 | \$6,408,878 |
| Generation Maintenance / Fuel | 641,790.89 | 641,357 | 430,430 | 866,813 |
| Wages | 2,424,346.91 | 2,857,746 | \$2,909,024 | 2,266,058 |
| Board Compensation | 46,379.43 | 39,396 | 29,175 | 35,814 |
| Retirement | 528,006.24 | 510,181 | 534,589 | 629,375 |
| Insurance – Employee | 860,932.72 | 675,024 | 761,893 | 850,709 |
| Insurance – Liability | 154,450.00 | 165,000 | 113,664 | 175,000 |
| Payroll Taxes | 245,592.69 | 227,784 | 230,035 | 276,140 |
| Travel / Training | 127,830.32 | 75,000 | 85,300 | 71,381 |
| Materials | 387,305.69 | 475,000 | 35,000 | 49,856 |
| Communications | 77,559.46 | 69,432 | 53,373 | 130,845 |
| Truck / Vehicles | 183,604.58 | 252,000 | 136,352 | 119,942 |
| Repairs / Maintenance | 202,161.83 | 300,000 | 120,519 | 501,158 |
| Building Expenses | 17,175.93 | 12,000 | 68,998 | 43,400 |
| Office Supplies | 118,465.09 | 63,105 | 132,982 | 79,580 |
| Debt – Interest | 385,576.49 | 374,125 | 492,126 | 543,777 |
| Debt – Principal | 325,000.00 | 325,000 | 330,000 | 578,103 |
| Dividends | 300,000.00 | 300,000 | 300,000 | 300,000 |
| Reserve Funding | - | - | - | 135,000 |
| Professional Services | 158,479.64 | 150,000 | 153,535 | 63,000 |
| Miscellaneous | 130,302.18 | 50,000 | 123,435 | 99,035 |
| <i>Total Operating Expenses</i> | <i>\$12,881,400.56</i> | <i>\$13,661,462</i> | <i>\$13,601,942</i> | <i>\$14,223,864</i> |
| FUNDS AVAILABLE FOR CAPITAL PROJECTS | | | | |
| Net Income | 846,482.34 | 618,771 | 256,497 | 10,485 |
| Capital in Aid of Construction | 339,856.00 | - | 751,450 | 450,000 |
| Impact Fee | 636,023.00 | - | 591,101 | 650,000 |
| | <i>\$1,822,361.34</i> | <i>\$618,771</i> | <i>\$1,599,048</i> | <i>\$1,110,485</i> |
| CAPITAL EXPENDITURES | | | | |
| Buildings | \$352,486.07 | \$180,000 | \$9,500 | \$241,565 |
| Distribution | 1,116,155.24 | 1,190,000 | 1,104,000 | 1,360,091 |
| Generation | 72,579.83 | - | 2,085,000 | 401,839 |
| Metering | - | - | 60,000 | 142,483 |
| Substation | 746,739.83 | 190,000 | 302,830 | 713,612 |
| Systems & Technology | 23,139.68 | 69,000 | 10,100 | 81,990 |
| Tools & Equipment | 22,293.26 | 40,000 | 28,500 | 45,200 |
| Trucks / Vehicles | 264,174.68 | 105,600 | (3,600) | 250,000 |
| <i>Total Capital</i> | <i>\$2,597,568.59</i> | <i>\$1,774,600</i> | <i>\$3,596,330</i> | <i>\$3,236,780</i> |
| Depreciation | \$1,811,772.34 | \$1,831,728 | \$1,818,650 | \$1,993,000 |

Management is pleased to present the Operating Budgets and Capital Expenditures for 2015. The following is presented to highlight the major purchases and projects for 2015.

Operating Budget

Revenues

The 2015 electricity revenues are budgeted to increase 4% over the projected 2014 revenues. This represents a very modest estimate for new customers and limited load growth.

Revenues associated with Capital in Aid of Construction and Impact Fees are not included as these revenues are not regular and are typically subject to external economic conditions.

| | <u>2013 Actual</u> | <u>2014 Budget</u> | <u>2014 Projected</u> | <u>2015 Budget</u> |
|------------------------------|------------------------|---------------------|-----------------------|---------------------|
| REVENUES | | | | |
| Electricity Sales | \$13,511,454.00 | \$14,150,240 | \$13,665,437 | \$14,035,551 |
| Connect Fees | 29,038.68 | 25,141 | 30,836 | 31,091 |
| Interest Income | 28,661.43 | 22,800 | 18,130 | 20,707 |
| Receivables Penalty Income | 36,461.47 | 40,700 | 37,156 | 32,000 |
| Other / Miscellaneous Income | 122,267.32 | 41,352 | 106,880 | 115,000 |
| <i>Total Revenues</i> | <i>\$14,703,761.90</i> | <i>\$14,280,233</i> | <i>\$13,858,439</i> | <i>\$14,234,349</i> |

Expenses

Power Purchased

Power Purchased expense is calculated by analyzing supply requirements, identifying the cost of supply from individual sources and adding contingency pricing for market fluctuations.

Wages and Board Compensation

Included in the wages and board compensation expense are amounts for the current complement of employees plus the inclusion of 3.5 additional employees. The decrease in budgeted wages reflects the increased inclusion of capitalized labor in the capital projects.

Repairs & Maintenance

Repairs and maintenance are anticipated to exceed the two prior years as a portion of needs were deferred in 2014 as a result of a rate increase denial. In addition, a pole testing and a raptor protection study will take place in 2015 that will undoubtedly identify additional maintenance concerns on the distribution system.

Travel & Training

To maintain the advanced technical knowledge required in the industry, various training initiatives for staff are included in the 2015 Budget.

