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February 6, 2008

Luly Massaro
Clerk
Public Utilities Commission
89 Jefferson Boulevard
Warwick, RI 02888

Re: BIPCo Rate Case – Docket No. 3900

Dear Luly:

As you know, this office represents Block Island Power Company (BIPCo).

Enclosed for filing in this matter are an original and nine copies of BIPCo's responses to the 3rd set of data requests of the Town of New Shoreham.

If you have any questions, please feel free to call.

Very truly yours,

Michael R. McElroy

Michael R. McElroy

tmg

MRMc:tmg
BIPCo9:07 Rate-Massaro10
cc: Service list

THIRD SET OF DATA REQUESTS OF THE TOWN OF NEW SHOREHAM

TOWN-84 Please explain whether test year insurance expenses covered any vehicles that were not owned or leased by the Company.

Response: It did not.

Prepared by WEE

THIRD SET OF DATA REQUESTS OF THE TOWN OF NEW SHOREHAM

TOWN-85 Please provide a copy of the Company's pension plan.

Response: See attached. Please note that as a result of the last Commission Order, BIPCo no longer considers the retirement plan a profit sharing plan but rather a pension plan.

Prepared by WEE

BLOCK ISLAND POWER COMPANY
401(K) PROFIT SHARING PLAN

Annual Valuation
For the Period Ending
September 30, 2006

Prepared by
ABACUS BENEFIT CONSULTANTS, INC.

TABLE OF CONTENTS

BLOCK ISLAND POWER COMPANY
401(K) PROFIT SHARING PLAN

Summary of Major Plan Provisions
For Period Ending September 30, 2006

Plan Effective Date

October 1, 1980

Plan Year

From October 1, 2005 to September 30, 2006

Primary Eligibility

Applicable to the following source(s):

Employee Deferral, Employer Discretionary, Employer Match, Safe Harbor 3% Cont.

All employees are eligible to enter on the entry date coincident with or next following completion of the following requirements:

1 year of service

Minimum age 21

Minimum hours 1000

Entry date(s): October 1 and April 1

Normal Retirement Age

All participants are eligible to retire with their full retirement benefit on the attainment of age 65.

Normal Retirement Benefit

Upon normal retirement each participant will be entitled to the full value of his account.

Death Benefit

The value of the participant's account.

Termination Benefit

A participant's account balance maintained from employee-derived contributions is 100% vested and non-forfeitable at all times.

Upon termination for any reason other than death, disability or retirement a participant shall be entitled to a portion of his account balance derived from Employer Discretionary and Employer Match contributions in accordance with the following vesting schedule:

100% immediate vesting

A participant shall be entitled to a portion of his account balance derived from Safe Harbor 3% Cont. contributions in accordance with the following vesting schedule:

BLOCK ISLAND POWER COMPANY
401(K) PROFIT SHARING PLAN

Summary of Major Plan Provisions
For Period Ending September 30, 2006

Termination Benefit (cont'd)	100% immediate vesting
Top-Heavy Status	A plan is top-heavy if over 60% of the value of all accrued benefits in all of the employer's plans are for the benefit of key employees. A key employee is generally an officer or owner of the company. This plan is currently not top-heavy.
Contributions	Safe Harbor 3% Cont. contributions: This year the company will contribute an amount equal to 3% of all participants' compensation. Employee Deferrals: Each year each participant will have the right to elect to defer a portion of his compensation which will then be contributed on his behalf to the plan.
Allocations	The contribution will be allocated evenly in proportion to compensation.

BLOCK ISLAND POWER COMPANY
401(K) PROFIT SHARING PLAN

September 30, 2006

STATEMENT OF INCOME AND EXPENSES

BEGINNING BALANCE		$ 289,652.43
INCOME:		
Total Plan Contribution	$ 22,387.00	
Unrealized Gain/Loss	23,125.94	
TOTAL INCOME		45,512.94
EXPENSES:		
Participant Distributions	(6,881.86)	
Fees	0.00	
TOTAL EXPENSES:		(6,881.86)
ENDING BALANCE		$ 328,283.51

SUMMARY OF CONTRIBUTIONS

SOURCE:	Deposits as of Valuation Date	Receivable due as of Valuation Date	TOTAL
401(k) Elective Deferral	$ 11,740.00	$ 0.00	$ 11,740.00
Employer Safe Harbor	0.00	10,647.00	10,647.00
TOTAL PLAN CONTRIBUTION	$ 11,740.00	$ 10,647.00	$ 22,387.00

STATEMENT OF ASSETS AND LIABILITIES

ASSETS	
John Hancock Funds	$ 317,636.51
Receivable Contribution	10,647.00
TOTAL ASSETS	$ 328,283.51
LIABILITIES	
Participants Equity	$ 328,283.51
TOTAL LIABILITIES	$ 328,283.51

BLOCK ISLAND POWER COMPANY
401(K) PROFIT SHARING PLAN

Employee Census
As of 09/30/2006

Participant Name	Social Security Number	Ages AA	Ages RA	Dates Birth	Dates Hire	Dates Entry **	Dates Term	Compensation	Hours	Status
ALPERS,DAVID	xxx-xx-2646	54	65	12/02/1952	09/06/1989	10/01/1990		44,191.93	*	Active
FOWLER,SCOTT	xxx-xx-3062	57	65	05/14/1949	05/12/1986	10/01/1987		56,510.52	*	Active
MARTIN,RICHARD	xxx-xx-6392	52	65	12/08/1954	05/11/1983	10/01/1984		66,711.65	*	Active
MILNER,DAVID	xxx-xx-8081	61	65	11/27/1945	05/03/1974	10/01/1980		74,463.08	*	Active
SAVOIE,ABRA	xxx-xx-6594	45	65	03/02/1962	05/16/1988	10/01/1989		40,967.42	*	Active
WAGNER,MICHAEL	xxx-xx-1218	56	65	07/20/1950	01/01/1969	10/01/1980		72,055.48	*	Active

Total Employees:	6	Total Compensation:	354,900.08
Active Employees:	6	Active Total Compensation:	354,900.08
Inactive Employees:	0	Inactive Total Compensation:	0.00
Ineligible Employees:	0	Ineligible Total Compensation:	0.00

*Employee worked more than minimum hours required for contribution

**Participation date and status based on primary entry

BLOCK ISLAND POWER COMPANY
401(K) PROFIT SHARING PLAN

Deposit Summary
Calculated as of September 30, 2006

Participant Name	415 Max Salary	Actual Employee Deferral Amount	Pct	Other Contributions Matching	SAFEHARB	Employer	Forfeiture Alloc	Total Deposit
ALPERS,DAVID	44,191.93	2,340.00	5.30	0.00	1,325.76	0.00	0.00	3,665.76
FOWLER,SCOTT	56,510.52	1,175.00	2.08	0.00	1,695.31	0.00	0.00	2,870.31
MARTIN,RICHARD	66,711.65	2,300.00	3.45	0.00	2,001.35	0.00	0.00	4,301.35
MILNER,DAVID	74,463.08	4,700.00	6.31	0.00	2,233.89	0.00	0.00	6,933.89
SAVOIE,ABRA	40,967.42	1,225.00	2.99	0.00	1,229.02	0.00	0.00	2,454.02
WAGNER,MICHAEL	72,055.48	0.00	0.00	0.00	2,161.67	0.00	0.00	2,161.67
Total	**354,900.08**	**11,740.00**		**0.00**	**10,647.00**	**0.00**	**0.00**	**22,387.00**

BLOCK ISLAND POWER COMPANY
401(K) PROFIT SHARING PLAN

Employee Status Support Page
For Plan Year Ending September 30, 2006

Participant Name	Status Code	Officer	Owner-ship	Family Code Curr	Family Code Prior	Spouse Code	Lineal Desc/Asc Code	Lineal Desc/Asc Key	HCE Code Curr	HCE Code Prior	Comp

THIRD SET OF DATA REQUESTS OF THE TOWN OF NEW SHOREHAM

TOWN-86 Referring to Exhibit 4 (Balance Sheet as of May 31, 2007) attached to the June 20, 2007 Board of Directors meeting minutes, please explain the pole rental accounts receivable of $22,249.20, who owed this amount to the Company and when it was paid. Please state whether any pole rentals due and owning during the test year were unpaid.

Response: This amount is owed to BIPCo from Block Island Cable TV Company. The $22,249.20 was calculated as the results of the findings from the Related Party Transaction Report (see attached) filed in accordance with Order No.18364 in Docket 3655. The annual difference of $3,708.20 (page 3) should have been billed from Jan 2001 through Dec 2006. Block Island Cable TV Company has subsequently gone out of business. However, BIPCo is in the process of attempting to collect all amounts owed to it from Block Island Cable TV. The test year pole rental fees from Block Island Cable TV Company were $5,412 which remains outstanding.

Prepared by DGB and WEE

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September 19, 2006

Luly Massaro
Public Utilities Commission
80 Jefferson Boulevard
Warwick, RI 02888

Re: Block Island Power Company
Related Party Transactions Report
Docket No. 3655

Dear Luly:

In accordance with Order No. 18364 in Docket No. 3655, and a letter from Alan A. Nault, Rate Analyst for the Commission, dated September 1, 2006, enclosed for filing in this docket are an original and nine copies of the related party transaction report.

If you have any questions or you need any further information, please feel free to call.

Very truly yours,

Michael R. McElroy

MRMc:tmg
BIPCo8:Affiliated-Massaro1
cc: BIPCo owners
Walter E. Edge, Jr., CPA
Paul Roberti, Esq.
William Lueker, Esq.
Alan Mandl, Esq.
Packer & O'Keefe
Stephen Scialabba
John Bell
Steven Frias
Alan Nault

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INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

To the Block Island Power Company,

We have performed the procedures enumerated below, which were agreed to by the Block Island Power Company to assist management in preparing their response with respect to the request made by the Rhode Island Public Utilities Commission. The request by the Rhode Island Public Utilities Commission was presented within Appendix A of the Stipulation and Settlement Document on Page 6, Section 9 of General Rate Filing Docket Number 3656. The procedures covered the period beginning June 1, 2005 through May 31, 2006. This Agreed-Upon Procedure Engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of the procedures is solely the responsibility of those parties specified in this report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

See the attached schedule enumerating the procedures and findings.

We were not engaged to, and did not, conduct an examination, the objective of which would be the expression of an opinion on the accompanying Schedule of Procedures and Findings. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of the Block Island Power Company and the Rhode Island Public Utilities Commission and is not intended to be and should not be used by anyone other than these specified parties.

James N. Nadeau & Company, LLP

September 14, 2006

Block Island Power Company
Agreed Upon Procedures
Schedule of Procedures and Findings
For the Period Beginning June 1, 2005 through May 31, 2006

1. Review transactions with IFR Trucking for propriety and determine if rates charged for trucking services were competitive and consistent with rates charged to other non-related customers.

Background – The Block Island Power Company receives fuel deliveries from IFR Trucking which is owned by the Chief Operating Officer (Cliff McGinnis). IFR Trucking rents to the Block Island Power Company an oil truck (truck and trailer with a capacity 10,000 gallons) which the Power Company uses to obtain diesel fuel from Providence. The fees paid to IFR Trucking are only for rental of the truck and trailer. The driver cost and fuel cost are paid separately and are not related parties.

During the period examined, we noted rental charges varied from $225 to $300 per round trip delivery. We examined 104 round trips totaling $26,000 for an average round trip rental fee of $250. To ascertain the fairness of this cost we contacted other fuel delivery services to inquire as to the fair market value for a truck and trailer of this capacity with no driver and found that the average hourly rate for this truck was $100 per hour. We further reviewed the average delivery time, the time it takes to leave Block Island via Interstate Navigation (ferry travel time) and travel to Providence, load, and return to Block Island and unload and determine that five hours were needed on average to complete this process.

Based on this analysis, the Block Island Power Company appears to be paying less than fair market value for this rental since fair market value would be approximately $500 compared to the current average rate paid of $250.

2. Determine fair market rental for a garage and apartment rented to Ballard Oil Company.

- Obtain a rental appraisal from a qualified real estate appraiser familiar with real estate values and rental rates in New Shoreham, Rhode Island.

Background – The Block Island Power Company rents a garage and apartment located on the Power Company's property to Ballard Oil Company. Ballard Oil Company is owned by a son of the Chief Operating Officer (Cliff McGinnis). Ballard Oil Company pays a monthly lease to the Block Island Power Company totaling $600. The lease is on a month-to-month basis.

The garage is a one story steel and wood frame service type garage that was built on a slab, circa 1975. It is a four bay garage with a shed type addition. Ballard Oil Company leases two bays.

The apartment is a small residential home located close to plant operations and under the guide wires securing the communications tower. The building is a one and one half story wood frame building, circa 1940. The building consists of five rooms, with two full baths and one full kitchen.

This portion of the property (residential building and entire garage) was recently sold to the estate of Marjorie McGinnis for $912,813.

At the time of our examination, we were unable to obtain a rental appraisal from a qualified real estate appraiser familiar with real estate values and rentals located on Block Island.

We contacted four different real estate agents. The first real estate agent, located on Block Island, was unable to perform an appraisal since they were not independent from the Shareholders of the Power Company. The second real estate agent, located on Block Island, was unable to perform the appraisal until October 2006. The third real estate agent, located on Block Island, did not have the required credentials necessary to perform the appraisal. The fourth real estate agent, not located on Block Island, was again unable perform the appraisal until October 2006 at a cost of $1,500.

We were informed during our examination that Ballard Oil Company had made several improvements during the period in which it was renting the property. Those improvements consisted of complete renovations to the kitchen and bathrooms and painting of several rooms. The Power Company did not pay for the renovations.

Based on our inquires, we are unable to determine the fair market value for the garage and apartment; however, the Power Company did receive an enhanced value of the property when it was sold due to the renovations that were completed by the tenant.

3. Determine if price paid to Ballard Oil Company for fuel oil purchases were competitive and consistent with prices charged by Ballard Oil Company to other non-related customers.

- Select a representative sample of invoices from Ballard Oil Company for fuel oil sales both to Block Island Power Company and other non-related customers during the same period and determine if rates charged were consistent.

Background – The Block Island Power Company purchases heating oil from Ballard Oil Company. Ballard Oil Company is owned by a son of the Chief Operating Officer (Cliff McGinnis). Due to the nature of Block Island, there are limited services offered on the Island. Heating oil used to heat the office and various out buildings used by the Power Company are heated with oil purchased from Ballard Oil Company.

During the period of our examination, we noted fuel oil charges ranged from $2.24 to $2.41 per gallon. We compared fuel oil charges incurred by the Power Company with those charged to another large Block Island customer who purchased fuel oil from Ballard Oil Company and whose invoices were obtained independently from that customer. We noted all but one of the eleven invoices examined agreed with other customer's fuel oil invoices during the same billing day. The one invoice which did not agree was ten cents ($0.10) less resulting in an under billing to the Power Company of $58.85 (total gallons of 588.5, Power Company cost per gallon $2.24, other customer cost per gallon $2.34).

Based on this analysis, the Block Island Power Company appears to be paying a fair market value for fuel oil purchases.

4. Determine if rental of space on utility poles leased to Block Island Cable Company is consistent with industry standards.

Background – The Block Island Power Company rents space on its utility poles to Block Island Cable Company. Block Island Cable Company is owned by the Chief Operating Officer (Cliff McGinnis).

During our examination of this related party transaction, we noted in Rhode Island pole cost/rental is shared between the electric company and phone company. This means costs associated to install a pole are split between the electric company and phone company. Also, any space rented on a pole (referred to as Pole Attachment Fees) is equally earned between the electrical company and phone company. The Pole Attachment Fee is required by law and its formula is set by the FCC. This practice was confirmed by representatives at the Rhode Island Public Utilities Commission and management of the Power Company.

To become more familiar with this procedure we reviewed various FCC documents and consulted with a Washington D.C. attorney specializing in the telecommunications regulatory environment.

Based on our research and billing information provided to us by Cliff McGinnis, we found Verizon bills the Block Island Cable Company $5,411.60 per year. This fee is based on 1,630 poles at $3.32 per pole as outlined in the Verizon Attachment Fees and Charges for services in the New England area. The current fee paid by the Cable Company to the Power Company is $1,703.40 which is $3,708.20 less than what is paid to Verizon.

Based on this analysis, the Block Island Power Company appears to be receiving less than fair market value for Pole Attachment Fees.

Additional observations noted Block Island Cable Company has been billed through May 31, 2006 but has not paid the Power Company since December 2003.

5. Determine through cost/return on investment analysis or research of industry rates, the fair rental value of the oil storage tank leased to Ballard Oil Company.

Background – Block Island Power Company rents an oil storage tank to Ballard Oil Company for storage of home heating fuel oil. Ballard Oil Company is owned by the son of a Chief Operating Officer (Cliff McGinnis). Block Island Power Company has several oil storage tanks. The Power Company allows the Oil Company to rent one of the tanks to store home heating fuel oil. Ballard Oil Company is charged a per gallon rate of $0.025 per gallon stored. This rate is a flat rate and does not change to reflect the length of the storage period. This rate has been in effect since 2001.

During our examination, we contacted other local oil companies to determine the fair value of fuel oil storage. We found for small companies $0.02 per gallon was the current monthly storage fee and for large quantities the current monthly rate was $0.005 per gallon. In addition we contacted an oil wholesaler which has terminals in Bridgeport, Connecticut, and Tiverton, Rhode

Island, and inquired with respect to their fuel storage policies. We were told the industry standard is $0.012 per gallon stored, per month. In the event they were to store fuel they did not sell their fee would be higher but on a case-by-case basis.

Based on this analysis, the Block Island Power Company appears to be receiving above fair market value for fuel oil storage.

THIRD SET OF DATA REQUESTS OF THE TOWN OF NEW SHOREHAM

TOWN-87 Please explain the "AR Assoc-Land Sale" accounts receivable of $15,935.93, who owed this amount and when it was paid. Please state whether this amount was owed and unpaid during the test year.

Response: This amount is owed by the Estate of Marjorie McGinnes which agreed to share with BIPCo the zoning and planning costs incurred by BIPCo as a result of the property transfer. The amount owed (50% of BIPCo's expenses) will be paid by the Estate at the conclusion of the planning and zoning processes.

Prepared by WEE

THIRD SET OF DATA REQUESTS OF THE TOWN OF NEW SHOREHAM

TOWN-88 Please explain the "Intercompany Transfer" accounts receivable of $1,500, who owed this amount and when it was paid. Please state whether this amount was owed and unpaid during the test year.

Response: I traced this amount back to the January 1, 2002 internally produced financial statement. This balance has been the same since before B&E started as the company's bookkeeper. I was unable to find a description for this item in any of BIPCo's records or in any of the audit workpapers. I believe that the balance should be written off.

Prepared by WEE

THIRD SET OF DATA REQUESTS OF THE TOWN OF NEW SHOREHAM

TOWN-89 Referring to the unaudited test year income statement included with Board of Directors minutes, please provide legible copies that do not have words on the left hand side of each page cut off.

Response: See attached.

Prepared by DGB

Block Island Power Company
Income Statement
For the Twelve Months Ending May 31, 2007

	Current Month Actual	Prior Year Actual	Year to Date Actual	Year to Date Budget	Year to Date Prior Year
Revenues					
Residential Sales	$ 23,158.77	$ 23,198.14	$ 608,748.04	$ 613,191.00	$ 613,190.99
Commercial Sales	12,473.51	14,808.55	251,453.43	247,293.00	246,786.00
Demand Electric	34,970.73	31,257.83	651,848.01	658,429.00	658,429.47
Public Streets & Highway	7,133.13	7,183.06	112,860.05	105,195.00	105,195.28
Other Public Authorities	1,066.05	1,050.60	12,684.45	12,545.00	12,545.40
Installation Charge	150.00	100.00	800.00	1,075.00	1,075.00
Customer Charge	19,794.50	19,789.00	237,490.00	234,702.00	234,701.50
Demand - All Rates	10,171.46	8,015.65	188,003.93	184,458.00	184,458.47
System Charge	-	-	43,157.50	50,768.00	50,767.50
Interest Income	106.81	135.77	2,897.97	1,533.00	1,453.78
Rent - Lease	13,560.87	13,115.87	162,730.44	154,000.00	181,605.44
Pole Rental Income	-	-	69,604.20	-	-
Owner Rebate of Land Sale Exp	-	-	15,935.93	-	-
Miscellaneous Income	-	30.00	447.57	9,000.00	48,505.37
Biller Penalty	1,354.73	1,365.95	21,147.74	22,048.00	22,047.79
Total Revenues	123,940.56	120,050.42	2,379,809.26	2,294,237.00	2,360,761.99
Expenses					
Salaries					
Salaries--Supervision	7,763.52	12,983.40	88,989.92	97,500.00	104,102.60
Salaries--Watchman	10,112.28	7,614.68	107,956.59	106,225.00	111,527.42
Salaries--all others	19,561.92	22,473.74	233,926.60	216,940.00	231,582.24
Total Salaries	37,437.72	43,071.82	430,873.11	420,665.00	447,212.26
Operating Expense					
Inventory Charge	0.00	3,105.15	0.00	0.00	3,105.15
Lubrication	0.00	0.00	24,747.45	24,000.00	22,586.11
Freight	85.56	754.54	85.56	1,100.00	1,092.31
Auto Repair	130.06	54.16	3,389.88	11,000.00	11,040.64
Purchased Power	0.00	0.00	3,740.26	1,100.00	1,093.22
Overhead Lines	0.00	0.00	0.00	400.00	395.46
Misc Distrib. Expense	2,873.20	10,040.00	68,313.56	75,000.00	134,728.44
Bad Debt	0.00	5,025.87	0.00	0.00	5,025.87
Miscellaneous	203.93	111.96	1,543.55	500.00	514.56
Accrued Vacation	0.00	2,385.64	0.00	0.00	2,385.64
President's Compensation	6,000.00	3,000.00	72,000.00	72,000.00	57,000.00
CFO Compensation	4,000.00	2,000.00	46,000.00	48,000.00	38,000.00
COO Compensation	4,000.00	2,000.00	48,000.00	48,000.00	38,000.00
Office supplies and Expense	3,794.26	7,475.82	38,912.84	40,000.00	57,697.00
Trash Removal	701.00	302.00	10,306.76	9,500.00	9,414.70
Outside Services	23,167.70	50,277.81	150,449.99	164,000.00	235,161.68
Outside Services - Sale of Prop	0.00	0.00	30,882.32	0.00	0.00
Outside Services-Zoning	0.00	0.00	2,046.04	0.00	0.00
Employee Pension	1,000.00	1,000.00	12,000.00	12,000.00	12,000.00
EMPLOYEE PENSION *NEW*	5,000.00	4,000.00	55,000.00	48,000.00	48,000.00
General Liability Ins	20,852.54	15,392.05	119,547.66	120,000.00	117,153.48
Employee Benefits	11,568.99	12,447.20	139,192.50	130,000.00	132,039.63
Profit Sharing Expense	13,000.00	13,087.16	13,000.00	400.00	13,449.66
Rate Case Expense (C)	(8,191.59)	(8,191.55)	61,834.96	0.00	61,835.00
Reg Comm Exp	0.00	0.00	9,507.00	9,400.00	9,393.77
Travel And Misc. Expense	0.00	781.35	5,563.56	2,100.00	2,043.20

Block Island Power Company
Income Statement
For the Twelve Months Ending May 31, 2007

	Current Month Actual	Prior Year Actual	Year to Date Actual	Year to Date Budget	Year to Date Prior Year
Rental Expense-Apartment	0.00	12,000.00	5,000.00	12,000.00	12,000.00
Directors Meetings	0.00	0.00	7,950.00	2,500.00	2,500.00
Accounting	275.60	2,290.00	31,357.79	34,900.00	34,914.66
Environmental	0.00	0.00	66,567.17	38,000.00	49,702.18
Clean Ir Compliance	0.00	17,205.47	60,822.23	71,000.00	71,226.85
Long Range Planning/SystemStdy	0.00	0.00	0.00	0.00	349.85
Total Operating Expense	88,461.25	156,544.63	1,087,761.08	974,900.00	1,183,849.06
Maintenance Expense					
Subcontractor Expense	0.00	0.00	0.00	400.00	390.00
Backhoe Repair	0.00	0.00	523.79	0.00	0.00
Maint. Of Structures	0.00	0.00	5,528.79	13,200.00	13,117.90
Maint. Of Gen & Elect Plt	117.59	0.00	324.39	800.00	741.69
Gasoline	991.05	0.00	17,466.13	0.00	0.00
Misc.	0.00	0.00	174.02	400.00	395.00
STRUCTURES	0.00	0.00	(110.00)	0.00	0.00
Station Equip	0.00	0.00	0.00	8,500.00	8,456.16
Tree Trimming	0.00	0.00	6,590.80	0.00	0.00
Maint Of Street Lights	0.00	0.00	138.50	100.00	38.84
Misc	0.00	0.00	(178.20)	0.00	0.00
Maint General Plant	125.83	285.22	2,022.51	4,100.00	4,060.32
Small Tools	0.00	0.00	0.00	3,000.00	2,996.12
Lease - Motor Vehicle	1,595.13	1,842.13	24,407.16	24,600.00	24,512.98
Tank Testing	0.00	1,250.00	0.00	0.00	1,250.00
Haz. Waste Store/Remove/Hd	0.00	478.32	13,398.59	6,000.00	12,036.03
Uniforms	0.00	850.61	0.00	2,300.00	2,294.18
SCR Maint	0.00	0.00	4,484.71	0.00	10,541.09
SCR & Engine Maint Res.Exp.	0.00	0.00	270.58	0.00	1,797.09
General Maintenance	0.00	0.00	0.00	0.00	1,819.74
GENERATOR # 22 MAINTENANCI	4,042.80	70,226.94	15,793.38	0.00	87,160.40
Engine #23 Maint	4,018.34	0.00	60,079.31	0.00	31,039.92
General Engine Maintenance	0.00	0.00	0.00	219,000.00	0.00
Engine #24 Maint	1,060.32	0.00	6,930.24	0.00	9,875.26
ENGINE #25 MAINTENANCE	3,032.51	0.00	4,889.78	0.00	0.00
Cellular Tower Maint & Expense	0.00	0.00	15,531.98	0.00	0.00
Total Maintenance Expense	14,983.57	74,933.22	178,266.46	282,400.00	212,522.72
Miscellaneous (Revenue) & Expense					
Depreciation Expense (A)	23,167.94	19,857.33	257,060.28	0.00	231,103.97
Finance Charges	159.20	0.00	1,080.14	0.00	6,928.58
Interest On Loan #39903 (B)	928.89	2,591.89	14,982.86	14,628.00	24,868.95
Interest On Loan #39904 (B)	250.98	518.03	2,189.72	0.00	3,096.66
Interest on Loan 91125530 (B)	4,779.17	4,473.76	56,150.00	33,000.00	11,552.93
RUS LOAN INTEREST (B)	24,958.17	25,785.91	157,933.65	154,169.35	162,115.41
OTHER LOAN INTEREST (B)	0.00	0.00	0.00	0.00	438.31
LOC Interest	<6,516.45>	<7,480.31>	<6,516.45>	0.00	<7,480.31>
Net Change In Deferred Tx	0.00	<684.40>	0.00	0.00	<684.40>
MISC-Bank Fees	19.67	73.52	249.04	300.00	213.03
(Gain) on Sale of Asset-Condo	0.00	0.00	0.00	0.00	<14,400.00>
(Gain) on sale of asset-Land	0.00	<912,812.68>	0.00	0.00	<912,812.68>
Land sale expenses	0.00	99,017.07	12,709.00	0.00	99,017.07

Block Island Power Company
Income Statement
For the Twelve Months Ending May 31, 2007

	Current Month Actual	Prior Year Actual	Year to Date Actual	Year to Date Budget	Year to Date Prior Year
Misc other expenses	0.00	55.39	304.00	100.00	132.81
Cond Fees	0.00	0.00	1,330.00	1,400.00	1,330.00
Misc.-Sewer Exp on Rental Prop	0.00	0.00	0.00	0.00	4,035.00
Total Miscellaneous (Revenue)/Expense	47,747.57	(768,604.49)	497,472.24	203,597.35	(390,544.67)
Taxes					
Payroll Taxes	3,319.50	3,798.66	38,422.87	35,851.00	38,132.12
RI Sales Tax	26.04	398.06	4,026.85	4,500.00	4,539.37
Property Taxes	4,342.45	4,852.86	17,429.89	17,408.00	17,228.29
Registrations	0.00	0.00	1,791.50	1,900.00	1,883.50
RI Gross Earnings Tax	3,676.58	7,045.19	96,709.71	88,492.00	94,773.33
Total Taxes	11,364.57	16,094.77	158,380.82	148,151.00	156,556.61
Net Profit Before Fuel Rev./Exp.	(76,054.12)	598,010.47	27,055.55	264,523.65	751,166.01
Fuel Expenses/(Revenue)					
Residential Fuel	(56,712.64)	(56,422.74)	(848,293.85)	-	(784,155.66)
Commercial Fuel	(23,126.85)	(26,725.58)	(313,246.53)	-	(285,044.32)
Demand Fuel	(69,905.34)	(62,483.38)	(852,053.00)	-	(775,290.18)
Public Authority Fuel	(15,590.75)	(15,603.11)	(179,963.90)	-	(162,045.04)
IRP & DSM Surcharge Funding	-	-	58,891.13	-	58,644.69
Fuel	137,306.11	167,681.93	1,900,488.03	-	1,741,846.50
Fuel Procurement	9,462.85	6,830.93	100,178.32	-	114,105.72
RI Gross Earnings Tax on Fuel Rev	6,613.42	6,449.39	87,742.29	-	80,261.41
Urea Expense	3,425.66	1,889.00	26,021.85	-	31,672.13
Net Fuel Expense/(Revenue)	(8,527.54)	21,616.44	(20,235.66)	-	19,995.25
Net Profit from Operations	**$ (67,526.58)**	**$ 576,394.03**	**$ 47,291.21**	**$ 264,523.65**	**$ 731,170.76**
Adjustments to GAAP					
Depreciation Adj (A)	(23,167.94)	(19,857.33)	(257,060.28)	-	(231,103.97)
Rev/Exp Adjustment (B) + (C)	(22,725.62)	(25,178.04)	(293,091.19)	(201,797.35)	(263,907.26)
Net Adjustments to GAAP	(45,893.56)	(45,035.37)	(550,151.47)	(201,797.35)	(495,011.23)
Reserve for Debt Service					
Debt Service Principal	10,800.68	9,997.19	212,648.60	229,248.72	209,649.03
Debt Service Interest (B)	30,917.21	33,369.59	231,256.23	201,797.35	202,072.26
Total Reserve for Debt Service	41,717.89	43,366.78	443,904.83	431,046.07	411,721.29
Net Income	$ (63,350.91)	$ 578,062.62	$ 153,537.85	$ 35,274.93	$ 814,460.70

THIRD SET OF DATA REQUESTS OF THE TOWN OF NEW SHOREHAM

TOWN-90 Please itemize the $30,882.32 outside services expense entry associated with sale of property, who provided these services, and whether they have been included in test year cost of service.

Response: See attached.

Prepared by DGB

Account ID	Account Description	Date	Reference	Jrnl	Trans Description	Debit Amt
5923.0019	O/S-Legal-Sale of Property	6/1/06			Beginning Balance	
5923.0019	O/S-Legal-Sale of Property	6/30/06	16770	PJ	SCHACHT & MCELROY	13,588.72
5923.0019	O/S-Legal-Sale of Property	7/5/06	243	PJ	B & E CONSULTING	10,374.00
5923.0019	O/S-Legal-Sale of Property	7/31/06	16804	PJ	SCHACHT & MCELROY	4,972.90
5923.0019	O/S-Legal-Sale of Property	8/31/06	16832	PJ	SCHACHT & MCELROY	948.15
5923.0019	O/S-Legal-Sale of Property	10/2/06	16864	PJ	SCHACHT & MCELROY	998.55
					Ending Balance	**30,882.32**
5923.0020	O/S-Legal-Zoning	10/2/06	16865	PJ	SCHACHT & MCELROY	844.20
5923.0020	O/S-Legal-Zoning	10/3/06	OCT2006	PJ	TAUBMAN LAW OFFICE	145.34
5923.0020	O/S-Legal-Zoning	2/16/07	12937	CDJ	GEISSER ENGINEERING COR	1,056.50
		5/31/07			**Ending Balance**	**2,046.04**

THIRD SET OF DATA REQUESTS OF THE TOWN OF NEW SHOREHAM

TOWN-91 Please describer the nature of zoning services provided at an expense of $2,046.04, who provided these outside services and to what parcel(s) of land these services relate.

Response: See schedule attached as response to Town 90.

Prepared by DGB

THIRD SET OF DATA REQUESTS OF THE TOWN OF NEW SHOREHAM

TOWN-92 Referring to the Letter of Non-Compliance from Rhode Island DEM dated June 1, 2007, please state whether the Company's non-compliance occurred during the test year. State what enforcement actions have been taken by RIDEM and whether and to what extent the Company has been fined.

Response: From my reading of the letter it is obvious that some of the non-compliance items did occur in the test year because the inspection was done May 10th 2007 which is in the test year and a number of the items listed in the letter stated non compliance from May 2004 through May 2007. There were no enforcement actions and no fines. BIPCo was allowed to come into compliance with these minor housekeeping and bookkeeping issues and has done so. See the attached Letter of Compliance

Prepared by WEE

RHODE ISLAND
DEPARTMENT OF ENVIRONMENTAL MANAGEMENT
235 Promenade Street, Providence, RI 02908-5767 TDD 401-222-4462

LETTER OF COMPLIANCE
CASE NO. 2007-538-US

October 4, 2007

Block Island Power Company
Attn: David O. Milner, General Manager
100 Ocean Avenue
New Shoreham, RI 02807

Re: RIDEM UST Program – Compliance Inspection
UST Facility No. 00047
Block Island Power Company, 100 Ocean Avenue, New Shoreham, Rhode Island

Dear Mr. Milner:

On 10 May 2007, a representative of the Rhode Island Department of Environmental Management's Office of Compliance and Inspection ("DEM") performed an underground storage tank ("UST") facility compliance inspection at the referenced facility. Following the issuance of a *Letter of Non-Compliance* dated 1 June 2007 and review of your Compliance Reports dated 30 July and 14 September 2007, DEM has determined that the facility is in significant operational compliance with the Rhode Island Rules and Regulations for Underground Storage Facilities Used for Petroleum Products and Hazardous Materials, as amended (the "UST Regulations"), at this time.

This letter pertains only to your compliance with those sections of the UST Regulations included in the scope of the inspection. Block Island Power Company is responsible for continued compliance with all sections of the UST Regulations. This letter shall not preclude DEM from taking formal enforcement action for any future non-compliance and/or for any non-compliance that is unknown to DEM at this time. You may contact me at (401) 222-1360, Ext. 7411 if you have any questions.

Sincerely,

Sean R. Carney
Principal Environmental Scientist
Office of Compliance and Inspection

xc: Paula Therrien, DEM/OWM
Stacey McFadden, PE, LFR Inc.

ust00047loc

THIRD SET OF DATA REQUESTS OF THE TOWN OF NEW SHOREHAM

TOWN-93 Referring to minutes from the September 26, 2006 annual meeting, regarding the 3 month period ended August 31, 2006, please explain why the Company paid for $19,509.77 in legal fees to be 50% reimbursed by another party. State whether reimbursement was made during the test year and explain what fees were included in the test year.

Response: BIPCo and the Estate of Marjorie McGinnes need to get approval (administrative subdivision and amendment to special use permit) from the Planning and Zoning boards for the split-up of lot 37. The test year expenditure detail legal amounts totaling $19,509.77 are provided in the response to Town 90. These expenses were adjusted out of the test year and are not part of the rate year revenue requirement.

Fifty percent reimbursement of these activities is scheduled for the conclusion of the zoning and planning activities relating to the property transfer.

Prepared by WEE

THIRD SET OF DATA REQUESTS OF THE TOWN OF NEW SHOREHAM

TOWN-94 Referring to the same minutes from the September 26, 2006, annual meeting, please explain the $30,000 in outside services related to the sale of the property and how this expense was booked during the test year.

Response: See the response to Town-90.

Prepared by WEE

THIRD SET OF DATA REQUESTS OF THE TOWN OF NEW SHOREHAM

TOWN-95 Referring to the same minutes from the September 26, 2006, annual meeting, please provide documents from LFR regarding the need for the Company to replace tank farm tanks by 2012. State the magnitude of this "major expense."

Response: See the attached DEM rules and regulations excerpts, especially page 21 of 75 Section 8.04 (A). Please note that the year for replacement is 2015, not 2012. Neither LFR nor BIPCo has priced out the cost of this project that may be required eight years from now.

Prepared by WEE

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS
DEPARTMENT OF ENVIRONMENTAL MANAGEMENT
Office of Waste Management

Rules and Regulations For Underground Storage Facilities Used For Petroleum Products and Hazardous Materials

August 2007

Regulation # DEM-OWM-UST08-07

AUTHORITY: These regulations are adopted pursuant to Chapters 42-17.1.2(ee), 42-17.1.2(dd), Environmental Management, and Chapter 46-12, including but not limited to 2(e), 3(18), 3(21), 15, 38, Chapter 42-35-2,42-35-3, and in accordance with 42-35, Administrative Procedures, of the Rhode Island General Laws 1956, as amended.

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS
DEPARTMENT OF ENVIRONMENTAL MANAGEMENT
Office of Waste Management

RULES AND REGULATIONS FOR UNDERGROUND STORAGE FACILITIES USED FOR PETROLEUM PRODUCTS AND HAZARDOUS MATERIALS

TABLE OF CONTENTS

3.02 Leak & Spill Response: Rule 12 Leak and Spill Response, shall apply to all facilities and the owners/operators thereof, and any person having actual knowledge of a confirmed leak, spill or other release. There are no exemptions to the responsibility to report a suspected or confirmed leak or spill.

3.03 Exempted Tanks:

(A) These regulations do not apply to:

(1) Hydraulic Lift tanks;

(2) Storage tanks located entirely within structures, such as a basement or cellar provided that:

(a) The structure allows for physical access to the storage tank;
(b) The structure is not part of a secondary enclosure; and
(c) The tank is situated upon or above the surface of a concrete floor;

(3) Septic Tanks;

(4) Pipeline facilities regulated under the Natural Gas Pipeline Safety Act of 1968 or the Hazardous Liquid Pipeline Safety Act of 1979;

(5) Flow through process tanks;

(6) Underground storage tanks storing propane or liquefied natural gas;

(7) Underground storage tanks used for the temporary storage of raw materials or products by industry (so called "intermittent" or "fill and draw" tanks);

(8) Emergency Spill Protection and Overflow tanks;

(9) USTs connected to floor drains or other piping outlets which serve residential structures of a one, two or three family dwelling;

(10) Oil Water Separators with a planned discharge required to be regulated under the Clean Water Act.

(B) Except as provided for in Rule 9.02(A,B,C,D), pertaining to prohibition of new installations, Rule 12 Leak and Spill Response, and Rule 13.02(A), pertaining to prohibition of abandonment of any UST, these regulations do not apply to:

(1) **Residential Tank:** Tanks less than or equal to 1,100 gallons in capacity used for storing No. 2 heating oil and serving a one, two or three family dwelling;

(2) **Farm Tank:** Tanks less than or equal to 1,100 gallons in capacity and storing No. 2 heating oil for non-commercial purposes.

3.04 UST systems used to contain discharges of non-sanitary wastewaters (holding tanks): All existing and proposed UST systems which are used to contain discharges, both intermittent and continuous, of non-sanitary wastewaters or other pollutants from floor drains or other piping

bodily injury and property damage caused by accidental releases from an underground storage tank system in a manner and in amounts consistent with 40 CFR part 280, as amended.

(B) The amount of financial assurance required in part 7.03 (A) shall exclude legal defense costs.

(C) The amount of financial responsibility required shall not limit liability of the owner/operator for damages caused by a release.

7.04 Rhode Island UST Financial Responsibility Fund: An owner/operator may satisfy the Financial Responsibility requirement by being eligible for the Rhode Island UST Financial Responsibility Fund, established by the "Rhode Island Underground Storage Tank Financial Responsibility Act", RIGL Chapter 46-12.9.

8.00 RULE 8 MINIMUM UST OPERATION AND MAINTENANCE REQUIREMENTS

8.01 Applicability: This section shall apply to all existing UST systems, with the exception that those systems storing heating oil of any grade that is consumed on-site solely for heating purposes are exempt from Rules 8.04, 8.05, 8.06, 8.07, 8.08, 8.09, 8.10, 8.11, 8.12, 8.15, 8.17 and 8.21.

8.02 General Operations and Maintenance:

(A) All USTs shall be maintained and operated by trained personnel and in compliance with the applicable national codes of practice for the handling and storage of petroleum or hazardous materials as listed in Appendix B.

(B) Facilities subject to leak detection requirements shall post or provide in a location available to the operators of UST systems, written instructions pertaining to the operation of leak detection equipment, as well as spill response procedures.