Reserve Funding

HL&P intends on placing additional funds into the PTIF fund to compensate for the continual growth of the company and its assets. In addition, current portions of the accrued leave balances are being set aside as part of the risk management process.

| | <u>2013 Actual</u> | <u>2014 Budget</u> | <u>2014 Projected</u> | <u>2015 Budget</u> |
|---------------------------------|------------------------|---------------------|-----------------------|---------------------|
| OPERATING EXPENSES | | | | |
| Power Purchases | \$5,566,440.47 | \$6,057,312 | \$6,561,512 | \$6,408,878 |
| Generation Maintenance / Fuel | 641,790.89 | 641,357 | 430,430 | 866,813 |
| Wages | 2,424,346.91 | 2,857,746 | \$2,909,024 | 2,266,058 |
| Board Compensation | 46,379.43 | 39,396 | 29,175 | 35,814 |
| Retirement | 528,006.24 | 510,181 | 534,589 | 629,375 |
| Insurance – Employee | 860,932.72 | 675,024 | 761,893 | 850,709 |
| Insurance – Liability | 154,450.00 | 165,000 | 113,664 | 175,000 |
| Payroll Taxes | 245,592.69 | 227,784 | 230,035 | 276,140 |
| Travel / Training | 127,830.32 | 75,000 | 85,300 | 71,381 |
| Materials | 387,305.69 | 475,000 | 35,000 | 49,856 |
| Communications | 77,559.46 | 69,432 | 53,373 | 130,845 |
| Truck / Vehicles | 183,604.58 | 252,000 | 136,352 | 119,942 |
| Repairs / Maintenance | 202,161.83 | 300,000 | 120,519 | 501,158 |
| Building Expenses | 17,175.93 | 12,000 | 68,998 | 43,400 |
| Office Supplies | 118,465.09 | 63,105 | 132,982 | 79,580 |
| Debt – Interest | 385,576.49 | 374,125 | 492,126 | 543,777 |
| Debt – Principal | 325,000.00 | 325,000 | 330,000 | 578,103 |
| Dividends | 300,000.00 | 300,000 | 300,000 | 300,000 |
| Reserve Funding | - | - | - | 135,000 |
| Professional Services | 158,479.64 | 150,000 | 153,535 | 63,000 |
| Miscellaneous | 130,302.18 | 50,000 | 123,435 | 99,035 |
| <i>Total Operating Expenses</i> | <i>\$12,881,400.56</i> | <i>\$13,661,462</i> | <i>\$13,601,942</i> | <i>\$14,223,864</i> |

Capital Expenditures

The Capital Budget for 2015 totals \$2,475,882. Heber Light & Power anticipates utilizing revenue from energy sales, capital in aid of construction and through impact fees to complete the 2015 capital program. In the event these resources are insufficient to meet these anticipated capital addition expenditures, Heber Light & Power has two other payment mechanisms at its disposal. The first, Heber Light & Power has the ability to use debt-financing in the event energy rates are unavailable to fund the needed capital expansion projects. The second is through reserve accounts of which Heber Light & Power maintains two such funds. The first such fund is a contingency fund with a current balance of roughly \$2.5 million which is available to address certain large capital purchases and /or reserve requirements associated with internal generation, rate stabilization and power market escalation. The second such fund is a capital reserve fund meant to supply quick access to funds in order to complete major projects considered in the Company's current Strategic Plan.

Also included in the table below are principal payments relating to the Company's long-term debt.

| <u>Classification</u> | <u>Expenditure</u> | <u>CIAC</u> | <u>Net Amount</u> |
|------------------------|---------------------------------------|-------------|--------------------|
| Buildings | 241,565 | - | 241,565 |
| Distribution System | 1,360,091 | (630,000) | 730,091 |
| Substation | 713,612 | - | 713,612 |
| Generation | 401,839 | - | 401,839 |
| Metering | 142,483 | (142,483) | - |
| Systems and Technology | 81,990 | - | 81,990 |
| Tools & Equipment | 45,200 | - | 45,200 |
| Trucks/Vehicles | 250,000 | - | 250,000 |
| | Total Capital Expenditures: | | \$2,464,297 |
| | Principal Payments on Long-Term Debt: | | 578,103 |
| | Total Cash Requirements: | | <u>\$3,042,400</u> |

Detailed capital project descriptions in support of these amounts are included on the following pages.

Buildings

1. Operations Asphalt / Curb Improvements
2. Generator Fire Suppression System
3. Training Room Furniture

Heber Light & Power

Project Analysis Form

Project Name: Operations Asphalt/Curb Improvements

Project Driver: Upgrade

Priority Level: Low

Purpose & Necessity:

In an effort to improve safer more efficient utilization of HL&P facilities, additional upgrades to the parking lot and asphalt are merited. These changes will allow for a better parking configuration for employees, directors and members of the community.

Risk Assessment:

If this asphalt project is not completed, HL&P runs a risk of having inadequate parking for employees, directors, and community members thus compelling them to park in areas not properly suited for their needs. By so doing, HL&P exposes itself to additional risk of safety incidents and lost productivity.

Cash Flow Schedule:

| | <u>2014</u> | <u>2015</u> | <u>2016</u> | <u>2017</u> | <u>2018</u> | <u>2019</u> | <u>Overall</u> |
|---------------------|-------------|----------------------|-------------|-------------|-------------|-------------|----------------------|
| Internal Labor | - | - | - | - | - | - | - |
| Materials | - | - | - | - | - | - | - |
| Subcontractor | - | 102,565.00 | - | - | - | - | 102,565.00 |
| Miscellaneous | - | - | - | - | - | - | - |
| (CIAC) Reim | - | - | - | - | - | - | - |
| Subtotal: | \$ - | \$ 102,565.00 | \$ - | \$ - | \$ - | \$ - | \$ 102,565.00 |
| Impact Fee % | | | | | | | |
| Net Amount: | \$ - | \$ 102,565.00 | \$ - | \$ - | \$ - | \$ - | \$ 102,565.00 |

DRAFT

Heber Light & Power

Project Analysis Form

Project Name: Generator Fire Suppression System

Project Driver: Safety

Priority Level: Medium

Purpose & Necessity:

Small fires are occasionally generated on and around the generators as a result of the excessive amounts of heat, fuel and available catalysts. As a result, the dispatchers and generation employees are using handheld extinguishing tools to extinguish these fires when they arise. Our insurance reviews are frequently critical of the lack of suppression systems on our generators and thus this project will increase safety as well as increase our insurability.

Risk Assessment:

Potential exists to have a major fire that either drastically damages the structure, equipment, or both. The damage can result from the fire itself or from the firefighting methods that will be employed by the local EMS with their water-based fighting technology. A larger risk exists in that employees are typically called upon to be the first line of defense to which they are woefully under supplied and un-trained.

Cash Flow Schedule:

| | <u>2014</u> | <u>2015</u> | <u>2016</u> | <u>2017</u> | <u>2018</u> | <u>2019</u> | <u>Overall</u> |
|---------------------|-------------|----------------------|-------------|-------------|-------------|-------------|----------------------|
| Internal Labor | - | - | - | - | - | - | - |
| Materials | - | - | - | - | - | - | - |
| Subcontractor | - | 107,000.00 | - | - | - | - | 107,000.00 |
| Miscellaneous | - | - | - | - | - | - | - |
| (CIAC) Reim | - | - | - | - | - | - | - |
| Subtotal: | \$ - | \$ 107,000.00 | \$ - | \$ - | \$ - | \$ - | \$ 107,000.00 |
| Impact Fee % | | | | | | | |
| Net Amount: | \$ - | \$ 107,000.00 | \$ - | \$ - | \$ - | \$ - | \$ 107,000.00 |

DRAFT

Heber Light & Power

Project Analysis Form

Project Name: Training Room Furniture

Project Driver: Upgrade

Priority Level: Low

Purpose & Necessity:

No new furniture was included with the new training room that was built in 2013. In order to establish appropriate training and testing resources for continuing education and training of employees, furniture will need to be purchased. Part of the building plan encompassed a plan to purchase furniture in a future period so as to accommodate cash flow concerns.

Risk Assessment:

No apparent risk to reliability or safety exists if this project is not approved. However, the delay in approval also delays the proper training facility typically used by the industry.

Cash Flow Schedule:

| | <u>2014</u> | <u>2015</u> | <u>2016</u> | <u>2017</u> | <u>2018</u> | <u>2019</u> | <u>Overall</u> |
|---------------------|-------------|---------------------|-------------|-------------|-------------|-------------|---------------------|
| Internal Labor | - | - | - | - | - | - | - |
| Materials | - | 32,000.00 | - | - | - | - | 32,000.00 |
| Subcontractor | - | - | - | - | - | - | - |
| Miscellaneous | - | - | - | - | - | - | - |
| (CIAC) Reim | - | - | - | - | - | - | - |
| Subtotal: | \$ - | \$ 32,000.00 | \$ - | \$ - | \$ - | \$ - | \$ 32,000.00 |
| Impact Fee % | | | | | | | |
| Net Amount: | \$ - | \$ 32,000.00 | \$ - | \$ - | \$ - | \$ - | \$ 32,000.00 |

DRAFT

Distribution System

1. CL401 Rebuild (Charleston Reconductor)
2. Tie from 701 up to 500 East in Heber (HB304)
3. Underground System Improvements
4. Additional Circuits out of Jailhouse to the East
5. Heber Substation 2 Additional Circuits (South & West)
6. Heber Sub to Cloyes Sub Distribution Rebuild
7. Reconductor Center Street to 1200 South
8. Reconductor Pine Canyon Road – Midway
9. Distribution Capacitors / VAR Control

Heber Light & Power

Project Analysis Form

Project Name: CL 401 Rebuild (Charleston Reconductor)

Project Driver: Upgrade

Priority Level: Medium

Purpose & Necessity:

Age and capacity of CL 401 has become an issue. With the Commercial growth around the Cloyes substation as well as schools, care centers, and residential areas the need to upgrade this line has become important. Because of the existing design flaws we will be forced to put a large portion of this circuit underground.

Risk Assessment:

This is the first phase in completing an upgraded tie with the Midway substation. To comply with our N-1 goal this is a needed tie for our system.

Cash Flow Schedule:

| | <u>2014</u> | <u>2015</u> | <u>2016</u> | <u>2017</u> | <u>2018</u> | <u>2019</u> | <u>Overall</u> |
|--------------------|-------------|----------------------|----------------------|----------------------|-------------|-------------|----------------------|
| Internal Labor | - | 30,000.00 | 56,002.31 | 28,001.15 | - | - | 114,003.46 |
| Materials | - | 90,000.00 | 94,000.00 | 72,000.00 | - | - | 256,000.00 |
| Subcontractor | - | 80,000.00 | - | - | - | - | 80,000.00 |
| Miscellaneous | - | - | - | - | - | - | - |
| (CIAC) Reim | - | - | - | - | - | - | - |
| Subtotal: | \$ - | \$ 200,000.00 | \$ 150,002.31 | \$ 100,001.15 | \$ - | \$ - | \$ 450,003.46 |
| Impact Fee % | | 60% | 60% | 60% | | | |
| Net Amount: | \$ - | \$ 80,000.00 | \$ 60,000.92 | \$ 40,000.46 | \$ - | \$ - | \$ 180,001.38 |

DRAFT

Heber Light & Power

Project Analysis Form

Project Name: Tie From 702 up to 500 East in Heber (HB304)

Project Driver: Growth

Priority Level: Medium

Purpose & Necessity:

This tie will complete a necessary loop on the North end of Heber City to enhance the system reliability brought upon by the growth in that area of the system.

By completing this project in 2016, the customer intends on providing an easement to enable the building of this line.

Risk Assessment:

Without completing this tie, an outage in North Heber City could result in an extended outage due to the current strain on the system capacity. A series of careful switching maneuvers would be necessary to shed the load sufficient to bring this area back online while increasing the risk of failure in other areas of the system.