(C) Facilities subject to inventory record-keeping requirements shall comply with Rule 11.03 Inventory Record-keeping and Leak Reporting.

(D) All gasoline dispensing facilities (including retail, commercial, and municipal stations) subject to Stage I and Stage II vapor controls shall comply with the RI DEM Office of Air Resources Air Pollution Regulation No. 11: Petroleum Liquids Marketing and Storage.

(E) Compatibility: All new or replacement tank and/or piping systems shall be made of, or lined with, materials that are compatible with the substance(s) stored. The owner/operator shall not introduce, or allow to be introduced, any material into a UST system that is incompatible with the UST system. The use of ethanol motor fuel which exceeds 10% ethanol in gasoline is prohibited without prior written notification by the owner/operator to the Department along with submission of documentation that the entire UST system is compatible.

(F) Correct Filling Practices: All UST facilities shall establish procedures for determining the available storage capacity of each of its tanks and shall comply with those procedures and communicate the available capacity to delivery personnel before allowing any product to be

delivered to the facility's tank(s). Facilities shall also establish procedures to monitor deliveries in order to prevent tank overfills and product spills.

8.03 Facility Compliance - Environmental Results Program: The Environmental Results Program (ERP) is a mandatory, bi-annual facility compliance inspection program. Owners/Operators shall ensure that their facilities comply with these regulations by conducting their own inspections and certifying their compliance by completing and submitting a *Compliance Certification Checklist & Forms Booklet* (the "ERP Certification Booklet").

(A) At least every two (2) years, the Department will issue an ERP Certification Booklet to all operating UST facilities. The ERP Certification Booklet will include the following:

(1) Non-Applicability Statement
(2) Compliance Certification Checklist
(3) Certification Statement
(4) Return to Compliance Form

(B) Along with the ERP Certification Booklet, the Department will also issue an *ERP Compliance Certification Workbook* (the "ERP Workbook"). The ERP Workbook will provide guidance to owners/operators regarding the performance of their ERP inspection and instructions for completing and submitting the ERP Certification Booklet.

(C) Owners/operators shall return the completed ERP Certification Booklet to the Department within the time frame specified by the Director.

(D) Neither the ERP Certification Booklet nor the ERP Workbook shall be construed to be a substitute for, or to waive, replace or supersede the requirements of these regulations. In the event of any conflict between these regulations and the ERP Certification Booklet or the ERP Workbook, these regulations shall prevail.

(E) Neither the ERP Certification Booklet nor the ERP Workbook shall be construed to be an exhaustive compliance review. The Department reserves the right to target specific compliance issues through the ERP certification process without waiving any of the other requirements of these regulations.

(F) Compliance with the ERP requirements contained in this Rule shall not limit the Director's right to inspect any UST facility and its records at any reasonable time, with or without notice.

(G) Nothing in this Rule shall be construed to prohibit the Director from issuing ERP Certification Booklets more often than every two years. The Director may also issue ERP Certification Booklets to all UST facilities, individual UST facilities or targeted groups of UST facilities.

8.04 Mandatory Deadline for Permanent Closure of Single-Walled UST Systems (Tanks and/or Piping): Except as provided in Rule 8.01, all existing tank and piping systems without secondary containment shall be permanently closed as follows:

(A) Single-walled tanks and/or piping installed prior to May 8, 1985 shall be permanently closed by December 22, 2015.

(B) Single-walled tanks and/or piping installed between May 8, 1985 and July 20, 1992 shall be permanently closed within thirty (30) years of the date of installation.

8.05 Mandatory Corrosion Protection Requirements for Tank Systems: Except as provided in Rule 8.01 above, the owners/operators of existing UST facilities shall have provided for corrosion protection of all unprotected steel tanks and metallic piping no later than December 22, 1998. Facilities shall have provided for corrosion protection by either:

(A) Closing all tank systems which did not meet corrosion protection standards, and installing new or replacement tanks and piping which comply with Rule 9 New and Replacement Tank System Requirements.

(B) Upgrading existing tanks and piping to provide for corrosion protection through:

(1) Interior lining (see Rule 8.06); and/or

(2) Cathodic protection (see Rule 8.07).

8.06 Interior Lining: Interior lining is no longer accepted as a method of corrosion protection. However, USTs lined prior to the effective date of these regulations are required to be inspected as follows:

(A) Within 10 years after lining, and every 5 years thereafter, the lined tank shall be internally inspected in accordance with NLPA Standard 631, 1994 and found to be structurally sound with the lining still performing in accordance with original design specifications. Follow-up internal inspections of lined tanks are not required when the tank has external cathodic protection meeting the requirements of Rule 8.07.

8.07 [illegible]

construction or maintenance in the area of the structure occurs. The operational survey should include the following:

(a) Measurement of anode-to-structure resistance and structure-to-electrolyte resistance;

(b) Measurement of structure-to-reference electrode potentials at all test stations (perform testing to verify structure polarization in accordance with NACE RP-0169-2002 or RP0285-2002);
(c) Verification of the accuracy of the display module readings;
(d) Adjustment of rectifier as required;
(e) Submission of written report of findings, to be kept in accordance with the permanent record keeping requirements cited in Rule 11.02(A).

(2) All sacrificial anode (galvanic or *sti*-P_3) systems must be tested within 6 months of installation or repair, at least every 3 years following the installation date, and whenever construction or maintenance in the area of the structure occurs, in order to determine that the tank-to-soil potential reading relative to copper is –850 millivolts or more negative.

(3) The criteria used to determine whether a cathodic protection system provides adequate cathodic protection must be in accordance with a nationally recognized code of practice listed in Appendix B.

(4) Failed tests or surveys must be reported to the Department by the tester within 24 hours, and the results are to be submitted within 15 days.

(C) USTs with impressed current cathodic protection systems must also be inspected every 60 days by the owner/operator or designee to ensure the equipment is running properly. The following tasks must be performed:

(1) Read and record the rectifier DC current output;

(2) Read and record the rectifier DC voltage output;

(3) Inspect the rectifier for physical damage.

(D) For UST systems using cathodic protection, records of the operation, repair and testing of the cathodic protection system must be permanently kept in accordance with Rule 11.02 (A) Permanent Records.

(E) Cathodic protection systems shall not be shut off or deactivated at any time except for repair. Any malfunction must be repaired within 30 days of the first occurrence. If the device cannot be repaired within 30 days, then the affected UST system(s) shall be temporarily closed in accordance with Rule 13.03 of these Regulations until satisfactory repairs are made. Malfunctioned systems not repaired within 180 days require the UST to be permanently closed in accordance with Rule 13.05. Any deactivation or failure of a corrosion protection system shall be reported within 24 hours to the Department by the owner/operator or designee.

(F) Repairs, or replacements of existing UST cathodic system components, including the addition of supplemental anodes, require prior approval from the Department and shall be performed in accordance with NACE RP0285-2002 and/or STI R972, January 2006. A report detailing the type and extent of work shall be submitted to the Director within thirty (30) days of work completion.

8.08 Leak Detection for Existing Tanks: Except as provided in Rule 8.01 above, owners/operators of all existing facilities shall comply with the applicable leak detection requirements:

(A) Double-Walled USTs: The following requirements apply to all double-walled USTs except those used for emergency generators and waste oil. These two exemptions are required to comply with either 8.08 (D) or 8.08 (E).

(1) Install and operate a continuous interstitial space electronic monitoring system consistent with the requirements in Rules 9.15 and 9.17, and

(2) Perform daily and monthly inventory control and record keeping consistent with Rule 11.03, and maintain inventory records in accordance with Rule 11.02(B).

(3) Perform a test for tightness on the interstitial space between the tank's walls when the tank has been installed for a period of twenty years, and once every 2 years thereafter. Tightness tests on the interstitial space shall be consistent with the tank manufacturer's protocol or an alternative recognized method and shall be preformed by persons and businesses licensed in accordance with Rules 14.04 and 14.05.

(B) Single-Walled USTs: Leak detection requirements as follows:

(1) Install and operate an approved automatic tank gauging system that tests for loss or gain of the contents stored, and is consistent with the requirements in Rule 8.15. Single-walled USTs installed prior to October 1984 were required to have automatic tank gauging by December 22, 1998. Single-walled USTs installed between October 1984 and July 1992 were required to have automatic tank gauging upon tank installation. The installation of new single-walled USTs has been prohibited since July 1992.

(2) Perform a leak test capable of detecting a leak rate of 0.2 gallons per hour or less at least once per month. For manifolded USTs a leak test is required for each tank separately. All leak test results shall be maintained in accordance with Rule 11.02(B).

(3) Perform daily and monthly inventory record keeping consistent with Rule 11.03. Inventory records are required to be maintained in accordance with Rule 11.02(B), Routine Record-keeping.

(4) Perform a tank tightness test at five-year intervals once a monitoring device has been installed, until such time as the tank has been installed for a period of twenty years; thereafter, tank tightness tests shall be conducted once every two years. Tank tightness tests shall be consistent with Rule 8.10.

(C) Single-Walled USTs Upgraded with Interior Lining and/or Cathodic Protection: Leak detection requirements as follows:

(1) Install and operate an approved automatic tank gauging system that tests for loss or gain of the substance stored and is consistent with the requirements in Rule 8.15.

(2) Perform a leak test capable of detecting a leak rate of 0.2 gallons per hour or less at least once per month. For manifolded USTs a leak test is required for each tank separately. All leak test results shall be maintained in accordance with Rule 11.02(B).

(3) Perform daily and monthly inventory record-keeping consistent with Rule 11.03. Inventory records are required to be maintained in accordance with Rule 11.02(B), Routine Record-keeping.

(4) Perform a tank tightness test at five year intervals once a monitoring device has been installed, until such time as the tank has been installed for a period of twenty years; thereafter, tank tightness tests shall be conducted once every two years. Tank tightness tests shall be consistent with Rule 8.10.

(5) For USTs upgraded with interior lining and/or cathodic protection in accordance with Rule 8.06 and/or Rule 8.07, annual tightness testing is required in conjunction with inventory record keeping and shall be a permissible leak detection method for a period no longer than ten (10) years after the date of the upgrade. After ten years, a leak detection method that provides for continuous monitoring must be installed consistent with Rules 8.08(C)(1) and (2) and Rule 8.15.

(D) Emergency Diesel Generator USTs: USTs serving an emergency diesel generator, and USTs whose stored substance serves both an emergency diesel generator and an on-site boiler, shall comply with leak detection requirements as follows:

(1) Double-walled USTs shall be equipped with a continuous interstitial space electronic monitoring system consistent with the requirements in Rules 9.15 and 9.17.

(2) Single-walled UST leak detection requirements are as follows:

(a) Install and operate an approved automatic tank gauging system that tests for loss or gain of the contents stored and is consistent with the requirements in Rule 8.15. Single-walled USTs installed prior to October 1984 are required to have been equipped with automatic tank gauging by December 22, 1998. Single-walled USTs installed between October 1984 and July 1992 are required to have been equipped with automatic tank gauging upon tank installation. The installation of single-walled USTs after July 1992 is prohibited.

(b) Perform a leak test capable of detecting a leak rate of 0.2 gallons per hour or less at least once per month. For manifolded USTs a leak test is required for each tank separately. All leak test results shall be maintained in accordance with Rule 11.02(B), Routine Record-keeping.

(c) Perform a tank tightness test at five year intervals once a monitoring device has been installed, until such time as the tank has been installed for a period of twenty years; thereafter, tank tightness tests shall be conducted once every two years. Tank tightness tests shall be consistent with Rule 8.10.

(3) Diesel generator USTs used for the production of commercial electricity are regulated in accordance with Rules 8.08(A) and (B).

(E) Waste Oil USTs and Motor Oil USTs: UST's used to store waste oil or motor oil shall comply with leak detection requirements as follows;

(1) Double-walled UST's: Install and operate a continuous interstitial space electronic system consistent with the requirements in Rules 9.15 and 9.17.

(G) USTs that are not brought into compliance including submission of all required notification and documentation to the Department within thirty (30) days after a red tag has been affixed, shall, be immediately placed into temporary closure in accordance with Rule 13.03.

(H) USTs that are not brought into compliance including submission of all required notification and documentation to the Department within one hundred and eighty (180) days after a red tag has been affixed, shall be immediately permanently closed in accordance with Rules 13.05 and 13.11.

(I) The Director may delay classifying a facility as ineligible for delivery, deposit or acceptance of petroleum or hazardous materials for up to one hundred and eighty (180) days if the Department determines that prohibiting deliveries to the UST(s) would jeopardize health and safety or the availability of fuel to the community.

9.00 RULE 9 NEW AND REPLACEMENT TANK SYSTEM REQUIREMENTS

9.01 Applicability: This section shall apply to all new or replacement USTs and piping under these regulations with the exception of those tank systems to be used to store heating oil consumed on-site solely for heating purposes, which are exempt from Rules 9.06, 9.07, 9.15, 9.16 and 9.17.

9.02 Prohibitions:

(A) The installation of new USTs wherein the groundwater is designated as a wellhead protection area for a community well, pursuant to RIGL 46-13.1, is prohibited. However, USTs that have been registered prior to the effective date of these regulations and have not been abandoned or removed from the ground for more than 180 days shall be permitted to be replaced with a tank(s) of equivalent size or less, substance stored, and in accordance with the provisions of these regulations.

(B) In accordance with the RI DOH "Rules and Regulations Pertaining to Public Drinking Water" (R46-13-DWQ), the installation of a UST within 200 feet of a public dug well or bedrock well or within 400 feet of a gravel-packed or gravel-developed well is prohibited.

(C) USTs are to be installed as far away as possible from private wells, per the RI DEM "Rules and Regulations Governing the Enforcement of Chapter 46-13.2 Relating to the Drilling of Drinking Water Wells."

(D) The installation of bare steel or metal USTs for storage of petroleum products or hazardous materials is prohibited.

(E) No person shall commence construction of a new tank system or replacement tank system, and no modification (including product piping replacement) may be made to any UST facility for which an application for a certificate of registration is required, without prior written notification to and approval by the Director.

9.03 General Requirements:

(A) Before commencing construction of a new UST system, replacement UST system, or modification to an existing UST system (including product piping replacement), the owner/operator is required to submit at minimum the following:

(1) A completed *Underground Storage Tank Registration Form*;

(2) A completed *Equipment List Addendum*;

(3) A completed *UST Installation/Modification/Upgrade Supplemental Information* form;

(4) A site plan including all of the information listed in Rule 6.04(A)(3) (plans for new UST systems must be stamped by a registered Professional Engineer);

(5) Specifications or a diagram indicating depth of excavation, bedding, and backfill, supports and anchorage used, distance between tanks, and dimensions (including thickness) of traffic pad.

(6) The appropriate registration fees in accordance with Rules 6.09 and 6.10.

(B) Letters of approval from the Director authorizing the installation of new/replacement UST systems or modification of an existing UST system are valid for a period of one (1) year from the date of issuance. Approvals may be extended by the Director upon written request by the owner/operator.

(C) In accordance with Rule 10.04(C), an on-site environmental consultant shall be present for all modifications involving the excavation of soils.

(D) All USTs shall be maintained and operated in compliance with all national codes of practice for handling and storing of petroleum or hazardous materials as listed in Appendix B.

(E) All USTs equipped with cathodic protection shall be maintained and operated in accordance with the requirements outlined in Rule 8.07 of these Regulations.

(F) All Secondary Containment Systems shall be designed, constructed and installed to:

(1) Contain regulated substances released from the tank system until they are detected and removed,
(2) Prevent the release of regulated substances to the environment at any time during the operational life of the underground storage tank system, and
(3) Be checked for evidence of a release at least every 30 days.

9.04 Compatibility: All new or replacement tank and/or piping systems shall be made of or lined with materials that are compatible with the substance(s) stored. The owner/operator shall not introduce, or allow to be introduced, any material into a UST system that is incompatible with the UST system.

9.05 Tanks - Design and Manufacturing Standards: All new USTs installed in Rhode Island shall provide for secondary containment of the tank and associated piping and shall be constructed in accordance with one of the national codes of practice listed in Appendix B, and the requirements listed below:

(A) All new and replacement USTs shall be of double-walled construction.

(B) All USTs constructed of fiberglass-reinforced plastic shall comply with one of the following national codes, as amended:

(1) Underwriter's Laboratories Standard 1316, April 2, 1996: "Standard for Glass-Fiber-Reinforced Plastic Underground Storage Tanks for Petroleum Products, Alcohols, and Alcohol-gasoline Mixtures",

(2) Underwriters Laboratories of Canada ULC-S615-1998: "Standard for Underground Reinforced Plastic Tanks ".

(C) All USTs constructed of steel shall be cathodically protected and shall comply with one of the following national codes, as amended:

(1) Underwriters Laboratories of Canada CAN/ULC-S603-1992 "Standard for Underground Steel Tanks ", CAN/ULC-S603.1-1992: "Standard for Galvanic Corrosion Protection Systems for Underground Steel Tanks", and CAN4-S631-1984(R1998): "Isolating Bushings for Steel Underground Tanks Protected with Coatings and Galvanic Systems;"

(2) National Association of Corrosion Engineers Standard RP0285-2002: "Corrosion Control of Underground Storage Tank Systems by Cathodic Protection" and Underwriters Laboratories Standard 58, December 13, 1996: "Standard for Steel Underground Tanks for Flammable and Combustible Liquids".

(3) Steel Tank Institute sti-P_3 , January 2006:"STI-P3 Specification and Manual External Corrosion Protection of Underground Steel Storage Tanks" and Underwriters Laboratories Standard 58, December 13, 1996: "Standards for Steel Underground Storage Tanks for Flammable and Combustible Liquids."

(D) Steel-fiberglass reinforced plastic composite UST systems, steel-high density polyethylene (HDPE) UST systems, and steel-polyurethane UST systems shall comply with Underwriters Laboratories Standard 1746, January 17, 2007: "Standard for External Corrosion Protection Systems for Steel Underground Tanks," as amended, Underwriters Laboratories Standard 58, December 13, 1996: "Standard for Steel Underground Tanks for Flammable Combustible Liquids," as amended, and one of the following codes: Steel Tank Institute STI F894, January 2006: "ACT-100 specification for External Corrosion Protection of Composite Steel Underground Storage Tanks," as amended, Steel Tank Institute STI F922, January 2006: "Specification for Permatank," as amended, or Steel Tank Institute STI F961, January 2006: "ACT-100-U Specification for External Corrosion Protection of FRP Composite Steel Underground Storage Tanks," as amended.

9.06 Wear Plates: All new and replacement USTs shall have steel wear plates, on the inside bottom of the tanks, centered under all openings with minimum dimensions of at least 9 inches wide and at least one square foot in area and at least 1/4" thick.

9.07 Submerged Fill Tube: All new and replacement USTs shall have a submerged fill tube.

9.08 Fill Pipe Labeling: All fill pipes and/or fill box covers shall be permanently labeled , or otherwise permanently marked, so that the product inside the tank is identified. The American Petroleum Institute Publication 1637, 1995 may be used to satisfy this requirement

9.09 Manufacturer's Test: Prior to installation, all new and replacement USTs shall be factory tested at a minimum of five pounds per square inch gauge and shall be guaranteed tight by the manufacturer. This guarantee shall be filed with the Director at the time of installation application.

9.10 Installation Standard:

(A) All tanks, piping, and other related facility components shall be installed in accordance with a code of practice developed by a nationally recognized association or independent testing laboratory as listed in Appendix B and in accordance with the manufacturer's instructions.

(B) The installer shall be certified or licensed as may be required by the RI Department of Labor, Division of Professional Regulation. (See RI General Laws Chapter 28-27 regarding the installation of commercial gasoline, diesel fuel, and heating oil UST systems.)

(C) The local city/town building official shall be notified prior to the commencement of installation.

9.11 Tightness Testing Upon Installation:

(A) All new and replacement tanks and piping (primary and secondary) shall be tightness tested after all paving over the tanks and piping has been completed and before commencing regular UST operation. In accordance with Rule 8.10(D), the results of this initial tightness test shall be submitted to the Director within 15 calendar days of test completion or, in the event of a leak, in accordance with Rule 12 Leak and Spill Response.

(B) Tightness tests must be capable of detecting a 0.1 gallon per hour leak rate from the entire tank system, accounting for the effects of thermal expansion or contraction of product, vapor pockets, tank deformation, evaporation, condensation, and the location of the water table. The probability of detection shall be no less than 95 percent and the probability of a false alarm shall be no more than 5 percent.

(C) All persons who conduct tightness tests and all test methods used must be licensed in accordance with Rule 14 Approval of Tank and/or Line Tightness Tests, Leak Detection Methods and Tightness Tester Licensing Requirements.

9.12 Piping – Design, Construction and Installation:

(A) All new or replacement piping that is part of an underground storage tank system and routinely contains regulated substances, including fittings and connections, shall be designed and constructed in accordance with the following:

(1) Fiberglass reinforced plastic piping and nonmetallic flexible piping shall be made of materials listed by Underwriters Laboratories (UL) and be equipped with secondary containment.

(2) All steel or metal piping which routinely contains a regulated substance shall be equipped with secondary containment, and all such piping that is in contact with the ground shall be cathodically protected with an impressed current system. All cathodic protection

systems shall be designed, installed, operated and maintained in accordance with the national codes of practice cited in Rule 9.05 (C).

(3) The use of copper piping is restricted to No. 2 heating oil and to diesel fuel serving generators and must employ secondary containment. In all cases this piping shall be protected from damage.

(4) Secondary containment piping is required to be listed by UL or ULC as an underground secondary pipe for flammable liquids, with the exception that heating oil USTs used solely for on-site consumption may be allowed to use PVC piping for secondary containment (minimum schedule 40 thickness).

(B) Aboveground sections of all UST product piping systems also must be equipped with secondary containment, with the exception of aboveground indoor piping.

(C) All UST primary and secondary product piping, before being covered, enclosed, or placed in use, shall be hydrostatically or pneumatically tested in accordance with NFPA 30, Rule 3-8, and API Publication 1615, Rule 10.2.

(D) Siphon piping systems are required to meet the design and construction standards given in Rules 9.12(A) and 9.14(A).

(E) Remote fill piping must meet the design and construction standards given in Rules 9.12(A) and 9.14(A).

(F) All underground portions of vent piping shall be made of either fiberglass reinforced plastic listed by UL or cathodically protected and coated steel, and shall be installed in accordance with RI DEM Office of Air Resources Air Pollution Control Regulation No. 11, "Petroleum Liquids Marketing and Storage." For USTs storing fuel oil and/or diesel generator fuel only, the use of metallic vent piping is allowed provided that the piping is protected against corrosion.

9.13 Spill and Overfill Prevention Equipment: All new and replacement UST systems shall be provided with equipment and procedures to prevent spilling and overfilling during product transfers to the tank in accordance with the following:

(A) Spill prevention equipment that will prevent a release of regulated substance to the environment in the area of the fill pipe. A containment basin used to satisfy this requirement must have the following:

(1) The basin must be capable of holding a minimum of 3 gallons,

(2) The basin must be surrounded by an impervious surface and,

(3) If the basin is made of metal, then its exterior wall must be protected from galvanic corrosion.

(B) USTs with aboveground fill pipes do not require spill containment basins, provided that:

(1) The ground surrounding the fill pipe is covered with a material that is impervious to the substance stored and is properly graded to contain spills of 3 gallons. (*Example: concrete and asphalt are acceptable, while dirt and grass are not.*)

(2) The fill pipe extends a minimum of 6 inches above the finished grade;

(3) Above-ground fill pipes located in areas subject to traffic or vehicular damage shall be protected by concrete-filled bollards with a minimum diameter of 2 inches, and at least three feet high, three feet below grade, and spaced no more than four feet apart.

(C) Overfill prevention equipment designed to restrict or stop the flow of fuel during a delivery before the tank reaches full capacity as follows:

(1) Alert the transfer operator when the tank is no more than 90 percent full by restricting the flow into the tank or triggering a remote high-level alarm; or

(2) Automatically shut off flow into the tank when the tank is no more than 95 percent full; or

(3) Restrict flow 30 minutes prior to overfilling, alert the operator by means of a high level alarm one minute before overfilling, or shut off flow into the tanks so that none of the fittings located on the top of the tank are exposed to product due to overfilling; or

(4) An equivalent device pre-approved by the director.

(5) Use of a flow restriction ball float vent valve is restricted to submerged pumping systems (not suction pump systems) and gravity deliveries (not pump off unloading). Ball float vent valves must be installed so as to allow annual inspection for proper operation. Check with the tank manufacturer to see if a ball float vent valve is prohibited.

(6) USTs used to store fuel oils consumed on-site solely for heating purposes, and emergency generator USTs, are allowed to be equipped with an in-line vent whistle as a method of overfill prevention. Vent whistles may be used only when tight fill, pump-off deliveries are made. The vent opening must be located adjacent to the fill (within 8 feet, or if not practical then as close as possible to be readily heard by the deliverer). The vent whistle must be installed so as to alarm (stop whistling) when the tank is 90% full. Vent whistles also must be installed so as to allow annual inspection for proper operation.

(7) USTs that never receive more than 25 gallons at one time (e.g., waste oil USTs) are not required to have overfill protection.

9.14 Tank Top Sumps, Transition Sumps, and Dispenser Sumps:

(A) All new and replacement USTs shall be equipped with a liquid-tight tank top containment sump for the purpose of providing a low-point collection area for secondary piping, siphon piping, and remote fill piping and access for periodic maintenance. All sumps shall be installed using gaskets, sealants, and fittings that are compatible with the substance stored.

(B) All new and replacement secondary piping systems shall terminate in a tank top sump or transition sump as described in Rule 9.14(A) above.

(C) All flexible underground piping runs shall be continuous whereby all connections for both the primary and secondary piping are made in accessible sumps as described in Rule 9.14(A).

(D) Facilities at which new or replacement piping for motor fuels are being installed are required to have liquid-tight containment pans or sumps under each fueling dispenser.

(E) Facilities at which new or replacement motor fuel dispensers and the equipment necessary to connect the dispenser to the UST system are being installed are required to have liquid-tight containment pans or sumps under each fueling dispenser. The equipment necessary to connect the dispenser to the UST system may include check valves, shear valves, swing joints, flexible connectors, or other transitional components that are beneath the dispenser and connect the dispenser to the underground piping. Such containment must allow for visual inspection and access to the components in the containment system and/or be monitored.

(F) All sumps described in (A)-(C) above shall be continuously monitored in accordance with Rule 9.16 (D).

9.15 Leak Detection for New and Replacement Underground Storage Tanks:

(A) Leak monitoring shall be installed and continuously operated for all new USTs.

(B) The interstitial space in all double-walled USTs shall be continuously monitored for the presence of both the regulated substance and water. A discriminating sensor for the regulated substance and water is not required.

(C) All leak-monitoring devices shall be able to detect the substance stored in the UST, and its vapors if the substance is a volatile organic compound or mixture with a vapor pressure greater than gasoline, as well as water.

(D) Continuous monitoring systems must be designed, constructed, and installed so as to detect a 0.2 gallon per hour leak rate from any portion of tank system that routinely contains product. The probability of detection shall be no less than 95 percent and the probability of a false alarm shall be no more than 5 percent.

9.16 Leak Detection for New and Replacement Underground Piping Systems:

(A) All new and replacement pressurized piping systems shall employ a UL-approved line leak detector capable of detecting a line leakage rate of 3 gallons per hour at 10 pounds per square inch of line pressure. If a leak is detected, said leak detection system shall shut-off or restrict product flow and otherwise notify the operator of the detection of a leak.

(B) All new or replacement suction piping systems shall be equipped with a check valve located directly below and as close as practical to the inlet of the suction pump.

(C) The interstitial space of double-walled piping or the annular space between the primary piping and secondary containment system shall be continuously monitored to detect water , the presence of the regulated substance, and its vapors if the substance is a volatile organic compound or mixture with a vapor pressure greater than gasoline. A leak sensor employed as described in Rule 9.16(D) shall also satisfy this requirement.

(D) All piping collection sumps, transition sumps, and submersible pump head containment structures shall employ a leak monitor (sensor) activated by water, the regulated substance or its vapors and secured at least 1" below the lowest penetration fitting or entry boot.

(E) All secondary piping test boots shall be disconnected so as to allow for any leakage in the piping to flow into the sump area.

(F) All dispensers of motor fuels under pressure from a remote pumping system shall be equipped with an emergency shut-off valve (shear valve) which is located in the supply line at the inlet of the dispenser. This valve shall be designed to close automatically in the event that the dispenser is accidentally dislodged from the inlet pipe.

(G) Anti-Siphon Valves: Where a tank is located at an elevation that produces a gravity head on the dispensing unit (or pump outlet, for heating oil USTs), the tank outlet shall be equipped with a device (such as a solenoid valve) that will prevent gravity flow from the tank to the dispenser/pump. This device shall be positioned, installed, and adjusted so that liquid cannot flow by gravity from the tank to the dispenser/pump, in the event of failure of the piping or hose when the system is not in use

9.17 Operation of Leak Monitoring Equipment

(A) Leak monitoring devices shall be installed, calibrated, operated and maintained in accordance with the manufacturer's instructions, including routine maintenance and service checks for operability or running conditions. All leak monitoring devices shall be inspected, calibrated, and tested annually to insure proper operation. Such testing shall be performed by trained, qualified persons. All records pertaining to the equipment manufacturer, warranties, maintenance requirements, repairs, maintenance, and testing shall be maintained on-site for the life of the system or at an alternate location approved by the Director in writing.

(B) Leak monitoring devices shall not be shut off or deactivated at any time except for repair. Any malfunction shall be repaired within fifteen (15) working days of its first occurrence. If the device(s) cannot be repaired within 15 days, the affected UST system(s) shall be temporarily closed in accordance with Rule 13.03 of these Regulations until satisfactory repairs are made. Any deactivation of a monitoring device shall be immediately reported to the department by the owner/operator.

(C) Leak monitoring devices shall employ an audible alarm and a visual indicator, which shall be so located as to be readily heard and seen by the owner/operator or other personnel during normal working hours.

(D) All monitoring devices shall be conspicuously marked or labeled as being monitoring devices and shall be secured against vandalism, incidental damage and improper deactivation.

(E) All continuous monitoring systems shall be tested by the owner/operator on a monthly basis to ensure that they are operating effectively. Records of such tests shall be maintained in accordance with Rule 9.17(A) and Rule 11 Maintaining Records.

(F) All leak-monitoring devices shall be inspected, calibrated and tested annually to ensure proper operation. Testing must be performed by trained, qualified persons. Records of such tests shall be maintained in accordance with Rule 8.15(A) and Rule 11.02(A), Permanent Records.

9.18 Monitoring Wells: As a condition of approval for new or replacement UST systems located in environmentally sensitive areas, the Director may require the installation of one or more groundwater monitoring wells meeting the following specifications:

(A) The well or wells shall be located so as to be likely to detect any release from the UST systems. The location of the well and/or the requirement of additional wells are subject to the approval of the Director.

(B) Monitoring wells shall be constructed in accordance with Appendix 1 of the RIDEM "Rules and Regulations for Groundwater Quality" and as described below:

(1) The screen portion of the wells shall extend a minimum of five (5) feet below the average dry season water table elevation at the site. The screen shall be open to the water table at all times. Wells cannot be screened to the surface.

(2) The screen shall be of sufficient length to compensate for seasonal fluctuations in the water table.

(3) All wells shall have a minimum inside diameter of two (2) inches and be constructed using a minimum of schedule 40 PVC piping.

(4) All wells shall have bottom caps.

(5) All wells shall be gravel packed around the screen and grouted to the surface.

(6) All wells with casing extending aboveground shall have a mounded surface seal around the well casing and a locked, above grade protective security cover.

(7) All wells that are finished at ground level shall have a roadbox, tamper resistant identifying cover and locking gripper (cap) in order to prevent surface runoff from entering the well.

(8) Monitoring wells are required to be properly developed no earlier than 48 hours after completion and before initial water quality samples are taken.

(9) The requirement to complete monitoring wells may be waived by the Director if groundwater is not encountered within 30 feet of the ground surface.

(C) Monitoring well check: Where groundwater monitoring wells are installed, the water in the monitoring well shall be bailed and evaluated, noting any visual or olfactory evidence of free product, no less than once per year. Written records of all well check observations shall be kept in accordance with the permanent record-keeping requirements in Rule 11.02(A). All owners/operators must promptly investigate and report any evidence of free product in accordance with Rule 12 Leak and Spill Response.

(D) Access to wells: Upon request, the owner/operator shall provide access to the monitoring wells to the Director.

10.00 RULE 10 FACILITY MODIFICATIONS OR REPAIRS

10.01 Prohibition: No modification may be made to any UST facility for which an application for a certificate of registration is required, without prior written notification to and approval by the Director.

10.02 Modification Standard: Any modification to or replacement of facility components shall be made to conform with the requirements of Rule 9 New and Replacement Tank System Requirements.

10.03 Reuse of Tanks: Used USTs meeting the specifications given in Rule 9 New and Replacement Tank System Requirements, may only be installed after:

(A) The owner/operator makes a written request for and receives written approval from the Director of the proposed modification;

(B) Documentation is provided that the used tanks have been inspected and tested by the manufacturer and found satisfactory;

(C) Documentation is provided that the used tank has been certified by the manufacturer to be reusable for the product to be stored; and

(D) Documentation is provided that the used tank is given the balance of the original warranty by the manufacturer.

10.04 Approval of Modifications or Repairs: USTs and/or their associated piping can be modified or repaired only once, provided that:

(A) The Director has approved the modification or repair;

(B) The modification or repair is properly conducted in accordance with the applicable national codes of practice as listed in Appendix B and manufacturer's specifications;

(C) An environmental consultant is present for any modification or repair (including piping installation or replacement) that requires the excavation of soils. The environmental consultant shall screen soils for the presence of contamination and submit a written summary of the findings to DEM within 30 days. Releases shall be reported in accordance with Rule 12 Leak and Spill Response.

(D) The tank and/or piping system (primary and secondary) passes a tightness test conducted upon completion of the modification or repair, and prior to commencing UST operation, and in accordance with Rule 8.10. Results of the tightness test must be submitted to the Director within fifteen (15) calendar days of test completion, or in the event of a leak, in accordance with Rule 12 Leak and Spill Response;

(E) The method of modification or repair is compatible with the product or material to be stored;

(F) All damaged tank system components, including but not limited to pipe sections and fittings, must be replaced immediately.

THIRD SET OF DATA REQUESTS OF THE TOWN OF NEW SHOREHAM

TOWN-96 Please provide the Company's 10 year financial forecast for the period of 2006 through 2015 approved by the Board of Directors referred to in a Resolution from a Board meeting on April 29, 2006.

Response: See attached

Prepared by DGB

Block Island Power Company

New Shoreham, Rhode Island 02807

RI 0001

Statement of Assumptions

Financial Forecast - April 2006

1. Brief Overview of System:

Block Island Power Company (BIPCo) is located in New Shoreham, Rhode Island, also referred to as Block Island. The service territory covers the entire island which is an approximately 10 square mile island located about twelve miles south of the Rhode Island coastline. The year round population of the island is about 1,010 (2000 Census) making it the least most populated community in the state. However the island is a very popular tourist destination so the seasonal population can grow as high as 30,000.

Primary access to and from the island is by Interstate Navigation's Ferry Service. Just about all the freight and automotive shipments are made by way of Interstate Navigation. This freight also includes BIPCo's fuel purchases used to generate the island's electricity.

The community produces about 800 year round employment positions of which a majority can be found in the construction trade. Obviously the demand for hospitality type work increases significantly in the summer months. The most recent estimate of unemployment is less than 5%. According to the 2000 Census the median household income is $44,779 per year and median family income is $59,844 per year.

BIPCo is not connected to the mainland electric grid system. They supply power using diesel generators. For further information about BIPCo's system and Load

characteristics, please refer to 2006 Power Requirement Study (Tab 27) prepared by HDR Engineering, Inc.

2. Forecast Disclosure

The forecast April 2006 was prepared by David G Bebyn CPA of B&E Consulting, LLC. B&E Consulting prepared the forecast using the [**The Forecast (version 3.0b).xls**] which was developed by the Rural Utilities Services (RUS) and provided to Block Island Power Company (BIPCo) by the RUS representative.

3. Disclosure of Data Not Directly Produced by the Borrower

Please refer to 2006 Power Requirement Study (Tab 27) prepared by HDR Engineering, Inc.

4. Methodology Used to Project

a. **Loads** Please refer to 2006 Power Requirement Study (Tab 27) prepared by HDR Engineering, Inc.

b. **Rates** The forecast used rates approved in BIPCo's last rate filing before the RI Public Utilities Commission and made effective June 1, 2005. The rates for fuel, fuel procurement, urea and related gross receipts tax are a pass through charge. The forecast synchronizes the fuel expenses and fuel revenues.

c. **Revenues** Revenues are based on the above power requirement and rates. Non-electrical revenues were kept at a level provide by BIPCo's last rate filing.

d. **Plant Additions** The forecast provides for three major plant additions, two generators and the necessary support equipment and $1,200,000 of distribution work. See form 325G.

e. **Operating Expenses** These expenses were projected in 2006 using the expenditures approved in the last rate filing. Operating expense accounts were then increased by the expected increase for each type of account for each year. See form 325C and item 6 below.

5. Inconsistencies in Historical Amount and Future Projections

Since the historical amounts were increased for expected increases for future projections there are no inconsistencies.

6. Annual Rate of Inflation Used in the Forecast

The annual rate of inflation used in the forecast varied based upon the type of expense grouping. All accounts except for fuel used the values from BIPCo's most recent rate filing for 2006. The subsequent years were calculated using the following inflation factors.

- ***Cost of Power*** The costs associated with fuel was increased by a 2% inflator. These costs however are directly offset by a corresponding revenue account thus the factor used will not impact the results of the forecast. The remaining costs used a 2% inflator each year.
- ***Operating and Maintenance*** Theses accounts were increased by a 3.5% inflator each year.
- ***Administration and General*** These accounts were increased by a 4% inflator each year.
- ***Depreciation*** Depreciation was calculated using a depreciation lapse schedule for current and future assets.
- ***Tax Expense*** The Gross receipts portion of the tax was calculated based on projected revenues. The remaining tax expenses were increased by a 5% inflator for property taxes and a 3% inflator for all other taxes each year.
- ***Customer Accounts*** These accounts were increased by a 2% inflator each year.

7. Equity Development Plan

BIPCo plans to improve its equity by retention of profits. The forecast has no projected payment of dividends. In addition, BIPCo is in the process of selling some excess land not used now and not expected to be needed in the future to produce electricity. This transaction is not included in the forecast because the transaction is still too speculative, however if it is completed BIPCo will double its equity.

8. Variations between Projections in the LRFF and other Studies

The only other long range study covering the years in the LRFF is the HDR Power Study. There are no variations from this study.

9. Are Projected Power Costs Based on Most Recent Forecasted rates?

Yes. (See 4b above)

10. Historical Experience with Respect to Market Competitiveness

BIPCo is primarily the sole source of power on the island. There is some very limited production from privately owned windmills; however these amounts are de minimis.

11. Historic and Future Financing Requirements for Current and Future Loans

BIPCo has a current loan from RUS the proceeds of which were used to purchase 3 generation units, support SCR & switch equipment and a substation. BIPCo is requesting this loan to purchase another generator and necessary support equipment. As shown in the forecast, BIPCo intends to borrow from RUS if approved 1.2 million dollars for much needed distribution work and $600,000 for one more engine in the future.

12. Historical and Projected Policy on Retirement of Capital Credits

BIPCo is a privately owned "for profit" company and has no capital credits.

Block Island Power Company

New Shoreham, Rhode Island 02807

RI 0001

Statement of Assumptions

Financial Forecast - April 2006

1. **Brief Overview of System:**

Block Island Power Company (BIPCo) is located in New Shoreham, Rhode Island, also referred to as Block Island. The service territory covers the entire island which is an approximately 10 square mile island located about twelve miles south of the Rhode Island coastline. The year round population of the island is about 1,010 (2000 Census) making it the least most populated community in the state. However the island is a very popular tourist destination so the seasonal population can grow as high as 30,000.

Primary access to and from the island is by Interstate Navigation's Ferry Service. Just about all the freight and automotive shipments are made by way of Interstate Navigation. This freight also includes BIPCo's fuel purchases used to generate the island's electricity.

The community produces about 800 year round employment positions of which a majority can be found in the construction trade. Obviously the demand for hospitality type work increases significantly in the summer months. The most recent estimate of unemployment is less than 5%. According to the 2000 Census the median household income is $44,779 per year and median family income is $59,844 per year.

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The forecast April 2006 was prepared by David G Bebyn CPA of B&E Consulting, LLC. B&E Consulting prepared the forecast using the [**The Forecast (version 3.0b).xls**] which was developed by the National Rural Services and provided to Block Island Power Company (BIPCo) by the Rural Utilities Services (RUS) representative.

3. **Disclosure of Data Not Directly Produced by the Borrower**

Please refer to 2006 Power Requirement Study (Tab 27) prepared by HDR Engineering, Inc.

4. **Methodology Used to Project**

a. **Loads** Please refer to 2006 Power Requirement Study (Tab 27) prepared by HDR Engineering, Inc.
b. **Rates** The forecast used rates approved in BIPCo's last rate filing before the RI Public Utilities Commission and made effective June 1, 2005. The rates for fuel, fuel procurement, urea and related gross receipts tax are a pass through charge. The forecast synchronizes the fuel expenses and fuel revenues.
c. **Revenues** Revenues are based on the above power requirement and rates. Non-electrical revenues were kept at a level provide by BIPCo's last rate filing.
d. **Plant Additions** The forecast provides for three major plant additions, two generators and the necessary support equipment and $1,200,000 of distribution work. See form 325G.
e. **Operating Expenses** These expenses were projected in 2006 using the expenditures approved in the last rate filing. Operating expense accounts were then increased by the expected increase for each type of account for each year. See form 325C and item 6 below.

5. **Inconsistencies in Historical Amount and Future Projections**

Since the historical amounts were increased for expected increases for future projections there are no inconsistencies.

6. **Annual Rate of Inflation Used in the Forecast**

The annual rate of inflation used in the forecast varied based upon the type of expense grouping. All accounts except for fuel used the values from BIPCo's most recent rate filing for 2006. The subsequent years were calculated using the following inflation factors.

- ***Cost of Power*** The costs associated with fuel was increased by a 2% inflator. These costs however are directly offset by a corresponding revenue account thus the factor used will not impact the results of the forecast. The remaining costs used a 2% inflator each year.
- ***Operating and Maintenance*** Theses accounts were increased by a 3.5% inflator each year.
- ***Administration and General*** These accounts were increased by a 4% inflator each year.
- ***Depreciation*** Depreciation was calculated using a depreciation lapse schedule for current and future assets.
- ***Tax Expense*** The Gross receipts portion of the tax was calculated based on projected revenues. The remaining tax expenses were increased by a 5% inflator for property taxes and a 3% inflator for all other taxes each year.
- ***Customer Accounts*** These accounts were increased by a 2% inflator each year.

7. **Equity Development Plan**

BIPCo plans to improve its equity by retention of profits. The forecast has no projected payment of dividends. In addition, BIPCo is in the process of selling some excess land not used now and not expected to be needed in the future to produce electricity. This transaction is not included in the forecast because the transaction is still too speculative, however if it is completed BIPCo will double its equity.

8. **Variations between Projections in the LRFF and other Studies**

The only other long range study covering the years in the LRFF is the HDR Power Study. There are no variations from this study.

9. **Are Projected Power Costs Based on Most Recent Forecasted rates?**

Yes. (See 4b above)

10. **Historical Experience with Respect to Market Competitiveness**

BIPCo is primarily the sole source of power on the island. There is some very limited production from privately owned windmills; however these amounts are de minimis.

11. **Historic and Future Financing Requirements for Current and Future Loans**

BIPCo has a current loan from RUS the proceeds of which were used to purchase 3 generation units, support SCR & switch equipment and a substation. BIPCo is requesting this loan to purchase another generator and necessary support equipment. As shown in the forecast, BIPCo intends to borrow from RUS if approved 1.2 million dollars for much needed distribution work and $600,000 for one more engine in the future.

12. **Historical and Projected Policy on Retirement of Capital Credits**

BIPCo is a privately owned "for profit" company and has no capital credits.

Block Island Power Company

RI0001
NEW ENGINE
David G Bebyn CPA
May 5, 2006

FINANCIAL FORECAST — RUS FORM 325A- RATIOS

	LAST YEAR	FUTURE YEARS									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
1. EQUITY RATIO (WITH ADD. REV.) (%)	14.93	15.05	13.65	14.74	14.52	15.58	16.66	17.80	19.00	20.54	22.39
2a. DEBT SERVICE COVERAGE (WITH ADD. REV.)	1.53	1.28	1.24	1.49	1.66	1.57	1.53	1.48	1.47	1.49	1.52
2b. OPERATING DSC (Including op. margins + G&T & lender CCs paid)		1.23	1.20	1.44	1.61	1.52	1.48	1.43	1.42	1.45	1.47
3a. TIMES INTEREST EARNED RATIO (WITH ADD. REV.)	1.98	1.39	1.25	1.25	1.25	1.25	1.25	1.25	1.26	1.37	1.49
3b. OPERATING TIER (Including op. margins + G&T & lender CCs paid)		1.28	1.16	1.16	1.17	1.17	1.17	1.16	1.17	1.28	1.39
4. AVERAGE REVENUE PER KWH SOLD (CENTS)	34.43	37.87	38.31	38.56	38.95	39.09	39.21	39.27	39.36	39.64	39.92
5. INCREASE IN AVERAGE REVENUE PER KWH SOLD (%)		9.99	1.18	0.64	1.01	0.37	0.30	0.15	0.27	0.67	0.70
6. TOTAL UTILITY PLANT PER KWH SOLD (CENTS)	64.65	67.97	76.13	73.41	75.91	73.61	71.47	69.14	66.94	64.86	62.87
7. NET GENERAL FUNDS TO TOTAL UTILITY PLANT (%)	6.57	6.90	6.65	8.31	9.91	11.77	13.47	14.99	16.42	17.97	19.61
8. ACCUM. PROV. FOR DEP. & AMORT. TO T.U.P. (%)	45.73	45.31	42.27	45.42	45.77	48.65	51.91	54.97	58.02	61.05	64.06
9. OPERATIONS & MAINTENANCE EXP. PER CONSUMER ($)	134.67	136.77	138.43	139.87	141.71	143.48	145.05	146.65	148.35	150.14	152.10
10. ADMIN. & GEN. EXPENSE PER CONSUMER ($)	558.49	482.56	490.77	498.28	507.26	516.10	524.28	532.61	541.37	550.55	560.43
11. PLANT REVENUE RATIO	3.50	4.01	4.44	4.28	4.40	4.30	4.22	4.14	4.05	3.94	3.83
12. RATE OF RETURN ON RATE BASE (WITH ADD. REV.) (%)		5.65	4.83	5.54	5.36	5.88	6.01	6.14	6.35	7.11	7.93
13. RATE BASE = 104% OF NET UTILITY PLANT		4,342,121	5,333,199	5,069,484	5,402,367	5,121,640	4,838,832	4,553,378	4,266,087	3,978,217	3,689,043
14. INCREASE OVER PRESENT RETAIL RATES REQUIRED (%)		0.00	0.71	0.94	1.41	1.19	0.82	0.37	0.00	0.00	0.00
15. MODIFIED DSC (FOR RUS USE)		1.28	1.24	1.49	1.66	1.57	1.53	1.48	1.47	1.49	1.52
16. MODIFIED TIER (NET OF G&T & OTHER CAP. CREDITS)		1.39	1.25	1.25	1.25	1.25	1.25	1.25	1.26	1.37	1.49

FINANCIAL FORECAST — RUS FORM 325B - PRO FORMA BALANCE SHEET

	LAST YEAR	FUTURE YEARS									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
1. ASSETS AND OTHER DEBITS											
a. TOTAL UTILITY PLANT	6,986,113	7,634,363	8,882,613	8,930,863	9,579,113	9,627,363	9,675,613	9,723,863	9,772,113	9,820,363	9,868,613
b. ACCUM. PROVISION FOR DEPREC. & AMORT.	3,194,645	3,459,247	3,754,537	4,056,360	4,384,529	4,702,709	5,022,889	5,345,615	5,670,106	5,995,154	6,321,456
c. NET UTILITY PLANT	3,791,468	4,175,116	5,128,076	4,874,503	5,194,584	4,924,654	4,652,724	4,378,248	4,102,007	3,825,209	3,547,157
d. NET GENERAL FUNDS	458,740	526,552	590,955	742,292	948,891	1,133,022	1,302,943	1,457,484	1,605,027	1,764,817	1,935,551
e. GENERAL FUNDS EXCLUDABLE ITEMS	0	0	0	0	0	0	0	0	0	0	0
f. OTHER ASSETS AND DEBITS	1,238,505	1,238,505	1,238,505	1,238,505	1,238,505	1,238,505	1,238,505	1,238,505	1,238,505	1,238,505	1,238,505
g. TOTAL ASSETS AND OTHER DEBITS	5,488,713	5,940,173	6,957,536	6,855,300	7,381,980	7,296,181	7,194,171	7,074,237	6,945,539	6,828,530	6,721,213
2. LIABILITIES AND OTHER CREDITS											
a. TOTAL MARGINS AND EQUITIES	819,551	894,199	949,892	1,010,212	1,072,231	1,136,540	1,198,868	1,258,945	1,319,793	1,402,367	1,505,208
b. LONG TERM DEBT - RUS											
(1). LONG TERM DEBT - 2% & 5%	0	0	0	0	0	0	0	0	0	0	0
(2). LONG TERM DEBT - 5%, MUNI & TREASURY	3,056,639	2,958,431	4,054,901	3,945,978	3,824,360	3,688,751	3,546,074	3,395,957	3,238,005	3,071,803	2,896,912
(3). LONG TERM DEBT - GUARANTEE	0	600,000	600,000	593,665	1,179,943	1,165,446	1,143,795	1,113,890	1,082,296	1,048,916	1,013,649
c. LONG TERM DEBT - OTHER	306,878	182,099	47,298	0	0	0	0	0	0	0	0
d. OTHER LIABILITIES AND CREDITS	1,305,444	1,305,444	1,305,444	1,305,444	1,305,444	1,305,444	1,305,444	1,305,444	1,305,444	1,305,444	1,305,444
e. TOTAL LIABILITIES AND OTHER CREDITS	5,488,713	5,940,172	6,957,535	6,855,300	7,381,979	7,296,180	7,194,171	7,074,237	6,945,538	6,828,530	6,721,213

FINANCIAL FORECAST

RUS FORM 325C - STATEMENT OF OPERATIONS

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
1. ACCRUAL BASIS										
a (1). ADDITIONAL REVENUE REQUIREMENTS FOR TIER/EQUITY	0	31,419	43,551	68,255	60,238	43,332	20,394	0	0	0
(2). OPER. REV. & PATRON. CAP. - PRESENT RATES	4,253,188	4,438,636	4,647,295	4,846,454	5,052,861	5,265,014	5,502,231	5,747,940	6,002,261	6,265,397
b. COST OF POWER	2,351,514	2,471,432	2,606,029	2,737,024	2,873,719	3,014,434	3,171,776	3,336,037	3,507,468	3,686,326
c. OPER. REV. LESS COST OF POWER	1,901,674	1,998,624	2,084,816	2,177,684	2,239,380	2,293,912	2,350,848	2,411,903	2,494,793	2,579,071
d. OPERATIONS & MAINTENANCE EXPENSE	241,944	250,412	259,176	268,248	277,636	287,354	297,411	307,820	318,594	329,745
e. CONSUMER ACCOUNTS AND SALES EXPENSE	27,424	27,972	28,532	29,103	29,685	30,278	30,884	31,502	32,132	32,774
f. ADM. & GEN. & OTHER DEDUCTIONS EXPENSE	853,649	887,795	923,307	960,239	998,649	1,038,595	1,080,138	1,123,344	1,168,278	1,215,009
g. DEPRECIATION AND AMORTIZATION EXPENSE	264,602	295,290	301,822	326,170	318,180	320,180	322,725	324,492	325,048	326,302
h. TAX EXPENSE	268,661	279,328	291,022	302,470	314,332	326,554	339,896	353,716	368,022	382,830
i. INTEREST EXPENSE	191,388	222,775	241,279	248,078	257,233	249,275	240,348	230,823	220,788	210,213
j. TOTAL COST OF ELECTRIC SERVICE	4,199,182	4,435,004	4,651,168	4,873,331	5,089,433	5,266,670	5,483,180	5,707,734	5,940,329	6,183,199
k. PATRONAGE CAPITAL & OPERATING MARGINS	54,006	35,052	39,678	41,377	43,666	41,677	39,445	40,206	61,932	82,198
l. NON-OPERATING MARGINS	20,642	20,642	20,642	20,642	20,642	20,642	20,642	20,642	20,642	20,642
m. G&T AND OTHER CAPITAL CREDITS (CFC CTC's)	0	0	0	0	0	0	0	0	0	0
n. TOTAL ACCRUAL MARGINS	74,648	55,694	60,320	62,019	64,308	62,319	60,087	60,848	82,574	102,840
2. CASH BASIS										
a. CASH FROM OPERATIONS BEFORE DEBT SERVICE	530,637	573,759	603,421	638,267	639,721	631,773	623,161	616,163	628,409	639,355
b. TOTAL DEBT SERVICE	414,576	461,106	403,834	383,418	407,340	413,602	420,370	420,370	420,370	420,370
c. CASH MARGINS AFTER DEBT SERVICE	116,062	112,653	199,587	254,849	232,381	218,171	202,791	195,793	208,039	218,985

FINANCIAL FORECAST

RUS FORM 325D - GENERAL FUNDS SUMMARY

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
1. SOURCES OF GENERAL FUNDS										
a. NET GENERAL FUNDS BEGINNING OF YEAR	458,740	526,552	590,955	742,292	948,891	1,133,022	1,302,943	1,457,484	1,605,027	1,764,817
b. CASH MARGINS AFTER DEBT SERVICE	116,062	112,653	199,587	254,849	232,381	218,171	202,791	195,793	208,039	218,985
c. OTHER PROCEEDS	0	0	0	0	0	0	0	0	0	0
d. SALE OF EXCLUDABLE ITEMS	0	0	0	0	0	0	0	0	0	0
e. REIMBURSEMENT FROM PRIORITY LOAN FUNDS	0	0	0	0	0	0	0	0	0	0
f. REIMBURSEMENT FROM SPECIAL LOANS (NON-PRIORITY)	0	0	0	0	0	0	0	0	0	0
2. TOTAL GENERAL FUNDS AVAILABLE	574,802	639,205	790,542	997,141	1,181,272	1,351,193	1,505,734	1,653,277	1,813,067	1,983,801
3. PROPOSED USE OF GENERAL FUNDS										
a. PURCHASE OF EXCLUDABLE ITEMS	0	0	0	0	0	0	0	0	0	0
b. CAPITAL CREDIT RETIREMENTS	0	0	0	0	0	0	0	0	0	0
c. GENERAL FUNDS INVESTED IN PLANT	48,250	48,250	48,250	48,250	48,250	48,250	48,250	48,250	48,250	48,250
d. OTHER USES OF GENERAL FUNDS	0	0	0	0	0	0	0	0	0	0
e. ADDITIONAL PRINCIPAL PAYMENTS	0	0	0	0	0	0	0	0	0	0
4. TOTAL PROPOSED USES OF GENERAL FUNDS	48,250	48,250	48,250	48,250	48,250	48,250	48,250	48,250	48,250	48,250
5. NET GENERAL FUNDS - END OF YEAR	526,552	590,955	742,292	948,891	1,133,022	1,302,943	1,457,484	1,605,027	1,764,817	1,935,551

FINANCIAL FORECAST RUS M 325E - DETERMINATION OF LOAD

	PREVIOUS YEARS					FUTURE YEARS						
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
1. AVERAGE NUMBER OF CONSUMERS													
a. RESIDENTIAL	1,256	1,288	1,296	1,329	1,361	1,394	1,426	1,459	1,496	1,533	1,569	1,606	1,643
b. RESIDENTIAL SEASONAL	0	0	0	0	0	0	0	0	0	0	0	0	0
c. IRRIGATION	0	0	0	0	0	0	0	0	0	0	0	0	0
d. COMMERCIAL													
(1 COMMERCIAL: 1000 KVA OR LESS	290	294	303	310	316	323	329	336	343	351	358	366	373
(2 COMMERCIAL: > 1000 KVA	93	94	92	94	96	98	100	102	104	106	109	111	113
(3 n/a	0	0	0	0	0	0	0	0	0	0	0	0	0
(4 n/a	0	0	0	0	0	0	0	0	0	0	0	0	0
e. PUBLIC STREET & HIGHWAY LIGHTING	18	31	13	13	13	14	14	14	14	14	14	14	14
f. PUBLIC BUILDING & OTHER PUBLIC AUTH.	13	1	23	23	23	24	24	24	24	24	25	25	25
g. OTHER - 1	0	0	0	0	0	0	0	0	0	0	0	0	0
h. OTHER - 2	0	0	0	0	0	0	0	0	0	0	0	0	0
i. SECURITY LIGHTS	0	0	0	0	0	0	0	0	0	0	0	0	0
j. TOTAL CONSUMERS	1,670	1,708	1,727	1,769	1,809	1,853	1,893	1,935	1,981	2,028	2,075	2,122	2,168
2. AVERAGE MONTHLY USE PER CONSUMER													
a. RESIDENTIAL	223	266	273	279	285	291	297	303	309	315	322	328	334
b. RESIDENTIAL SEASONAL	0	0	0	0	0	0	0	0	0	0	0	0	0
c. IRRIGATION	0	0	0	0	0	0	0	0	0	0	0	0	0
d. COMMERCIAL													
(1 COMMERCIAL: 1000 KVA OR LESS	360	405	402	406	412	417	423	428	433	437	441	445	450
(2 COMMERCIAL: > 1000 KVA	3,509	3,816	3,678	3,938	3,998	4,058	4,118	4,178	4,251	4,323	4,356	4,428	4,501
(3 n/a	0	0	0	0	0	0	0	0	0	0	0	0	0
(4 n/a	0	0	0	0	0	0	0	0	0	0	0	0	0
e. PUBLIC STREET & HIGHWAY LIGHTING	2,673	1,826	4,439	4,484	4,529	4,574	4,620	4,665	4,446	4,560	4,675	4,789	4,903
f. PUBLIC BUILDING & OTHER PUBLIC AUTH.	658	5,703	445	465	485	485	505	525	537	550	540	553	565
g. OTHER - 1	0	0	0	0	0	0	0	0	0	0	0	0	0
h. OTHER - 2	0	0	0	0	0	0	0	0	0	0	0	0	0
i. SECURITY LIGHTS	0	0	0	0	0	0	0	0	0	0	0	0	0
3. ANNUAL KWH SALES													
a. RESIDENTIAL	3,358,915	4,115,407	4,248,981	4,450,847	4,657,374	4,868,563	5,084,413	5,304,924	5,550,016	5,800,584	6,056,628	6,318,148	6,585,144
b. RESIDENTIAL SEASONAL	0	0	0	0	0	0	0	0	0	0	0	0	0
c. IRRIGATION	0	0	0	0	0	0	0	0	0	0	0	0	0
d. COMMERCIAL													
(1 COMMERCIAL: 1000 KVA OR LESS	1,251,274	1,427,104	1,459,943	1,511,416	1,563,728	1,616,879	1,670,868	1,725,696	1,781,834	1,838,753	1,896,454	1,954,936	2,014,200
(2 COMMERCIAL: > 1000 KVA	3,916,355	4,304,204	4,281,381	4,442,120	4,605,739	4,772,237	4,941,615	5,113,872	5,304,947	5,499,433	5,697,330	5,898,637	6,103,356
(3 n/a	0	0	0	0	0	0	0	0	0	0	0	0	0
(4 n/a	0	0	0	0	0	0	0	0	0	0	0	0	0
e. PUBLIC STREET & HIGHWAY LIGHTING	577,472	679,301	692,429	699,491	706,553	768,509	776,115	783,720	746,933	766,126	785,318	804,511	823,704
f. PUBLIC BUILDING & OTHER PUBLIC AUTH.	102,588	68,435	122,733	128,272	133,888	139,582	145,352	151,200	154,763	158,405	162,065	165,763	169,500
g. OTHER - 1	0	0	0	0	0	0	0	0	0	0	0	0	0
h. OTHER - 2	0	0	0	0	0	0	0	0	0	0	0	0	0
i. SECURITY LIGHTS	0	0	0	0	0	0	0	0	0	0	0	0	0
4. ANNUAL POWER REQUIREMENTS													
a. TOTAL KWH SOLD	9,206,604	10,594,451	10,805,467	11,232,146	11,667,282	12,165,770	12,618,363	13,079,412	13,538,513	14,063,301	14,597,795	15,141,995	15,695,904
(1). KWH SOLD NOT SUBJ TO LINE LOSS	0	0	0	0	0	0	0	0	0	0	0	0	0
b. SYSTEMS OWN USE - KWH	31,750	229,465	215,191	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000
c. SYSTEM LOSS													
(1). PERCENTAGE	24.17%	12.16%	10.87%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%
(2). KWH	2,944,646	1,498,084	1,344,342	994,100	1,031,938	1,075,284	1,114,640	1,154,731	1,194,653	1,240,287	1,286,765	1,334,087	1,382,253
d. TOTAL KWH REQUIREMENTS	12,183,000	12,322,000	12,365,000	12,426,246	12,899,220	13,441,054	13,933,003	14,434,143	14,933,166	15,503,588	16,084,560	16,676,082	17,278,157

FINANCIAL FORECAST RUS FORM 325F - DETERMINATION OF OPERATING REVENUE

0=>No adj.
1=>Adj.1
2=>Adj. 2
3=>Adj.1+Adj.2
Flow-thru code

	PREVIOUS YEARS					FUTURE YEARS							
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
1. RESIDENTIAL													
a. TOTAL ANNUAL KWH SOLD	3,358,915	4,115,407	4,248,981	4,450,847	4,657,374	4,868,563	5,084,413	5,304,924	5,550,016	5,800,584	6,056,628	6,318,148	6,585,144
b. AVG. REVENUE PER KWH SOLD	0.2358489	0.2475989	0.3173147	0.1449393	0.1449393	0.1449393	0.1449393	0.1449393	0.1449393	0.1449393	0.1449393	0.1449393	0.1449393
c. FIXED MONTHLY CHARGE PER CONSUMER	9.84	9.84	10.54	11.00	11.00	11.00	11.00	11.00	11.00	11.00	11.00	11.00	11.00
d. AVG. NUMBER OF CONSUMERS	1,256	1,288	1,296	1,329	1,361	1,394	1,426	1,459	1,496	1,533	1,569	1,606	1,643
e. ANNUAL REVENUE LESS FLOW THROUGH ADJ.	942,012	1,171,057	1,512,182	820,530	854,688	889,654	925,163	961,480	1,001,887	1,043,088	1,084,951	1,127,740	1,171,322
f. FLOW THROUGH ADJUSTMENT REVENUE	0	0	0	762,251	813,490	867,291	923,774	983,029	1,048,931	1,118,118	1,190,727	1,266,888	1,346,736
g. GROSS ANNUAL REVENUE	942,012	1,171,057	1,512,182	1,582,781	1,668,178	1,756,945	1,848,937	1,944,509	2,050,818	2,161,206	2,275,678	2,394,628	2,518,058
3													
2. RESIDENTIAL SEASONAL													
a. TOTAL ANNUAL KWH SOLD	0	0	0	0	0	0	0	0	0	0	0	0	0
b. AVG. REVENUE PER KWH SOLD	0.0000000	0.0000000	0.0000000	0.0000000	0.0000000	0.0000000	0.0000000	0.0000000	0.0000000	0.0000000	0.0000000	0.0000000	0.0000000
c. FIXED MONTHLY CHARGE PER CONSUMER	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
d. AVG. NUMBER OF CONSUMERS	0	0	0	0	0	0	0	0	0	0	0	0	0
e. ANNUAL REVENUE LESS FLOW THROUGH ADJ.	0	0	0	0	0	0	0	0	0	0	0	0	0
f. FLOW THROUGH ADJUSTMENT REVENUE	0	0	0	0	0	0	0	0	0	0	0	0	0
g. GROSS ANNUAL REVENUE	0	0	0	0	0	0	0	0	0	0	0	0	0
3													
3. IRRIGATION													
a. TOTAL ANNUAL KWH SOLD	0	0	0	0	0	0	0	0	0	0	0	0	0
b. AVG. REVENUE PER KWH SOLD	0.0000000	0.0000000	0.0000000	0.0000000	0.0000000	0.0000000	0.0000000	0.0000000	0.0000000	0.0000000	0.0000000	0.0000000	0.0000000
c. FIXED MONTHLY CHARGE PER CONSUMER	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
d. AVG. NUMBER OF CONSUMERS	0	0	0	0	0	0	0	0	0	0	0	0	0
e. ANNUAL REVENUE LESS FLOW THROUGH ADJ.	0	0	0	0	0	0	0	0	0	0	0	0	0
f. FLOW THROUGH ADJUSTMENT REVENUE	0	0	0	0	0	0	0	0	0	0	0	0	0
g. GROSS ANNUAL REVENUE	0	0	0	0	0	0	0	0	0	0	0	0	0
3													
4. COMMERCIAL: 1000 KVA OR LESS													
a. TOTAL ANNUAL KWH SOLD	1,251,274	1,427,104	1,459,943	1,511,416	1,563,728	1,618,879	1,670,868	1,725,696	1,781,834	1,838,753	1,896,454	1,954,936	2,014,200
b. AVG. REVENUE PER KWH SOLD	0.2621793	0.2787470	0.3508694	0.1696554	0.1696554	0.1696554	0.1696554	0.1696554	0.1696554	0.1696554	0.1696554	0.1696554	0.1696554
c. FIXED MONTHLY CHARGE PER CONSUMER	9.98	9.91	10.45	11.00	11.00	11.00	11.00	11.00	11.00	11.00	11.00	11.00	11.00
d. AVG. NUMBER OF CONSUMERS	290	294	303	310	316	323	329	336	343	351	358	366	373
e. ANNUAL REVENUE LESS FLOW THROUGH ADJ.	362,789	432,763	550,246	297,340	307,007	316,948	326,900	337,126	347,574	358,286	369,000	379,977	390,956
f. FLOW THROUGH ADJUSTMENT REVENUE	0	0	0	258,845	273,132	288,033	303,576	319,780	336,760	354,437	372,841	391,995	411,927
g. GROSS ANNUAL REVENUE	362,789	432,763	550,246	556,185	580,139	604,981	630,476	656,906	684,334	712,723	741,841	771,972	802,883
3													
5. COMMERCIAL: > 1000 KVA													
a. TOTAL ANNUAL KWH SOLD	3,916,355	4,304,204	4,281,381	4,442,120	4,605,739	4,772,237	4,941,615	5,113,872	5,304,947	5,499,433	5,697,330	5,898,637	6,103,356
b. AVG. REVENUE PER KWH SOLD	0.2281356	0.2452214	0.3244678	0.1544490	0.1544490	0.1544490	0.1544490	0.1544490	0.1544490	0.1544490	0.1544490	0.1544490	0.1544490
c. FIXED MONTHLY CHARGE PER CONSUMER	14.93	14.93	15.92	16.50	16.50	16.50	16.50	16.50	16.50	16.50	16.50	16.50	16.50
d. AVG. NUMBER OF CONSUMERS	93	94	92	94	96	98	100	102	104	106	109	111	113
e. ANNUAL REVENUE LESS FLOW THROUGH ADJ.	910,122	1,072,324	1,406,746	704,693	730,360	756,471	783,027	810,028	839,936	870,370	901,529	933,016	965,031
f. FLOW THROUGH ADJUSTMENT REVENUE	0	0	0	760,757	804,471	850,132	897,829	947,627	1,002,614	1,060,069	1,120,089	1,182,769	1,248,205
g. GROSS ANNUAL REVENUE	910,122	1,072,324	1,406,746	1,465,450	1,534,831	1,606,603	1,680,856	1,757,655	1,842,550	1,930,439	2,021,618	2,115,785	2,213,236
3													

0=>No adj. 1=>Adj.1 2=>Adj. 2 3=>Adj.1+Adj.2 Flow-thru code	PREVIOUS YEARS 2003	2004	2005	2006	2007	FUTURE YEARS 2008	2009	2010	2011	2012	2013	2014	2015
6. n/a													
a. TOTAL ANNUAL KWH SOLD	0	0	0	0	0	0	0	0	0	0	0	0	0
b. AVG. REVENUE PER KWH SOLD	0.0000000	0.0000000	0.0000000	0.0000000	0.0000000	0.0000000	0.0000000	0.0000000	0.0000000	0.0000000	0.0000000	0.0000000	0.0000000
c. FIXED MONTHLY CHARGE PER CONSUMER	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
d. AVG. NUMBER OF CONSUMERS	0	0	0	0	0	0	0	0	0	0	0	0	0
e. ANNUAL REVENUE LESS FLOW THROUGH ADJ.	0	0	0	0	0	0	0	0	0	0	0	0	0
f. FLOW THROUGH ADJUSTMENT REVENUE	0	0	0	0	0	0	0	0	0	0	0	0	0
g. GROSS ANNUAL REVENUE	0	0	0	0	0	0	0	0	0	0	0	0	0
3													
7. n/a													
a. TOTAL ANNUAL KWH SOLD	0	0	0	0	0	0	0	0	0	0	0	0	0
b. AVG. REVENUE PER KWH SOLD	0.0000000	0.0000000	0.0000000	0.0000000	0.0000000	0.0000000	0.0000000	0.0000000	0.0000000	0.0000000	0.0000000	0.0000000	0.0000000
c. FIXED MONTHLY CHARGE PER CONSUMER	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
d. AVG. NUMBER OF CONSUMERS	0	0	0	0	0	0	0	0	0	0	0	0	0
e. ANNUAL REVENUE LESS FLOW THROUGH ADJ.	0	0	0	0	0	0	0	0	0	0	0	0	0
f. FLOW THROUGH ADJUSTMENT REVENUE	0	0	0	0	0	0	0	0	0	0	0	0	0
g. GROSS ANNUAL REVENUE	0	0	0	0	0	0	0	0	0	0	0	0	0
3													
8. PUBLIC STREET & HIGHWAY LIGHTING													
a. TOTAL ANNUAL KWH SOLD	577,472	679,301	692,429	699,491	706,553	769,509	776,115	783,720	746,933	766,126	785,318	804,511	823,704
b. AVG. REVENUE PER KWH SOLD	0.1991647	0.2394767	0.3068707	0.1144711	0.1144711	0.1144711	0.1144711	0.1144711	0.1144711	0.1144711	0.1144711	0.1144711	0.1144711
c. FIXED MONTHLY CHARGE PER CONSUMER	12.92	12.62	15.94	16.50	16.50	16.50	16.50	16.50	16.50	16.50	16.50	16.50	16.50
d. AVG. NUMBER OF CONSUMERS	18	31	13	13	13	14	14	14	14	14	14	14	14
e. ANNUAL REVENUE LESS FLOW THROUGH ADJ.	117,803	167,371	214,973	82,645	83,454	90,744	91,615	92,485	88,274	90,471	92,668	94,865	97,062
f. FLOW THROUGH ADJUSTMENT REVENUE	0	0	0	119,795	123,412	136,903	141,010	145,227	141,167	147,678	154,393	161,317	168,457
g. GROSS ANNUAL REVENUE	117,803	167,371	214,973	202,440	206,866	227,647	232,625	237,712	229,441	238,149	247,061	256,182	265,519
3													
9. PUBLIC BUILDING & OTHER PUBLIC AUTH.													
a. TOTAL ANNUAL KWH SOLD	102,588	68,435	122,733	128,272	133,888	139,582	145,352	151,200	154,783	158,405	162,065	165,763	169,500
b. AVG. REVENUE PER KWH SOLD	0.2137095	0.2962750	0.2690325	0.1554096	0.1554096	0.1554096	0.1554096	0.1554096	0.1554096	0.1554096	0.1554096	0.1554096	0.1554096
c. FIXED MONTHLY CHARGE PER CONSUMER	10.00	10.00	9.82	11.00	11.00	11.00	11.00	11.00	11.00	11.00	11.00	11.00	11.00
d. AVG. NUMBER OF CONSUMERS	13	1	23	23	23	24	24	24	24	24	25	25	25
e. ANNUAL REVENUE LESS FLOW THROUGH ADJ.	23,484	20,396	35,729	22,971	23,843	24,860	25,757	26,666	27,223	27,786	28,486	29,061	29,642
f. FLOW THROUGH ADJUSTMENT REVENUE	0	0	0	21,968	23,386	24,865	26,409	28,018	29,253	30,534	31,862	33,238	34,665
g. GROSS ANNUAL REVENUE	23,484	20,396	35,729	44,939	47,229	49,725	52,166	54,684	56,476	58,320	60,348	62,299	64,307
3													
10. OTHER - 1													
a. TOTAL ANNUAL KWH SOLD	0	0	0	0	0	0	0	0	0	0	0	0	0
b. AVG. REVENUE PER KWH SOLD	0.0000000	0.0000000	0.0000000	0.0000000	0.0000000	0.0000000	0.0000000	0.0000000	0.0000000	0.0000000	0.0000000	0.0000000	0.0000000
c. FIXED MONTHLY CHARGE PER CONSUMER	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
d. AVG. NUMBER OF CONSUMERS	0	0	0	0	0	0	0	0	0	0	0	0	0
e. ANNUAL REVENUE LESS FLOW THROUGH ADJ.	0	0	0	0	0	0	0	0	0	0	0	0	0
f. FLOW THROUGH ADJUSTMENT REVENUE	0	0	0	0	0	0	0	0	0	0	0	0	0
g. GROSS ANNUAL REVENUE	0	0	0	0	0	0	0	0	0	0	0	0	0
3													

FINANCIAL FORECAST RUS FORM 325F - DETERMINATION OF OPERATING REVENUE

0=>No adj.
1=>Adj.1
2=>Adj. 2
3=>Adj.1+Adj.2
Flow-thru code

	PREVIOUS YEARS					FUTURE YEARS							
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
11. OTHER - 2													
a. TOTAL ANNUAL KWH SOLD	0	0	0	0	0	0	0	0	0	0	0	0	0
b. AVG. REVENUE PER KWH SOLD	0.0000000	0.0000000	0.0000000	0.0000000	0.0000000	0.0000000	0.0000000	0.0000000	0.0000000	0.0000000	0.0000000	0.0000000	0.0000000
c. FIXED MONTHLY CHARGE PER CONSUMER	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
d. AVG. NUMBER OF CONSUMERS	0	0	0	0	0	0	0	0	0	0	0	0	0
e. ANNUAL REVENUE LESS FLOW THROUGH ADJ.	0	0	0	0	0	0	0	0	0	0	0	0	0
f. FLOW THROUGH ADJUSTMENT REVENUE	0	0	0	0	0	0	0	0	0	0	0	0	0
g. GROSS ANNUAL REVENUE	0	0	0	0	0	0	0	0	0	0	0	0	0
3													
12. SECURITY LIGHTS													
a. TOTAL ANNUAL KWH SOLD	0	0	0	0	0	0	0	0	0	0	0	0	0
b. AVG. REVENUE PER KWH SOLD	0.0000000	0.0000000	0.0000000	0.0000000	0.0000000	0.0000000	0.0000000	0.0000000	0.0000000	0.0000000	0.0000000	0.0000000	0.0000000
c. FIXED MONTHLY CHARGE PER CONSUMER	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
d. AVG. NUMBER OF CONSUMERS	0	0	0	0	0	0	0	0	0	0	0	0	0
e. ANNUAL REVENUE LESS FLOW THROUGH ADJ.	0	0	0	0	0	0	0	0	0	0	0	0	0
f. FLOW THROUGH ADJUSTMENT REVENUE	0	0	0	0	0	0	0	0	0	0	0	0	0
g. GROSS ANNUAL REVENUE	0	0	0	0	0	0	0	0	0	0	0	0	0
3													
13. FLOW THROUGH ADJUSTMENTS													
a. KWH SOLD SUBJECT TO ADJUSTMENT - 1	0	0	0	11,232,146	11,667,282	12,165,770	12,618,363	13,079,412	13,538,513	14,063,301	14,597,795	15,141,995	15,695,904
b. FLOW THROUGH ADJUSTMENT - 1 PER KWH	0.0000000	0.0000000	0.0000000	0.1712598	0.1746671	0.1781411	0.1816874	0.1853051	0.1889961	0.1927596	0.1965990	0.2005157	0.2045113
c. REVENUE FROM ADJUSTMENT - 1	0	0	0	1,923,615	2,037,890	2,167,224	2,292,598	2,423,682	2,558,726	2,710,836	2,869,912	3,036,208	3,209,990
d. KWH SOLD SUBJECT TO ADJUSTMENT - 2	0	0	0	0	0	0	0	0	0	0	0	0	0
e. FLOW THROUGH ADJUSTMENT - 2 PER KWH	0.0000000	0.0000000	0.0000000	0.0000000	0.0000000	0.0000000	0.0000000	0.0000000	0.0000000	0.0000000	0.0000000	0.0000000	0.0000000
f. REVENUE FROM ADJUSTMENT - 2	0	0	0	0	0	0	0	0	0	0	0	0	0
g. TOTAL REVENUE FROM ADJUSTMENTS	0	0	0	1,923,615	2,037,890	2,167,224	2,292,598	2,423,682	2,558,726	2,710,836	2,869,912	3,036,208	3,209,990
14. TOTAL REVENUE													
a. TOTAL REV FROM SALE OF ELEC. ENERGY	2,356,210	2,863,912	3,719,876	3,851,794	4,037,242	4,245,901	4,445,060	4,651,467	4,863,620	5,100,837	5,346,546	5,600,867	5,864,003
b. OTHER OPERATING REVENUE	521,424	390,960	424,216	401,394	401,394	401,394	401,394	401,394	401,394	401,394	401,394	401,394	401,394
c. TOTAL OPERATING REVENUE	2,877,633	3,254,872	4,144,092	4,253,188	4,438,636	4,647,295	4,846,454	5,052,861	5,265,014	5,502,231	5,747,940	6,002,261	6,265,397

FINANCIAL FORECAST — RUS ...M 325G - DETERMINATION OF PLANT INVESTMENT & LOAN REQUIREMENTS

	PREVIOUS YEARS			FUTURE YEARS								
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
1. PLANT SUMMARY													
a. TOTAL UTILITY PLANT (FIRST OF YEAR)	5,603,333	6,854,301	6,908,820	6,986,113	7,634,363	8,882,613	8,930,863	9,579,113	9,627,363	9,675,613	9,723,863	9,772,113	9,820,363
b. PLUS: GROSS ADDITIONS AND REPLACEMENTS	1,279,857	54,519	77,926	648,250	1,248,250	48,250	648,250	48,250	48,250	48,250	48,250	48,250	48,250
c. LESS: CONTRIBUTION IN AID OF CONSTRUCTION	0	0	0	0	0	0	0	0	0	0	0	0	0
d. LESS: RETIREMENTS	28,889	0	633	0	0	0	0	0	0	0	0	0	0
e. TOTAL UTILITY PLANT (END OF YEAR)	6,854,301	6,908,820	6,986,113	7,634,363	8,882,613	8,930,863	9,579,113	9,627,363	9,675,613	9,723,863	9,772,113	9,820,363	9,868,613
2. PLANT ADDITIONS & REPLACEMENTS													
Type / Priority													
a. Distribution — Y	1,035,532	49,348	0	0	1,200,000	0	0	0	0	0	0	0	0
b. Subtransmission — Y	0	0	0	0	0	0	0	0	0	0	0	0	0
c. Bulk Transmission — N	0	0	0	0	0	0	0	0	0	0	0	0	0
d. Generation — y	0	0	0	600,000	0	0	600,000	0	0	0	0	0	0
e. Hdq - Warehouse — Y	0	0	0	0	0	0	0	0	0	0	0	0	0
f. Hdq - Office — N	0	0	0	0	0	0	0	0	0	0	0	0	0
g. General Plant — N	0	0	0	0	0	0	0	0	0	0	0	0	0
h. Acquisitions — N	0	0	0	46,250	46,250	46,250	46,250	46,250	46,250	46,250	46,250	46,250	46,250
i. Other — y	244,325	5,171	77,926	0	0	0	0	0	0	0	0	0	0
j. Other — N	0	0	0	0	0	0	0	0	0	0	0	0	0
k. Other — N	0	0	0	0	0	0	0	0	0	0	0	0	0
l. Less Contributions-in-Aid of Construction	0	0	0	0	0	0	0	0	0	0	0	0	0
NET PLANT ADDITIONS	1,279,857	54,519	77,926	648,250	1,248,250	48,250	646,250	46,250	46,250	46,250	46,250	46,250	46,250
3. PRIORITY FINANCING REQUIREMENTS													
SUBTOTAL PRIORITY PLANT ADDITIONS	1,279,857	54,519	77,926	600,000	1,200,000	0	600,000	0	0	0	0	0	0
REIMBURSEMENT OF GENERAL FUNDS				0	0	0	0	0	0	0	0	0	0
EXISTING PRIORITY LOAN FUNDS													
(1) PRIOR RUS LOAN FUNDS APPLIED				0	0	0	0	0	0	0	0	0	0
(2) PRIOR SUPL. LOAN FUNDS APPLIED				0	0	0	0	0	0	0	0	0	0
(3) PRIOR GUARANTEED FUNDS APPLIED				0	0	0	0	0	0	0	0	0	0
GENERAL FUNDS INVESTED													
(1) GEN. FUNDS PLANT INVEST.				0	0	0	0	0	0	0	0	0	0
(2) GEN. FUNDS AVAILABLE TO MEET GOAL				326,552	390,955	542,292	748,891	933,022	1,102,943	1,257,484	1,405,027	1,564,817	1,735,551
(3) BORROW NEW LOAN FUNDS IN ANY YEAR?				y	y	Y	Y	Y	Y	Y	Y	Y	Y
NEW PRIORITY FINANCING REQUIRED				600,000	1,200,000	0	600,000	0	0	0	0	0	0
(1) RUS PORTION — Percentage				0%	100%	100%	0%	0%	0%	0%	0%	0%	0%
Amount				0	1,200,000	0	0	0	0	0	0	0	0
(2) SUPPL. PORTION — Percentage				0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Amount				0	0	0	0	0	0	0	0	0	0
(3) GUARANTEED PORTION — Percentage				100%	0%	0%	100%	100%	100%	100%	100%	100%	100%
Amount				600,000	0	0	600,000	0	0	0	0	0	0
4. NON-PRIORITY FINANCING REQUIRED													
SUBTOTAL NON-PRIORITY PLANT ADDITIONS	0	0	0	48,250	48,250	48,250	48,250	48,250	48,250	48,250	48,250	48,250	48,250
REIMBURSEMENT OF GENERAL FUNDS				0	0	0	0	0	0	0	0	0	0
EXISTING NON-PRIORITY LOAN FUNDS													
(1) PRIOR SUPL. LOAN FUNDS APPLIED				0	0	0	0	0	0	0	0	0	0
(2) PRIOR GUARANTEED FUNDS APPLIED				0	0	0	0	0	0	0	0	0	0
GENERAL FUNDS INVESTED													
NEW NON-PRIORITY FINANCING REQUIRED				48,250	48,250	48,250	48,250	48,250	48,250	48,250	48,250	48,250	48,250
(1) SUPPL. PORTION				0	0	0	0	0	0	0	0	0	0
(2) GUARANTEED PORTION				0	0	0	0	0	0	0	0	0	0
				0	0	0	0	0	0	0	0	0	0
5. PLANT INVESTMENT SUMMARY													
a. TOTAL GENERAL FUNDS REQUIRED				48,250	48,250	48,250	48,250	48,250	48,250	48,250	48,250	48,250	48,250
b. TOTAL RUS LOAN FUNDS REQUIRED				0	1,200,000	0	0	0	0	0	0	0	0
c. TOTAL GUARANTEED FUNDS REQUIRED				600,000	0	0	600,000	0	0	0	0	0	0
d. TOTAL OTHER FUNDS REQUIRED				0	0	0	0	0	0	0	0	0	0
e. TOTAL FUNDING REQUIRED				648,250	1,248,250	48,250	648,250	48,250	48,250	48,250	48,250	48,250	48,250