Cash Flow Schedule:

| | <u>2014</u> | <u>2015</u> | <u>2016</u> | <u>2017</u> | <u>2018</u> | <u>2019</u> | <u>Overall</u> |
|--------------------|-------------|-------------|----------------------|-------------|-------------|-------------|----------------------|
| Internal Labor | - | | 56,002.31 | - | - | - | 56,002.31 |
| Materials | - | | 194,000.00 | - | - | - | 194,000.00 |
| Subcontractor | - | | - | - | - | - | - |
| Miscellaneous | - | - | - | - | - | - | - |
| (CIAC) Reim | - | - | - | - | - | - | - |
| Subtotal: | \$ - | \$ - | \$ 250,002.31 | \$ - | \$ - | \$ - | \$ 250,002.31 |
| Impact Fee % | | | 100% | | | | |
| Net Amount: | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |

DRAFT

Heber Light & Power

Project Analysis Form

Project Name: Underground System Improvements

Project Driver: Reliability

Priority Level: Low

Purpose & Necessity:

Underground equipment becomes subject to the elements and thus begin to show signs of aging and breakdown. Thus HL&P monitors the underground equipment for aging and periodically retires worn out assets by replacing them.

Risk Assessment:

By refusing to correct the installation issues in the underground assets, HL&P is at risk of unintentional outages and potential hazardous conditions for both employees and customers.

Cash Flow Schedule:

| | <u>2014</u> | <u>2015</u> | <u>2016</u> | <u>2017</u> | <u>2018</u> | <u>2019</u> | <u>Overall</u> |
|---------------------|-------------|---------------------|-------------|---------------------|-------------|-------------|----------------------|
| Internal Labor | - | 35,001.44 | - | 35,001.44 | - | - | 70,002.88 |
| Materials | - | 28,000.00 | - | 31,000.00 | - | - | 59,000.00 |
| Subcontractor | - | - | - | - | - | - | - |
| Miscellaneous | - | - | - | - | - | - | - |
| (CIAC) Reim | - | - | - | - | - | - | - |
| Subtotal: | \$ - | \$ 63,001.44 | \$ - | \$ 66,001.44 | \$ - | \$ - | \$ 129,002.88 |
| Impact Fee % | | | | | | | |
| Net Amount: | \$ - | \$ 63,001.44 | \$ - | \$ 66,001.44 | \$ - | \$ - | \$ 129,002.88 |

DRAFT

Heber Light & Power

Project Analysis Form

Project Name: Additional Circuits out of Jailhouse to the East

Project Driver: Growth

Priority Level: Medium

Purpose & Necessity:

The development of the South end of Heber City has necessitated additional circuits out of the Jailhouse Substation.

Risk Assessment:

Insufficient capacity to serve the numerous additional customers seeking service on the South side of Heber City.

Cash Flow Schedule:

| | <u>2014</u> | <u>2015</u> | <u>2016</u> | <u>2017</u> | <u>2018</u> | <u>2019</u> | <u>Overall</u> |
|--------------------|-------------|-------------|----------------------|----------------------|-------------|-------------|----------------------|
| Internal Labor | - | - | 84,003.46 | 84,003.46 | - | - | 168,006.92 |
| Materials | - | - | 196,000.00 | 196,000.00 | - | - | 392,000.00 |
| Subcontractor | - | - | - | - | - | - | - |
| Miscellaneous | - | - | - | - | - | - | - |
| (CIAC) Reim | - | - | - | - | - | - | - |
| Subtotal: | \$ - | \$ - | \$ 280,003.46 | \$ 280,003.46 | \$ - | \$ - | \$ 560,006.92 |
| Impact Fee % | | | 100% | 100% | | | |
| Net Amount: | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |

DRAFT

Heber Light & Power

Project Analysis Form

Project Name: Heber Substation 2 Additional Circuits (South & West)

Project Driver: Growth

Priority Level: Medium

Purpose & Necessity:

The development of the South and West ends of Heber City have necessitated additional circuits out of the Heber Substation.

Risk Assessment:

Insufficient capacity to serve the numerous additional customers seeking service on the South and West sides of Heber City.

Cash Flow Schedule:

| | <u>2014</u> | <u>2015</u> | <u>2016</u> | <u>2017</u> | <u>2018</u> | <u>2019</u> | <u>Overall</u> |
|--------------------|-------------|-------------|----------------------|-------------|-------------|-------------|----------------------|
| Internal Labor | - | - | 112,004.62 | - | - | - | 112,004.62 |
| Materials | - | - | 248,000.00 | - | - | - | 248,000.00 |
| Subcontractor | - | - | - | - | - | - | - |
| Miscellaneous | - | - | - | - | - | - | - |
| (CIAC) Reim | - | - | - | - | - | - | - |
| Subtotal: | \$ - | \$ - | \$ 360,004.62 | \$ - | \$ - | \$ - | \$ 360,004.62 |
| Impact Fee % | | | 100% | | | | |
| Net Amount: | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |

DRAFT

Heber Light & Power

Project Analysis Form

Project Name: Heber Sub to Cloyes Sub distribution rebuild

Project Driver: Upgrade

Priority Level: Medium

Purpose & Necessity:

Create a strong tie between the two substations as well as being able to feed our facility off of two substations!

Risk Assessment:

This is a very old section of our system that needs to be upgraded to maintain service and reliability to the area. This will also help greatly with our N-1 philosophy.

Cash Flow Schedule:

| | <u>2014</u> | <u>2015</u> | <u>2016</u> | <u>2017</u> | <u>2018</u> | <u>2019</u> | <u>Overall</u> |
|--------------------|-------------|----------------------|-------------|-------------|-------------|-------------|----------------------|
| Internal Labor | - | 70,000.00 | - | - | - | - | 70,000.00 |
| Materials | - | 240,000.00 | - | - | - | - | 240,000.00 |
| Subcontractor | - | 40,000.00 | - | - | - | - | 40,000.00 |
| Miscellaneous | - | - | - | - | - | - | - |
| (CIAC) Reim | - | - | - | - | - | - | - |
| Subtotal: | \$ - | \$ 350,000.00 | \$ - | \$ - | \$ - | \$ - | \$ 350,000.00 |
| Impact Fee % | | 60% | | | | | |
| Net Amount: | \$ - | \$ 140,000.00 | \$ - | \$ - | \$ - | \$ - | \$ 140,000.00 |

DRAFT

Heber Light & Power

Project Analysis Form

Project Name: Reconductor Center Street to 1200 South

Project Driver: Upgrade

Priority Level: Medium

Purpose & Necessity:

Upgrade the existing conductor to support the additional capacity that now resides on the system as a result of growth.

Risk Assessment:

This is an older section of the system that needs to be upgraded to maintain service and reliability to the area. This will also help greatly with our N-1 philosophy.

Cash Flow Schedule:

| | <u>2014</u> | <u>2015</u> | <u>2016</u> | <u>2017</u> | <u>2018</u> | <u>2019</u> | <u>Overall</u> |
|--------------------|-------------|-------------|-------------|-------------|-------------|----------------------|----------------------|
| Internal Labor | - | - | - | - | - | 56,002.31 | 56,002.31 |
| Materials | - | - | - | - | - | 94,000.00 | 94,000.00 |
| Subcontractor | - | - | - | - | - | - | - |
| Miscellaneous | - | - | - | - | - | - | - |
| (CIAC) Reim | - | - | - | - | - | - | - |
| Subtotal: | \$ - | \$ 150,002.31 | \$ 150,002.31 |
| Impact Fee % | | | | | | 60% | |
| Net Amount: | \$ - | \$ 60,000.92 | \$ 60,000.92 |

DRAFT

Heber Light & Power

Project Analysis Form

Project Name: Reconductor Pine Canyon Road - Midway

Project Driver: Upgrade

Priority Level: Medium

Purpose & Necessity:

Upgrade the existing conductor to support the additional capacity that now resides on the system as a result of growth.

Risk Assessment:

This is an older section of the system that needs to be upgraded to maintain service and reliability to the area. This will also help greatly with our N-1 philosophy.

Cash Flow Schedule:

| | <u>2014</u> | <u>2015</u> | <u>2016</u> | <u>2017</u> | <u>2018</u> | <u>2019</u> | <u>Overall</u> |
|--------------------|-------------|-------------|-------------|-------------|-------------|----------------------|----------------------|
| Internal Labor | - | - | - | - | - | 56,002.31 | 56,002.31 |
| Materials | - | - | - | - | - | 124,000.00 | 124,000.00 |
| Subcontractor | - | - | - | - | - | - | - |
| Miscellaneous | - | - | - | - | - | - | - |
| (CIAC) Reim | - | - | - | - | - | - | - |
| Subtotal: | \$ - | \$ 180,002.31 | \$ 180,002.31 |
| Impact Fee % | | | | | | 60% | |
| Net Amount: | \$ - | \$ 72,000.92 | \$ 72,000.92 |

DRAFT

Heber Light & Power

Project Analysis Form

Project Name: Distribution Capacitors / VAR Control

Project Driver: Reliability

Priority Level: Low

Purpose & Necessity:

This system improvement project is meant to correct voltage concern issues that have arisen through the increased load placed upon the distribution system.

Risk Assessment:

By refusing to correct voltage concerns, the risk of disrupted service and variability is increased resulting in additional insurance claims and lower customer satisfaction.

Cash Flow Schedule:

| | <u>2014</u> | <u>2015</u> | <u>2016</u> | <u>2017</u> | <u>2018</u> | <u>2019</u> | <u>Overall</u> |
|---------------------|-------------|---------------------|---------------------|---------------------|---------------------|-------------|---------------------|
| Internal Labor | - | 14,000.58 | 14,000.58 | 14,000.58 | 14,000.58 | - | 56,002.31 |
| Materials | - | 6,000.00 | 6,000.00 | 6,000.00 | 6,000.00 | - | 24,000.00 |
| Subcontractor | - | - | - | - | - | - | - |
| Miscellaneous | - | - | - | - | - | - | - |
| (CIAC) Reim | - | - | - | - | - | - | - |
| Subtotal: | \$ - | \$ 20,000.58 | \$ 20,000.58 | \$ 20,000.58 | \$ 20,000.58 | \$ - | \$ 80,002.31 |
| Impact Fee % | | | | | | | |
| Net Amount: | \$ - | \$ 20,000.58 | \$ 20,000.58 | \$ 20,000.58 | \$ 20,000.58 | \$ - | \$ 80,002.31 |

DRAFT

Substation

1. Gas Plant 2 Transformer Replacement
2. 2nd Point of Interconnect Substation
3. Replacement Recloser for Joslyn Reclosers
4. Heber Substation 2nd Transformer
5. Midway Substation – High Side Rebuild

Heber Light & Power

Project Analysis Form

Project Name: Gas Plant 2 Transformer Replacement

Project Driver: Replacement

Priority Level: High

Purpose & Necessity:

On Memorial Day, 2014 the center high-side bushing burst revealing a deeper issue within the transformer for Gas Plant 2. This project replaces the failed transformer with a new one.

Risk Assessment:

By refusing to complete this project, HL&P will experience a critical decline in internal generation capability.

Cash Flow Schedule:

| | <u>2014</u> | <u>2015</u> | <u>2016</u> | <u>2017</u> | <u>2018</u> | <u>2019</u> | <u>Overall</u> |
|----------------|---------------------|----------------------|-------------|-------------|-------------|-------------|----------------------|
| Internal Labor | - | 20,000.00 | - | - | - | - | 20,000.00 |
| Materials | 101,148.25 | 187,846.75 | - | - | - | - | 288,995.00 |
| Subcontractor | - | 15,000.00 | - | - | - | - | 15,000.00 |
| Miscellaneous | - | - | - | - | - | - | - |
| (CIAC) Reim | (72,333.00) | - | - | - | - | - | (72,333.00) |
| Subtotal: | \$ 28,815.25 | \$ 222,846.75 | \$ - | \$ - | \$ - | \$ - | \$ 251,662.00 |
| Impact Fee % | | | | | | | |
| Net Amount: | <u>\$ 28,815.25</u> | <u>\$ 222,846.75</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 251,662.00</u> |

DRAFT

Heber Light & Power

Project Analysis Form

Project Name: 2nd Point of Interconnect Substation(POI)

Project Driver: Reliability

Priority Level: Medium

Purpose & Necessity:

HL&P has become a 36MW utility as a result of growth in the valley. As a result, HL&P continues to invest in infrastructure to ensure reliability in meeting this ever increasing load profile. The current transmission line located in Provo Canyon is tapped out and thus a redundant feed from the North is required if HL&P intends on continuing to supply the high-level of service reliability that it has become known for.