FINANCIAL ECAST RUS FORM 325H2 - DETERMINATION OF DEBT & DEBT SERVICE - Existing F

			2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
1. Note No.		Fixed or Variable Rate	F									
Date of Note	Aug-00	Effective Interest Rate	5.92%	5.92%	5.92%	5.92%	5.92%	5.92%	5.92%	5.92%	5.92%	5.92%
Original Amount	$936,000	Balance - Beg of Year	854,189	828,451	801,156	772,210	741,514	708,961	674,440	637,831	599,009	557,838
Amortization Period	24	Interest	49,961	48,405	46,754	45,004	43,147	41,179	39,091	36,877	34,529	32,040
Annual Interest Rate	5.92%	Principal	25,738	27,295	28,946	30,696	32,553	34,521	36,609	38,823	41,171	43,660
Payments Per Year	4	Annual Debt Service	75,700	75,700	75,700	75,700	75,700	75,700	75,700	75,700	75,700	75,700
Level Principal	N	Additional Prin Paid	0	0	0	0	0	0	0	0	0	0
Year Repriced		Balance - End of Year	828,451	801,156	772,210	741,514	708,961	674,440	637,831	599,009	557,838	514,178
2. Note No.		Fixed or Variable Rate	F									
Date of Note	Apr-01	Effective Interest Rate	5.62%	5.62%	5.62%	5.62%	5.62%	5.62%	5.62%	5.62%	5.62%	5.62%
Original Amount	$396,963	Balance - Beg of Year	361,044	350,067	338,460	326,187	313,208	299,485	284,974	269,629	253,404	236,247
Amortization Period	23.75	Interest	20,069	19,439	18,772	18,068	17,323	16,535	15,701	14,820	13,889	12,904
Annual Interest Rate	5.62%	Principal	10,977	11,607	12,273	12,978	13,723	14,511	15,344	16,225	17,157	18,142
Payments Per Year	4	Annual Debt Service	31,046	31,046	31,046	31,046	31,046	31,046	31,046	31,046	31,046	31,046
Level Principal	N	Additional Prin Paid	0	0	0	0	0	0	0	0	0	0
Year Repriced		Balance - End of Year	350,067	338,460	326,187	313,208	299,485	284,974	269,629	253,404	236,247	218,105
3. Note No.		Fixed or Variable Rate	F									
Date of Note	Jul-01	Effective Interest Rate	5.65%	5.65%	5.65%	5.65%	5.65%	5.65%	5.65%	5.65%	5.65%	5.65%
Original Amount	$182,000	Balance - Beg of Year	165,564	160,564	155,254	149,638	143,698	137,416	130,770	123,742	116,308	108,444
Amortization Period	23.5	Interest	9,249	8,959	8,653	8,329	7,986	7,623	7,240	6,835	6,406	5,952
Annual Interest Rate	5.65%	Principal	5,020	5,310	5,616	5,940	6,283	6,645	7,029	7,434	7,863	8,317
Payments Per Year	4	Annual Debt Service	14,269	14,269	14,269	14,269	14,269	14,269	14,269	14,269	14,269	14,269
Level Principal	N	Additional Prin Paid	0	0	0	0	0	0	0	0	0	0
Year Repriced		Balance - End of Year	160,564	155,254	149,638	143,698	137,416	130,770	123,742	116,308	108,444	100,128
4. Note No.		Fixed or Variable Rate	F									
Date of Note	Dec-01	Effective Interest Rate	5.45%	5.45%	5.45%	5.45%	5.45%	5.45%	5.45%	5.45%	5.45%	5.45%
Original Amount	$321,000	Balance - Beg of Year	291,359	282,339	272,817	262,766	252,155	240,955	229,132	216,651	203,476	189,568
Amortization Period	23	Interest	15,694	15,192	14,663	14,104	13,514	12,891	12,233	11,539	10,806	10,033
Annual Interest Rate	5.45%	Principal	9,020	9,522	10,051	10,610	11,200	11,823	12,481	13,175	13,908	14,681
Payments Per Year	4	Annual Debt Service	24,714	24,714	24,714	24,714	24,714	24,714	24,714	24,714	24,714	24,714
Level Principal	N	Additional Prin Paid	0	0	0	0	0	0	0	0	0	0
Year Repriced		Balance - End of Year	282,339	272,817	262,766	252,155	240,955	229,132	216,651	203,476	189,568	174,887
5. Note No.		Fixed or Variable Rate	F									
Date of Note	Nov-02	Effective Interest Rate	4.41%	4.41%	4.41%	4.41%	4.41%	4.41%	4.41%	4.41%	4.41%	4.41%
Original Amount	$0	Balance - Beg of Year	543,699	524,965	505,391	484,938	463,569	441,240	417,911	393,535	368,065	341,453
Amortization Period	22	Interest	23,681	22,841	21,963	21,045	20,087	19,085	18,039	16,945	15,803	14,609
Annual Interest Rate	4.41%	Principal	18,734	19,574	20,452	21,370	22,328	23,330	24,376	25,470	26,612	27,806
Payments Per Year	4	Annual Debt Service	42,415	42,415	42,415	42,415	42,415	42,415	42,415	42,415	42,415	42,415
Level Principal	N	Additional Prin Paid	0	0	0	0	0	0	0	0	0	0
Year Repriced		Balance - End of Year	524,965	505,391	484,938	463,569	441,240	417,911	393,535	368,065	341,453	313,647
6. Note No.		Fixed or Variable Rate	F									
Date of Note	Feb-03	Effective Interest Rate	4.39%	4.39%	4.39%	4.39%	4.39%	4.39%	4.39%	4.39%	4.39%	4.39%
Original Amount	$225,000	Balance - Beg of Year	206,996	199,849	192,383	184,584	176,436	167,925	159,033	149,745	140,042	129,906
Amortization Period	21.75	Interest	8,975	8,656	8,322	7,974	7,610	7,230	6,833	6,418	5,985	5,533
Annual Interest Rate	4.39%	Principal	7,147	7,466	7,799	8,148	8,511	8,891	9,288	9,703	10,136	10,589
Payments Per Year	4	Annual Debt Service	16,122	16,122	16,122	16,122	16,122	16,122	16,122	16,122	16,122	16,122
Level Principal	N	Additional Prin Paid	0	0	0	0	0	0	0	0	0	0
Year Repriced		Balance - End of Year	199,849	192,383	184,584	176,436	167,925	159,033	149,745	140,042	129,906	119,317

			2006	2007	2008	2009	2010	2011	2012	2013	20	2015
7. Note No.		Fixed or Variable Rate	F									
Date of Note	Mar-03	Effective Interest Rate	4.44%	4.44%	4.44%	4.44%	4.44%	4.44%	4.44%	4.44%	4.44%	4.44%
Original Amount	$684,000	Balance - Beg of Year	633,969	612,197	589,440	565,656	540,797	514,814	487,657	459,273	429,606	398,598
Amortization Period	21.75	Interest	27,817	26,833	25,804	24,730	23,606	22,432	21,205	19,922	18,581	17,180
Annual Interest Rate	4.44%	Principal	21,772	22,756	23,785	24,859	25,983	27,157	28,384	29,667	31,008	32,409
Payments Per Year	4	Annual Debt Service	49,589	49,589	49,589	49,589	49,589	49,589	49,589	49,589	49,589	49,589
Level Principal	N	Additional Prin Paid	0	0	0	0	0	0	0	0	0	0
Year Repriced		Balance - End of Year	612,197	589,440	565,656	540,797	514,814	487,657	459,273	429,606	398,598	366,189
8. Note No.		Fixed or Variable Rate	F									
Date of Note	Jun-80	Effective Interest Rate	4.44%	4.44%	4.44%	4.44%	4.44%	4.44%	4.44%	4.44%	4.44%	4.44%
Original Amount	$0	Balance - Beg of Year	0	-	-	-	-	-	-	-	-	-
Amortization Period	35	Interest	-	-	-	-	-	-	-	-	-	-
Annual Interest Rate	4.44%	Principal	-	-	-	-	-	-	-	-	-	-
Payments Per Year	12	Annual Debt Service	-	-	-	-	-	-	-	-	-	-
Level Principal	N	Additional Prin Paid	0	0	0	0	0	0	0	0	0	0
Year Repriced		Balance - End of Year	-	-	-	-	-	-	-	-	-	-
9. Note No.		Fixed or Variable Rate	F									
Date of Note	Jun-80	Effective Interest Rate	4.44%	4.44%	4.44%	4.44%	4.44%	4.44%	4.44%	4.44%	4.44%	4.44%
Original Amount	$0	Balance - Beg of Year	0	-	-	-	-	-	-	-	-	-
Amortization Period	35	Interest	-	-	-	-	-	-	-	-	-	-
Annual Interest Rate	4.44%	Principal	-	-	-	-	-	-	-	-	-	-
Payments Per Year	12	Annual Debt Service	-	-	-	-	-	-	-	-	-	-
Level Principal	N	Additional Prin Paid	0	0	0	0	0	0	0	0	0	0
Year Repriced		Balance - End of Year	-	-	-	-	-	-	-	-	-	-
10. Note No.		Fixed or Variable Rate	F									
Date of Note	Jun-80	Effective Interest Rate	4.44%	4.44%	4.44%	4.44%	4.44%	4.44%	4.44%	4.44%	4.44%	4.44%
Original Amount	$0	Balance - Beg of Year	0	-	-	-	-	-	-	-	-	-
Amortization Period	35	Interest	-	-	-	-	-	-	-	-	-	-
Annual Interest Rate	4.44%	Principal	-	-	-	-	-	-	-	-	-	-
Payments Per Year	12	Annual Debt Service	-	-	-	-	-	-	-	-	-	-
Level Principal	N	Additional Prin Paid	0	0	0	0	0	0	0	0	0	0
Year Repriced		Balance - End of Year	-	-	-	-	-	-	-	-	-	-
11. Note No.		Fixed or Variable Rate	F									
Date of Note	Jun-80	Effective Interest Rate	4.44%	4.44%	4.44%	4.44%	4.44%	4.44%	4.44%	4.44%	4.44%	4.44%
Original Amount	$0	Balance - Beg of Year	0	-	-	-	-	-	-	-	-	-
Amortization Period	35	Interest	-	-	-	-	-	-	-	-	-	-
Annual Interest Rate	4.44%	Principal	-	-	-	-	-	-	-	-	-	-
Payments Per Year	12	Annual Debt Service	-	-	-	-	-	-	-	-	-	-
Level Principal	N	Additional Prin Paid	0	0	0	0	0	0	0	0	0	0
Year Repriced		Balance - End of Year	-	-	-	-	-	-	-	-	-	-
12. Note No.		Fixed or Variable Rate	F									
Date of Note	Jun-80	Effective Interest Rate	4.44%	4.44%	4.44%	4.44%	4.44%	4.44%	4.44%	4.44%	4.44%	4.44%
Original Amount	$0	Balance - Beg of Year	0	-	-	-	-	-	-	-	-	-
Amortization Period	35	Interest	-	-	-	-	-	-	-	-	-	-
Annual Interest Rate	4.44%	Principal	-	-	-	-	-	-	-	-	-	-
Payments Per Year	12	Annual Debt Service	-	-	-	-	-	-	-	-	-	-
Level Principal	N	Additional Prin Paid	0	0	0	0	0	0	0	0	0	0
Year Repriced		Balance - End of Year	-	-	-	-	-	-	-	-	-	-
13. Note No.		Fixed or Variable Rate	F									
Date of Note	Jun-80	Effective Interest Rate	4.44%	4.44%	4.44%	4.44%	4.44%	4.44%	4.44%	4.44%	4.44%	4.44%
Original Amount	$0	Balance - Beg of Year	0	-	-	-	-	-	-	-	-	-
Amortization Period	35	Interest	-	-	-	-	-	-	-	-	-	-
Annual Interest Rate	4.44%	Principal	-	-	-	-	-	-	-	-	-	-
Payments Per Year	12	Annual Debt Service	-	-	-	-	-	-	-	-	-	-
Level Principal	N	Additional Prin Paid	0	0	0	0	0	0	0	0	0	0
Year Repriced		Balance - End of Year	-	-	-	-	-	-	-	-	-	-

			2006	2007	2008	2009	2010	2011	2012	2013	20	2015
14. Note No.		Fixed or Variable Rate	F									
Date of Note	Jun-80	Effective Interest Rate	4.44%	4.44%	4.44%	4.44%	4.44%	4.44%	4.44%	4.44%	4.44%	4.44%
Original Amount	$0	Balance - Beg of Year	0	-	-	-	-	-	-	-	-	-
Amortization Period	35	Interest	-	-	-	-	-	-	-	-	-	-
Annual Interest Rate	4.44%	Principal	-	-	-	-	-	-	-	-	-	-
Payments Per Year	12	Annual Debt Service	-	-	-	-	-	-	-	-	-	-
Level Principal	N	Additional Prin Paid	-	-	-	-	-	-	-	-	-	-
Year Repriced		Balance - End of Year	0	0	0	0	0	0	0	0	0	0
			-	-	-	-	-	-	-	-	-	-
15. Note No.		Fixed or Variable Rate	F									
Date of Note	Jun-80	Effective Interest Rate	4.44%	4.44%	4.44%	4.44%	4.44%	4.44%	4.44%	4.44%	4.44%	4.44%
Original Amount	$0	Balance - Beg of Year	0	-	-	-	-	-	-	-	-	-
Amortization Period	35	Interest	-	-	-	-	-	-	-	-	-	-
Annual Interest Rate	4.44%	Principal	-	-	-	-	-	-	-	-	-	-
Payments Per Year	12	Annual Debt Service	-	-	-	-	-	-	-	-	-	-
Level Principal	N	Additional Prin Paid	-	-	-	-	-	-	-	-	-	-
Year Repriced		Balance - End of Year	0	0	0	0	0	0	0	0	0	0
			-	-	-	-	-	-	-	-	-	-
16. Note No.		Fixed or Variable Rate	F									
Date of Note	Jun-80	Effective Interest Rate	4.44%	4.44%	4.44%	4.44%	4.44%	4.44%	4.44%	4.44%	4.44%	4.44%
Original Amount	$0	Balance - Beg of Year	0	-	-	-	-	-	-	-	-	-
Amortization Period	35	Interest	-	-	-	-	-	-	-	-	-	-
Annual Interest Rate	4.44%	Principal	-	-	-	-	-	-	-	-	-	-
Payments Per Year	12	Annual Debt Service	-	-	-	-	-	-	-	-	-	-
Level Principal	N	Additional Prin Paid	-	-	-	-	-	-	-	-	-	-
Year Repriced		Balance - End of Year	0	0	0	0	0	0	0	0	0	0
			-	-	-	-	-	-	-	-	-	-
17. Note No.		Fixed or Variable Rate	F									
Date of Note	Jun-80	Effective Interest Rate	4.44%	4.44%	4.44%	4.44%	4.44%	4.44%	4.44%	4.44%	4.44%	4.44%
Original Amount	$0	Balance - Beg of Year	0	-	-	-	-	-	-	-	-	-
Amortization Period	35	Interest	-	-	-	-	-	-	-	-	-	-
Annual Interest Rate	4.44%	Principal	-	-	-	-	-	-	-	-	-	-
Payments Per Year	12	Annual Debt Service	-	-	-	-	-	-	-	-	-	-
Level Principal	N	Additional Prin Paid	-	-	-	-	-	-	-	-	-	-
Year Repriced		Balance - End of Year	0	0	0	0	0	0	0	0	0	0
			-	-	-	-	-	-	-	-	-	-
18. Note No.		Fixed or Variable Rate	F									
Date of Note	Jun-80	Effective Interest Rate	4.44%	4.44%	4.44%	4.44%	4.44%	4.44%	4.44%	4.44%	4.44%	4.44%
Original Amount	$0	Balance - Beg of Year	0	-	-	-	-	-	-	-	-	-
Amortization Period	35	Interest	-	-	-	-	-	-	-	-	-	-
Annual Interest Rate	4.44%	Principal	-	-	-	-	-	-	-	-	-	-
Payments Per Year	12	Annual Debt Service	-	-	-	-	-	-	-	-	-	-
Level Principal	N	Additional Prin Paid	-	-	-	-	-	-	-	-	-	-
Year Repriced		Balance - End of Year	0	0	0	0	0	0	0	0	0	0
			-	-	-	-	-	-	-	-	-	-
19. Note No.		Fixed or Variable Rate	F									
Date of Note	Jun-80	Effective Interest Rate	4.44%	4.44%	4.44%	4.44%	4.44%	4.44%	4.44%	4.44%	4.44%	4.44%
Original Amount	$0	Balance - Beg of Year	0	-	-	-	-	-	-	-	-	-
Amortization Period	35	Interest	-	-	-	-	-	-	-	-	-	-
Annual Interest Rate	4.44%	Principal	-	-	-	-	-	-	-	-	-	-
Payments Per Year	12	Annual Debt Service	-	-	-	-	-	-	-	-	-	-
Level Principal	N	Additional Prin Paid	-	-	-	-	-	-	-	-	-	-
Year Repriced		Balance - End of Year	0	0	0	0	0	0	0	0	0	0
			-	-	-	-	-	-	-	-	-	-
20. Note No.		Fixed or Variable Rate	F									
Date of Note	Jun-80	Effective Interest Rate	4.44%	4.44%	4.44%	4.44%	4.44%	4.44%	4.44%	4.44%	4.44%	4.44%
Original Amount	$0	Balance - Beg of Year	0	-	-	-	-	-	-	-	-	-
Amortization Period	35	Interest	-	-	-	-	-	-	-	-	-	-
Annual Interest Rate	4.44%	Principal	-	-	-	-	-	-	-	-	-	-
Payments Per Year	12	Annual Debt Service	-	-	-	-	-	-	-	-	-	-
Level Principal	N	Additional Prin Paid	-	-	-	-	-	-	-	-	-	-
Year Repriced		Balance - End of Year	0	0	0	0	0	0	0	0	0	0
			-	-	-	-	-	-	-	-	-	-

Existing RUS Debt (Page 4)

			2006	2007	2008	2009	2010	2011	2012	2013	20	2015
21. Note No.		Fixed or Variable Rate	F									
Date of Note	Jun-80	Effective Interest Rate	4.44%	4.44%	4.44%	4.44%	4.44%	4.44%	4.44%	4.44%	4.44%	4.44%
Original Amount	$0	Balance - Beg of Year	0	-	-	-	-	-	-	-	-	-
Amortization Period	35	Interest	-	-	-	-	-	-	-	-	-	-
Annual Interest Rate	4.44%	Principal	-	-	-	-	-	-	-	-	-	-
Payments Per Year	12	Annual Debt Service	-	-	-	-	-	-	-	-	-	-
Level Principal	N	Additional Prin Paid	0	0	0	0	0	0	0	0	0	0
Year Repriced		Balance - End of Year	-	-	-	-	-	-	-	-	-	-
22. Note No.		Fixed or Variable Rate	F									
Date of Note	Jun-80	Effective Interest Rate	4.44%	4.44%	4.44%	4.44%	4.44%	4.44%	4.44%	4.44%	4.44%	4.44%
Original Amount	$0	Balance - Beg of Year	0	-	-	-	-	-	-	-	-	-
Amortization Period	35	Interest	-	-	-	-	-	-	-	-	-	-
Annual Interest Rate	4.44%	Principal	-	-	-	-	-	-	-	-	-	-
Payments Per Year	12	Annual Debt Service	-	-	-	-	-	-	-	-	-	-
Level Principal	N	Additional Prin Paid	0	0	0	0	0	0	0	0	0	0
Year Repriced		Balance - End of Year	-	-	-	-	-	-	-	-	-	-
23. Note No.		Fixed or Variable Rate	F									
Date of Note	Jun-80	Effective Interest Rate	4.44%	4.44%	4.44%	4.44%	4.44%	4.44%	4.44%	4.44%	4.44%	4.44%
Original Amount	$0	Balance - Beg of Year	0	-	-	-	-	-	-	-	-	-
Amortization Period	35	Interest	-	-	-	-	-	-	-	-	-	-
Annual Interest Rate	4.44%	Principal	-	-	-	-	-	-	-	-	-	-
Payments Per Year	12	Annual Debt Service	-	-	-	-	-	-	-	-	-	-
Level Principal	N	Additional Prin Paid	0	0	0	0	0	0	0	0	0	0
Year Repriced		Balance - End of Year	-	-	-	-	-	-	-	-	-	-
24. Note No.		Fixed or Variable Rate	F									
Date of Note	Jun-80	Effective Interest Rate	4.44%	4.44%	4.44%	4.44%	4.44%	4.44%	4.44%	4.44%	4.44%	4.44%
Original Amount	$0	Balance - Beg of Year	0	-	-	-	-	-	-	-	-	-
Amortization Period	35	Interest	-	-	-	-	-	-	-	-	-	-
Annual Interest Rate	4.44%	Principal	-	-	-	-	-	-	-	-	-	-
Payments Per Year	12	Annual Debt Service	-	-	-	-	-	-	-	-	-	-
Level Principal	N	Additional Prin Paid	0	0	0	0	0	0	0	0	0	0
Year Repriced		Balance - End of Year	-	-	-	-	-	-	-	-	-	-
25. Note No.		Fixed or Variable Rate	F									
Date of Note	Jun-80	Effective Interest Rate	4.44%	4.44%	4.44%	4.44%	4.44%	4.44%	4.44%	4.44%	4.44%	4.44%
Original Amount	$0	Balance - Beg of Year	0	-	-	-	-	-	-	-	-	-
Amortization Period	35	Interest	-	-	-	-	-	-	-	-	-	-
Annual Interest Rate	4.44%	Principal	-	-	-	-	-	-	-	-	-	-
Payments Per Year	12	Annual Debt Service	-	-	-	-	-	-	-	-	-	-
Level Principal	N	Additional Prin Paid	0	0	0	0	0	0	0	0	0	0
Year Repriced		Balance - End of Year	-	-	-	-	-	-	-	-	-	-

TOTAL DEBT FIGURES											
	BALANCE - BEGINNING OF YEAR	3,056,839	2,958,431	2,854,901	2,745,978	2,631,377	2,510,796	2,383,917	2,250,405	2,109,909	1,962,054
	ANNUAL INTEREST EXPENSE	155,445	150,324	144,931	139,252	133,272	126,975	120,342	113,357	106,000	98,250
	ANNUAL PRINCIPAL PAYMENTS	98,409	103,530	108,923	114,601	120,581	126,879	133,511	140,497	147,854	155,604
	ANNUAL DEBT SERVICE	253,854	253,854	253,854	253,854	253,854	253,854	253,854	253,854	253,854	253,854
	ADDITIONAL PRINCIPAL PAID	-	-	-	-	-	-	-	-	-	-
	BALANCE - END OF YEAR	2,958,431	2,854,901	2,745,978	2,631,377	2,510,796	2,383,917	2,250,405	2,109,909	1,962,054	1,806,450

			2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
1. Note No.		Fixed or Variable Rate	F									
Date of Note	Nov-98	Effective Interest Rate	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%
Original Amount	$958,141	Balance - Beg of Year	306,878	182,099	47,298	-	-	-	-	-	-	-
Amortization Period	9.4	Interest	19,413	9,391	3,360	-	-	-	-	-	-	-
Annual Interest Rate	7.75%	Principal	124,779	134,801	47,298	-	-	-	-	-	-	-
Payments Per Year	12	Annual Debt Service	144,192	144,192	50,658	-	-	-	-	-	-	-
Level Principal	N	Additional Prin Paid	0	0	0	0	0	0	0	0	0	0
Year Repriced	1998	Balance - End of Year	182,099	47,298	-	-	-	-	-	-	-	-
2. Note No.		Fixed or Variable Rate	F									
Date of Note	Jun-80	Effective Interest Rate	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%
Original Amount	$0	Balance - Beg of Year	0	-	-	-	-	-	-	-	-	-
Amortization Period	35	Interest	-	-	-	-	-	-	-	-	-	-
Annual Interest Rate	7.75%	Principal	-	-	-	-	-	-	-	-	-	-
Payments Per Year	4	Annual Debt Service	-	-	-	-	-	-	-	-	-	-
Level Principal	N	Additional Prin Paid	0	0	0	0	0	0	0	0	0	0
Year Repriced	2005	Balance - End of Year	-	-	-	-	-	-	-	-	-	-
3. Note No.		Fixed or Variable Rate	F									
Date of Note	Jun-80	Effective Interest Rate	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%
Original Amount	$0	Balance - Beg of Year	0	-	-	-	-	-	-	-	-	-
Amortization Period	35	Interest	-	-	-	-	-	-	-	-	-	-
Annual Interest Rate	7.75%	Principal	-	-	-	-	-	-	-	-	-	-
Payments Per Year	4	Annual Debt Service	-	-	-	-	-	-	-	-	-	-
Level Principal	N	Additional Prin Paid	0	0	0	0	0	0	0	0	0	0
Year Repriced	2005	Balance - End of Year	-	-	-	-	-	-	-	-	-	-
4. Note No.		Fixed or Variable Rate	F									
Date of Note	Jun-80	Effective Interest Rate	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%
Original Amount	$0	Balance - Beg of Year	0	-	-	-	-	-	-	-	-	-
Amortization Period	35	Interest	-	-	-	-	-	-	-	-	-	-
Annual Interest Rate	7.75%	Principal	-	-	-	-	-	-	-	-	-	-
Payments Per Year	4	Annual Debt Service	-	-	-	-	-	-	-	-	-	-
Level Principal	N	Additional Prin Paid	0	0	0	0	0	0	0	0	0	0
Year Repriced	2005	Balance - End of Year	-	-	-	-	-	-	-	-	-	-
5. Note No.		Fixed or Variable Rate	F									
Date of Note	Jun-80	Effective Interest Rate	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%
Original Amount	$0	Balance - Beg of Year	0	-	-	-	-	-	-	-	-	-
Amortization Period	35	Interest	-	-	-	-	-	-	-	-	-	-
Annual Interest Rate	7.75%	Principal	-	-	-	-	-	-	-	-	-	-
Payments Per Year	4	Annual Debt Service	-	-	-	-	-	-	-	-	-	-
Level Principal	N	Additional Prin Paid	0	0	0	0	0	0	0	0	0	0
Year Repriced	2005	Balance - End of Year	-	-	-	-	-	-	-	-	-	-
6. Note No.		Fixed or Variable Rate	F									
Date of Note	Jun-80	Effective Interest Rate	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%
Original Amount	$0	Balance - Beg of Year	0	-	-	-	-	-	-	-	-	-
Amortization Period	35	Interest	-	-	-	-	-	-	-	-	-	-
Annual Interest Rate	7.75%	Principal	-	-	-	-	-	-	-	-	-	-
Payments Per Year	4	Annual Debt Service	-	-	-	-	-	-	-	-	-	-
Level Principal	N	Additional Prin Paid	0	0	0	0	0	0	0	0	0	0
Year Repriced	2005	Balance - End of Year	-	-	-	-	-	-	-	-	-	-

Existing Other Debt (Page 2)

			2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
7. Note No.		Fixed or Variable Rate	F									
Date of Note	Jun-80	Effective Interest Rate	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%
Original Amount	$0	Balance - Beg of Year	0	-	-	-	-	-	-	-	-	-
Amortization Period	35	Interest	-	-	-	-	-	-	-	-	-	-
Annual Interest Rate	7.75%	Principal	-	-	-	-	-	-	-	-	-	-
Payments Per Year	4	Annual Debt Service	-	-	-	-	-	-	-	-	-	-
Level Principal	N	Additional Prin Paid	-	-	-	-	-	-	-	-	-	-
Year Repriced	2005	Balance - End of Year	0	0	0	0	0	0	0	0	0	0
			-	-	-	-	-	-	-	-	-	-
8. Note No.		Fixed or Variable Rate	F									
Date of Note	Jun-80	Effective Interest Rate	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%
Original Amount	$0	Balance - Beg of Year	0	-	-	-	-	-	-	-	-	-
Amortization Period	35	Interest	-	-	-	-	-	-	-	-	-	-
Annual Interest Rate	7.75%	Principal	-	-	-	-	-	-	-	-	-	-
Payments Per Year	4	Annual Debt Service	-	-	-	-	-	-	-	-	-	-
Level Principal	N	Additional Prin Paid	-	-	-	-	-	-	-	-	-	-
Year Repriced	2005	Balance - End of Year	0	0	0	0	0	0	0	0	0	0
			-	-	-	-	-	-	-	-	-	-
9. Note No		Fixed or Variable Rate	F									
Date of Note	Jun-80	Effective Interest Rate	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%
Original Amount	$0	Balance - Beg of Year	0	-	-	-	-	-	-	-	-	-
Amortization Period	35	Interest	-	-	-	-	-	-	-	-	-	-
Annual Interest Rate	7.75%	Principal	-	-	-	-	-	-	-	-	-	-
Payments Per Year	4	Annual Debt Service	-	-	-	-	-	-	-	-	-	-
Level Principal	N	Additional Prin Paid	-	-	-	-	-	-	-	-	-	-
Year Repriced	2005	Balance - End of Year	0	0	0	0	0	0	0	0	0	0
			-	-	-	-	-	-	-	-	-	-
10. Note No.		Fixed or Variable Rate	F									
Date of Note	Jun-80	Effective Interest Rate	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%
Original Amount	$0	Balance - Beg of Year	0	-	-	-	-	-	-	-	-	-
Amortization Period	35	Interest	-	-	-	-	-	-	-	-	-	-
Annual Interest Rate	7.75%	Principal	-	-	-	-	-	-	-	-	-	-
Payments Per Year	4	Annual Debt Service	-	-	-	-	-	-	-	-	-	-
Level Principal	N	Additional Prin Paid	-	-	-	-	-	-	-	-	-	-
Year Repriced	2005	Balance - End of Year	0	0	0	0	0	0	0	0	0	0
			-	-	-	-	-	-	-	-	-	-
11. Note No.		Fixed or Variable Rate	F									
Date of Note	Jun-80	Effective Interest Rate	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%
Original Amount	$0	Balance - Beg of Year	0	-	-	-	-	-	-	-	-	-
Amortization Period	35	Interest	-	-	-	-	-	-	-	-	-	-
Annual Interest Rate	7.75%	Principal	-	-	-	-	-	-	-	-	-	-
Payments Per Year	4	Annual Debt Service	-	-	-	-	-	-	-	-	-	-
Level Principal	N	Additional Prin Paid	-	-	-	-	-	-	-	-	-	-
Year Repriced	2005	Balance - End of Year	0	0	0	0	0	0	0	0	0	0
			-	-	-	-	-	-	-	-	-	-
12. Note No.		Fixed or Variable Rate	F									
Date of Note	Jun-80	Effective Interest Rate	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%
Original Amount	$0	Balance - Beg of Year	0	-	-	-	-	-	-	-	-	-
Amortization Period	35	Interest	-	-	-	-	-	-	-	-	-	-
Annual Interest Rate	7.75%	Principal	-	-	-	-	-	-	-	-	-	-
Payments Per Year	4	Annual Debt Service	-	-	-	-	-	-	-	-	-	-
Level Principal	N	Additional Prin Paid	-	-	-	-	-	-	-	-	-	-
Year Repriced	2005	Balance - End of Year	0	0	0	0	0	0	0	0	0	0
			-	-	-	-	-	-	-	-	-	-
13. Note No.		Fixed or Variable Rate	F									
Date of Note	Jun-80	Effective Interest Rate	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%
Original Amount	$0	Balance - Beg of Year	0	-	-	-	-	-	-	-	-	-
Amortization Period	35	Interest	-	-	-	-	-	-	-	-	-	-
Annual Interest Rate	7.75%	Principal	-	-	-	-	-	-	-	-	-	-
Payments Per Year	4	Annual Debt Service	-	-	-	-	-	-	-	-	-	-
Level Principal	N	Additional Prin Paid	-	-	-	-	-	-	-	-	-	-
Year Repriced	2005	Balance - End of Year	0	0	0	0	0	0	0	0	0	0
			-	-	-	-	-	-	-	-	-	-

Existing Other Debt (Page 3)

			2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
14. Note No.		Fixed or Variable Rate	F									
Date of Note	Jun-80	Effective Interest Rate	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%
Original Amount	$0	Balance - Beg of Year	0	-	-	-	-	-	-	-	-	-
Amortization Period	35	Interest	-	-	-	-	-	-	-	-	-	-
Annual Interest Rate	7.75%	Principal	-	-	-	-	-	-	-	-	-	-
Payments Per Year	4	Annual Debt Service	-	-	-	-	-	-	-	-	-	-
Level Principal	N	Additional Prin Paid	-	-	-	-	-	-	-	-	-	-
Year Repriced	2005	Balance - End of Year	0	0	0	0	0	0	0	0	0	0
			-	-	-	-	-	-	-	-	-	-
15. Note No.		Fixed or Variable Rate	F									
Date of Note	Jun-80	Effective Interest Rate	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%
Original Amount	$0	Balance - Beg of Year	0	-	-	-	-	-	-	-	-	-
Amortization Period	35	Interest	-	-	-	-	-	-	-	-	-	-
Annual Interest Rate	7.75%	Principal	-	-	-	-	-	-	-	-	-	-
Payments Per Year	4	Annual Debt Service	-	-	-	-	-	-	-	-	-	-
Level Principal	N	Additional Prin Paid	-	-	-	-	-	-	-	-	-	-
Year Repriced	2005	Balance - End of Year	0	0	0	0	0	0	0	0	0	0
			-	-	-	-	-	-	-	-	-	-
16. Note No.		Fixed or Variable Rate	F									
Date of Note	Jun-80	Effective Interest Rate	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%
Original Amount	$0	Balance - Beg of Year	0	-	-	-	-	-	-	-	-	-
Amortization Period	35	Interest	-	-	-	-	-	-	-	-	-	-
Annual Interest Rate	7.75%	Principal	-	-	-	-	-	-	-	-	-	-
Payments Per Year	4	Annual Debt Service	-	-	-	-	-	-	-	-	-	-
Level Principal	N	Additional Prin Paid	-	-	-	-	-	-	-	-	-	-
Year Repriced	2005	Balance - End of Year	0	0	0	0	0	0	0	0	0	0
			-	-	-	-	-	-	-	-	-	-
17. Note No.		Fixed or Variable Rate	F									
Date of Note	Jun-80	Effective Interest Rate	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%
Original Amount	$0	Balance - Beg of Year	0	-	-	-	-	-	-	-	-	-
Amortization Period	35	Interest	-	-	-	-	-	-	-	-	-	-
Annual Interest Rate	7.75%	Principal	-	-	-	-	-	-	-	-	-	-
Payments Per Year	4	Annual Debt Service	-	-	-	-	-	-	-	-	-	-
Level Principal	N	Additional Prin Paid	-	-	-	-	-	-	-	-	-	-
Year Repriced	2005	Balance - End of Year	0	0	0	0	0	0	0	0	0	0
			-	-	-	-	-	-	-	-	-	-
18. Note No.		Fixed or Variable Rate	F									
Date of Note	Jun-80	Effective Interest Rate	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%
Original Amount	$0	Balance - Beg of Year	0	-	-	-	-	-	-	-	-	-
Amortization Period	35	Interest	-	-	-	-	-	-	-	-	-	-
Annual Interest Rate	7.75%	Principal	-	-	-	-	-	-	-	-	-	-
Payments Per Year	4	Annual Debt Service	-	-	-	-	-	-	-	-	-	-
Level Principal	N	Additional Prin Paid	-	-	-	-	-	-	-	-	-	-
Year Repriced	2005	Balance - End of Year	0	0	0	0	0	0	0	0	0	0
			-	-	-	-	-	-	-	-	-	-
19. Note No.		Fixed or Variable Rate	F									
Date of Note	Jun-80	Effective Interest Rate	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%
Original Amount	$0	Balance - Beg of Year	0	-	-	-	-	-	-	-	-	-
Amortization Period	35	Interest	-	-	-	-	-	-	-	-	-	-
Annual Interest Rate	7.75%	Principal	-	-	-	-	-	-	-	-	-	-
Payments Per Year	4	Annual Debt Service	-	-	-	-	-	-	-	-	-	-
Level Principal	N	Additional Prin Paid	-	-	-	-	-	-	-	-	-	-
Year Repriced	2005	Balance - End of Year	0	0	0	0	0	0	0	0	0	0
			-	-	-	-	-	-	-	-	-	-
20. Note No.		Fixed or Variable Rate	F									
Date of Note	Jun-80	Effective Interest Rate	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%
Original Amount	$0	Balance - Beg of Year	0	-	-	-	-	-	-	-	-	-
Amortization Period	35	Interest	-	-	-	-	-	-	-	-	-	-
Annual Interest Rate	7.75%	Principal	-	-	-	-	-	-	-	-	-	-
Payments Per Year	4	Annual Debt Service	-	-	-	-	-	-	-	-	-	-
Level Principal	N	Additional Prin Paid	-	-	-	-	-	-	-	-	-	-
Year Repriced	2005	Balance - End of Year	0	0	0	0	0	0	0	0	0	0
			-	-	-	-	-	-	-	-	-	-

Existing Other Debt (Page 4)