Risk Assessment:

The system is at high-risk of being without adequate energy in the event loads exceed the localized generator capabilities if something was to happen to the transmission line in Provo canyon. Events happen periodically that push the current system to its full capacity and the failure of a critical piece of equipment could easily transform this risk into a reality.

Cash Flow Schedule:

| | <u>2014</u> | <u>2015</u> | <u>2016</u> | <u>2017</u> | <u>2018</u> | <u>2019</u> | <u>Overall</u> |
|--------------------|-------------|----------------------|----------------------|------------------------|-------------|-------------|------------------------|
| Internal Labor | - | 10,000.00 | 15,000.00 | 35,000.00 | - | - | 60,000.00 |
| Materials | - | - | 300,000.00 | 1,850,000.00 | - | - | 2,150,000.00 |
| Subcontractor | - | 90,000.00 | 150,000.00 | 3,000,000.00 | - | - | 3,240,000.00 |
| Miscellaneous | - | - | - | 50,000.00 | - | - | 50,000.00 |
| (CIAC) Reim | - | - | - | - | - | - | - |
| Subtotal: | \$ - | \$ 100,000.00 | \$ 465,000.00 | \$ 4,935,000.00 | \$ - | \$ - | \$ 5,500,000.00 |
| Impact Fee % | | | | | | | |
| Net Amount: | \$ - | \$ 100,000.00 | \$ 465,000.00 | \$ 4,935,000.00 | \$ - | \$ - | \$ 5,500,000.00 |

DRAFT

Heber Light & Power

Project Analysis Form

Project Name: Replacement Recloser for Joslyn Reclosers

Project Driver: Replacement

Priority Level: Medium

Purpose & Necessity:

HL&P has a series of Joslyn Reclosers that have historically been less than reliable. The company has been swapping out these reclosers as they fail so as to maximize the usage of these reclosers. This purchase will replace the inventoried recloser that was installed earlier this year.

Risk Assessment:

Without a spare recloser, a failure of one of the remaining Joslyn Reclosers will see a prolonged outage for a series of HL&P circuits.

Cash Flow Schedule:

| | <u>2014</u> | <u>2015</u> | <u>2016</u> | <u>2017</u> | <u>2018</u> | <u>2019</u> | <u>Overall</u> |
|---------------------|-------------|---------------------|-------------|-------------|-------------|-------------|---------------------|
| Internal Labor | - | - | - | - | - | - | - |
| Materials | - | 25,000.00 | - | - | - | - | 25,000.00 |
| Subcontractor | - | - | - | - | - | - | - |
| Miscellaneous | - | - | - | - | - | - | - |
| (CIAC) Reim | - | - | - | - | - | - | - |
| Subtotal: | \$ - | \$ 25,000.00 | \$ - | \$ - | \$ - | \$ - | \$ 25,000.00 |
| Impact Fee % | | | | | | | |
| Net Amount: | <u>\$ -</u> | <u>\$ 25,000.00</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 25,000.00</u> |

DRAFT

Heber Light & Power

Project Analysis Form

Project Name: Heber Substation 2nd Transformer

Project Driver: Growth

Priority Level: Medium

Purpose & Necessity:

Load growth has increased the number of circuits required out of the Heber Substation to both serve current needs as well as enhance system reliability with increased switching options.

Risk Assessment:

Without installing this 2nd transformer, an outage in Heber City could result in an extended outage due to the current strain on the system capacity. The installation of this transformer would enable switching maneuvers necessary to shed the load on higher strained equipment so as to enable the restoration of services while increasing the risk of failure in other areas of the system.

Cash Flow Schedule:

| | <u>2014</u> | <u>2015</u> | <u>2016</u> | <u>2017</u> | <u>2018</u> | <u>2019</u> | <u>Overall</u> |
|----------------|-------------|---------------|---------------|-------------|-------------|-------------|----------------|
| Internal Labor | - | - | 25,000.00 | - | - | - | 25,000.00 |
| Materials | - | 115,000.00 | 400,000.00 | - | - | - | 515,000.00 |
| Subcontractor | - | 35,000.00 | 40,000.00 | - | - | - | 75,000.00 |
| Miscellaneous | - | - | - | - | - | - | - |
| (CIAC) Reim | - | - | - | - | - | - | - |
| Subtotal: | \$ - | \$ 150,000.00 | \$ 465,000.00 | \$ - | \$ - | \$ - | \$ 615,000.00 |
| Impact Fee % | | 100% | 100% | | | | |
| Net Amount: | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |

DRAFT

Heber Light & Power

Project Analysis Form

Project Name: Midway Substation - High Side Rebuild

Project Driver: Upgrade

Priority Level: Low

Purpose & Necessity:

The high side electrical equipment configuration at the Midway Substation will need to be rebuilt to allow for future development and current configuration needs.

Risk Assessment:

This substation will not be sufficiently configured to accommodate the growing impacts placed upon this substation and its equipment. By not completing this project, HL&P will be subject to constrained energy transfer insufficient for projected loads.

Cash Flow Schedule:

| | <u>2014</u> | <u>2015</u> | <u>2016</u> | <u>2017</u> | <u>2018</u> | <u>2019</u> | <u>Overall</u> |
|--------------------|-------------|-------------|-------------|-------------|----------------------|-------------|----------------------|
| Internal Labor | - | - | - | - | 75,000.00 | - | 75,000.00 |
| Materials | - | - | - | - | 325,000.00 | - | 325,000.00 |
| Subcontractor | - | - | - | - | 100,000.00 | - | 100,000.00 |
| Miscellaneous | - | - | - | - | - | - | - |
| (CIAC) Reim | - | - | - | - | - | - | - |
| Subtotal: | \$ - | \$ - | \$ - | \$ - | \$ 500,000.00 | \$ - | \$ 500,000.00 |
| Impact Fee % | | | | | | | |
| Net Amount: | \$ - | \$ - | \$ - | \$ - | \$ 500,000.00 | \$ - | \$ 500,000.00 |

DRAFT

Generation

1. Units 7 & 8 Top-end Overhauls
2. 2015 Capital Improvements – Generation
3. Lower Snake Creek Plant Upgrade

Heber Light & Power

Project Analysis Form

Project Name: Units 7 & 8 Top-end Overhauls

Project Driver: Reliability

Priority Level: Medium

Purpose & Necessity:

Units 7 & 8 are approaching the usage hours that will qualify them for the overhaul of the top-end of the engine during calendar year 2015. This is a standard preventative maintenance interval that will extend the useful life of the units.