			2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
21. Note No.		Fixed or Variable Rate	F									
Date of Note	Jun-80	Effective Interest Rate	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%
Original Amount	$0	Balance - Beg of Year	0	-	-	-	-	-	-	-	-	-
Amortization Period	35	Interest	-	-	-	-	-	-	-	-	-	-
Annual Interest Rate	7.75%	Principal	-	-	-	-	-	-	-	-	-	-
Payments Per Year	4	Annual Debt Service	-	-	-	-	-	-	-	-	-	-
Level Principal	N	Additional Prin Paid	-	-	-	-	-	-	-	-	-	-
Year Repriced	2005	Balance - End of Year	0	0	0	0	0	0	0	0	0	0
			-	-	-	-	-	-	-	-	-	-
22. Note No.		Fixed or Variable Rate	F									
Date of Note	Jun-80	Effective Interest Rate	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%
Original Amount	$0	Balance - Beg of Year	0	-	-	-	-	-	-	-	-	-
Amortization Period	35	Interest	-	-	-	-	-	-	-	-	-	-
Annual Interest Rate	7.75%	Principal	-	-	-	-	-	-	-	-	-	-
Payments Per Year	4	Annual Debt Service	-	-	-	-	-	-	-	-	-	-
Level Principal	N	Additional Prin Paid	-	-	-	-	-	-	-	-	-	-
Year Repriced	2005	Balance - End of Year	0	0	0	0	0	0	0	0	0	0
			-	-	-	-	-	-	-	-	-	-
23. Note No.		Fixed or Variable Rate	F									
Date of Note	Jun-80	Effective Interest Rate	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%
Original Amount	$0	Balance - Beg of Year	0	-	-	-	-	-	-	-	-	-
Amortization Period	35	Interest	-	-	-	-	-	-	-	-	-	-
Annual Interest Rate	7.75%	Principal	-	-	-	-	-	-	-	-	-	-
Payments Per Year	4	Annual Debt Service	-	-	-	-	-	-	-	-	-	-
Level Principal	N	Additional Prin Paid	-	-	-	-	-	-	-	-	-	-
Year Repriced	2005	Balance - End of Year	0	0	0	0	0	0	0	0	0	0
			-	-	-	-	-	-	-	-	-	-
24. Note No.		Fixed or Variable Rate	F									
Date of Note	Jun-80	Effective Interest Rate	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%
Original Amount	$0	Balance - Beg of Year	0	-	-	-	-	-	-	-	-	-
Amortization Period	35	Interest	-	-	-	-	-	-	-	-	-	-
Annual Interest Rate	7.75%	Principal	-	-	-	-	-	-	-	-	-	-
Payments Per Year	4	Annual Debt Service	-	-	-	-	-	-	-	-	-	-
Level Principal	N	Additional Prin Paid	-	-	-	-	-	-	-	-	-	-
Year Repriced	2005	Balance - End of Year	0	0	0	0	0	0	0	0	0	0
			-	-	-	-	-	-	-	-	-	-
25. Note No.		Fixed or Variable Rate	F									
Date of Note	Jun-80	Effective Interest Rate	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%
Original Amount	$0	Balance - Beg of Year	0	-	-	-	-	-	-	-	-	-
Amortization Period	35	Interest	-	-	-	-	-	-	-	-	-	-
Annual Interest Rate	7.75%	Principal	-	-	-	-	-	-	-	-	-	-
Payments Per Year	4	Annual Debt Service	-	-	-	-	-	-	-	-	-	-
Level Principal	N	Additional Prin Paid	-	-	-	-	-	-	-	-	-	-
Year Repriced	2005	Balance - End of Year	0	0	0	0	0	0	0	0	0	0
			-	-	-	-	-	-	-	-	-	-

TOTAL DEBT FIGURES	BALANCE - BEGINNING OF YEAR		306,878	182,099	47,298	-	-	-	-	-	-	-
	ANNUAL INTEREST EXPENSE		19,413	9,391	3,360	-	-	-	-	-	-	-
	ANNUAL PRINCIPAL PAYMENTS		124,779	134,801	47,298	-	-	-	-	-	-	-
	ANNUAL DEBT SERVICE		144,192	144,192	50,658	-	-	-	-	-	-	-
	ADDITIONAL PRINCIPAL PAID		-	-	-	-	-	-	-	-	-	-
	BALANCE - END OF YEAR		182,099	47,298	-	-	-	-	-	-	-	-

FINANCIAL FORECAST

RUS FORM 325H4 - DETERMINATION OF DEBT & DEBT SERVICE - NEW RUS LOANS

			2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
New RUS Note #1												
Date of Note	7/1/2006	Effective Interest Rate	5.51%	5.51%	5.51%	5.51%	5.51%	5.51%	5.51%	5.51%	5.51%	5.51%
Original Amount	$ -	Balance - Beg of Year	-	-	-	-	-	-	-	-	-	-
Amortization Period	25	Interest	-	-	-	-	-	-	-	-	-	-
Annual Interest Rate	5.51%	Principal	-	-	-	-	-	-	-	-	-	-
Payments Per Year	12	Annual Debt Service	-	-	-	-	-	-	-	-	-	-
Principal Deferment	Y	Additional Prin Paid	-	-	-	-	-	-	-	-	-	-
Level Principal	N	Balance - End of Year	0	0	0	0	0	0	0	0	0	0
Year Repriced	0		-	-	-	-	-	-	-	-	-	-
New RUS Note #2												
Date of Note	7/1/2007	Effective Interest Rate		5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%
Original Amount	$ 1,200,000	Balance - Beg of Year		-	1,200,000	1,200,000	1,192,983	1,177,955	1,162,157	1,145,552	1,128,097	1,109,748
Amortization Period	35	Interest		30,000	60,000	59,927	59,308	58,539	57,731	56,881	55,988	55,049
Annual Interest Rate	5.00%	Principal		-	-	7,017	15,028	15,797	16,606	17,455	18,348	19,287
Payments Per Year	12	Annual Debt Service		30,000	60,000	66,944	74,336	74,336	74,336	74,336	74,336	74,336
Principal Deferment	Y	Additional Prin Paid		0	0	0	0	0	0	0	0	0
Level Principal	N	Balance - End of Year		1,200,000	1,200,000	1,192,983	1,177,955	1,162,157	1,145,552	1,128,097	1,109,748	1,090,461
Year Repriced	0											
New RUS Note #3												
Date of Note	7/1/2008	Effective Interest Rate			5.51%	5.51%	5.51%	5.51%	5.51%	5.51%	5.51%	5.51%
Original Amount	$ -	Balance - Beg of Year			-	-	-	-	-	-	-	-
Amortization Period	25	Interest			-	-	-	-	-	-	-	-
Annual Interest Rate	5.51%	Principal			-	-	-	-	-	-	-	-
Payments Per Year	12	Annual Debt Service			-	-	-	-	-	-	-	-
Principal Deferment	Y	Additional Prin Paid			-	-	-	-	-	-	-	-
Level Principal	N	Balance - End of Year			0	0	0	0	0	0	0	0
Year Repriced	0				-	-	-	-	-	-	-	-
New RUS Note #4												
Date of Note	7/1/2009	Effective Interest Rate				5.51%	5.51%	5.51%	5.51%	5.51%	5.51%	5.51%
Original Amount	$ -	Balance - Beg of Year				-	-	-	-	-	-	-
Amortization Period	25	Interest				-	-	-	-	-	-	-
Annual Interest Rate	5.51%	Principal				-	-	-	-	-	-	-
Payments Per Year	12	Annual Debt Service				-	-	-	-	-	-	-
Principal Deferment	Y	Additional Prin Paid				-	-	-	-	-	-	-
Level Principal	N	Balance - End of Year				0	0	0	0	0	0	0
Year Repriced	0					-	-	-	-	-	-	-
New RUS Note #5												
Date of Note	7/1/2010	Effective Interest Rate					5.51%	5.51%	5.51%	5.51%	5.51%	5.51%
Original Amount	$ -	Balance - Beg of Year					-	-	-	-	-	-
Amortization Period	35	Interest					-	-	-	-	-	-
Annual Interest Rate	5.51%	Principal					-	-	-	-	-	-
Payments Per Year	12	Annual Debt Service					-	-	-	-	-	-
Principal Deferment	Y	Additional Prin Paid					-	-	-	-	-	-
Level Principal	N	Balance - End of Year					0	0	0	0	0	0
Year Repriced	0						-	-	-	-	-	-

New RUS Debt (Page 2)

		2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
New RUS Note #6											
Date of Note	7/1/2011 Effective Interest Rate						5.51%	5.51%	5.51%	5.51%	5.51%
Original Amount	$ - Balance - Beg of Year						-	-	-	-	-
Amortization Period	35 Interest						-	-	-	-	-
Annual Interest Rate	5.51% Principal						-	-	-	-	-
Payments Per Year	12 Annual Debt Service						-	-	-	-	-
Principal Deferment	Y Additional Prin Paid						-	-	-	-	-
Level Principal	N Balance - End of Year						0	0	0	0	0
Year Repriced	0						-	-	-	-	-
New RUS Note #7											
Date of Note	7/1/2012 Effective Interest Rate							5.51%	5.51%	5.51%	5.51%
Original Amount	$ - Balance - Beg of Year							-	-	-	-
Amortization Period	35 Interest							-	-	-	-
Annual Interest Rate	5.51% Principal							-	-	-	-
Payments Per Year	12 Annual Debt Service							-	-	-	-
Principal Deferment	Y Additional Prin Paid							-	-	-	-
Level Principal	N Balance - End of Year							0	0	0	0
Year Repriced	0							-	-	-	-
New RUS Note #8											
Date of Note	7/1/2013 Effective Interest Rate								5.51%	5.51%	5.51%
Original Amount	$ - Balance - Beg of Year								-	-	-
Amortization Period	35 Interest								-	-	-
Annual Interest Rate	5.51% Principal								-	-	-
Payments Per Year	12 Annual Debt Service								-	-	-
Principal Deferment	Y Additional Prin Paid								-	-	-
Level Principal	N Balance - End of Year								0	0	0
Year Repriced	0								-	-	-
New RUS Note #9											
Date of Note	7/1/2014 Effective Interest Rate									5.51%	5.51%
Original Amount	$ - Balance - Beg of Year									-	-
Amortization Period	35 Interest									-	-
Annual Interest Rate	5.51% Principal									-	-
Payments Per Year	12 Annual Debt Service									-	-
Principal Deferment	Y Additional Prin Paid									-	-
Level Principal	N Balance - End of Year									0	0
Year Repriced	0									-	-
New RUS Note #10											
Date of Note	7/1/2015 Effective Interest Rate										5.51%
Original Amount	$ - Balance - Beg of Year										-
Amortization Period	35 Interest										-
Annual Interest Rate	5.51% Principal										-
Payments Per Year	12 Annual Debt Service										-
Principal Deferment	Y Additional Prin Paid										-
Level Principal	N Balance - End of Year										0
Year Repriced	0										-
NEW DEBT & DEBT SERVICE - RUS											
a. DEBT FIRST OF YEAR		-	-	1,200,000	1,200,000	1,192,983	1,177,955	1,162,157	1,145,552	1,128,097	1,109,746
b. LOAN FUNDS ADVANCED		-	1,200,000	-	-	-	-	-	-	-	-
c. INTEREST		-	30,000	60,000	59,927	59,308	58,530	57,731	56,881	55,988	55,049
d. PRINCIPAL PAYMENTS		-	-	-	7,017	15,028	15,707	16,606	17,455	18,348	19,287
e. DEBT PAYMENTS		-	30,000	60,000	66,944	74,336	74,336	74,336	74,336	74,336	74,336
f. ADDITIONAL PRINCIPAL PAID		-	-	-	-	-	-	-	-	-	-
g. DEBT END OF YEAR		-	1,200,000	1,200,000	1,192,983	1,177,955	1,162,157	1,145,552	1,128,097	1,109,746	1,090,461

FINANCIAL FORECAST

RUS FORM 325H4 - DETERMINATION OF DEBT & DEBT SERVICE - NEW GUARANTEED LOANS

			2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
New Guaranteed Note #1												
Date of Note	7/1/2006	Effective Interest Rate	5.51%	5.51%	5.51%	5.51%	5.51%	5.51%	5.51%	5.51%	5.51%	5.51%
Original Amount	$ 600,000	Balance - Beg of Year	-	600,000	600,000	593,665	579,943	565,446	550,129	533,947	516,850	498,787
Amortization Period	25	Interest	16,530	33,060	32,988	32,368	31,592	30,773	29,907	28,993	28,027	27,006
Annual Interest Rate	5.51%	Principal	-	-	6,335	13,722	14,498	15,317	16,182	17,097	18,063	19,084
Payments Per Year	12	Annual Debt Service	16,530	33,060	39,322	46,090	46,090	46,090	46,090	46,090	46,090	46,090
Principal Deferment	Y	Additional Prin Paid	0	0	0	0	0	0	0	0	0	0
Level Principal	N	Balance - End of Year	600,000	600,000	593,665	579,943	565,446	550,129	533,947	516,850	498,787	479,703
Year Repriced	0											
New Guaranteed Note #2												
Date of Note	7/1/2007	Effective Interest Rate		5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%
Original Amount	$ -	Balance - Beg of Year		-	-	-	-	-	-	-	-	-
Amortization Period	35	Interest		-	-	-	-	-	-	-	-	-
Annual Interest Rate	5.00%	Principal		-	-	-	-	-	-	-	-	-
Payments Per Year	12	Annual Debt Service		-	-	-	-	-	-	-	-	-
Principal Deferment	Y	Additional Prin Paid		0	0	0	0	0	0	0	0	0
Level Principal	N	Balance - End of Year		-	-	-	-	-	-	-	-	-
Year Repriced	0											
New Guaranteed Note #3												
Date of Note	7/1/2008	Effective Interest Rate			5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%
Original Amount	$ -	Balance - Beg of Year			-	-	-	-	-	-	-	-
Amortization Period	35	Interest			-	-	-	-	-	-	-	-
Annual Interest Rate	5.00%	Principal			-	-	-	-	-	-	-	-
Payments Per Year	12	Annual Debt Service			-	-	-	-	-	-	-	-
Principal Deferment	Y	Additional Prin Paid			-	-	-	-	-	-	-	-
Level Principal	N	Balance - End of Year			0	0	0	0	0	0	0	0
Year Repriced	0				-	-	-	-	-	-	-	-
New Guaranteed Note #4												
Date of Note	7/1/2009	Effective Interest Rate				5.51%	5.51%	5.51%	5.51%	5.51%	5.51%	5.51%
Original Amount	$ 600,000	Balance - Beg of Year				-	600,000	600,000	593,665	579,943	565,446	550,129
Amortization Period	25	Interest				16,530	33,060	32,988	32,368	31,592	30,773	29,907
Annual Interest Rate	5.51%	Principal				-	-	6,335	13,722	14,498	15,317	16,182
Payments Per Year	12	Annual Debt Service				16,530	33,060	39,322	46,090	46,090	46,090	46,090
Principal Deferment	Y	Additional Prin Paid				0	0	0	0	0	0	0
Level Principal	N	Balance - End of Year				600,000	600,000	593,665	579,943	565,446	550,129	533,947
Year Repriced	0											
New Guaranteed Note #5												
Date of Note	7/1/2010	Effective Interest Rate					5.00%	5.00%	5.00%	5.00%	5.00%	5.00%
Original Amount	$ -	Balance - Beg of Year					-	-	-	-	-	-
Amortization Period	35	Interest					-	-	-	-	-	-
Annual Interest Rate	5.00%	Principal					-	-	-	-	-	-
Payments Per Year	12	Annual Debt Service					-	-	-	-	-	-
Principal Deferment	Y	Additional Prin Paid					-	-	-	-	-	-
Level Principal	N	Balance - End of Year					0	0	0	0	0	0
Year Repriced	0						-	-	-	-	-	-

New Guaranteed Loans (Page 2)

			2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
New Guaranteed Note #6												
Date of Note	7/1/2011	Effective Interest Rate						5.00%	5.00%	5.00%	5.00%	5.00%
Original Amount	$ -	Balance - Beg of Year						-	-	-	-	-
Amortization Period	35	Interest						-	-	-	-	-
Annual Interest Rate	5.00%	Principal						-	-	-	-	-
Payments Per Year	12	Annual Debt Service						-	-	-	-	-
Principal Deferment	Y	Additional Prin Paid						-	-	-	-	-
Level Principal	N	Balance - End of Year						0	0	0	0	0
Year Repriced	0							-	-	-	-	-
New Guaranteed Note #7												
Date of Note	7/1/2012	Effective Interest Rate							5.00%	5.00%	5.00%	5.00%
Original Amount	$ -	Balance - Beg of Year							-	-	-	-
Amortization Period	35	Interest							-	-	-	-
Annual Interest Rate	5.00%	Principal							-	-	-	-
Payments Per Year	12	Annual Debt Service							-	-	-	-
Principal Deferment	Y	Additional Prin Paid							-	-	-	-
Level Principal	N	Balance - End of Year							0	0	0	0
Year Repriced	0								-	-	-	-
New Guaranteed Note #8												
Date of Note	7/1/2013	Effective Interest Rate								5.00%	5.00%	5.00%
Original Amount	$ -	Balance - Beg of Year								-	-	-
Amortization Period	35	Interest								-	-	-
Annual Interest Rate	5.00%	Principal								-	-	-
Payments Per Year	12	Annual Debt Service								-	-	-
Principal Deferment	Y	Additional Prin Paid								-	-	-
Level Principal	N	Balance - End of Year								0	0	0
Year Repriced	0									-	-	-
New Guaranteed Note #9												
Date of Note	7/1/2014	Effective Interest Rate									5.00%	5.00%
Original Amount	$ -	Balance - Beg of Year									-	-
Amortization Period	35	Interest									-	-
Annual Interest Rate	5.00%	Principal									-	-
Payments Per Year	12	Annual Debt Service									-	-
Principal Deferment	Y	Additional Prin Paid									-	-
Level Principal	N	Balance - End of Year									0	0
Year Repriced	0										-	-
New Guaranteed Note #10												
Date of Note	7/1/2015	Effective Interest Rate										5.00%
Original Amount	$ -	Balance - Beg of Year										-
Amortization Period	35	Interest										-
Annual Interest Rate	5.00%	Principal										-
Payments Per Year	12	Annual Debt Service										-
Principal Deferment	Y	Additional Prin Paid										-
Level Principal	N	Balance - End of Year										0
Year Repriced	0											-

NEW DEBT & DEBT SERVICE - GUARANTEED										
a. DEBT FIRST OF YEAR	-	600,000	600,000	593,665	1,179,943	1,165,446	1,143,795	1,113,890	1,082,296	1,048,916
b. LOAN FUNDS ADVANCED	600,000	-	-	600,000	-	-	-	-	-	-
c. INTEREST	16,530	33,060	32,988	48,898	64,652	63,701	62,275	60,585	58,800	56,913
d. PRINCIPAL PAYMENTS	-	-	6,335	13,722	14,498	21,651	29,904	31,594	33,380	35,266
e. DEBT PAYMENTS	16,530	33,060	39,322	62,620	79,150	85,412	92,180	92,180	92,180	92,180
f. ADDITIONAL PRINCIPAL PAYMENTS	-	-	-	-	-	-	-	-	-	-
g. DEBT END OF YEAR	600,000	600,000	593,665	1,179,943	1,165,446	1,143,795	1,113,890	1,082,296	1,048,916	1,013,649

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
1. DEBT & DEBT SERVICE - 2% & 5% LOANS										
a. DEBT FIRST OF YEAR	0	0	0	0	0	0	0	0	0	0
b. LOAN FUNDS ADVANCED	0	0	0	0	0	0	0	0	0	0
c. INTEREST	0	0	0	0	0	0	0	0	0	0
d. DEBT PAYMENTS	0	0	0	0	0	0	0	0	0	0
e. ADDITIONAL PRINCIPAL PAID	0	0	0	0	0	0	0	0	0	0
f. DEBT END OF YEAR	0	0	0	0	0	0	0	0	0	0
2. DEBT & DEBT SERVICE - OLD RUS										
a. DEBT FIRST OF YEAR	3,058,839	2,958,431	2,854,901	2,745,978	2,631,377	2,510,796	2,383,917	2,250,405	2,109,909	1,962,054
b. LOAN FUNDS ADVANCED	0	0	0	0	0	0	0	0	0	0
c. INTEREST	155,445	150,324	144,931	139,252	133,272	126,975	120,342	113,357	106,000	98,250
d. DEBT PAYMENTS	253,854	253,854	253,854	253,854	253,854	253,854	253,854	253,854	253,854	253,854
e. ADDITIONAL PRINCIPAL PAID	0	0	0	0	0	0	0	0	0	0
f. DEBT END OF YEAR	2,958,431	2,854,901	2,745,978	2,631,377	2,510,796	2,383,917	2,250,405	2,109,909	1,962,054	1,806,450
3. DEBT & DEBT SERVICE - NEW DEBT - RUS										
a. DEBT FIRST OF YEAR	0	0	1,200,000	1,200,000	1,192,983	1,177,955	1,162,157	1,145,552	1,128,097	1,109,748
b. LOAN FUNDS ADVANCED	0	1,200,000	0	0	0	0	0	0	0	0
c. INTEREST	0	30,000	60,000	59,927	59,308	58,539	57,731	56,881	55,988	55,049
d. DEBT PAYMENTS	0	30,000	60,000	66,944	74,336	74,336	74,336	74,336	74,336	74,336
e. ADDITIONAL PRINCIPAL PAID	0	0	0	0	0	0	0	0	0	0
f. DEBT END OF YEAR	0	1,200,000	1,200,000	1,192,983	1,177,955	1,162,157	1,145,552	1,128,097	1,109,748	1,090,461
4. DEBT & DEBT SERVICE - OLD DEBT - GUARANTEED										
a. DEBT FIRST OF YEAR	0	0	0	0	0	0	0	0	0	0
b. LOAN FUNDS ADVANCED	0	0	0	0	0	0	0	0	0	0
c. INTEREST	0	0	0	0	0	0	0	0	0	0
d. DEBT PAYMENTS	0	0	0	0	0	0	0	0	0	0
e. ADDITIONAL PRINCIPAL PAID	0	0	0	0	0	0	0	0	0	0
f. DEBT END OF YEAR	0	0	0	0	0	0	0	0	0	0
5. DEBT & DEBT SERVICE - NEW DEBT - GUARANTEED										
a. DEBT FIRST OF YEAR	0	600,000	600,000	593,665	1,179,943	1,165,446	1,143,795	1,113,890	1,082,296	1,048,916
b. LOAN FUNDS ADVANCED	600,000	0	0	600,000	0	0	0	0	0	0
c. INTEREST	16,530	33,060	32,988	46,898	64,652	63,761	62,275	60,585	58,800	56,913
d. DEBT PAYMENTS	16,530	33,060	39,322	62,620	79,150	85,412	92,180	92,180	92,180	92,180
e. ADDITIONAL PRINCIPAL PAID	0	0	0	0	0	0	0	0	0	0
f. DEBT END OF YEAR	600,000	600,000	593,665	1,179,943	1,165,446	1,143,795	1,113,890	1,082,296	1,048,916	1,013,649
6. DEBT & DEBT SERVICE - OLD DEBT - OTHER										
a. DEBT FIRST OF YEAR	306,878	182,099	47,298	0	0	0	0	0	0	0
b. LOAN FUNDS ADVANCED	0	0	0	0	0	0	0	0	0	0
c. INTEREST	19,413	9,391	3,360	0	0	0	0	0	0	0
d. DEBT PAYMENTS	144,192	144,192	50,658	0	0	0	0	0	0	0
e. ADDITIONAL PRINCIPAL PAID	0	0	0	0	0	0	0	0	0	0
f. DEBT END OF YEAR	182,099	47,298	0	0	0	0	0	0	0	0
7. DEBT & DEBT SERVICE - NEW DEBT - OTHER										
a. DEBT FIRST OF YEAR	0	0	0	0	0	0	0	0	0	0
b. LOAN FUNDS ADVANCED	0	0	0	0	0	0	0	0	0	0
c. INTEREST	0	0	0	0	0	0	0	0	0	0
d. DEBT PAYMENTS	0	0	0	0	0	0	0	0	0	0
e. ADDITIONAL PRINCIPAL PAID	0	0	0	0	0	0	0	0	0	0
f. DEBT END OF YEAR	0	0	0	0	0	0	0	0	0	0
8. SUMMARY										
a. DEBT FIRST OF YEAR	3,363,718	3,740,530	4,702,199	4,539,644	5,004,304	4,854,196	4,689,869	4,509,847	4,320,301	4,120,718
b. LOAN FUNDS ADVANCED	600,000	1,200,000	0	600,000	0	0	0	0	0	0
c. INTEREST	191,388	222,775	241,279	248,078	257,233	249,275	240,348	230,823	220,788	210,213
d. DEBT PAYMENTS	414,576	461,106	403,834	383,418	407,340	413,602	420,370	420,370	420,370	420,370
e. ADDITIONAL PRINCIPAL PAID	0	0	0	0	0	0	0	0	0	0
f. DEBT END OF YEAR	3,740,530	4,702,199	4,539,644	5,004,304	4,854,196	4,689,869	4,509,847	4,320,301	4,120,718	3,910,561

FINANCIAL FORECAST RUS FORM 325K - DETERMINATION OF OPERATING EXPENSES

	PREVIOUS YEARS					FUTURE YEARS							
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
1. a. TOTAL KWH REQUIREMENTS	12,183,000	12,322,000	12,365,000	12,426,246	12,899,220	13,441,054	13,933,003	14,434,143	14,933,166	15,503,588	16,084,560	16,676,082	17,278,157
b. BASE COST PER KWH PURCHASED (PRES. RAT	0.09887	0.14135	0.17371	0.18924	0.19160	0.19389	0.19644	0.19909	0.20186	0.20458	0.20741	0.21033	0.21335
c. FLOW THROUGH ADJ/KWH WHOLESALE	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
d. TOTAL COST PER KWH PURCHASED	0.09887	0.14135	0.17371	0.18924	0.19160	0.19389	0.19644	0.19909	0.20186	0.20458	0.20741	0.21033	0.21335
e. COST OF POWER	1,204,460	1,741,679	2,147,948	2,351,514	2,471,432	2,606,029	2,737,024	2,873,719	3,014,434	3,171,776	3,336,037	3,507,468	3,686,326
2. a. OPERATION & MAINT. EXPENSE	166,499	172,665	232,571	241,944	250,412	259,176	268,248	277,636	287,351	297,411	307,820	318,594	329,745
b. RATIO TO TOTAL UTILITY PLANT	2.429	2.499	3.329	3.169	2.819	2.902	2.800	2.884	2.970	3.059	3.150	3.244	3.341
3. a. ADMIN. GENERAL & OTHER DEDUCT.	821,487	1,000,873	964,520	853,649	887,795	923,307	960,239	998,649	1,038,595	1,080,138	1,123,344	1,168,278	1,215,009
b. RATIO TO TOTAL UTILITY PLANT	11.985	14.487	13.806	11.182	9.995	10.338	10.024	10.373	10.734	11.108	11.495	11.896	12.312
4. a. DEPREC. & AMORTIZATION EXPENSE	201,992	265,714	230,434	264,602	295,290	301,822	328,170	318,180	320,160	322,725	324,492	325,048	326,302
b. RATIO TO TOTAL UTILITY PLANT	2.947	3.846	3.298	3.466	3.324	3.380	3.426	3.305	3.309	3.319	3.321	3.310	3.306
5. a. TAX EXPENSE	197,672	254,395	237,696	268,661	279,328	291,022	302,470	314,332	326,554	339,896	353,716	368,022	382,830
b. RATIO TO TOTAL UTILITY PLANT	2.884	3.682	3.402	3.519	3.145	3.259	3.158	3.265	3.375	3.495	3.620	3.748	3.879
6. TOTAL UTILITY PLANT	6,854,301	6,908,820	6,986,113	7,634,363	8,882,613	8,930,863	9,579,113	9,627,363	9,675,613	9,723,863	9,772,113	9,820,363	9,868,613
7. a. CONSUMER ACCT. & SALES EXPENSE	26,793	27,143	25,367	27,424	27,972	28,532	29,103	29,685	30,278	30,884	31,502	32,132	32,774
b. COST PER CONSUMER SERVED	16.044	15.892	14.688	15.503	15.463	15.398	15.374	15.341	15.284	15.229	15.161	15.142	15.117
c. AVERAGE NUMBER OF CONSUMERS SERVED	1,670	1,708	1,727	1,769	1,809	1,853	1,893	1,935	1,981	2,028	2,075	2,122	2,168

BORROWER NAME : Block Island Power Company

BORROWER DESIGNATION : RI0001

FORECAST DESCRIPTION / KEY ASSUMPTIONS : NEW ENGINE

PREPARER : David G Bebyn CPA

DATE : May-06

INPUT SHEET

	PREVIOUS YEARS					FUTURE YEARS							
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
FORM 325A - RATIOS													
2. DEBT SERVICE COVERAGE :													
3. TIER :			1.53										
4. MINIMUM GENERAL FUND LEVEL %			1.98	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25
4a. MINIMUM GENERAL FUND LEVEL $				0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
				$ 200,000	$ 200,000	$ 200,000	$ 200,000	$ 200,000	$ 200,000	$ 200,000	$ 200,000	$ 200,000	$ 200,000
Allow rate decreases (0=No;1=Yes)													
Amount of revenue to defer to following year			0	0	0	0	0	0	0	0	0	0	0
				0	0	0	0	0	0	0	0	0	0
FORM 325B - BALANCE SHEET													
1b. ACCUM. PROVISION FOR DEPREC. & AMORT.			3,194,645										
1d. NET GENERAL FUNDS			458,740										
1e. GENERAL FUNDS EXCLUDABLE ITEMS			0										
1f. OTHER ASSETS AND DEBITS			1,238,505										
2a. TOTAL MARGINS AND EQUITIES			819,551										
2d. OTHER LIABILITIES AND CREDITS			1,305,444										
FORM 325C - STATEMENT OF OPERATIONS													
1i. INTEREST EXPENSE ON LONG-TERM DEBT			184,967										
1l. NONOPERATING MARGINS (CASH)				20,642	20,642	20,642	20,642	20,642	20,642	20,642	20,642	20,642	20,642
1m. G&T CAPITAL CREDITS ALLOCATED			0	0	0	0	0	0	0	0	0	0	0
1m. OTHER CAPITAL CREDITS AND NON CASH MARGINS			0	0	0	0	0	0	0	0	0	0	0
FORM 325D - GENERAL FUNDS SUMMARY													
1c. OTHER PROCEEDS - G&T CAPITAL CREDITS PAID				0	0	0	0	0	0	0	0	0	0
1c. OTHER PROCEEDS - LENDER CAPITAL CREDITS PAID				0	0	0	0	0	0	0	0	0	0
1c. OTHER PROCEEDS - OTHER				0	0	0	0	0	0	0	0	0	0
1d. SALE OF EXCLUDABLE ITEMS				0	0	0	0	0	0	0	0	0	0
3a. PURCHASE OF EXCLUDABLE ITEMS				0	0	0	0	0	0	0	0	0	0
3b. CAPITAL CREDIT RETIREMENTS				0	0	0	0	0	0	0	0	0	0
3d. OTHER USES OF GENERAL FUNDS				0	0	0	0	0	0	0	0	0	0
FORM 325K - OPERATING EXPENSES													
1b. BASE COST PER KWH PURCHASED (PRES. RATE)	0.0868658	0.1413471	0.1737119	0.1892377	0.1915955	0.1936858	0.1964418	0.1990018	0.2018617	0.2045834	0.2074062	0.2103292	0.2133518
1c. FLOW THROUGH ADJ./KWH WHOLESALE	0.0000000	0.0000000	0.0000000	0.0000000	0.0000000	0.0000000	0.0000000	0.0000000	0.0000000	0.0000000	0.0000000	0.0000000	0.0000000
1e. COST OF POWER	1,204,480	1,741,679	2,147,948	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX
2a. OPERATION & MAINT. EXPENSE	166,499	172,565	232,571	241,944	250,412	259,176	268,248	277,636	287,354	297,411	307,820	318,594	329,745
3a. ADMIN. GENERAL & OTHER DEDUCTIONS	821,467	1,000,873	984,620	853,649	887,795	923,307	960,239	998,649	1,038,595	1,080,138	1,123,344	1,168,278	1,215,009
4a. DEPREC. & AMORTIZATION EXPENSE	201,992	205,714	230,434	264,802	295,290	301,822	328,170	316,180	320,180	322,725	324,492	325,048	326,302
5a. TAX EXPENSE	197,672	254,395	237,698	268,661	279,328	291,022	302,470	314,332	326,554	339,896	353,716	368,022	382,830
7a. CONSUMER ACCT & SALES EXPENSE	26,793	27,143	25,367	27,424	27,972	28,632	29,103	29,885	30,278	30,884	31,502	32,132	32,774
7b. or CONS. ACCT. & SALES EXP. PER CONSUMER SERV	16.04	15.89	14.69	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
FORM 325H & 325I - DEBT SERVICE													
NEW LOANS: FIXED = F			VARIABLE = V		F								
FIXED INTEREST RATES													
INTEREST RATE - RUS				5.51%	5.51%	5.51%	5.51%	5.51%	5.51%	5.51%	5.51%	5.51%	5.51%
INTEREST RATE - GUARANTEED				5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%
INTEREST RATE - OTHER				6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%
VARIABLE INTEREST RATES													
INTEREST RATE - RUS				1.50%	1.75%	2.00%	2.25%	2.50%	2.75%	3.00%	3.25%	3.50%	3.75%
INTEREST RATE - GUARANTEED				1.75%	2.00%	2.25%	2.50%	2.75%	3.00%	3.25%	3.50%	3.75%	4.00%
INTEREST RATE - OTHER				3.50%	3.75%	4.00%	4.25%	4.50%	4.75%	5.00%	5.25%	5.50%	5.75%

SUMMARY TABLE FOR REFERENCE

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
1. T.I.E.R. Goal with Increase	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25
2. T.I.E.R. Earned without Increase	1.39	1.11	1.07	0.97	1.02	1.08	1.17	1.26	1.37	1.49
3. Oper. Margins (excl G&T + lender CC paid) with Rate Increase	$54,006	$35,052	$39,678	$41,377	$43,666	$41,677	$39,445	$40,206	$61,932	$82,198
4. Oper. Margins (excl G&T + lender CC paid) without Rate Increase	$54,006	$3,632	($3,873)	($26,877)	($16,572)	($1,656)	$19,051	$40,206	$61,932	$82,198
Required Increase in Revenue										
5. Before Deferral	-$26,801	$31,419	$43,551	$68,255	$60,238	$43,332	$20,394	-$3,142	-$27,377	-$50,287
6. Deferred Revenue (Net)	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
7. Required Increase in Revenue	($26,801)	$31,419	$43,551	$68,255	$60,238	$43,332	$20,394	($3,142)	($27,377)	($50,287)
7a. Required Increase per Kwh (cents)	-0.239	0.269	0.356	0.541	0.461	0.320	0.145	-0.022	-0.181	-0.320
8. Average Revenue per Kwh (cents)	37.87	38.31	38.66	38.95	39.09	39.21	39.27	39.38	39.64	39.92
9. Percent Increase in Revenue	-0.63%	0.71%	0.94%	1.41%	1.19%	0.82%	0.37%	-0.05%	-0.46%	-0.80%
10. Interest on L.T.D.	$191,366	$222,776	$241,279	$248,078	$257,233	$249,276	$240,348	$230,823	$220,788	$210,213
11. Equity Ratio with Increase	15.05	13.85	14.74	14.52	15.68	16.66	17.60	19.00	20.54	22.39
12. Debt Service Coverage	1.28	1.24	1.49	1.66	1.67	1.53	1.48	1.47	1.49	1.52
13a. General Funds Available	$674,802	$839,205	$790,542	$997,141	$1,181,272	$1,351,193	$1,505,734	$1,653,277	$1,813,067	$1,963,801
13b. Gen. Funds Used During Year	$48,250	$48,250	$48,250	$48,250	$48,250	$48,250	$48,250	$48,250	$48,250	$48,250
13c. General Funds End of Year	$626,552	$590,955	$742,292	$948,891	$1,133,022	$1,302,943	$1,457,484	$1,605,027	$1,764,817	$1,915,551
14a. General Funds Goal: Plant Ratio	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
14b. or Min. Dollar Level	$ 200,000.00	$ 200,000.00	$ 200,000.00	$ 200,000.00	$ 200,000.00	$ 200,000.00	$ 200,000.00	$ 200,000.00	$ 200,000.00	$ 200,000.00
14c. Actual Gen. Funds to Plant Ratio	6.90	6.65	8.31	9.91	11.77	13.47	14.99	16.42	17.97	19.61
14d. Required Gen. Fund Level for Goal	$200,000	$200,000	$200,000	$200,000	$200,000	$200,000	$200,000	$200,000	$200,000	$200,000
15. Total Funds Available to Invest & Still Meet Goal	$320,552	$390,955	$542,292	$748,891	$933,022	$1,102,943	$1,257,484	$1,405,027	$1,564,817	$1,735,551
16. Total Funds Required	$648,250	$1,248,250	$48,250	$648,250	$48,250	$48,250	$48,250	$48,250	$48,250	$48,250
17. General Funds Invested	$48,250	$48,250	$48,250	$48,250	$48,250	$48,250	$48,250	$48,250	$48,250	$48,250
18. Add. Gen. Funds Available	$320,552	$390,955	$542,292	$748,891	$933,022	$1,102,943	$1,257,484	$1,405,027	$1,564,817	$1,735,551
19. New RUS Loans Required	$0	$1,200,000	$0	$0	$0	$0	$0	$0	$0	$0
20. New Guaranteed Loans Required	$600,000	$0	$0	$600,000	$0	$0	$0	$0	$0	$0
21. New Other Loans Required	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
22. Prior RUS Loans Appl.	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
23. Prior Guaranteed Loans Appl.	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
24. Prior Other Loans Appl.	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
25. Kwh Sales	11,232,146	11,667,282	12,165,770	12,618,363	13,079,412	13,536,513	14,003,301	14,507,795	15,141,995	15,695,904
26. % Increase Year by Year	3.06%	3.87%	4.27%	3.72%	3.65%	3.51%	3.06%	3.60%	3.73%	3.66%

General Funds Input Aid (GFIA)	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Gen. Funds for Priority Const.	0	0	0	0	0	0	0	0	0	0
Gen. Funds for Non-Prior. Const.	48,250	48,250	48,250	48,250	48,250	48,250	48,250	48,250	48,250	48,250
Add. Gen. Funds for Goal	326,552	390,955	542,292	748,891	933,022	1,102,943	1,257,484	1,405,027	1,564,817	1,735,551
Gen. Funds for Prior. Const. CALC	326,552	390,955	0	600,000	0	0	0	0	0	0

Block Island Power Company

RI0001
NEW ENGINE
David G Bebyn CPA
April 28, 2006

FINANCIAL FORECAST — RUS FORM 325A- RATIOS

	LAST YEAR	FUTURE YEARS								
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
1. EQUITY RATIO (WITH ADD. REV.) (%)	14.93	15.08	13.66	14.74	14.53	15.59	16.67	17.79	19.09	20.73	22.69
2a. DEBT SERVICE COVERAGE (WITH ADD. REV.)	1.53	1.28	1.24	1.48	1.64	1.54	1.51	1.48	1.48	1.51	1.54
2b. OPERATING DSC (Including op. margins + G&T & lender CCs paid)		1.23	1.20	1.43	1.58	1.49	1.46	1.43	1.43	1.46	1.49
3a. TIMES INTEREST EARNED RATIO (WITH ADD. REV.)	1.98	1.40	1.25	1.25	1.25	1.25	1.25	1.25	1.30	1.42	1.54
3b. OPERATING TIER (Including op. margins + G&T & lender CCs paid)		1.29	1.16	1.16	1.17	1.17	1.16	1.16	1.21	1.32	1.44
4. AVERAGE REVENUE PER KWH SOLD (CENTS)	34.43	37.87	38.28	38.53	38.90	39.03	39.14	39.21	39.38	39.64	39.92
5. INCREASE IN AVERAGE REVENUE PER KWH SOLD (%)		9.99	1.09	0.64	0.97	0.33	0.30	0.16	0.43	0.67	0.70
6. TOTAL UTILITY PLANT PER KWH SOLD (CENTS)	64.65	67.54	75.31	72.22	74.38	71.76	69.33	66.74	64.30	61.99	59.80
7. NET GENERAL FUNDS TO TOTAL UTILITY PLANT (%)	6.57	7.60	7.83	10.05	12.03	14.40	16.64	18.76	20.89	23.15	25.53
8. ACCUM. PROV. FOR DEP. & AMORT. TO T.U.P. (%)	45.73	45.60	42.73	46.17	46.71	50.10	53.51	56.95	60.41	63.87	67.35
9. OPERATIONS & MAINTENANCE EXP. PER CONSUMER ($)	134.67	136.77	138.43	139.87	141.71	143.48	145.05	146.65	148.35	150.14	152.10
10. ADMIN. & GEN. EXPENSE PER CONSUMER ($)	558.49	482.56	490.77	498.28	507.26	516.10	524.28	532.81	541.37	550.55	560.43
11. PLANT REVENUE RATIO	3.50	3.99	4.40	4.22	4.32	4.21	4.11	4.01	3.89	3.76	3.64
12. RATE OF RETURN ON RATE BASE (WITH ADD. REV.) (%)		5.72	4.85	5.63	5.45	6.00	6.22	6.45	7.01	8.02	9.17
13. RATE BASE = 104% OF NET UTILITY PLANT		4,291,941	5,232,839	4,918,944	5,201,647	4,870,740	4,537,752	4,202,118	3,864,647	3,526,597	3,187,243
14. INCREASE OVER PRESENT RETAIL RATES REQUIRED (%)		0.00	0.62	0.85	1.28	1.03	0.66	0.21	0.00	0.00	0.00
15. MODIFIED DSC (FOR RUS USE)		1.28	1.24	1.48	1.64	1.54	1.51	1.48	1.48	1.51	1.54
16. MODIFIED TIER (NET OF G&T & OTHER CAP. CREDITS)		1.40	1.25	1.25	1.25	1.25	1.25	1.25	1.30	1.42	1.54

FINANCIAL FORECAST — RUS FORM 325B - PRO FORMA BALANCE SHEET

	LAST YEAR	FUTURE YEARS								
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
1. ASSETS AND OTHER DEBITS											
a. TOTAL UTILITY PLANT	6,986,113	7,586,113	8,786,113	8,786,113	9,386,113	9,386,113	9,386,113	9,386,113	9,386,113	9,386,113	9,386,113
b. ACCUM. PROVISION FOR DEPREC. & AMORT.	3,194,645	3,459,247	3,754,537	4,056,360	4,384,529	4,702,709	5,022,889	5,345,615	5,670,106	5,995,154	6,321,456
c. NET UTILITY PLANT	3,791,468	4,126,866	5,031,576	4,729,753	5,001,584	4,683,404	4,363,224	4,040,498	3,716,007	3,390,959	3,064,657
d. NET GENERAL FUNDS	458,740	576,332	688,220	883,377	1,129,080	1,351,517	1,562,148	1,760,411	1,980,561	2,172,957	2,396,298
e. GENERAL FUNDS EXCLUDABLE ITEMS	0	0	0	0	0	0	0	0	0	0	0
f. OTHER ASSETS AND DEBITS	1,238,505	1,238,505	1,238,505	1,238,505	1,238,505	1,238,505	1,238,505	1,238,505	1,238,505	1,238,505	1,238,505
g. TOTAL ASSETS AND OTHER DEBITS	5,488,713	5,941,703	6,958,301	6,851,636	7,369,169	7,273,426	7,163,877	7,039,414	6,915,072	6,802,421	6,699,460
2. LIABILITIES AND OTHER CREDITS											
a. TOTAL MARGINS AND EQUITIES	819,551	895,729	950,657	1,010,204	1,071,001	1,133,622	1,194,176	1,252,486	1,320,422	1,410,055	1,519,915
b. LONG TERM DEBT - RUS											
(1). LONG TERM DEBT - 2% & 5%	0	0	0	0	0	0	0	0	0	0	0
(2). LONG TERM DEBT - 5%, MUNI & TREASURY	3,056,839	3,558,431	4,654,901	4,535,987	4,992,723	4,834,359	4,664,257	4,481,484	4,289,206	4,086,921	3,874,101
(3). LONG TERM DEBT - GUARANTEE	0	0	0	0	0	0	0	0	0	0	0
c. LONG TERM DEBT - OTHER	306,878	182,099	47,298	0	0	0	0	0	0	0	0
d. OTHER LIABILITIES AND CREDITS	1,305,444	1,305,444	1,305,444	1,305,444	1,305,444	1,305,444	1,305,444	1,305,444	1,305,444	1,305,444	1,305,444
e. TOTAL LIABILITIES AND OTHER CREDITS	5,488,713	5,941,702	6,958,300	6,851,635	7,369,168	7,273,425	7,163,876	7,039,414	6,915,072	6,802,420	6,699,460

FINANCIAL FORECAST

RUS FORM 325C - STATEMENT OF OPERATIONS

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
1. ACCRUAL BASIS										
a (1). ADDITIONAL REVENUE REQUIREMENTS FOR TIER/EQUITY	0	27,594	39,687	62,143	51,799	34,508	11,509	0	0	0
(2). OPER. REV. & PATRON. CAP. - PRESENT RATES	4,253,188	4,438,636	4,647,295	4,846,454	5,052,861	5,265,014	5,502,231	5,747,940	6,002,261	6,265,397
b. COST OF POWER	2,351,514	2,471,432	2,606,029	2,737,024	2,873,719	3,014,434	3,171,776	3,336,037	3,507,468	3,686,326
c. OPER. REV. LESS COST OF POWER	1,901,674	1,994,799	2,080,952	2,171,573	2,230,941	2,285,088	2,341,964	2,411,903	2,494,793	2,579,071
d. OPERATIONS & MAINTENANCE EXPENSE	241,944	250,412	259,176	268,248	277,636	287,354	297,411	307,820	318,594	329,745
e. CONSUMER ACCOUNTS AND SALES EXPENSE	27,424	27,972	28,532	29,103	29,685	30,278	30,884	31,502	32,132	32,774
f. ADM. & GEN. & OTHER DEDUCTIONS EXPENSE	853,649	887,795	923,307	960,239	998,649	1,038,595	1,080,138	1,123,344	1,168,278	1,215,009
g. DEPRECIATION AND AMORTIZATION EXPENSE	264,602	295,290	301,822	328,170	318,180	320,180	322,725	324,492	325,048	326,302
h. TAX EXPENSE	268,661	279,328	291,022	302,470	314,332	326,554	339,896	353,716	368,022	382,830
i. INTEREST EXPENSE	189,858	219,715	238,188	243,189	250,482	242,215	233,241	223,735	213,728	203,194
j. TOTAL COST OF ELECTRIC SERVICE	4,197,852	4,431,944	4,648,077	4,868,442	5,082,682	5,259,610	5,476,072	5,700,645	5,933,269	6,176,180
k. PATRONAGE CAPITAL & OPERATING MARGINS	55,536	34,287	38,905	40,155	41,978	39,912	37,668	47,295	68,991	89,217
l. NON-OPERATING MARGINS	20,642	20,642	20,642	20,642	20,642	20,642	20,642	20,642	20,642	20,642
m. G&T AND OTHER CAPITAL CREDITS (CFC CTC's)	0	0	0	0	0	0	0	0	0	0
n. TOTAL ACCRUAL MARGINS	76,178	54,929	59,547	60,797	62,620	60,554	58,310	67,937	89,633	109,859
2. CASH BASIS										
a. CASH FROM OPERATIONS BEFORE DEBT SERVICE	530,637	569,934	599,557	632,156	631,282	622,949	614,276	616,163	628,409	639,355
b. TOTAL DEBT SERVICE	413,046	458,046	404,400	386,453	408,845	412,317	416,013	416,013	416,013	416,013
c. CASH MARGINS AFTER DEBT SERVICE	117,592	111,888	195,158	245,703	222,437	210,631	198,263	200,150	212,396	223,341

FINANCIAL FORECAST

RUS FORM 325D - GENERAL FUNDS SUMMARY

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
1. SOURCES OF GENERAL FUNDS										
a. NET GENERAL FUNDS BEGINNING OF YEAR	458,740	576,332	688,220	883,377	1,129,080	1,351,517	1,562,148	1,760,411	1,960,561	2,172,957
b. CASH MARGINS AFTER DEBT SERVICE	117,592	111,888	195,158	245,703	222,437	210,631	198,263	200,150	212,396	223,341
c. OTHER PROCEEDS	0	0	0	0	0	0	0	0	0	0
d. SALE OF EXCLUDABLE ITEMS	0	0	0	0	0	0	0	0	0	0
e. REIMBURSEMENT FROM PRIORITY LOAN FUNDS	0	0	0	0	0	0	0	0	0	0
f. REIMBURSEMENT FROM SPECIAL LOANS (NON-PRIORITY)	0	0	0	0	0	0	0	0	0	0
2. TOTAL GENERAL FUNDS AVAILABLE	576,332	688,220	883,377	1,129,080	1,351,517	1,562,148	1,760,411	1,960,561	2,172,957	2,396,298
3. PROPOSED USE OF GENERAL FUNDS										
a. PURCHASE OF EXCLUDABLE ITEMS	0	0	0	0	0	0	0	0	0	0
b. CAPITAL CREDIT RETIREMENTS	0	0	0	0	0	0	0	0	0	0
c. GENERAL FUNDS INVESTED IN PLANT	0	0	0	0	0	0	0	0	0	0
d. OTHER USES OF GENERAL FUNDS	0	0	0	0	0	0	0	0	0	0
e. ADDITIONAL PRINCIPAL PAYMENTS	0	0	0	0	0	0	0	0	0	0
4. TOTAL PROPOSED USES OF GENERAL FUNDS	0	0	0	0	0	0	0	0	0	0
5. NET GENERAL FUNDS - END OF YEAR	576,332	688,220	883,377	1,129,080	1,351,517	1,562,148	1,760,411	1,960,561	2,172,957	2,396,298

FINANCIAL FORECAST RUS . M 325E - DETERMINATION OF LOAD

	PREVIOUS YEARS					FUTURE YEARS							
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
1. AVERAGE NUMBER OF CONSUMERS													
a. RESIDENTIAL	1,256	1,288	1,296	1,329	1,361	1,394	1,426	1,459	1,496	1,533	1,569	1,606	1,643
b. RESIDENTIAL SEASONAL	0	0	0	0	0	0	0	0	0	0	0	0	0
c. IRRIGATION	0	0	0	0	0	0	0	0	0	0	0	0	0
d. COMMERCIAL													
(1 COMMERCIAL: 1000 KVA OR LESS	290	294	303	310	316	323	329	336	343	351	358	366	373
(2 COMMERCIAL: > 1000 KVA	93	94	92	94	96	98	100	102	104	106	109	111	113
(3 n/a	0	0	0	0	0	0	0	0	0	0	0	0	0
(4 n/a	0	0	0	0	0	0	0	0	0	0	0	0	0
e. PUBLIC STREET & HIGHWAY LIGHTING	18	31	13	13	13	14	14	14	14	14	14	14	14
f. PUBLIC BUILDING & OTHER PUBLIC AUTH.	13	1	23	23	23	24	24	24	24	24	25	25	25
g. OTHER - 1	0	0	0	0	0	0	0	0	0	0	0	0	0
h. OTHER - 2	0	0	0	0	0	0	0	0	0	0	0	0	0
i. SECURITY LIGHTS	0	0	0	0	0	0	0	0	0	0	0	0	0
j. TOTAL CONSUMERS	1,670	1,708	1,727	1,769	1,809	1,853	1,893	1,935	1,981	2,028	2,075	2,122	2,168
2. AVERAGE MONTHLY USE PER CONSUMER													
a. RESIDENTIAL	223	266	273	279	285	291	297	303	309	315	322	328	334
b. RESIDENTIAL SEASONAL	0	0	0	0	0	0	0	0	0	0	0	0	0
c. IRRIGATION	0	0	0	0	0	0	0	0	0	0	0	0	0
d. COMMERCIAL													
(1 COMMERCIAL: 1000 KVA OR LESS	360	405	402	406	412	417	423	428	433	437	441	445	450
(2 COMMERCIAL: > 1000 KVA	3,509	3,816	3,878	3,938	3,998	4,058	4,118	4,178	4,251	4,323	4,356	4,428	4,501
(3 n/a	0	0	0	0	0	0	0	0	0	0	0	0	0
(4 n/a	0	0	0	0	0	0	0	0	0	0	0	0	0
e. PUBLIC STREET & HIGHWAY LIGHTING	2,673	1,826	4,439	4,484	4,529	4,574	4,620	4,666	4,446	4,560	4,675	4,789	4,903
f. PUBLIC BUILDING & OTHER PUBLIC AUTH.	658	5,703	445	465	485	485	505	526	537	550	540	553	565
g. OTHER - 1	0	0	0	0	0	0	0	0	0	0	0	0	0
h. OTHER - 2	0	0	0	0	0	0	0	0	0	0	0	0	0
i. SECURITY LIGHTS	0	0	0	0	0	0	0	0	0	0	0	0	0
3. ANNUAL KWH SALES													
a. RESIDENTIAL	3,358,915	4,115,407	4,248,981	4,450,847	4,657,374	4,868,563	5,084,413	5,304,924	5,550,016	5,800,584	6,056,628	6,318,148	6,585,144
b. RESIDENTIAL SEASONAL	0	0	0	0	0	0	0	0	0	0	0	0	0
c. IRRIGATION	0	0	0	0	0	0	0	0	0	0	0	0	0
d COMMERCIAL													
(1 COMMERCIAL: 1000 KVA OR LESS	1,251,274	1,427,104	1,459,943	1,511,416	1,563,728	1,616,879	1,670,868	1,725,696	1,781,834	1,838,753	1,896,454	1,954,936	2,014,200
(2 COMMERCIAL: > 1000 KVA	3,916,355	4,304,204	4,281,381	4,442,120	4,605,739	4,772,237	4,941,615	5,113,872	5,304,947	5,499,433	5,697,330	5,898,637	6,103,356
(3 n/a	0	0	0	0	0	0	0	0	0	0	0	0	0
(4 n/a	0	0	0	0	0	0	0	0	0	0	0	0	0
e. PUBLIC STREET & HIGHWAY LIGHTING	577,472	679,301	692,429	699,491	706,553	768,509	776,115	783,720	746,933	766,126	785,318	804,511	823,704
f. PUBLIC BUILDING & OTHER PUBLIC AUTH.	102,588	68,435	122,733	128,272	133,868	139,582	145,352	151,200	154,783	158,405	162,065	165,763	169,500
g. OTHER - 1	0	0	0	0	0	0	0	0	0	0	0	0	0
h. OTHER - 2	0	0	0	0	0	0	0	0	0	0	0	0	0
i. SECURITY LIGHTS	0	0	0	0	0	0	0	0	0	0	0	0	0
4. ANNUAL POWER REQUIREMENTS													
a. TOTAL KWH SOLD	9,206,604	10,594,451	10,805,467	11,232,146	11,667,282	12,165,770	12,618,363	13,079,412	13,538,513	14,063,301	14,597,795	15,141,995	15,695,904
(1). KWH SOLD NOT SUBJ.TO LINE LOSS	0	0	0	0	0	0	0	0	0	0	0	0	0
b. SYSTEMS OWN USE - KWH	31,750	229,465	215,191	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000
c. SYSTEM LOSS													
(1). PERCENTAGE	24.17%	12.16%	10.87%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%
(2). KWH	2,944,646	1,498,084	1,344,342	994,100	1,031,938	1,075,284	1,114,640	1,154,731	1,194,653	1,240,287	1,286,765	1,334,087	1,382,253
d. TOTAL KWH REQUIREMENTS	12,183,000	12,322,000	12,365,000	12,426,246	12,899,220	13,441,054	13,933,003	14,434,143	14,933,166	15,503,588	16,084,560	16,676,082	17,278,157

FINANCIAL FORECAST RUS FORM 325F - DETERMINATION OF OPERATING REVENUE

0=>No adj.
1=>Adj.1
2=>Adj. 2
3=>Adj.1+Adj.2
Flow-thru code

	PREVIOUS YEARS					FUTURE YEARS							
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
1. RESIDENTIAL													
a. TOTAL ANNUAL KWH SOLD	3,358,915	4,116,407	4,248,981	4,450,847	4,657,374	4,868,563	5,084,413	5,304,924	5,550,016	5,800,584	6,056,628	6,318,148	6,585,144
b. AVG. REVENUE PER KWH SOLD	0.2358489	0.2475989	0.3173147	0.1449393	0.1449393	0.1449393	0.1449393	0.1449393	0.1449393	0.1449393	0.1449393	0.1449393	0.1449393
c. FIXED MONTHLY CHARGE PER CONSUMER	9.94	9.84	10.54	11.00	11.00	11.00	11.00	11.00	11.00	11.00	11.00	11.00	11.00
d. AVG. NUMBER OF CONSUMERS	1,256	1,288	1,296	1,329	1,361	1,394	1,426	1,459	1,496	1,533	1,569	1,606	1,643
e. ANNUAL REVENUE LESS FLOW THROUGH ADJ.	942,012	1,171,057	1,512,182	820,530	854,688	889,654	925,163	961,480	1,001,887	1,043,088	1,084,951	1,127,740	1,171,322
f. FLOW THROUGH ADJUSTMENT REVENUE	0	0	0	762,251	813,490	867,291	923,774	983,029	1,048,931	1,118,118	1,190,727	1,266,888	1,346,736
g. GROSS ANNUAL REVENUE	942,012	1,171,057	1,512,182	1,582,781	1,668,178	1,756,945	1,848,937	1,944,509	2,050,818	2,161,206	2,275,678	2,394,628	2,518,058
3													
2. RESIDENTIAL SEASONAL													
a. TOTAL ANNUAL KWH SOLD	0	0	0	0	0	0	0	0	0	0	0	0	0
b. AVG. REVENUE PER KWH SOLD	0.0000000	0.0000000	0.0000000	0.0000000	0.0000000	0.0000000	0.0000000	0.0000000	0.0000000	0.0000000	0.0000000	0.0000000	0.0000000
c. FIXED MONTHLY CHARGE PER CONSUMER	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
d. AVG. NUMBER OF CONSUMERS	0	0	0	0	0	0	0	0	0	0	0	0	0
e. ANNUAL REVENUE LESS FLOW THROUGH ADJ.	0	0	0	0	0	0	0	0	0	0	0	0	0
f. FLOW THROUGH ADJUSTMENT REVENUE	0	0	0	0	0	0	0	0	0	0	0	0	0
g. GROSS ANNUAL REVENUE	0	0	0	0	0	0	0	0	0	0	0	0	0
3													
3. IRRIGATION													
a. TOTAL ANNUAL KWH SOLD	0	0	0	0	0	0	0	0	0	0	0	0	0
b. AVG. REVENUE PER KWH SOLD	0.0000000	0.0000000	0.0000000	0.0000000	0.0000000	0.0000000	0.0000000	0.0000000	0.0000000	0.0000000	0.0000000	0.0000000	0.0000000
c. FIXED MONTHLY CHARGE PER CONSUMER	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
d. AVG. NUMBER OF CONSUMERS	0	0	0	0	0	0	0	0	0	0	0	0	0
e. ANNUAL REVENUE LESS FLOW THROUGH ADJ.	0	0	0	0	0	0	0	0	0	0	0	0	0
f. FLOW THROUGH ADJUSTMENT REVENUE	0	0	0	0	0	0	0	0	0	0	0	0	0
g. GROSS ANNUAL REVENUE	0	0	0	0	0	0	0	0	0	0	0	0	0
3													
4. COMMERCIAL: 1000 KVA OR LESS													
a. TOTAL ANNUAL KWH SOLD	1,251,274	1,427,104	1,459,943	1,511,416	1,563,728	1,616,879	1,670,868	1,725,696	1,781,834	1,838,753	1,896,454	1,954,936	2,014,200
b. AVG. REVENUE PER KWH SOLD	0.2621793	0.2787470	0.3508694	0.1696554	0.1696554	0.1696554	0.1696554	0.1696554	0.1696554	0.1696554	0.1696554	0.1696554	0.1696554
c. FIXED MONTHLY CHARGE PER CONSUMER	9.98	9.91	10.45	11.00	11.00	11.00	11.00	11.00	11.00	11.00	11.00	11.00	11.00
d. AVG. NUMBER OF CONSUMERS	290	294	303	310	316	323	329	336	343	351	358	366	373
e. ANNUAL REVENUE LESS FLOW THROUGH ADJ.	362,789	432,763	550,246	297,340	307,007	316,948	326,900	337,126	347,574	358,286	369,000	379,977	390,956
f. FLOW THROUGH ADJUSTMENT REVENUE	0	0	0	258,845	273,132	288,033	303,576	319,780	336,760	354,437	372,841	391,995	411,927
g. GROSS ANNUAL REVENUE	362,789	432,763	550,246	556,185	580,139	604,981	630,476	656,906	684,334	712,723	741,841	771,972	802,883
3													
5. COMMERCIAL: > 1000 KVA													
a. TOTAL ANNUAL KWH SOLD	3,916,355	4,304,204	4,281,381	4,442,120	4,605,739	4,772,237	4,941,615	5,113,872	5,304,947	5,499,433	5,697,330	5,898,637	6,103,356
b. AVG. REVENUE PER KWH SOLD	0.2281356	0.2452214	0.3244678	0.1544490	0.1544490	0.1544490	0.1544490	0.1544490	0.1544490	0.1544490	0.1544490	0.1544490	0.1544490
c. FIXED MONTHLY CHARGE PER CONSUMER	14.93	14.93	15.92	16.50	16.50	16.50	16.50	16.50	16.50	16.50	16.50	16.50	16.50
d. AVG. NUMBER OF CONSUMERS	93	94	92	94	96	98	100	102	104	106	109	111	113
e. ANNUAL REVENUE LESS FLOW THROUGH ADJ.	910,122	1,072,324	1,406,746	704,693	730,360	756,471	783,027	810,028	839,936	870,370	901,529	933,016	965,031
f. FLOW THROUGH ADJUSTMENT REVENUE	0	0	0	760,757	804,471	850,132	897,829	947,627	1,002,614	1,060,069	1,120,089	1,182,769	1,248,205
g. GROSS ANNUAL REVENUE	910,122	1,072,324	1,406,746	1,465,450	1,534,831	1,606,603	1,680,856	1,757,655	1,842,550	1,930,439	2,021,618	2,115,785	2,213,236
3													

0=>No adj.
1=>Adj.1
2=>Adj. 2
3=>Adj.1+Adj.2

Flow-thru code	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
	PREVIOUS YEARS					FUTURE YEARS							
6. n/a													
a. TOTAL ANNUAL KWH SOLD	0	0	0	0	0	0	0	0	0	0	0	0	0
b. AVG. REVENUE PER KWH SOLD	0.0000000	0.0000000	0.0000000	0.0000000	0.0000000	0.0000000	0.0000000	0.0000000	0.0000000	0.0000000	0.0000000	0.0000000	0.0000000
c. FIXED MONTHLY CHARGE PER CONSUMER	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
d. AVG. NUMBER OF CONSUMERS	0	0	0	0	0	0	0	0	0	0	0	0	0
e. ANNUAL REVENUE LESS FLOW THROUGH ADJ.	0	0	0	0	0	0	0	0	0	0	0	0	0
f. FLOW THROUGH ADJUSTMENT REVENUE	0	0	0	0	0	0	0	0	0	0	0	0	0
g. GROSS ANNUAL REVENUE	0	0	0	0	0	0	0	0	0	0	0	0	0
3													
7. n/a													
a. TOTAL ANNUAL KWH SOLD	0	0	0	0	0	0	0	0	0	0	0	0	0
b. AVG. REVENUE PER KWH SOLD	0.0000000	0.0000000	0.0000000	0.0000000	0.0000000	0.0000000	0.0000000	0.0000000	0.0000000	0.0000000	0.0000000	0.0000000	0.0000000
c. FIXED MONTHLY CHARGE PER CONSUMER	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
d. AVG. NUMBER OF CONSUMERS	0	0	0	0	0	0	0	0	0	0	0	0	0
e. ANNUAL REVENUE LESS FLOW THROUGH ADJ.	0	0	0	0	0	0	0	0	0	0	0	0	0
f. FLOW THROUGH ADJUSTMENT REVENUE	0	0	0	0	0	0	0	0	0	0	0	0	0
g. GROSS ANNUAL REVENUE	0	0	0	0	0	0	0	0	0	0	0	0	0
3													
8. PUBLIC STREET & HIGHWAY LIGHTING													
a. TOTAL ANNUAL KWH SOLD	577,472	679,301	692,429	699,491	706,553	768,509	776,115	783,720	746,933	766,126	785,318	804,511	823,704
b. AVG. REVENUE PER KWH SOLD	0.1991647	0.2394767	0.3068707	0.1144711	0.1144711	0.1144711	0.1144711	0.1144711	0.1144711	0.1144711	0.1144711	0.1144711	0.1144711
c. FIXED MONTHLY CHARGE PER CONSUMER	12.92	12.62	15.94	16.50	16.50	16.50	16.50	16.50	16.50	16.50	16.50	16.50	16.50
d. AVG. NUMBER OF CONSUMERS	18	31	13	13	13	14	14	14	14	14	14	14	14
e. ANNUAL REVENUE LESS FLOW THROUGH ADJ.	117,803	167,371	214,973	82,645	83,454	90,744	91,615	92,485	88,274	90,471	92,668	94,865	97,062
f. FLOW THROUGH ADJUSTMENT REVENUE	0	0	0	119,795	123,412	136,903	141,010	145,227	141,167	147,678	154,393	161,317	168,457
g. GROSS ANNUAL REVENUE	117,803	167,371	214,973	202,440	206,866	227,647	232,625	237,712	229,441	238,149	247,061	256,182	265,519
3													
9. PUBLIC BUILDING & OTHER PUBLIC AUTH.													
a. TOTAL ANNUAL KWH SOLD	102,588	68,435	122,733	128,272	133,888	139,582	145,352	151,200	154,783	158,405	162,065	165,763	169,500
b. AVG. REVENUE PER KWH SOLD	0.2137095	0.2862750	0.2690325	0.1554096	0.1554096	0.1554096	0.1554096	0.1554096	0.1554096	0.1554096	0.1554096	0.1554096	0.1554096
c. FIXED MONTHLY CHARGE PER CONSUMER	10.00	10.00	9.82	11.00	11.00	11.00	11.00	11.00	11.00	11.00	11.00	11.00	11.00
d. AVG. NUMBER OF CONSUMERS	13	1	23	23	23	24	24	24	24	24	25	25	25
e. ANNUAL REVENUE LESS FLOW THROUGH ADJ.	23,484	20,396	35,729	22,971	23,843	24,860	25,757	26,666	27,223	27,786	28,486	29,061	29,642
f. FLOW THROUGH ADJUSTMENT REVENUE	0	0	0	21,968	23,386	24,865	26,409	28,018	29,253	30,534	31,862	33,238	34,665
g. GROSS ANNUAL REVENUE	23,484	20,396	35,729	44,939	47,229	49,725	52,166	54,684	56,476	58,320	60,348	62,299	64,307
3													
10. OTHER - 1													
a. TOTAL ANNUAL KWH SOLD	0	0	0	0	0	0	0	0	0	0	0	0	0
b. AVG. REVENUE PER KWH SOLD	0.0000000	0.0000000	0.0000000	0.0000000	0.0000000	0.0000000	0.0000000	0.0000000	0.0000000	0.0000000	0.0000000	0.0000000	0.0000000
c. FIXED MONTHLY CHARGE PER CONSUMER	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
d. AVG. NUMBER OF CONSUMERS	0	0	0	0	0	0	0	0	0	0	0	0	0
e. ANNUAL REVENUE LESS FLOW THROUGH ADJ.	0	0	0	0	0	0	0	0	0	0	0	0	0
f. FLOW THROUGH ADJUSTMENT REVENUE	0	0	0	0	0	0	0	0	0	0	0	0	0
g. GROSS ANNUAL REVENUE	0	0	0	0	0	0	0	0	0	0	0	0	0
3													

0=>No adj. 1=>Adj.1 2=>Adj. 2 3=>Adj.1+Adj.2 Flow-thru code	PREVIOUS YEARS 2003	2004	2005	2006	2007	FUTURE YEARS 2008	2009	2010	2011	2012	2013	2014	2015
11. OTHER - 2													
a. TOTAL ANNUAL KWH SOLD	0	0	0	0	0	0	0	0	0	0	0	0	0
b. AVG. REVENUE PER KWH SOLD	0.0000000	0.0000000	0.0000000	0.0000000	0.0000000	0.0000000	0.0000000	0.0000000	0.0000000	0.0000000	0.0000000	0.0000000	0.0000000
c. FIXED MONTHLY CHARGE PER CONSUMER	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
d. AVG. NUMBER OF CONSUMERS	0	0	0	0	0	0	0	0	0	0	0	0	0
e. ANNUAL REVENUE LESS FLOW THROUGH ADJ.	0	0	0	0	0	0	0	0	0	0	0	0	0
f. FLOW THROUGH ADJUSTMENT REVENUE	0	0	0	0	0	0	0	0	0	0	0	0	0
g. GROSS ANNUAL REVENUE	0	0	0	0	0	0	0	0	0	0	0	0	0
3													
12. SECURITY LIGHTS													
a. TOTAL ANNUAL KWH SOLD	0	0	0	0	0	0	0	0	0	0	0	0	0
b. AVG. REVENUE PER KWH SOLD	0.0000000	0.0000000	0.0000000	0.0000000	0.0000000	0.0000000	0.0000000	0.0000000	0.0000000	0.0000000	0.0000000	0.0000000	0.0000000
c. FIXED MONTHLY CHARGE PER CONSUMER	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
d. AVG. NUMBER OF CONSUMERS	0	0	0	0	0	0	0	0	0	0	0	0	0
e. ANNUAL REVENUE LESS FLOW THROUGH ADJ.	0	0	0	0	0	0	0	0	0	0	0	0	0
f. FLOW THROUGH ADJUSTMENT REVENUE	0	0	0	0	0	0	0	0	0	0	0	0	0
g. GROSS ANNUAL REVENUE	0	0	0	0	0	0	0	0	0	0	0	0	0
3													
13. FLOW THROUGH ADJUSTMENTS													
a. KWH SOLD SUBJECT TO ADJUSTMENT - 1	0	0	0	11,232,146	11,667,282	12,165,770	12,618,363	13,079,412	13,538,513	14,063,301	14,597,795	15,141,995	15,695,904
b. FLOW THROUGH ADJUSTMENT - 1 PER KWH	0.0000000	0.0000000	0.0000000	0.1712598	0.1746671	0.1781411	0.1816874	0.1853051	0.1889961	0.1927596	0.1965990	0.2005157	0.2045113
c. REVENUE FROM ADJUSTMENT - 1	0	0	0	1,923,615	2,037,890	2,167,224	2,292,598	2,423,682	2,558,726	2,710,836	2,869,912	3,036,208	3,209,990
d. KWH SOLD SUBJECT TO ADJUSTMENT - 2	0	0	0	0	0	0	0	0	0	0	0	0	0
e. FLOW THROUGH ADJUSTMENT - 2 PER KWH	0.0000000	0.0000000	0.0000000	0.0000000	0.0000000	0.0000000	0.0000000	0.0000000	0.0000000	0.0000000	0.0000000	0.0000000	0.0000000
f. REVENUE FROM ADJUSTMENT - 2	0	0	0	0	0	0	0	0	0	0	0	0	0
g. TOTAL REVENUE FROM ADJUSTMENTS	0	0	0	1,923,615	2,037,890	2,167,224	2,292,598	2,423,682	2,558,726	2,710,836	2,869,912	3,036,208	3,209,990
14. TOTAL REVENUE													
a. TOTAL REV. FROM SALE OF ELEC. ENERGY	2,356,210	2,863,912	3,719,876	3,851,794	4,037,242	4,245,901	4,445,060	4,651,467	4,863,620	5,100,837	5,346,546	5,600,867	5,864,003
b. OTHER OPERATING REVENUE	521,424	390,960	424,216	401,394	401,394	401,394	401,394	401,394	401,394	401,394	401,394	401,394	401,394
c. TOTAL OPERATING REVENUE	2,877,633	3,254,872	4,144,092	4,253,188	4,438,636	4,647,295	4,846,454	5,052,861	5,265,014	5,502,231	5,747,940	6,002,261	6,265,397

FINANCIAL FORECAST RU.. .M 325G - DETERMINATION OF PLANT INVESTMENT & LOAN REQUIREMENTS

	PREVIOUS YEARS			FUTURE YEARS								
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
1. PLANT SUMMARY													
a. TOTAL UTILITY PLANT (FIRST OF YEAR)	5,603,333	6,854,301	6,908,820	6,986,113	7,586,113	8,786,113	8,786,113	9,386,113	9,386,113	9,386,113	9,386,113	9,386,113	9,386,113
b. PLUS: GROSS ADDITIONS AND REPLACEMENTS	1,279,857	54,519	77,926	600,000	1,200,000	0	600,000	0	0	0	0	0	0
c. LESS: CONTRIBUTION IN AID OF CONSTRUCTION	0	0	0	0	0	0	0	0	0	0	0	0	0
d. LESS: RETIREMENTS	28,889	0	633	0	0	0	0	0	0	0	0	0	0
e. TOTAL UTILITY PLANT (END OF YEAR)	6,854,301	6,908,820	6,986,113	7,586,113	8,786,113	8,786,113	9,386,113	9,386,113	9,386,113	9,386,113	9,386,113	9,386,113	9,386,113
2. PLANT ADDITIONS & REPLACEMENTS													
Type / Priority													
a. Distribution / Y	1,035,532	49,348	0	0	0	0	0	0	0	0	0	0	0
b. Subtransmission / Y	0	0	0	0	0	0	0	0	0	0	0	0	0
c. Bulk Transmission / N	0	0	0	0	0	0	0	0	0	0	0	0	0
d. Generation / N	0	0	0	0	0	0	0	0	0	0	0	0	0
e. Hdq - Warehouse / Y	0	0	0	0	0	0	0	0	0	0	0	0	0
f. Hdq - Office / N	0	0	0	0	0	0	0	0	0	0	0	0	0
g. General Plant / N	0	0	0	0	0	0	0	0	0	0	0	0	0
h. Acquisitions / N	0	0	0	0	0	0	0	0	0	0	0	0	0
i. Other / Y	244,325	5,171	77,926	600,000	1,200,000	0	600,000	0	0	0	0	0	0
j. Other / N	0	0	0	0	0	0	0	0	0	0	0	0	0
k. Other / N	0	0	0	0	0	0	0	0	0	0	0	0	0
l. Less Contributions-in-Aid of Construction	0	0	0	0	0	0	0	0	0	0	0	0	0
NET PLANT ADDITIONS	1,279,857	54,519	77,926	600,000	1,200,000	0	600,000	0	0	0	0	0	0
3. PRIORITY FINANCING REQUIREMENTS													
SUBTOTAL PRIORITY PLANT ADDITIONS	1,279,857	54,519	77,926	600,000	1,200,000	0	600,000	0	0	0	0	0	0
REIMBURSEMENT OF GENERAL FUNDS				0	0	0	0	0	0	0	0	0	0
EXISTING PRIORITY LOAN FUNDS													
(1) PRIOR RUS LOAN FUNDS APPLIED				0	0	0	0	0	0	0	0	0	0
(2) PRIOR SUPL. LOAN FUNDS APPLIED				0	0	0	0	0	0	0	0	0	0
(3) PRIOR GUARANTEED FUNDS APPLIED				0	0	0	0	0	0	0	0	0	0
GENERAL FUNDS INVESTED													
(1) GEN. FUNDS PLANT INVEST.				0	0	0	0	0	0	0	0	0	0
(2) GEN. FUNDS AVAILABLE TO MEET GOAL				376,332	488,220	683,377	929,080	1,151,517	1,362,148	1,560,411	1,760,561	1,972,957	2,196,298
(3) BORROW NEW LOAN FUNDS IN ANY YEAR?				N	N	Y	Y	Y	Y	Y	Y	Y	Y
NEW PRIORITY FINANCING REQUIRED				600,000	1,200,000	0	600,000	0	0	0	0	0	0
(1) RUS PORTION Percentage				100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Amount				600,000	1,200,000	0	600,000	0	0	0	0	0	0
(2) SUPPL. PORTION Percentage				0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Amount				0	0	0	0	0	0	0	0	0	0
(3) GUARANTEED PORTION Percentage				0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Amount				0	0	0	0	0	0	0	0	0	0
4. NON-PRIORITY FINANCING REQUIRED													
SUBTOTAL NON-PRIORITY PLANT ADDITIONS	0	0	0	0	0	0	0	0	0	0	0	0	0
REIMBURSEMENT OF GENERAL FUNDS				0	0	0	0	0	0	0	0	0	0
EXISTING NON-PRIORITY LOAN FUNDS													
(1) PRIOR SUPL. LOAN FUNDS APPLIED				0	0	0	0	0	0	0	0	0	0
(2) PRIOR GUARANTEED FUNDS APPLIED				0	0	0	0	0	0	0	0	0	0
GENERAL FUNDS INVESTED				0	0	0	0	0	0	0	0	0	0
NEW NON-PRIORITY FINANCING REQUIRED				0	0	0	0	0	0	0	0	0	0
(1) SUPPL. PORTION				0	0	0	0	0	0	0	0	0	0
(2) GUARANTEED PORTION				0	0	0	0	0	0	0	0	0	0
5. PLANT INVESTMENT SUMMARY													
a. TOTAL GENERAL FUNDS REQUIRED				0	0	0	0	0	0	0	0	0	0
b. TOTAL RUS LOAN FUNDS REQUIRED				600,000	1,200,000	0	600,000	0	0	0	0	0	0
c. TOTAL GUARANTEED FUNDS REQUIRED				0	0	0	0	0	0	0	0	0	0
d. TOTAL OTHER FUNDS REQUIRED				0	0	0	0	0	0	0	0	0	0
e. TOTAL FUNDING REQUIRED				600,000	1,200,000	0	600,000	0	0	0	0	0	0

FINANCIAL ECAST RUS FORM 325H2 - DETERMINATION OF DEBT & DEBT SERVICE - Existing I

			2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
1. Note No.		Fixed or Variable Rate	F									
Date of Note	Aug-00	Effective Interest Rate	5.92%	5.92%	5.92%	5.92%	5.92%	5.92%	5.92%	5.92%	5.92%	5.92%
Original Amount	$936,000	Balance - Beg of Year	854,189	828,451	801,156	772,210	741,514	708,961	674,440	637,831	599,009	557,838
Amortization Period	24	Interest	49,961	48,405	46,754	45,004	43,147	41,179	39,091	36,877	34,529	32,040
Annual Interest Rate	5.92%	Principal	25,738	27,295	28,946	30,696	32,553	34,521	36,609	38,823	41,171	43,660
Payments Per Year	4	Annual Debt Service	75,700	75,700	75,700	75,700	75,700	75,700	75,700	75,700	75,700	75,700
Level Principal	N	Additional Prin Paid	0	0	0	0	0	0	0	0	0	0
Year Repriced		Balance - End of Year	828,451	801,156	772,210	741,514	708,961	674,440	637,831	599,009	557,838	514,178
2. Note No.		Fixed or Variable Rate	F									
Date of Note	Apr-01	Effective Interest Rate	5.62%	5.62%	5.62%	5.62%	5.62%	5.62%	5.62%	5.62%	5.62%	5.62%
Original Amount	$396,963	Balance - Beg of Year	361,044	350,067	338,460	326,187	313,208	299,485	284,974	269,629	253,404	236,247
Amortization Period	23.75	Interest	20,069	19,439	18,772	18,068	17,323	16,535	15,701	14,820	13,889	12,904
Annual Interest Rate	5.62%	Principal	10,977	11,607	12,273	12,978	13,723	14,511	15,344	16,225	17,157	18,142
Payments Per Year	4	Annual Debt Service	31,046	31,046	31,046	31,046	31,046	31,046	31,046	31,046	31,046	31,046
Level Principal	N	Additional Prin Paid	0	0	0	0	0	0	0	0	0	0
Year Repriced		Balance - End of Year	350,067	338,460	326,187	313,208	299,485	284,974	269,629	253,404	236,247	218,105
3. Note No.		Fixed or Variable Rate	F									
Date of Note	Jul-01	Effective Interest Rate	5.65%	5.65%	5.65%	5.65%	5.65%	5.65%	5.65%	5.65%	5.65%	5.65%
Original Amount	$182,000	Balance - Beg of Year	165,564	160,564	155,254	149,638	143,698	137,416	130,770	123,742	116,308	108,444
Amortization Period	23.5	Interest	9,249	8,959	8,653	8,329	7,986	7,623	7,240	6,835	6,406	5,952
Annual Interest Rate	5.65%	Principal	5,020	5,310	5,616	5,940	6,283	6,645	7,029	7,434	7,863	8,317
Payments Per Year	4	Annual Debt Service	14,269	14,269	14,269	14,269	14,269	14,269	14,269	14,269	14,269	14,269
Level Principal	N	Additional Prin Paid	0	0	0	0	0	0	0	0	0	0
Year Repriced		Balance - End of Year	160,564	155,254	149,638	143,698	137,416	130,770	123,742	116,308	108,444	100,128
4. Note No.		Fixed or Variable Rate	F									
Date of Note	Dec-01	Effective Interest Rate	5.45%	5.45%	5.45%	5.45%	5.45%	5.45%	5.45%	5.45%	5.45%	5.45%
Original Amount	$321,000	Balance - Beg of Year	291,359	282,339	272,817	262,766	252,155	240,955	229,132	216,651	203,476	189,568
Amortization Period	23	Interest	15,894	15,192	14,663	14,104	13,514	12,891	12,233	11,539	10,806	10,033
Annual Interest Rate	5.45%	Principal	9,020	9,522	10,051	10,610	11,200	11,823	12,481	13,175	13,908	14,681
Payments Per Year	4	Annual Debt Service	24,714	24,714	24,714	24,714	24,714	24,714	24,714	24,714	24,714	24,714
Level Principal	N	Additional Prin Paid	0	0	0	0	0	0	0	0	0	0
Year Repriced		Balance - End of Year	282,339	272,817	262,766	252,155	240,955	229,132	216,651	203,476	189,568	174,887
5. Note No.		Fixed or Variable Rate	F									
Date of Note	Nov-02	Effective Interest Rate	4.41%	4.41%	4.41%	4.41%	4.41%	4.41%	4.41%	4.41%	4.41%	4.41%
Original Amount	$0	Balance - Beg of Year	543,699	524,965	505,391	484,938	463,569	441,240	417,911	393,535	368,065	341,453
Amortization Period	22	Interest	23,681	22,841	21,963	21,045	20,087	19,085	18,039	16,945	15,803	14,609
Annual Interest Rate	4.41%	Principal	18,734	19,574	20,452	21,370	22,328	23,330	24,376	25,470	26,612	27,806
Payments Per Year	4	Annual Debt Service	42,415	42,415	42,415	42,415	42,415	42,415	42,415	42,415	42,415	42,415
Level Principal	N	Additional Prin Paid	0	0	0	0	0	0	0	0	0	0
Year Repriced		Balance - End of Year	524,965	505,391	484,938	463,569	441,240	417,911	393,535	368,065	341,453	313,647
6. Note No.		Fixed or Variable Rate	F									
Date of Note	Feb-03	Effective Interest Rate	4.39%	4.39%	4.39%	4.39%	4.39%	4.39%	4.39%	4.39%	4.39%	4.39%
Original Amount	$225,000	Balance - Beg of Year	206,996	199,849	192,383	184,584	176,436	167,925	159,033	149,745	140,042	129,906
Amortization Period	21.75	Interest	8,975	8,656	8,322	7,974	7,610	7,230	6,833	6,418	5,985	5,533
Annual Interest Rate	4.39%	Principal	7,147	7,466	7,799	8,148	8,511	8,891	9,288	9,703	10,136	10,589
Payments Per Year	4	Annual Debt Service	16,122	16,122	16,122	16,122	16,122	16,122	16,122	16,122	16,122	16,122
Level Principal	N	Additional Prin Paid	0	0	0	0	0	0	0	0	0	0
Year Repriced		Balance - End of Year	199,849	192,383	184,584	176,436	167,925	159,033	149,745	140,042	129,906	119,317