Risk Assessment:

Equipment will wear down to a point of non-function thus requiring additional expense to restore them to functionality again. An additional risk is that of an untimely outage of either of these two units. By scheduling the overhaul, control of the outage/loss of production can be managed.

Cash Flow Schedule:

| | <u>2014</u> | <u>2015</u> | <u>2016</u> | <u>2017</u> | <u>2018</u> | <u>2019</u> | <u>Overall</u> |
|---------------------|-------------|----------------------|-------------|-------------|-------------|-------------|----------------------|
| Internal Labor | - | 60,000.00 | - | - | - | - | 60,000.00 |
| Materials | - | 98,400.00 | - | - | - | - | 98,400.00 |
| Subcontractor | - | - | - | - | - | - | - |
| Miscellaneous | - | - | - | - | - | - | - |
| (CIAC) Reim | - | - | - | - | - | - | - |
| Subtotal: | \$ - | \$ 158,400.00 | \$ - | \$ - | \$ - | \$ - | \$ 158,400.00 |
| Impact Fee % | | | | | | | |
| Net Amount: | \$ - | \$ 158,400.00 | \$ - | \$ - | \$ - | \$ - | \$ 158,400.00 |

DRAFT

Heber Light & Power

Project Analysis Form

Project Name: 2015 Capital Improvements - Generation

Project Driver: Reliability

Priority Level: Medium

Purpose & Necessity:

The following collective list of minor capital improvement projects are capital in nature and provide for the advancement of HL&P generation capabilities:

- Upgrade to Plant 1 RR...\$12,300
- Cathodic Protection Upgrade...\$50,000
- Fan Motor - Units 1 & 2...\$4,000
- Pre-lube Pump Motor Unit 4...\$1,000
- Exhaust Temperature Harness Units 7 & 8...\$4,000

Risk Assessment:

Equipment will wear down to a point of non-function thus requiring additional expense to restore them to functionality again. An additional risk is that of an untimely outage of either of these two units. By scheduling the overhaul, control of the outage/loss of production can be managed.

Cash Flow Schedule:

| | <u>2014</u> | <u>2015</u> | <u>2016</u> | <u>2017</u> | <u>2018</u> | <u>2019</u> | <u>Overall</u> |
|----------------|-------------|---------------------|-------------|-------------|-------------|-------------|---------------------|
| Internal Labor | - | 42,780.00 | - | - | - | - | 42,780.00 |
| Materials | - | 28,520.00 | - | - | - | - | 28,520.00 |
| Subcontractor | - | - | - | - | - | - | - |
| Miscellaneous | - | - | - | - | - | - | - |
| (CIAC) Reim | - | - | - | - | - | - | - |
| Subtotal: | \$ - | \$ 71,300.00 | \$ - | \$ - | \$ - | \$ - | \$ 71,300.00 |
| Impact Fee % | | | | | | | |
| Net Amount: | <u>\$ -</u> | <u>\$ 71,300.00</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 71,300.00</u> |

DRAFT

Heber Light & Power

Project Analysis Form

Project Name: Lower Snake Creek Plant Upgrade

Project Driver: Upgrade

Priority Level: Medium

Purpose & Necessity:

This hydro facility is in need of some repairs if HL&P is going to plan on using it for any amount of time in the future. The current penstocks are almost in a state of non-repair as a result of years of minimum maintenance efforts. Additional upgrades are also needed inside the station itself to prolong the life of this asset.

Risk Assessment:

The facility will become unusable and thus eliminate the generating capacity that it provides to our system.

Cash Flow Schedule:

| | <u>2014</u> | <u>2015</u> | <u>2016</u> | <u>2017</u> | <u>2018</u> | <u>2019</u> | <u>Overall</u> |
|-----------------------|-------------|----------------------|----------------------|-------------|-------------|-------------|----------------------|
| Internal Labor | - | - | 15,000.00 | - | - | - | 15,000.00 |
| Materials | - | 55,000.00 | 25,000.00 | - | - | - | 80,000.00 |
| Subcontractor | - | 85,000.00 | 60,000.00 | - | - | - | 145,000.00 |
| Miscellaneous | - | - | - | - | - | - | - |
| (CIAC) Reim | - | - | - | - | - | - | - |
| Subtotal: | \$ - | \$ 140,000.00 | \$ 100,000.00 | \$ - | \$ - | \$ - | \$ 240,000.00 |
| Impact Fee % | | | | | | | |
| Net Amount: | \$ - | \$ 140,000.00 | \$ 100,000.00 | \$ - | \$ - | \$ - | \$ 240,000.00 |

DRAFT

Metering

1. 2015 Capital Improvements – Metering

Heber Light & Power

Project Analysis Form

Project Name: 2015 Capital Improvements - Metering

Project Driver: Growth

Priority Level: Medium

Purpose & Necessity:

The following collective list of minor capital assets are various metering components that will be purchased over 2015 for installation:

- 450-Generation 4 CL 200 Meters...\$111,123
- 24-CL320 Single Phase Meters...\$7,343
- 4S Meters...\$2,237
- 16S Meters...\$7,654
- 9S Meters...\$7,966
- Test Switches...\$2,260
- Meter Bases...\$1,800
- Current Transformers...\$1,500
- Meter Wire...\$600

Risk Assessment:

New meters are typically required to meet the new connections demand. The only risk that is involved in the purchase of these metering components is the cash flow risk as these items are purchased and stored in advance of the collection of the impact fee from the customer.

Cash Flow Schedule:

| | <u>2014</u> | <u>2015</u> | <u>2016</u> | <u>2017</u> | <u>2018</u> | <u>2019</u> | <u>Overall</u> |
|-----------------------|-------------|--------------|-------------|-------------|-------------|-------------|----------------|
| Internal Labor | - | | - | - | - | - | - |
| Materials | - | 142,483.00 | - | - | - | - | 142,483.00 |
| Subcontractor | - | - | - | - | - | - | - |
| Miscellaneous | - | - | - | - | - | - | - |
| (CIAC) Reim | - | (142,483.00) | - | - | - | - | (142,483.00) |
| Subtotal: | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Impact Fee % | | | | | | | |
| Net Amount: | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |

DRAFT

Systems & Technology

1. 2015 Capital Improvements – System & Technology

Heber Light & Power

Project Analysis Form

Project Name: 2015 Capital Improvements - Systems & Technology

Project Driver: Reliability

Priority Level: Medium

Purpose & Necessity:

The following collective list of minor capital assets are various technology components that will be purchased over 2015 for installation:

- Camera System Computer...\$2,790
- Wireless Network Upgrade...\$1,000
- Computer Replacement Program...\$12,000
- Equipment Contingency...\$5,000
- Verizon Wireless Server Data Card...\$750
- Sensus Programming Transceiver...\$450
- Office Copy Machine...\$10,000
- Accounting Software...\$45,000
- Fiber into Jailhouse...\$5,000

Risk Assessment:

These assets help HL&P to safely manage and maintain the system and each component carries its own risk if failure to secure said item happens.

Cash Flow Schedule:

| | <u>2014</u> | <u>2015</u> | <u>2016</u> | <u>2017</u> | <u>2018</u> | <u>2019</u> | <u>Overall</u> |
|-----------------------|-------------|---------------------|-------------|-------------|-------------|-------------|---------------------|
| Internal Labor | - | | - | - | - | - | - |
| Materials | - | 81,990.00 | - | - | - | - | 81,990.00 |
| Subcontractor | - | - | - | - | - | - | - |
| Miscellaneous | - | - | - | - | - | - | - |
| (CIAC) Reim | - | - | - | - | - | - | - |
| Subtotal: | \$ - | \$ 81,990.00 | \$ - | \$ - | \$ - | \$ - | \$ 81,990.00 |
| Impact Fee % | | | | | | | |
| Net Amount: | <u>\$ -</u> | <u>\$ 81,990.00</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 81,990.00</u> |

DRAFT

Tools & Equipment

1. 2015 Capital Improvements – Tools

Heber Light & Power

Project Analysis Form

Project Name: 2015 Capital Improvements - Tools

Project Driver: Reliability

Priority Level: Medium

Purpose & Necessity:

The following collective list of tools are planned to be purchased over 2015:

- Distribution
 - Locator...\$5,000
 - Phase Identifier...\$10,000
 - Miscellaneous Hand Tools...\$6,800
- Generation
 - Rear Seal Tool...\$10,000
 - Miscellaneous Hand Tools...\$5,000
- Hydro...\$1,000 (Miscellaneous Hand Tools)
- Meter
 - Truck Inverter for Meter Testing...\$800
 - Sensus Meter Programmer...\$3,200
 - Various Tester Accessories/Tools (Test Pushbutton, CT Boost Cable, Test Probe)...\$1,600
 - Tool Box (Brian's Truck)...\$800
 - Miscellaneous Hand Tools...\$1,000

Risk Assessment:

These tools are required in order to keep the various crews working efficiently and safely.

Cash Flow Schedule:

| | <u>2014</u> | <u>2015</u> | <u>2016</u> | <u>2017</u> | <u>2018</u> | <u>2019</u> | <u>Overall</u> |
|-----------------------|-------------|---------------------|-------------|-------------|-------------|-------------|---------------------|
| Internal Labor | - | | - | - | - | - | - |
| Materials | - | 45,200.00 | - | - | - | - | 45,200.00 |
| Subcontractor | - | - | - | - | - | - | - |
| Miscellaneous | - | - | - | - | - | - | - |
| (CIAC) Reim | - | - | - | - | - | - | - |
| Subtotal: | \$ - | \$ 45,200.00 | \$ - | \$ - | \$ - | \$ - | \$ 45,200.00 |
| Impact Fee % | | | | | | | |
| Net Amount: | <u>\$ -</u> | <u>\$ 45,200.00</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 45,200.00</u> |

DRAFT

Trucks / Vehicles

1. 2015 Capital improvements – Vehicles

Heber Light & Power

Project Analysis Form

Project Name: 2015 Capital Improvements - Vehicles

Project Driver: Replacement

Priority Level: Medium

Purpose & Necessity:

The following collective list of vehicles are planned to be purchased over 2015:

- (2) 1/2-ton Extended Cab Trucks...\$55,000 (replacement issue)
- (2) Economy Cars...\$45,000 (new issue)
- Pickup / Dump Truck...\$70,000 (replacement issue)
- (2) 1-ton Pick-up Trucks...\$80,000 (1 - replacement issue, 1 - new issue)

Risk Assessment:

These vehicles are deemed necessary to adequately service the territory. As noted, most of these are meant to replace existing vehicles that are getting enough miles that the reliability of said vehicles is now being called into question. A few others are presented in the event the Board decides to eliminate the vehicle allowance given to the exempt management staff.

Cash Flow Schedule:

| | <u>2014</u> | <u>2015</u> | <u>2016</u> | <u>2017</u> | <u>2018</u> | <u>2019</u> | <u>Overall</u> |
|---------------------|-------------|----------------------|-------------|-------------|-------------|-------------|----------------------|
| Internal Labor | - | | - | - | - | - | - |
| Materials | - | - | - | - | - | - | - |
| Subcontractor | - | - | - | - | - | - | - |
| Miscellaneous | - | 250,000.00 | - | - | - | - | 250,000.00 |
| (CIAC) Reim | - | - | - | - | - | - | - |
| Subtotal: | \$ - | \$ 250,000.00 | \$ - | \$ - | \$ - | \$ - | \$ 250,000.00 |
| Impact Fee % | | | | | | | |
| Net Amount: | <u>\$ -</u> | <u>\$ 250,000.00</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 250,000.00</u> |

DRAFT