			2006	2007	200	2009	2010	2011	2012	2013	1	2015
7. Note No.		Fixed or Variable Rate	F									
Date of Note	Mar-03	Effective Interest Rate	4.44%	4.44%	4.44%	4.44%	4.44%	4.44%	4.44%	4.44%	4.44%	4.44%
Original Amount	$634,000	Balance - Beg of Year	633,969	612,197	589,440	565,656	540,797	514,814	487,657	459,273	429,606	398,598
Amortization Period	21.75	Interest	27,817	26,833	25,804	24,730	23,606	22,432	21,205	19,922	18,581	17,180
Annual Interest Rate	4.44%	Principal	21,772	22,756	23,785	24,859	25,983	27,157	28,384	29,667	31,008	32,409
Payments Per Year	4	Annual Debt Service	49,589	49,589	49,589	49,589	49,589	49,589	49,589	49,589	49,589	49,589
Level Principal	N	Additional Prin Paid	0	0	0	0	0	0	0	0	0	0
Year Repriced		Balance - End of Year	612,197	589,440	565,656	540,797	514,814	487,657	459,273	429,606	398,598	366,189
8. Note No.		Fixed or Variable Rate	F									
Date of Note	Jun-80	Effective Interest Rate	4.44%	4.44%	4.44%	4.44%	4.44%	4.44%	4.44%	4.44%	4.44%	4.44%
Original Amount	$0	Balance - Beg of Year	0	-	-	-	-	-	-	-	-	-
Amortization Period	35	Interest	-	-	-	-	-	-	-	-	-	-
Annual Interest Rate	4.44%	Principal	-	-	-	-	-	-	-	-	-	-
Payments Per Year	12	Annual Debt Service	-	-	-	-	-	-	-	-	-	-
Level Principal	N	Additional Prin Paid	0	0	0	0	0	0	0	0	0	0
Year Repriced		Balance - End of Year	-	-	-	-	-	-	-	-	-	-
9. Note No.		Fixed or Variable Rate	F									
Date of Note	Jun-80	Effective Interest Rate	4.44%	4.44%	4.44%	4.44%	4.44%	4.44%	4.44%	4.44%	4.44%	4.44%
Original Amount	$0	Balance - Beg of Year	0	-	-	-	-	-	-	-	-	-
Amortization Period	35	Interest	-	-	-	-	-	-	-	-	-	-
Annual Interest Rate	4.44%	Principal	-	-	-	-	-	-	-	-	-	-
Payments Per Year	12	Annual Debt Service	-	-	-	-	-	-	-	-	-	-
Level Principal	N	Additional Prin Paid	0	0	0	0	0	0	0	0	0	0
Year Repriced		Balance - End of Year	-	-	-	-	-	-	-	-	-	-
10. Note No.		Fixed or Variable Rate	F									
Date of Note	Jun-80	Effective Interest Rate	4.44%	4.44%	4.44%	4.44%	4.44%	4.44%	4.44%	4.44%	4.44%	4.44%
Original Amount	$0	Balance - Beg of Year	0	-	-	-	-	-	-	-	-	-
Amortization Period	35	Interest	-	-	-	-	-	-	-	-	-	-
Annual Interest Rate	4.44%	Principal	-	-	-	-	-	-	-	-	-	-
Payments Per Year	12	Annual Debt Service	-	-	-	-	-	-	-	-	-	-
Level Principal	N	Additional Prin Paid	0	0	0	0	0	0	0	0	0	0
Year Repriced		Balance - End of Year	-	-	-	-	-	-	-	-	-	-
11. Note No.		Fixed or Variable Rate	F									
Date of Note	Jun-80	Effective Interest Rate	4.44%	4.44%	4.44%	4.44%	4.44%	4.44%	4.44%	4.44%	4.44%	4.44%
Original Amount	$0	Balance - Beg of Year	0	-	-	-	-	-	-	-	-	-
Amortization Period	35	Interest	-	-	-	-	-	-	-	-	-	-
Annual Interest Rate	4.44%	Principal	-	-	-	-	-	-	-	-	-	-
Payments Per Year	12	Annual Debt Service	-	-	-	-	-	-	-	-	-	-
Level Principal	N	Additional Prin Paid	0	0	0	0	0	0	0	0	0	0
Year Repriced		Balance - End of Year	-	-	-	-	-	-	-	-	-	-
12. Note No.		Fixed or Variable Rate	F									
Date of Note	Jun-80	Effective Interest Rate	4.44%	4.44%	4.44%	4.44%	4.44%	4.44%	4.44%	4.44%	4.44%	4.44%
Original Amount	$0	Balance - Beg of Year	0	-	-	-	-	-	-	-	-	-
Amortization Period	35	Interest	-	-	-	-	-	-	-	-	-	-
Annual Interest Rate	4.44%	Principal	-	-	-	-	-	-	-	-	-	-
Payments Per Year	12	Annual Debt Service	-	-	-	-	-	-	-	-	-	-
Level Principal	N	Additional Prin Paid	0	0	0	0	0	0	0	0	0	0
Year Repriced		Balance - End of Year	-	-	-	-	-	-	-	-	-	-
13. Note No.		Fixed or Variable Rate	F									
Date of Note	Jun-80	Effective Interest Rate	4.44%	4.44%	4.44%	4.44%	4.44%	4.44%	4.44%	4.44%	4.44%	4.44%
Original Amount	$0	Balance - Beg of Year	0	-	-	-	-	-	-	-	-	-
Amortization Period	35	Interest	-	-	-	-	-	-	-	-	-	-
Annual Interest Rate	4.44%	Principal	-	-	-	-	-	-	-	-	-	-
Payments Per Year	12	Annual Debt Service	-	-	-	-	-	-	-	-	-	-
Level Principal	N	Additional Prin Paid	0	0	0	0	0	0	0	0	0	0
Year Repriced		Balance - End of Year	-	-	-	-	-	-	-	-	-	-

			2006	2007	2008	2009	2010	2011	2012	2013	20	2015
14. Note No.		Fixed or Variable Rate	F									
Date of Note	Jun-80	Effective Interest Rate	4.44%	4.44%	4.44%	4.44%	4.44%	4.44%	4.44%	4.44%	4.44%	4.44%
Original Amount	$0	Balance - Beg of Year	0	-	-	-	-	-	-	-	-	-
Amortization Period	35	Interest	-	-	-	-	-	-	-	-	-	-
Annual Interest Rate	4.44%	Principal	-	-	-	-	-	-	-	-	-	-
Payments Per Year	12	Annual Debt Service	-	-	-	-	-	-	-	-	-	-
Level Principal	N	Additional Prin Paid	0	0	0	0	0	0	0	0	0	0
Year Repriced		Balance - End of Year	-	-	-	-	-	-	-	-	-	-
15. Note No.		Fixed or Variable Rate	F									
Date of Note	Jun-80	Effective Interest Rate	4.44%	4.44%	4.44%	4.44%	4.44%	4.44%	4.44%	4.44%	4.44%	4.44%
Original Amount	$0	Balance - Beg of Year	0	-	-	-	-	-	-	-	-	-
Amortization Period	35	Interest	-	-	-	-	-	-	-	-	-	-
Annual Interest Rate	4.44%	Principal	-	-	-	-	-	-	-	-	-	-
Payments Per Year	12	Annual Debt Service	-	-	-	-	-	-	-	-	-	-
Level Principal	N	Additional Prin Paid	0	0	0	0	0	0	0	0	0	0
Year Repriced		Balance - End of Year	-	-	-	-	-	-	-	-	-	-
16. Note No.		Fixed or Variable Rate	F									
Date of Note	Jun-80	Effective Interest Rate	4.44%	4.44%	4.44%	4.44%	4.44%	4.44%	4.44%	4.44%	4.44%	4.44%
Original Amount	$0	Balance - Beg of Year	0	-	-	-	-	-	-	-	-	-
Amortization Period	35	Interest	-	-	-	-	-	-	-	-	-	-
Annual Interest Rate	4.44%	Principal	-	-	-	-	-	-	-	-	-	-
Payments Per Year	12	Annual Debt Service	-	-	-	-	-	-	-	-	-	-
Level Principal	N	Additional Prin Paid	0	0	0	0	0	0	0	0	0	0
Year Repriced		Balance - End of Year	-	-	-	-	-	-	-	-	-	-
17. Note No.		Fixed or Variable Rate	F									
Date of Note	Jun-80	Effective Interest Rate	4.44%	4.44%	4.44%	4.44%	4.44%	4.44%	4.44%	4.44%	4.44%	4.44%
Original Amount	$0	Balance - Beg of Year	0	-	-	-	-	-	-	-	-	-
Amortization Period	35	Interest	-	-	-	-	-	-	-	-	-	-
Annual Interest Rate	4.44%	Principal	-	-	-	-	-	-	-	-	-	-
Payments Per Year	12	Annual Debt Service	-	-	-	-	-	-	-	-	-	-
Level Principal	N	Additional Prin Paid	0	0	0	0	0	0	0	0	0	0
Year Repriced		Balance - End of Year	-	-	-	-	-	-	-	-	-	-
18. Note No.		Fixed or Variable Rate	F									
Date of Note	Jun-80	Effective Interest Rate	4.44%	4.44%	4.44%	4.44%	4.44%	4.44%	4.44%	4.44%	4.44%	4.44%
Original Amount	$0	Balance - Beg of Year	0	-	-	-	-	-	-	-	-	-
Amortization Period	35	Interest	-	-	-	-	-	-	-	-	-	-
Annual Interest Rate	4.44%	Principal	-	-	-	-	-	-	-	-	-	-
Payments Per Year	12	Annual Debt Service	-	-	-	-	-	-	-	-	-	-
Level Principal	N	Additional Prin Paid	0	0	0	0	0	0	0	0	0	0
Year Repriced		Balance - End of Year	-	-	-	-	-	-	-	-	-	-
19. Note No.		Fixed or Variable Rate	F									
Date of Note	Jun-80	Effective Interest Rate	4.44%	4.44%	4.44%	4.44%	4.44%	4.44%	4.44%	4.44%	4.44%	4.44%
Original Amount	$0	Balance - Beg of Year	0	-	-	-	-	-	-	-	-	-
Amortization Period	35	Interest	-	-	-	-	-	-	-	-	-	-
Annual Interest Rate	4.44%	Principal	-	-	-	-	-	-	-	-	-	-
Payments Per Year	12	Annual Debt Service	-	-	-	-	-	-	-	-	-	-
Level Principal	N	Additional Prin Paid	0	0	0	0	0	0	0	0	0	0
Year Repriced		Balance - End of Year	-	-	-	-	-	-	-	-	-	-
20. Note No.		Fixed or Variable Rate	F									
Date of Note	Jun-80	Effective Interest Rate	4.44%	4.44%	4.44%	4.44%	4.44%	4.44%	4.44%	4.44%	4.44%	4.44%
Original Amount	$0	Balance - Beg of Year	0	-	-	-	-	-	-	-	-	-
Amortization Period	35	Interest	-	-	-	-	-	-	-	-	-	-
Annual Interest Rate	4.44%	Principal	-	-	-	-	-	-	-	-	-	-
Payments Per Year	12	Annual Debt Service	-	-	-	-	-	-	-	-	-	-
Level Principal	N	Additional Prin Paid	0	0	0	0	0	0	0	0	0	0
Year Repriced		Balance - End of Year	-	-	-	-	-	-	-	-	-	-

Existing RUS L... (Page 4)

			2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
21. Note No.		Fixed or Variable Rate	F									
Date of Note	Jun-80	Effective Interest Rate	4.44%	4.44%	4.44%	4.44%	4.44%	4.44%	4.44%	4.44%	4.44%	4.44%
Original Amount	$0	Balance - Beg of Year	0	-	-	-	-	-	-	-	-	-
Amortization Period	35	Interest	-	-	-	-	-	-	-	-	-	-
Annual Interest Rate	4.44%	Principal	-	-	-	-	-	-	-	-	-	-
Payments Per Year	12	Annual Debt Service	-	-	-	-	-	-	-	-	-	-
Level Principal	N	Additional Prin Paid	0	0	0	0	0	0	0	0	0	0
Year Repriced		Balance - End of Year	-	-	-	-	-	-	-	-	-	-
22. Note No.		Fixed or Variable Rate	F									
Date of Note	Jun-80	Effective Interest Rate	4.44%	4.44%	4.44%	4.44%	4.44%	4.44%	4.44%	4.44%	4.44%	4.44%
Original Amount	$0	Balance - Beg of Year	0	-	-	-	-	-	-	-	-	-
Amortization Period	35	Interest	-	-	-	-	-	-	-	-	-	-
Annual Interest Rate	4.44%	Principal	-	-	-	-	-	-	-	-	-	-
Payments Per Year	12	Annual Debt Service	-	-	-	-	-	-	-	-	-	-
Level Principal	N	Additional Prin Paid	0	0	0	0	0	0	0	0	0	0
Year Repriced		Balance - End of Year	-	-	-	-	-	-	-	-	-	-
23. Note No.		Fixed or Variable Rate	F									
Date of Note	Jun-80	Effective Interest Rate	4.44%	4.44%	4.44%	4.44%	4.44%	4.44%	4.44%	4.44%	4.44%	4.44%
Original Amount	$0	Balance - Beg of Year	0	-	-	-	-	-	-	-	-	-
Amortization Period	35	Interest	-	-	-	-	-	-	-	-	-	-
Annual Interest Rate	4.44%	Principal	-	-	-	-	-	-	-	-	-	-
Payments Per Year	12	Annual Debt Service	-	-	-	-	-	-	-	-	-	-
Level Principal	N	Additional Prin Paid	0	0	0	0	0	0	0	0	0	0
Year Repriced		Balance - End of Year	-	-	-	-	-	-	-	-	-	-
24. Note No.		Fixed or Variable Rate	F									
Date of Note	Jun-80	Effective Interest Rate	4.44%	4.44%	4.44%	4.44%	4.44%	4.44%	4.44%	4.44%	4.44%	4.44%
Original Amount	$0	Balance - Beg of Year	0	-	-	-	-	-	-	-	-	-
Amortization Period	35	Interest	-	-	-	-	-	-	-	-	-	-
Annual Interest Rate	4.44%	Principal	-	-	-	-	-	-	-	-	-	-
Payments Per Year	12	Annual Debt Service	-	-	-	-	-	-	-	-	-	-
Level Principal	N	Additional Prin Paid	0	0	0	0	0	0	0	0	0	0
Year Repriced		Balance - End of Year	-	-	-	-	-	-	-	-	-	-
25. Note No.		Fixed or Variable Rate	F									
Date of Note	Jun-80	Effective Interest Rate	4.44%	4.44%	4.44%	4.44%	4.44%	4.44%	4.44%	4.44%	4.44%	4.44%
Original Amount	$0	Balance - Beg of Year	0	-	-	-	-	-	-	-	-	-
Amortization Period	35	Interest	-	-	-	-	-	-	-	-	-	-
Annual Interest Rate	4.44%	Principal	-	-	-	-	-	-	-	-	-	-
Payments Per Year	12	Annual Debt Service	-	-	-	-	-	-	-	-	-	-
Level Principal	N	Additional Prin Paid	0	0	0	0	0	0	0	0	0	0
Year Repriced		Balance - End of Year	-	-	-	-	-	-	-	-	-	-

TOTAL DEBT FIGURES	BALANCE - BEGINNING OF YEAR	3,056,839	2,958,431	2,854,901	2,745,978	2,631,377	2,510,796	2,383,917	2,250,405	2,109,909	1,962,054
	ANNUAL INTEREST EXPENSE	155,445	150,324	144,931	139,252	133,272	126,975	120,342	113,357	106,000	98,250
	ANNUAL PRINCIPAL PAYMENTS	98,409	103,530	108,923	114,601	120,581	126,879	133,511	140,497	147,854	155,604
	ANNUAL DEBT SERVICE	253,854	253,854	253,854	253,854	253,854	253,854	253,854	253,854	253,854	253,854
	ADDITIONAL PRINCIPAL PAID	-	-	-	-	-	-	-	-	-	-
	BALANCE - END OF YEAR	2,958,431	2,854,901	2,745,978	2,631,377	2,510,796	2,383,917	2,250,405	2,109,909	1,962,054	1,806,450

FINANCIAL FORECAST RUS FORM 325i1 - DETERMINATION OF DEBT & DEBT SERVICE - Existing OTHER

			2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
1. Note No.		Fixed or Variable Rate	F									
Date of Note	Nov-98	Effective Interest Rate	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%
Original Amount	$958,141	Balance - Beg of Year	306,878	182,099	47,298	-	-	-	-	-	-	-
Amortization Period	9.4	Interest	19,413	9,391	3,360	-	-	-	-	-	-	-
Annual Interest Rate	7.75%	Principal	124,779	134,801	47,298	-	-	-	-	-	-	-
Payments Per Year	12	Annual Debt Service	144,192	144,192	50,658	-	-	-	-	-	-	-
Level Principal	N	Additional Prin Paid	0	0	0	0	0	0	0	0	0	0
Year Repriced	1998	Balance - End of Year	182,099	47,298	-	-	-	-	-	-	-	-
2. Note No.		Fixed or Variable Rate	F									
Date of Note	Jun-80	Effective Interest Rate	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%
Original Amount	$0	Balance - Beg of Year	0	-	-	-	-	-	-	-	-	-
Amortization Period	35	Interest	-	-	-	-	-	-	-	-	-	-
Annual Interest Rate	7.75%	Principal	-	-	-	-	-	-	-	-	-	-
Payments Per Year	4	Annual Debt Service	-	-	-	-	-	-	-	-	-	-
Level Principal	N	Additional Prin Paid	0	0	0	0	0	0	0	0	0	0
Year Repriced	2005	Balance - End of Year	-	-	-	-	-	-	-	-	-	-
3. Note No.		Fixed or Variable Rate	F									
Date of Note	Jun-80	Effective Interest Rate	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%
Original Amount	$0	Balance - Beg of Year	0	-	-	-	-	-	-	-	-	-
Amortization Period	35	Interest	-	-	-	-	-	-	-	-	-	-
Annual Interest Rate	7.75%	Principal	-	-	-	-	-	-	-	-	-	-
Payments Per Year	4	Annual Debt Service	-	-	-	-	-	-	-	-	-	-
Level Principal	N	Additional Prin Paid	0	0	0	0	0	0	0	0	0	0
Year Repriced	2005	Balance - End of Year	-	-	-	-	-	-	-	-	-	-
4. Note No.		Fixed or Variable Rate	F									
Date of Note	Jun-80	Effective Interest Rate	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%
Original Amount	$0	Balance - Beg of Year	0	-	-	-	-	-	-	-	-	-
Amortization Period	35	Interest	-	-	-	-	-	-	-	-	-	-
Annual Interest Rate	7.75%	Principal	-	-	-	-	-	-	-	-	-	-
Payments Per Year	4	Annual Debt Service	-	-	-	-	-	-	-	-	-	-
Level Principal	N	Additional Prin Paid	0	0	0	0	0	0	0	0	0	0
Year Repriced	2005	Balance - End of Year	-	-	-	-	-	-	-	-	-	-
5. Note No.		Fixed or Variable Rate	F									
Date of Note	Jun-80	Effective Interest Rate	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%
Original Amount	$0	Balance - Beg of Year	0	-	-	-	-	-	-	-	-	-
Amortization Period	35	Interest	-	-	-	-	-	-	-	-	-	-
Annual Interest Rate	7.75%	Principal	-	-	-	-	-	-	-	-	-	-
Payments Per Year	4	Annual Debt Service	-	-	-	-	-	-	-	-	-	-
Level Principal	N	Additional Prin Paid	0	0	0	0	0	0	0	0	0	0
Year Repriced	2005	Balance - End of Year	-	-	-	-	-	-	-	-	-	-
6. Note No.		Fixed or Variable Rate	F									
Date of Note	Jun-80	Effective Interest Rate	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%
Original Amount	$0	Balance - Beg of Year	0	-	-	-	-	-	-	-	-	-
Amortization Period	35	Interest	-	-	-	-	-	-	-	-	-	-
Annual Interest Rate	7.75%	Principal	-	-	-	-	-	-	-	-	-	-
Payments Per Year	4	Annual Debt Service	-	-	-	-	-	-	-	-	-	-
Level Principal	N	Additional Prin Paid	0	0	0	0	0	0	0	0	0	0
Year Repriced	2005	Balance - End of Year	-	-	-	-	-	-	-	-	-	-

Existing Other Debt (Page 2)

			2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
7. Note No.		Fixed or Variable Rate	F									
Date of Note	Jun-80	Effective Interest Rate	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%
Original Amount	$0	Balance - Beg of Year	0	-	-	-	-	-	-	-	-	-
Amortization Period	35	Interest	-	-	-	-	-	-	-	-	-	-
Annual Interest Rate	7.75%	Principal	-	-	-	-	-	-	-	-	-	-
Payments Per Year	4	Annual Debt Service	-	-	-	-	-	-	-	-	-	-
Level Principal	N	Additional Prin Paid	0	0	0	0	0	0	0	0	0	0
Year Repriced	2005	Balance - End of Year	-	-	-	-	-	-	-	-	-	-
8. Note No.		Fixed or Variable Rate	F									
Date of Note	Jun-80	Effective Interest Rate	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%
Original Amount	$0	Balance - Beg of Year	0	-	-	-	-	-	-	-	-	-
Amortization Period	35	Interest	-	-	-	-	-	-	-	-	-	-
Annual Interest Rate	7.75%	Principal	-	-	-	-	-	-	-	-	-	-
Payments Per Year	4	Annual Debt Service	-	-	-	-	-	-	-	-	-	-
Level Principal	N	Additional Prin Paid	0	0	0	0	0	0	0	0	0	0
Year Repriced	2005	Balance - End of Year	-	-	-	-	-	-	-	-	-	-
9. Note No.		Fixed or Variable Rate	F									
Date of Note	Jun-80	Effective Interest Rate	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%
Original Amount	$0	Balance - Beg of Year	0	-	-	-	-	-	-	-	-	-
Amortization Period	35	Interest	-	-	-	-	-	-	-	-	-	-
Annual Interest Rate	7.75%	Principal	-	-	-	-	-	-	-	-	-	-
Payments Per Year	4	Annual Debt Service	-	-	-	-	-	-	-	-	-	-
Level Principal	N	Additional Prin Paid	0	0	0	0	0	0	0	0	0	0
Year Repriced	2005	Balance - End of Year	-	-	-	-	-	-	-	-	-	-
10. Note No.		Fixed or Variable Rate	F									
Date of Note	Jun-80	Effective Interest Rate	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%
Original Amount	$0	Balance - Beg of Year	0	-	-	-	-	-	-	-	-	-
Amortization Period	35	Interest	-	-	-	-	-	-	-	-	-	-
Annual Interest Rate	7.75%	Principal	-	-	-	-	-	-	-	-	-	-
Payments Per Year	4	Annual Debt Service	-	-	-	-	-	-	-	-	-	-
Level Principal	N	Additional Prin Paid	0	0	0	0	0	0	0	0	0	0
Year Repriced	2005	Balance - End of Year	-	-	-	-	-	-	-	-	-	-
11. Note No.		Fixed or Variable Rate	F									
Date of Note	Jun-80	Effective Interest Rate	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%
Original Amount	$0	Balance - Beg of Year	0	-	-	-	-	-	-	-	-	-
Amortization Period	35	Interest	-	-	-	-	-	-	-	-	-	-
Annual Interest Rate	7.75%	Principal	-	-	-	-	-	-	-	-	-	-
Payments Per Year	4	Annual Debt Service	-	-	-	-	-	-	-	-	-	-
Level Principal	N	Additional Prin Paid	0	0	0	0	0	0	0	0	0	0
Year Repriced	2005	Balance - End of Year	-	-	-	-	-	-	-	-	-	-
12. Note No.		Fixed or Variable Rate	F									
Date of Note	Jun-80	Effective Interest Rate	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%
Original Amount	$0	Balance - Beg of Year	0	-	-	-	-	-	-	-	-	-
Amortization Period	35	Interest	-	-	-	-	-	-	-	-	-	-
Annual Interest Rate	7.75%	Principal	-	-	-	-	-	-	-	-	-	-
Payments Per Year	4	Annual Debt Service	-	-	-	-	-	-	-	-	-	-
Level Principal	N	Additional Prin Paid	0	0	0	0	0	0	0	0	0	0
Year Repriced	2005	Balance - End of Year	-	-	-	-	-	-	-	-	-	-
13. Note No.		Fixed or Variable Rate	F									
Date of Note	Jun-80	Effective Interest Rate	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%
Original Amount	$0	Balance - Beg of Year	0	-	-	-	-	-	-	-	-	-
Amortization Period	35	Interest	-	-	-	-	-	-	-	-	-	-
Annual Interest Rate	7.75%	Principal	-	-	-	-	-	-	-	-	-	-
Payments Per Year	4	Annual Debt Service	-	-	-	-	-	-	-	-	-	-
Level Principal	N	Additional Prin Paid	0	0	0	0	0	0	0	0	0	0
Year Repriced	2005	Balance - End of Year	-	-	-	-	-	-	-	-	-	-

Existing Other Debt (Page 3)

			2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
14. Note No.		Fixed or Variable Rate	F									
Date of Note	Jun-80	Effective Interest Rate	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%
Original Amount	$0	Balance - Beg of Year	0	-	-	-	-	-	-	-	-	-
Amortization Period	35	Interest	-	-	-	-	-	-	-	-	-	-
Annual Interest Rate	7.75%	Principal	-	-	-	-	-	-	-	-	-	-
Payments Per Year	4	Annual Debt Service	-	-	-	-	-	-	-	-	-	-
Level Principal	N	Additional Prin Paid	0	0	0	0	0	0	0	0	0	0
Year Repriced	2005	Balance - End of Year	-	-	-	-	-	-	-	-	-	-
15. Note No.		Fixed or Variable Rate	F									
Date of Note	Jun-80	Effective Interest Rate	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%
Original Amount	$0	Balance - Beg of Year	0	-	-	-	-	-	-	-	-	-
Amortization Period	35	Interest	-	-	-	-	-	-	-	-	-	-
Annual Interest Rate	7.75%	Principal	-	-	-	-	-	-	-	-	-	-
Payments Per Year	4	Annual Debt Service	-	-	-	-	-	-	-	-	-	-
Level Principal	N	Additional Prin Paid	0	0	0	0	0	0	0	0	0	0
Year Repriced	2005	Balance - End of Year	-	-	-	-	-	-	-	-	-	-
16. Note No.		Fixed or Variable Rate	F									
Date of Note	Jun-80	Effective Interest Rate	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%
Original Amount	$0	Balance - Beg of Year	0	-	-	-	-	-	-	-	-	-
Amortization Period	35	Interest	-	-	-	-	-	-	-	-	-	-
Annual Interest Rate	7.75%	Principal	-	-	-	-	-	-	-	-	-	-
Payments Per Year	4	Annual Debt Service	-	-	-	-	-	-	-	-	-	-
Level Principal	N	Additional Prin Paid	0	0	0	0	0	0	0	0	0	0
Year Repriced	2005	Balance - End of Year	-	-	-	-	-	-	-	-	-	-
17. Note No.		Fixed or Variable Rate	F									
Date of Note	Jun-80	Effective Interest Rate	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%
Original Amount	$0	Balance - Beg of Year	0	-	-	-	-	-	-	-	-	-
Amortization Period	35	Interest	-	-	-	-	-	-	-	-	-	-
Annual Interest Rate	7.75%	Principal	-	-	-	-	-	-	-	-	-	-
Payments Per Year	4	Annual Debt Service	-	-	-	-	-	-	-	-	-	-
Level Principal	N	Additional Prin Paid	0	0	0	0	0	0	0	0	0	0
Year Repriced	2005	Balance - End of Year	-	-	-	-	-	-	-	-	-	-
18. Note No.		Fixed or Variable Rate	F									
Date of Note	Jun-80	Effective Interest Rate	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%
Original Amount	$0	Balance - Beg of Year	0	-	-	-	-	-	-	-	-	-
Amortization Period	35	Interest	-	-	-	-	-	-	-	-	-	-
Annual Interest Rate	7.75%	Principal	-	-	-	-	-	-	-	-	-	-
Payments Per Year	4	Annual Debt Service	-	-	-	-	-	-	-	-	-	-
Level Principal	N	Additional Prin Paid	0	0	0	0	0	0	0	0	0	0
Year Repriced	2005	Balance - End of Year	-	-	-	-	-	-	-	-	-	-
19. Note No.		Fixed or Variable Rate	F									
Date of Note	Jun-80	Effective Interest Rate	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%
Original Amount	$0	Balance - Beg of Year	0	-	-	-	-	-	-	-	-	-
Amortization Period	35	Interest	-	-	-	-	-	-	-	-	-	-
Annual Interest Rate	7.75%	Principal	-	-	-	-	-	-	-	-	-	-
Payments Per Year	4	Annual Debt Service	-	-	-	-	-	-	-	-	-	-
Level Principal	N	Additional Prin Paid	0	0	0	0	0	0	0	0	0	0
Year Repriced	2005	Balance - End of Year	-	-	-	-	-	-	-	-	-	-
20. Note No.		Fixed or Variable Rate	F									
Date of Note	Jun-80	Effective Interest Rate	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%
Original Amount	$0	Balance - Beg of Year	0	-	-	-	-	-	-	-	-	-
Amortization Period	35	Interest	-	-	-	-	-	-	-	-	-	-
Annual Interest Rate	7.75%	Principal	-	-	-	-	-	-	-	-	-	-
Payments Per Year	4	Annual Debt Service	-	-	-	-	-	-	-	-	-	-
Level Principal	N	Additional Prin Paid	0	0	0	0	0	0	0	0	0	0
Year Repriced	2005	Balance - End of Year	-	-	-	-	-	-	-	-	-	-

Existing Other Debt (Page 4)

			2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
21. Note No.		Fixed or Variable Rate	F									
Date of Note	Jun-80	Effective Interest Rate	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%
Original Amount	$0	Balance - Beg of Year	0	-	-	-	-	-	-	-	-	-
Amortization Period	35	Interest	-	-	-	-	-	-	-	-	-	-
Annual Interest Rate	7.75%	Principal	-	-	-	-	-	-	-	-	-	-
Payments Per Year	4	Annual Debt Service	-	-	-	-	-	-	-	-	-	-
Level Principal	N	Additional Prin Paid	0	0	0	0	0	0	0	0	0	0
Year Repriced	2005	Balance - End of Year	-	-	-	-	-	-	-	-	-	-
22. Note No.		Fixed or Variable Rate	F									
Date of Note	Jun-80	Effective Interest Rate	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%
Original Amount	$0	Balance - Beg of Year	0	-	-	-	-	-	-	-	-	-
Amortization Period	35	Interest	-	-	-	-	-	-	-	-	-	-
Annual Interest Rate	7.75%	Principal	-	-	-	-	-	-	-	-	-	-
Payments Per Year	4	Annual Debt Service	-	-	-	-	-	-	-	-	-	-
Level Principal	N	Additional Prin Paid	0	0	0	0	0	0	0	0	0	0
Year Repriced	2005	Balance - End of Year	-	-	-	-	-	-	-	-	-	-
23. Note No.		Fixed or Variable Rate	F									
Date of Note	Jun-80	Effective Interest Rate	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%
Original Amount	$0	Balance - Beg of Year	0	-	-	-	-	-	-	-	-	-
Amortization Period	35	Interest	-	-	-	-	-	-	-	-	-	-
Annual Interest Rate	7.75%	Principal	-	-	-	-	-	-	-	-	-	-
Payments Per Year	4	Annual Debt Service	-	-	-	-	-	-	-	-	-	-
Level Principal	N	Additional Prin Paid	0	0	0	0	0	0	0	0	0	0
Year Repriced	2005	Balance - End of Year	-	-	-	-	-	-	-	-	-	-
24. Note No.		Fixed or Variable Rate	F									
Date of Note	Jun-80	Effective Interest Rate	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%
Original Amount	$0	Balance - Beg of Year	0	-	-	-	-	-	-	-	-	-
Amortization Period	35	Interest	-	-	-	-	-	-	-	-	-	-
Annual Interest Rate	7.75%	Principal	-	-	-	-	-	-	-	-	-	-
Payments Per Year	4	Annual Debt Service	-	-	-	-	-	-	-	-	-	-
Level Principal	N	Additional Prin Paid	0	0	0	0	0	0	0	0	0	0
Year Repriced	2005	Balance - End of Year	-	-	-	-	-	-	-	-	-	-
25. Note No.		Fixed or Variable Rate	F									
Date of Note	Jun-80	Effective Interest Rate	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%
Original Amount	$0	Balance - Beg of Year	0	-	-	-	-	-	-	-	-	-
Amortization Period	35	Interest	-	-	-	-	-	-	-	-	-	-
Annual Interest Rate	7.75%	Principal	-	-	-	-	-	-	-	-	-	-
Payments Per Year	4	Annual Debt Service	-	-	-	-	-	-	-	-	-	-
Level Principal	N	Additional Prin Paid	0	0	0	0	0	0	0	0	0	0
Year Repriced	2005	Balance - End of Year	-	-	-	-	-	-	-	-	-	-

TOTAL DEBT FIGURES	BALANCE - BEGINNING OF YEAR	306,878	182,099	47,298	-	-	-	-	-	-	-
	ANNUAL INTEREST EXPENSE	19,413	9,391	3,360	-	-	-	-	-	-	-
	ANNUAL PRINCIPAL PAYMENTS	124,779	134,801	47,298	-	-	-	-	-	-	-
	ANNUAL DEBT SERVICE	144,192	144,192	50,658	-	-	-	-	-	-	-
	ADDITIONAL PRINCIPAL PAID	-	-	-	-	-	-	-	-	-	-
	BALANCE - END OF YEAR	182,099	47,298	-	-	-	-	-	-	-	-

FINANCIAL FORECAST

RUS FORM 325H4 - DETERMINATION OF DEBT & DEBT SERVICE - NEW RUS LOANS

			2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
New RUS Note #1												
Date of Note	7/1/2006	Effective Interest Rate	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%
Original Amount	$ 600,000	Balance - Beg of Year	-	600,000	600,000	590,009	568,363	545,609	521,691	496,550	470,122	442,342
Amortization Period	20	Interest	15,000	30,000	29,896	29,009	27,901	26,737	25,514	24,227	22,875	21,454
Annual Interest Rate	5.00%	Principal	-	-	9,991	21,646	22,754	23,918	25,141	26,428	27,780	29,201
Payments Per Year	12	Annual Debt Service	15,000	30,000	39,888	50,655	50,655	50,655	50,655	50,655	50,655	50,655
Principal Deferment	Y	Additional Prin Paid	0	0	0	0	0	0	0	0	0	0
Level Principal	N	Balance - End of Year	600,000	600,000	590,009	568,363	545,609	521,691	496,550	470,122	442,342	413,141
Year Repriced	0											
New RUS Note #2												
Date of Note	7/1/2007	Effective Interest Rate		5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%
Original Amount	$ 1,200,000	Balance - Beg of Year		-	1,200,000	1,200,000	1,192,983	1,177,955	1,162,157	1,145,552	1,128,097	1,109,748
Amortization Period	35	Interest		30,000	60,000	59,927	59,308	58,539	57,731	56,881	55,988	55,049
Annual Interest Rate	5.00%	Principal		-	-	7,017	15,028	15,797	16,606	17,455	18,348	19,287
Payments Per Year	12	Annual Debt Service		30,000	60,000	66,944	74,336	74,336	74,336	74,336	74,336	74,336
Principal Deferment	Y	Additional Prin Paid		0	0	0	0	0	0	0	0	0
Level Principal	N	Balance - End of Year		1,200,000	1,200,000	1,192,983	1,177,955	1,162,157	1,145,552	1,128,097	1,109,748	1,090,461
Year Repriced	0											
New RUS Note #3												
Date of Note	7/1/2008	Effective Interest Rate			5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%
Original Amount	$ -	Balance - Beg of Year			-	-	-	-	-	-	-	-
Amortization Period	35	Interest			-	-	-	-	-	-	-	-
Annual Interest Rate	5.00%	Principal			-	-	-	-	-	-	-	-
Payments Per Year	12	Annual Debt Service			-	-	-	-	-	-	-	-
Principal Deferment	Y	Additional Prin Paid			0	0	0	0	0	0	0	0
Level Principal	N	Balance - End of Year			-	-	-	-	-	-	-	-
Year Repriced	0											
New RUS Note #4												
Date of Note	7/1/2009	Effective Interest Rate				5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%
Original Amount	$ 600,000	Balance - Beg of Year				-	600,000	600,000	596,492	588,977	581,079	572,776
Amortization Period	35	Interest				15,000	30,000	29,964	29,654	29,269	28,865	28,441
Annual Interest Rate	5.00%	Principal				-	-	3,508	7,514	7,899	8,303	8,728
Payments Per Year	12	Annual Debt Service				15,000	30,000	33,472	37,168	37,168	37,168	37,168
Principal Deferment	Y	Additional Prin Paid				0	0	0	0	0	0	0
Level Principal	N	Balance - End of Year				600,000	600,000	596,492	588,977	581,079	572,776	564,048
Year Repriced	0											
New RUS Note #5												
Date of Note	7/1/2010	Effective Interest Rate					5.00%	5.00%	5.00%	5.00%	5.00%	5.00%
Original Amount	$ -	Balance - Beg of Year					-	-	-	-	-	-
Amortization Period	35	Interest					-	-	-	-	-	-
Annual Interest Rate	5.00%	Principal					-	-	-	-	-	-
Payments Per Year	12	Annual Debt Service					-	-	-	-	-	-
Principal Deferment	Y	Additional Prin Paid					0	0	0	0	0	0
Level Principal	N	Balance - End of Year					-	-	-	-	-	-
Year Repriced	0											

New RU_ Debt (Page 2)

			2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
New RUS Note #6												
Date of Note	7/1/2011	Effective Interest Rate						5.00%	5.00%	5.00%	5.00%	5.00%
Original Amount	$ -	Balance - Beg of Year						-	-	-	-	-
Amortization Period	35	Interest						-	-	-	-	-
Annual Interest Rate	5.00%	Principal						-	-	-	-	-
Payments Per Year	12	Annual Debt Service						-	-	-	-	-
Principal Deferment	Y	Additional Prin Paid						-	-	-	-	-
Level Principal	N	Balance - End of Year						0	0	0	0	0
Year Repriced	0							-	-	-	-	-
New RUS Note #7												
Date of Note	7/1/2012	Effective Interest Rate							5.00%	5.00%	5.00%	5.00%
Original Amount	$ -	Balance - Beg of Year							-	-	-	-
Amortization Period	35	Interest							-	-	-	-
Annual Interest Rate	5.00%	Principal							-	-	-	-
Payments Per Year	12	Annual Debt Service							-	-	-	-
Principal Deferment	Y	Additional Prin Paid							-	-	-	-
Level Principal	N	Balance - End of Year							0	0	0	0
Year Repriced	0								-	-	-	-
New RUS Note #8												
Date of Note	7/1/2013	Effective Interest Rate								5.00%	5.00%	5.00%
Original Amount	$ -	Balance - Beg of Year								-	-	-
Amortization Period	35	Interest								-	-	-
Annual Interest Rate	5.00%	Principal								-	-	-
Payments Per Year	12	Annual Debt Service								-	-	-
Principal Deferment	Y	Additional Prin Paid								-	-	-
Level Principal	N	Balance - End of Year								0	0	0
Year Repriced	0									-	-	-
New RUS Note #9												
Date of Note	7/1/2014	Effective Interest Rate									5.00%	5.00%
Original Amount	$ -	Balance - Beg of Year									-	-
Amortization Period	35	Interest									-	-
Annual Interest Rate	5.00%	Principal									-	-
Payments Per Year	12	Annual Debt Service									-	-
Principal Deferment	Y	Additional Prin Paid									-	-
Level Principal	N	Balance - End of Year									0	0
Year Repriced	0										-	-
New RUS Note #10												
Date of Note	7/1/2015	Effective Interest Rate										5.00%
Original Amount	$ -	Balance - Beg of Year										-
Amortization Period	35	Interest										-
Annual Interest Rate	5.00%	Principal										-
Payments Per Year	12	Annual Debt Service										-
Principal Deferment	Y	Additional Prin Paid										-
Level Principal	N	Balance - End of Year										0
Year Repriced	0											-
NEW DEBT & DEBT SERVICE - RUS												
a. DEBT FIRST OF YEAR			-	600,000	1,800,000	1,790,009	2,361,346	2,323,564	2,280,340	2,231,079	2,179,297	2,124,866
b. LOAN FUNDS ADVANCED			600,000	1,200,000	-	600,000	-	-	-	-	-	-
c. INTEREST			15,000	60,000	89,696	103,936	117,209	115,240	112,898	110,378	107,729	104,944
d. PRINCIPAL PAYMENTS			-	-	9,991	28,663	37,782	43,224	49,261	51,782	54,431	57,216
e. DEBT PAYMENTS			15,000	60,000	99,688	132,599	154,991	158,463	162,160	162,160	162,160	162,160
f. ADDITIONAL PRINCIPAL PAID			-	-	-	-	-	-	-	-	-	-
g. DEBT END OF YEAR			600,000	1,800,000	1,790,009	2,361,346	2,323,564	2,280,340	2,231,079	2,179,297	2,124,866	2,067,651

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
1. DEBT & DEBT SERVICE - 2% & 5% LOANS										
a. DEBT FIRST OF YEAR	0	0	0	0	0	0	0	0	0	0
b. LOAN FUNDS ADVANCED	0	0	0	0	0	0	0	0	0	0
c. INTEREST	0	0	0	0	0	0	0	0	0	0
d. DEBT PAYMENTS	0	0	0	0	0	0	0	0	0	0
e. ADDITIONAL PRINCIPAL PAID	0	0	0	0	0	0	0	0	0	0
f. DEBT END OF YEAR	0	0	0	0	0	0	0	0	0	0
2. DEBT & DEBT SERVICE - OLD RUS										
a. DEBT FIRST OF YEAR	3,056,839	2,956,431	2,854,901	2,745,978	2,631,377	2,510,796	2,383,917	2,250,405	2,109,909	1,962,054
b. LOAN FUNDS ADVANCED	0	0	0	0	0	0	0	0	0	0
c. INTEREST	155,445	150,324	144,931	139,252	133,272	126,975	120,342	113,357	106,000	98,250
d. DEBT PAYMENTS	253,854	253,854	253,854	253,854	253,854	253,854	253,854	253,854	253,854	253,854
e. ADDITIONAL PRINCIPAL PAID	0	0	0	0	0	0	0	0	0	0
f. DEBT END OF YEAR	2,956,431	2,854,901	2,745,978	2,631,377	2,510,796	2,383,917	2,250,405	2,109,909	1,962,054	1,806,450
3. DEBT & DEBT SERVICE - NEW DEBT - RUS										
a. DEBT FIRST OF YEAR	0	600,000	1,800,000	1,790,009	2,361,346	2,323,564	2,280,340	2,231,079	2,179,297	2,124,866
b. LOAN FUNDS ADVANCED	600,000	1,200,000	0	600,000	0	0	0	0	0	0
c. INTEREST	15,000	60,000	89,898	103,938	117,209	116,240	112,898	110,378	107,729	104,944
d. DEBT PAYMENTS	15,000	60,000	99,888	132,599	154,991	158,463	162,160	162,160	162,160	162,160
e. ADDITIONAL PRINCIPAL PAID	0	0	0	0	0	0	0	0	0	0
f. DEBT END OF YEAR	600,000	1,800,000	1,790,009	2,361,346	2,323,564	2,280,340	2,231,079	2,179,297	2,124,866	2,067,651
4. DEBT & DEBT SERVICE - OLD DEBT - GUARANTEED										
a. DEBT FIRST OF YEAR	0	0	0	0	0	0	0	0	0	0
b. LOAN FUNDS ADVANCED	0	0	0	0	0	0	0	0	0	0
c. INTEREST	0	0	0	0	0	0	0	0	0	0
d. DEBT PAYMENTS	0	0	0	0	0	0	0	0	0	0
e. ADDITIONAL PRINCIPAL PAID	0	0	0	0	0	0	0	0	0	0
f. DEBT END OF YEAR	0	0	0	0	0	0	0	0	0	0
5. DEBT & DEBT SERVICE - NEW DEBT - GUARANTEED										
a. DEBT FIRST OF YEAR	0	0	0	0	0	0	0	0	0	0
b. LOAN FUNDS ADVANCED	0	0	0	0	0	0	0	0	0	0
c. INTEREST	0	0	0	0	0	0	0	0	0	0
d. DEBT PAYMENTS	0	0	0	0	0	0	0	0	0	0
e. ADDITIONAL PRINCIPAL PAID	0	0	0	0	0	0	0	0	0	0
f. DEBT END OF YEAR	0	0	0	0	0	0	0	0	0	0
6. DEBT & DEBT SERVICE - OLD DEBT - OTHER										
a. DEBT FIRST OF YEAR	306,878	182,099	47,298	0	0	0	0	0	0	0
b. LOAN FUNDS ADVANCED	0	0	0	0	0	0	0	0	0	0
c. INTEREST	19,413	9,391	3,380	0	0	0	0	0	0	0
d. DEBT PAYMENTS	144,192	144,192	50,658	0	0	0	0	0	0	0
e. ADDITIONAL PRINCIPAL PAID	0	0	0	0	0	0	0	0	0	0
f. DEBT END OF YEAR	182,099	47,298	0	0	0	0	0	0	0	0
7. DEBT & DEBT SERVICE - NEW DEBT - OTHER										
a. DEBT FIRST OF YEAR	0	0	0	0	0	0	0	0	0	0
b. LOAN FUNDS ADVANCED	0	0	0	0	0	0	0	0	0	0
c. INTEREST	0	0	0	0	0	0	0	0	0	0
d. DEBT PAYMENTS	0	0	0	0	0	0	0	0	0	0
e. ADDITIONAL PRINCIPAL PAID	0	0	0	0	0	0	0	0	0	0
f. DEBT END OF YEAR	0	0	0	0	0	0	0	0	0	0
8. SUMMARY										
a. DEBT FIRST OF YEAR	3,363,718	3,740,530	4,702,199	4,535,987	4,992,723	4,834,359	4,664,257	4,481,484	4,289,206	4,086,921
b. LOAN FUNDS ADVANCED	600,000	1,200,000	0	600,000	0	0	0	0	0	0
c. INTEREST	189,858	219,715	238,188	243,189	250,482	242,215	233,241	223,735	213,728	203,194
d. DEBT PAYMENTS	413,046	458,046	404,400	386,453	408,845	412,317	416,013	416,013	416,013	416,013
e. ADDITIONAL PRINCIPAL PAID	0	0	0	0	0	0	0	0	0	0
f. DEBT END OF YEAR	3,740,530	4,702,199	4,535,987	4,992,723	4,834,359	4,664,257	4,481,484	4,289,206	4,086,921	3,874,101

FINANCIAL FORECAST RUS FORM 325K - DETERMINATION OF OPERATING EXPENSES

	PREVIOUS YEARS					FUTURE YEARS							
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
1. a. TOTAL KWH REQUIREMENTS	12,183,000	12,322,000	12,365,000	12,426,246	12,899,220	13,441,054	13,933,003	14,434,143	14,933,166	15,503,588	16,084,560	16,676,082	17,278,157
b. BASE COST PER KWH PURCHASED (PRES. RAT	0.09887	0.14135	0.17371	0.18924	0.19160	0.19389	0.19644	0.19909	0.20186	0.20458	0.20741	0.21033	0.21335
c. FLOW THROUGH ADJ./KWH WHOLESALE	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
d. TOTAL COST PER KWH PURCHASED	0.09887	0.14135	0.17371	0.18924	0.19160	0.19389	0.19644	0.19909	0.20186	0.20458	0.20741	0.21033	0.21335
e. COST OF POWER	1,204,480	1,741,679	2,147,948	2,351,514	2,471,432	2,606,029	2,737,024	2,873,719	3,014,434	3,171,776	3,336,037	3,507,468	3,686,326
2. a. OPERATION & MAINT. EXPENSE	166,499	172,665	232,571	241,944	250,412	259,176	268,248	277,636	287,354	297,411	307,820	318,594	329,745
b. RATIO TO TOTAL UTILITY PLANT	2.429	2.499	3.329	3.189	2.850	2.950	2.858	2.958	3.061	3.169	3.280	3.394	3.513
3. a. ADMIN. GENERAL & OTHER DEDUCT.	821,487	1,000,873	964,520	853,649	887,795	923,307	960,239	998,649	1,038,595	1,080,138	1,123,344	1,168,278	1,215,009
b. RATIO TO TOTAL UTILITY PLANT	11.985	14.487	13.806	11.253	10.105	10.509	10.230	10.640	11.065	11.508	11.968	12.447	12.945
4. a. DEPREC & AMORTIZATION EXPENSE	201,992	265,714	230,434	264,602	295,290	301,822	328,170	318,180	320,180	322,725	324,492	325,048	326,302
b. RATIO TO TOTAL UTILITY PLANT	2.947	3.846	3.298	3.488	3.361	3.435	3.496	3.390	3.411	3.438	3.457	3.463	3.476
5. a. TAX EXPENSE	197,672	254,395	237,696	268,661	279,328	291,022	302,470	314,332	326,554	339,896	353,716	368,022	382,830
b. RATIO TO TOTAL UTILITY PLANT	2.884	3.682	3.402	3.541	3.179	3.312	3.223	3.349	3.479	3.621	3.769	3.921	4.079
6. TOTAL UTILITY PLANT	6,854,301	6,908,820	6,986,113	7,586,113	8,786,113	8,786,113	9,386,113	9,386,113	9,386,113	9,386,113	9,386,113	9,386,113	9,386,113
7. a. CONSUMER ACCT. & SALES EXPENSE	26,793	27,143	25,367	27,424	27,972	28,532	29,103	29,685	30,278	30,884	31,502	32,132	32,774
b. COST PER CONSUMER SERVED	16.044	15.892	14.688	15.503	15.463	15.398	15.374	15.341	15.284	15.229	15.181	15.142	15.117
c. AVERAGE NUMBER OF CONSUMERS SERVED	1,670	1,708	1,727	1,769	1,809	1,853	1,893	1,935	1,981	2,028	2,075	2,122	2,168

INPUT SHEET

BORROWER NAME : Block Island Power Company
BORROWER DESIGNATION : RI0001
FORECAST DESCRIPTION / KEY ASSUMPTIONS : NEW ENGINE
PREPARER : David G Bebyn CPA
DATE : Apr-06

	PREVIOUS YEARS					FUTURE YEARS							
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
FORM 325A - RATIOS													
2. DEBT SERVICE COVERAGE :	********	********	1.53	********	********	********	********	********	********	********	********	********	********
3. TIER :	********	********	1.98	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25
4. MINIMUM GENERAL FUND LEVEL %	********	********	********	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
4a. MINIMUM GENERAL FUND LEVEL $	********	********	********	$ 200,000	$ 200,000	$ 200,000	$ 200,000	$ 200,000	$ 200,000	$ 200,000	$ 200,000	$ 200,000	$ 200,000
Allow rate decreases (0=No;1=Yes)	********	********	********	0	0	0	0	0	0	0	0	0	0
Amount of revenue to defer to following year	********	********	0	0	0	0	0	0	0	0	0	0	0
FORM 325B - BALANCE SHEET													
1b. ACCUM. PROVISION FOR DEPREC. & AMORT.	********	********	3,194,645	********	********	********	********	********	********	********	********	********	********
1d. NET GENERAL FUNDS	********	********	458,740	********	********	********	********	********	********	********	********	********	********
1e. GENERAL FUNDS EXCLUDABLE ITEMS	********	********	0	********	********	********	********	********	********	********	********	********	********
1f. OTHER ASSETS AND DEBITS	********	********	1,238,505	********	********	********	********	********	********	********	********	********	********
2a. TOTAL MARGINS AND EQUITIES	********	********	819,551	********	********	********	********	********	********	********	********	********	********
2d. OTHER LIABILITIES AND CREDITS	********	********	1,306,444	********	********	********	********	********	********	********	********	********	********
FORM 325C - STATEMENT OF OPERATIONS													
1k. INTEREST EXPENSE ON LONG-TERM DEBT	********	********	184,967	********	********	********	********	********	********	********	********	********	********
1l. NONOPERATING MARGINS (CASH)	********	********	********	20,642	20,642	20,642	20,642	20,642	20,642	20,642	20,642	20,642	20,642
1m. G&T CAPITAL CREDITS ALLOCATED	********	********	0	0	0	0	0	0	0	0	0	0	0
1m. OTHER CAPITAL CREDITS AND NON CASH MARGINS	********	********	0	0	0	0	0	0	0	0	0	0	0
FORM 325D - GENERAL FUNDS SUMMARY													
1c. OTHER PROCEEDS - G&T CAPITAL CREDITS PAID	********	********	********	0	0	0	0	0	0	0	0	0	0
1c. OTHER PROCEEDS - LENDER CAPITAL CREDITS PAID	********	********	********	0	0	0	0	0	0	0	0	0	0
1c. OTHER PROCEEDS - OTHER	********	********	********	0	0	0	0	0	0	0	0	0	0
1d. SALE OF EXCLUDABLE ITEMS	********	********	********	0	0	0	0	0	0	0	0	0	0
3a. PURCHASE OF EXCLUDABLE ITEMS	********	********	********	0	0	0	0	0	0	0	0	0	0
3b. CAPITAL CREDIT RETIREMENTS	********	********	********	0	0	0	0	0	0	0	0	0	0
3d. OTHER USES OF GENERAL FUNDS	********	********	********	0	0	0	0	0	0	0	0	0	0
FORM 325K - OPERATING EXPENSES													
1b. BASE COST PER KWH PURCHASED (PRES. RATE)	0.0988656	0.1413471	0.1737119	0.1892377	0.1915955	0.1938858	0.1964418	0.1990918	0.2018617	0.2045834	0.2074062	0.2103292	0.2133518
1c. FLOW THROUGH ADJ./KWH WHOLESALE	0.0000000	0.0000000	0.0000000	0.0000000	0.0000000	0.0000000	0.0000000	0.0000000	0.0000000	0.0000000	0.0000000	0.0000000	0.0000000
1e. COST OF POWER	1,204,480	1,741,679	2,147,948	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX
2a. OPERATION & MAINT. EXPENSE	166,499	172,665	232,571	241,944	250,412	259,176	268,248	277,636	287,354	297,411	307,820	318,594	329,745
3a. ADMIN. GENERAL & OTHER DEDUCTIONS	821,467	1,000,873	984,520	853,649	887,795	923,307	960,239	998,649	1,038,595	1,080,138	1,123,344	1,168,278	1,215,009
4a. DEPREC. & AMORTIZATION EXPENSE	201,992	265,714	230,434	264,602	295,290	301,822	326,170	318,180	320,180	322,725	324,492	325,048	326,302
5a. TAX EXPENSE	197,672	254,395	237,696	268,661	279,328	291,022	302,470	314,332	326,554	339,896	353,716	368,022	382,830
7a. CONSUMER ACCT & SALES EXPENSE	26,793	27,143	25,367	27,424	27,972	28,532	29,103	29,685	30,278	30,884	31,502	32,132	32,774
7b. or CONS. ACCT. & SALES EXP. PER CONSUMER SERV	16.04	15.89	14.69	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
FORM 325H & 325I - DEBT SERVICE	NEW LOANS: FIXED = F		VARIABLE = V		F								
FIXED INTEREST RATES													
INTEREST RATE - RUS	********	********	********	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%
INTEREST RATE - GUARANTEED	********	********	********	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%
INTEREST RATE - OTHER	********	********	********	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%
VARIABLE INTEREST RATES													
INTEREST RATE - RUS	********	********	********	1.50%	1.75%	2.00%	2.25%	2.50%	2.75%	3.00%	3.25%	3.50%	3.75%
INTEREST RATE - GUARANTEED	********	********	********	1.75%	2.00%	2.25%	2.50%	2.75%	3.00%	3.25%	3.50%	3.75%	4.00%
INTEREST RATE - OTHER	********	********	********	3.50%	3.75%	4.00%	4.25%	4.50%	4.75%	5.00%	5.25%	5.50%	5.75%

SUMMARY TABLE FOR REFERENCE

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
1. T.I.E.R. Goal with Increase	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25
2. T.I.E.R. Earned without Increase	1.40	1.12	1.06	0.99	1.04	1.11	1.20	1.30	1.42	1.54
3. Oper. Margins (excl G&T + lender CC paid) with Rate Increase	$55,536	$34,287	$38,905	$40,155	$41,978	$39,912	$37,668	$47,295	$68,991	$89,217
4. Oper. Margins (excl G&T + lender CC paid) without Rate Increase	$55,536	$6,692	($782)	($21,988)	($9,821)	$5,404	$26,159	$47,295	$68,991	$89,217
Required Increase in Revenue										
5. Before Deferral	-$28,713	$27,594	$39,687	$62,143	$51,799	$34,508	$11,509	-$12,003	-$36,201	-$59,061
6. Deferred Revenue (Net)	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
7. Required Increase in Revenue	($28,713)	$27,594	$39,687	$62,143	$51,799	$34,508	$11,509	($12,003)	($36,201)	($59,061)
7a. Required Increase per Kwh (cents)	-0.256	0.237	0.326	0.492	0.396	0.255	0.082	-0.082	-0.239	-0.376
8. Average Revenue per Kwh (cents)	37.87	38.28	38.53	38.90	39.03	39.14	39.21	39.36	39.64	39.92
9. Percent Increase in Revenue	-0.66%	0.62%	0.85%	1.28%	1.03%	0.66%	0.21%	-0.21%	-0.60%	-0.94%
10. Interest on L.T.D.	$189,658	$219,715	$238,186	$243,169	$250,462	$242,215	$233,241	$223,735	$213,728	$203,194
11. Equity Ratio with Increase	15.08	13.66	14.74	14.53	16.59	16.67	17.79	19.09	20.73	22.69
12. Debt Service Coverage	1.28	1.24	1.48	1.64	1.54	1.51	1.48	1.48	1.51	1.54
13a. General Funds Available	$576,332	$688,220	$883,377	$1,129,080	$1,351,517	$1,562,148	$1,760,411	$1,960,561	$2,172,957	$2,396,298
13b. Gen. Funds Used During Year	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
13c. General Funds End of Year	$576,332	$688,220	$883,377	$1,129,080	$1,351,517	$1,562,148	$1,760,411	$1,960,561	$2,172,957	$2,396,298
14a. General Funds Goal: Plant Ratio	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
14b. or Min. Dollar Level	$ 200,000.00	$ 200,000.00	$ 200,000.00	$ 200,000.00	$ 200,000.00	$ 200,000.00	$ 200,000.00	$ 200,000.00	$ 200,000.00	$ 200,000.00
14c. Actual Gen. Funds to Plant Ratio	7.60	7.83	10.05	12.03	14.40	16.64	18.76	20.89	23.15	25.53
14d. Required Gen. Fund Level for Goal	$200,000	$200,000	$200,000	$200,000	$200,000	$200,000	$200,000	$200,000	$200,000	$200,000
Total Funds Available to Invest										
15. & Still Meet Goal	$376,332	$488,220	$683,377	$929,080	$1,151,517	$1,362,148	$1,560,411	$1,760,561	$1,972,957	$2,196,298
16. Total Funds Required	$600,000	$1,200,000	$0	$600,000	$0	$0	$0	$0	$0	$0
17. General Funds Invested	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
18. Add. Gen. Funds Available	$376,332	$488,220	$683,377	$929,080	$1,151,517	$1,362,148	$1,560,411	$1,760,561	$1,972,957	$2,196,298
19. New RUS Loans Required	$600,000	$1,200,000	$0	$600,000	$0	$0	$0	$0	$0	$0
20. New Guaranteed Loans Required	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
21. New Other Loans Required	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
22. Prior RUS Loans Appl.	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
23. Prior Guaranteed Loans Appl.	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
24. Prior Other Loans Appl.	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
25. Kwh Sales	11,232,146	11,667,282	12,165,770	12,618,363	13,079,412	13,536,513	14,063,301	14,597,795	15,141,995	15,695,904
26. % Increase Year by Year	3.95%	3.87%	4.27%	3.72%	3.65%	3.51%	3.88%	3.80%	3.73%	3.66%

General Funds Input Aid (GFIA)	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Gen. Funds for Priority Const.	0	0	0	0	0	0	0	0	0	0
Gen. Funds for Non-Prior. Const.	0	0	0	0	0	0	0	0	0	0
Add. Gen. Funds for Goal	376,332	488,220	683,377	929,080	1,151,517	1,362,148	1,560,411	1,760,561	1,972,957	2,196,298
Gen. Funds for Prior. Const. CALC	376,332	488,220	0	600,000	0	0	0	0	0	0

THIRD SET OF DATA REQUESTS OF THE TOWN OF NEW SHOREHAM

TOWN-97 Please refer to minutes of the Board meeting on June 2, 2005. Does Mr. Edge agree that the definition of "employee" for federal employment tax purposes includes officers of a corporation, unless they provide substantially no services to the corporation? Has the Company requested a private letter ruling from the IRS regarding the classification of its officers for purposes of federal employment tax liability?

Response: The answer to both questions is no however, Mr. Edge is not a federal income tax expert so he is not familiar with Federal definition of an "employee". As stated in the minutes "the IRS had audited BIPCo twice in the recent past and never challenged that class of stipends for management services."

Prepared by WEE

THIRD SET OF DATA REQUESTS OF THE TOWN OF NEW SHOREHAM

TOWN-98 Please refer to minutes of the Board meeting on June 2, 2005. Mr. Wagner said that the Company "was behind in its environmental cleanup of hazardous materials." What was the status of the completion of the cleanup of hazardous materials during FY 2006, FY 2007 and FY 2008, what expenses were incurred in each of the above periods, and how were these expenses booked?

Response: The clean-up that Mr. Wagner was speaking about was the tank and soil removal projected mandated by the RIDEM. BIPCo was behind schedule but had already been working on the project for a few years. As shown on the attached schedule, BIPCo accelerated its efforts and completed the project in FYE May 31st 2007. See attached schedule of the cleanup costs of hazardous materials expensed during FY 2006, FY 2007 and FY 2008. These expenses were charged to general ledger account entitled "Hazardous Waste Store/Remove".

Prepared by CM and DGB

Account ID	Account Description	Date	Reference	Jrnl	Trans Description	Debit Amt	Credit Amt	Balance
5935.0801	Haz. Waste Store/Remove/Hd	6/1/05			Beginning Balance			
5935.0801	Haz. Waste Store/Remove/Hd	7/6/05	11822	PJ	WESTERN	1,394.90		
5935.0801	Haz. Waste Store/Remove/Hd	7/8/05	p001310777	PJ	SAFETY-KLEEN	125.00		
5935.0801	Haz. Waste Store/Remove/Hd	10/31/05	17135	PJ	ALTERNATIVE TECHNC	250.00		
5935.0801	Haz. Waste Store/Remove/Hd	1/5/06	12664	PJ	WESTERN	7,363.37		
5935.0801	Haz. Waste Store/Remove/Hd	1/5/06	12656	PJ	WESTERN	428.00		
5935.0801	Haz. Waste Store/Remove/Hd	3/28/06	779982	PJ	WESCO	1,578.29		
5935.0801	Haz. Waste Store/Remove/Hd	3/30/06	783492	PJ	WESCO	244.60		
5935.0801	Haz. Waste Store/Remove/Hd	4/24/06	810161	PJ	WESCO	173.55		
5935.0801	Haz. Waste Store/Remove/Hd	5/16/06	735271	PJ	WESCO	45.48		
5935.0801	Haz. Waste Store/Remove/Hd	5/18/06	18150	PJ	ALTERNATIVE TECHNC	240.00		
5935.0801	Haz. Waste Store/Remove/Hd	5/30/06	M003469943	PJ	SAFETY-KLEEN	192.84		
		5/31/06			**Ending Balance**			**12,036.03**
5935.0801	Haz. Waste Store/Remove/Hd	6/1/06			Beginning Balance			
5935.0801	Haz. Waste Store/Remove/Hd	6/28/06	13481	PJ	WESTERN	6,711.58		
5935.0801	Haz. Waste Store/Remove/Hd	11/30/06	19316	PJ	ALTERNATIVE TECHNC	140.00		
5935.0801	Haz. Waste Store/Remove/Hd	12/5/06	14225	PJ	WESTERN	2,150.70		
5935.0801	Haz. Waste Store/Remove/Hd	1/26/07	14416	PJ	WESTERN	4,396.31		
		5/31/07			**Fiscal Year End Balance**			**13,398.59**
5935.0801	Haz. Waste Store/Remove/Hd	6/1/07			Beginning Balance			
5935.0801	Haz. Waste Store/Remove/Hd	10/18/07	15491	PJ	WESTERN	240.00		
		5/31/08			**Ending Balance**			**240.00**

THIRD SET OF DATA REQUESTS OF THE TOWN OF NEW SHOREHAM

TOWN-99 Please refer to the response to TOWN-3. Provide all duties of the Treasurer and CFO as a practicing physician, where his practice is located, and the amount of time dedicated to his medical practice.

Response: The Treasurer, Secretary and CFO practices in Danbury Conn. He is a part time physician employee who works only four days a week as a physician. He does not work as a physician on Wednesdays, evenings or weekends.

Prepared by WEE assisted by JP

THIRD SET OF DATA REQUESTS OF THE TOWN OF NEW SHOREHAM

TOWN-100 Please refer to the response to TOWN-7. Please provide test year owned and leased vehicle lease expenses, insurance, motor vehicle excise taxes, maintenance expenses and fuel expenses and the dollar amount of annual compensation represented by the COO's and President's personal use of Company owned or lease vehicles.

Response: See attached.

Prepared by DGB

	President	COO *
Lease Exp	6,792.30	6,771.00
Insurance	3,266.00	1,877.00
Excise Tax	*Included in Lease Exp*	
Maintenance	-	500.00
Fuel	-	1,141.22

Note: the annual amount of personal use is considered part of the President and COO's compensation and no calculation of the value of this benefit is done by BIPCo.

* The COO's vehicle is available to all employees for business use.

THIRD SET OF DATA REQUESTS OF THE TOWN OF NEW SHOREHAM

TOWN-101 Please refer to the response to TOWN-8. Was Mr. Edwards treated as a Company employee during his 13 year tenure as President for purposes of federal employment tax liability of the Company (FICA, FUTA)?

Response: No.

Prepared by WEE

THIRD SET OF DATA REQUESTS OF THE TOWN OF NEW SHOREHAM

TOWN-102 Please explain whether Mr. Edwards participated in the Company's employee benefits plan during his tenure as President and whether his compensation was included in determining actuarial estimates of the Company's pension liability.

Response: Mr. Edwards did participate in the Company's employee Health Insurance plan while President. Mr. Edwards' compensation was not included in determining actuarial estimates of the Company's pension plan. It should be noted that BIPCo has a defined contribution plan therefore there are no actuarial estimates.

Prepared by WEE

THIRD SET OF DATA REQUESTS OF THE TOWN OF NEW SHOREHAM

TOWN-103 Please refer to the response to TOWN-12. Please provide the "agreement" referenced in this response.

Response: It is an oral agreement.

Prepared by WEE

THIRD SET OF DATA REQUESTS OF THE TOWN OF NEW SHOREHAM

TOWN-104 Please refer to the response to TOWN-16. Provide total capital expenditures made for the distribution system upgrades made by the Company since its last rate case and supporting documentation.

Response: See the three schedules attached. BIPCo spent $299,417 for outside labor (copies of a few Halpin invoices are attached), $26,744 for inside labor and $172,520 on materials.

Prepared by DGB

BLOCK ISLAND POWER COMPANY
VENDOR: HALPIN LINE CONSTRUCTION COMPANY

Vendor	Date	Trans No	Amt
HALPIN LINE CONSTRUCTION	1/19/05	3699	7,200.00
HALPIN LINE CONSTRUCTION	2/8/05	3744	8,160.00
HALPIN LINE CONSTRUCTION	2/8/05	3745	10,429.06
HALPIN LINE CONSTRUCTION	2/23/05	3772	4,800.00
HALPIN LINE CONSTRUCTION	3/8/05	3790	4,320.00
HALPIN LINE CONSTRUCTION	3/23/05	3853	4,800.00
HALPIN LINE CONSTRUCTION	4/13/05	3914	5,460.00
HALPIN LINE CONSTRUCTION	4/27/05	3968	4,800.00
HALPIN LINE CONSTRUCTION	5/12/05	3995	4,800.00
HALPIN LINE CONSTRUCTION	5/18/05	4052	4,800.00
HALPIN LINE CONSTRUCTION	6/28/05	4139	7,860.00
HALPIN LINE CONSTRUCTION	7/18/05	4160	5,460.00
HALPIN LINE CONSTRUCTION	7/27/05	4193	4,800.00
HALPIN LINE CONSTRUCTION	8/17/05	4238	6,120.00
HALPIN LINE CONSTRUCTION	8/30/05	4262	4,800.00
HALPIN LINE CONSTRUCTION	9/16/05	4306	5,130.00
HALPIN LINE CONSTRUCTION	9/30/05	4374	10,040.00
HALPIN LINE CONSTRUCTION	10/1/05	4074	4,800.00
HALPIN LINE CONSTRUCTION	10/25/05	4423	5,020.00
HALPIN LINE CONSTRUCTION	11/11/05	4581	8,049.78
HALPIN LINE CONSTRUCTION	1/5/06	4859	5,020.00
HALPIN LINE CONSTRUCTION	1/5/06	4856	7,028.00
HALPIN LINE CONSTRUCTION	1/15/06	5127	12,116.25
HALPIN LINE CONSTRUCTION	1/31/06	5379	5,539.78
HALPIN LINE CONSTRUCTION	2/28/06	6165	10,040.00
HALPIN LINE CONSTRUCTION	2/28/06	6204	2,510.00
HALPIN LINE CONSTRUCTION	3/14/06	6205	5,020.00
HALPIN LINE CONSTRUCTION	3/28/06	7128	5,020.00
HALPIN LINE CONSTRUCTION	4/11/06	7717	5,020.00
HALPIN LINE CONSTRUCTION	4/26/06	8339	5,020.00
HALPIN LINE CONSTRUCTION	5/10/06	8657	5,020.00
HALPIN LINE CONSTRUCTION	5/23/06	9073	5,020.00
HALPIN LINE CONSTRUCTION	6/16/06	10580	10,040.00
HALPIN LINE CONSTRUCTION	6/30/06	11101	5,020.00
HALPIN LINE CONSTRUCTION	7/31/06	11901	5,366.52
HALPIN LINE CONSTRUCTION	8/30/06	12739	5,020.00
HALPIN LINE CONSTRUCTION	10/19/06	13734	5,020.00
HALPIN LINE CONSTRUCTION	11/10/06	14086	5,020.00
HALPIN LINE CONSTRUCTION	12/6/06	14539	2,510.00
HALPIN LINE CONSTRUCTION	1/2/07	14820	5,020.00
HALPIN LINE CONSTRUCTION	1/31/07	15601	5,020.00
HALPIN LINE CONSTRUCTION	2/28/07	15970	2,510.00
HALPIN LINE CONSTRUCTION	6/26/07	314634	25,446.52
HALPIN LINE CONSTRUCTION	8/31/07	332941	6,973.42
HALPIN LINE CONSTRUCTION	9/30/07	340651	5,297.60
HALPIN LINE CONSTRUCTION	11/4/07	349342	5,481.24
HALPIN LINE CONSTRUCTION	12/6/07	356791	2,648.80
			290,416.97

HALPIN, LLC

www.HalpinLLC.com
accountsreceivable@hawkeyellc.com

170 Moore Road
Weymouth, MA 02189
Tel. (781) 340-0555
Fax (781) 340-4498

****** INVOICE ******

Bill To: BLOCK ISLAND POWER
P.O. BOX 518
100 OCEAN AVENUE

BLOCK ISLAND, RI 02807

Invoice Number	: 356791
Invoice Date	: 12/6/2007
Customer Number	: 275662
JDE Job Number	: 1410109
Work Order #	: BLOCK IS
PO #	:
Foreman	: 275 Powers, Thomas - 275
Due Date	: Net 30 Days

Comments:

Service Date	Item	Description	Account Number	Quantity	Unit Price	Amount
11/25/2007	BLK06-JLST	JOURNEYMAN ST	T. POWERS	40.00	61.22	2,448.80
11/25/2007	BLK06-PERD	PER DEIM	WEEK ENDING 11/25/07	1.00	200.00	200.00

Wire To: A/C 9418654598
ABA 026009593
Bank of America
47 West Main Street
Patchogue, NY 11772

Amount Billed	2,648.80
Total Tax	
Retainage Held	
TOTAL DUE:	2,648.80

Example of invoices

Please Remit Payment To: Halpin, LLC
Billing Terms: Net 30 Days - Please Reference Invoice Number

HALPIN, LLC

www.HalpinLLC.com
accountsreceivable@hawkeyellc.com

170 Moore Road
Weymouth, MA 02189
Tel. (781) 340-0555
Fax (781) 340-4498

****** INVOICE ******

Bill To: BLOCK ISLAND POWER
P.O. BOX 518
100 OCEAN AVENUE

BLOCK ISLAND, RI 02807

Invoice Number : 349342
Invoice Date : 11/4/2007
Customer Number : 275662
JDE Job Number : 1410109
Work Order # : BLOCK ISLAND
PO # :
Foreman : 275
Powers, Thomas - 275
Due Date : Net 30 Days

Comments:

Service Date	Item	Description	Account Number	Quantity	Unit Price	Amount
10/21/2007	BLK06-PERD	PER DEIM	PER DIEM 10/21/07	1.00	200.00	200.00
10/21/2007	BLK06-JLST	JOURNEYMAN ST	T. POWERS	40.00	61.22	2,448.80
10/28/2007	BLK06-PERD	PER DEIM	PER DIEM 10/28/07	1.00	200.00	200.00
10/28/2007	BLK06-JLOT	JOURNEYMAN OT	T. POWERS	2.00	91.82	183.64
10/28/2007	BLK06-JLST	JOURNEYMAN ST	T. POWERS	40.00	61.22	2,448.80

Wire To: A/C 9418654598
ABA 026009593
Bank of America
47 West Main Street
Patchogue, NY 11772

Amount Billed	5,481.24
Total Tax	
Retainage Held	
TOTAL DUE:	5,481.24

Please Remit Payment To: Halpin, LLC
Billing Terms: Net 30 Days - Please Reference Invoice Number

HALPIN, LLC

www.HalpinLLC.com
accountsreceivable@hawkeyellc.com

170 Moore Road
Weymouth, MA 02189
Tel. (781) 340-0555
Fax (781) 340-4498

****** INVOICE ******

Bill To: BLOCK ISLAND POWER
P.O. BOX 518
100 OCEAN AVENUE

BLOCK ISLAND, RI 02807

Invoice Number : 340651
Invoice Date : 9/30/2007
Customer Number : 275662
JDE Job Number : 1410109
Work Order # : BLOCK ISLAND
PO # :
Foreman : 275
Powers, Thomas - 275
Due Date : Net 30 Days

Comments:

Service Date	Item	Description	Account Number	Quantity	Unit Price	Amount
9/16/2007	BLK06-JLST	JOURNEYMAN ST	T. Powers	40.00	61.22	2,448.80
9/16/2007	BLK06-PERD	PER DEIM	Weekly Perdiem 9/16/07	1.00	200.00	200.00
9/23/2007	BLK06-JLST	JOURNEYMAN ST	T. Powers	40.00	61.22	2,448.80
9/23/2007	BLK06-PERD	PER DEIM	Weekly Perdiem 9/23/07	1.00	200.00	200.00

Wire To: A/C 9418654598
ABA 026009593
Bank of America
47 West Main Street
Patchogue, NY 11772

Amount Billed	5,297.60
Total Tax	
Retainage Held	
TOTAL DUE:	5,297.60

Please Remit Payment To: Halpin, LLC
Billing Terms: Net 30 Days - Please Reference Invoice Number

Calptilized Distribution system upgrades (Labor)

	1368.0001 Transformers	1365.0001 Overhead Cond	1364.0001 Poles	1366.0001 Undergrd Cond	
FY 2005	586.44	1,940.64	2,710.04	1,048.04	
FY 2006	1,792.03	3,791.93	3,008.83		
FY 2007		6,650.70	5,215.42		
	2,378.47	12,383.27	10,934.29	1,048.04	26,744.07

Calptilized Distribution system upgrades (Materials)

	1368.0001 Transformers	1365.0001 Overhead Cond	1364.0001 Poles	1366.0001 Undergrd Cond	
FY 2005	11,670.00	14,019.34	20,969.64	7,517.67	
FY 2006	12,346.59	25,091.99	28,339.98		
FY 2007		42,404.75	10,160.00		
	24,016.59	81,516.08	59,469.62	7,517.67	172,519.96

THIRD SET OF DATA REQUESTS OF THE TOWN OF NEW SHOREHAM

TOWN-105 Please refer to the response to TOWN-23. Please:

a) explain how a portion of Company property not included in rate base was transferred to an affiliate, Island Services, rather than booked to Company Account 121;

b) why the Company has paid annual rent to an affiliate for apartment space apparently used for utility purposes;

c) why the Company has paid a higher annual rental for this space to its affiliate than it charged to relatives of an owner/officer for the rental of a house and garage; and

d) provide a copy of the agreement between the Company and Island Services or a written description thereof on file with the Division during the test year.

Response: a) The PUC only allowed BIPCo to book the cost of the first floor and the basement on its books. For example, assume the building cost $80,000. BIPCo would have only booked $60,000 with the rest of the cost being accounted for ($20,000) on Island Services' books.

b) Exactly, BIPCo rented the apartment from Island Services primarily to provide housing for the overhead lines men that were hired by BIPCo to upgrade the distribution system.

c) The relative of the owner/officer completed significant upgrades to the house before moving in. The apartment required no upgrades and had been rented out at $900 per month in an arms length transaction for over two years before BIPCo rented it.

d) There is no written agreement (the lease was simply $1,000 per month to allow BIPCo to use the property exclusively). There was no written description of the transaction on file with the Division in the test year.

Prepared by WEE

THIRD SET OF DATA REQUESTS OF THE TOWN OF NEW SHOREHAM

TOWN-106 Refer to the response to TOWN-24. If no written contracts exist as requested, please provide a written description of these agreements on file with the Division during the test year.

Response: There were none.

Prepared by WEE

THIRD SET OF DATA REQUESTS OF THE TOWN OF NEW SHOREHAM

TOWN-107 Please refer to the response to TOWN-31. Does Mr. Edge agree that "lost revenue" may be attributable to inaccurate meters, theft of service and other causes unrelated to conservation, and that he has no documentation to quantify and support his revenue adjustment due to conservation?

Response: No. I believe that the majority of the reduction in sales is the result of conservation which was brought about by the doubling of the fuel component in the BIPCo rates. I further believe that my review of the prior year consumption data suggests clearly shows that the reductions in consumption are not the result of inaccurate meters or theft.

Prepared by WEE

THIRD SET OF DATA REQUESTS OF THE TOWN OF NEW SHOREHAM

TOWN-108 Please refer to the response to TOWN-35. Has Block Island Cable removed its facilities from Company poles? If so, has the Company incurred any pre or post test year expenses associated with the removal of these facilities? What individuals have removed these facilities?

Response: I believe that the majority of the cable has been removed. The Company has not incurred any test year, pre-test year or post test year expense relating to the removal of these services. Block Island Cable TV's owner, assisted by his wife, removed the cable.

Prepared by WEE

THIRD SET OF DATA REQUESTS OF THE TOWN OF NEW SHOREHAM

TOWN-109 Please refer to the response to TOWN-39. Given the "confusion" cited by Mr. Edge regarding Verizon's obligation to pay pole attachment fees to the Company, please: (a) provide the joint ownership agreement with Verizon (and not just the IOP furnished in TOWN-39); (b) explain whether has charged a percentage of pole investment and maintenance costs to Verizon; and (c) provide all test year charges by the Company to Verizon and revenues received from Verizon during the test year.

Response: a) There is no joint ownership agreement. The IOP serves as the entire agreement between the parties.

b) BIPCo only charges the amounts in the IOP.

c) The total test year charges by the Company to Verizon were $9,837. The Company received revenues from Verizon during the test year of $47,355. A portion of this balance ($37,518) represented charges for prior years billed during the test year.

Prepared by CM and DGB

THIRD SET OF DATA REQUESTS OF THE TOWN OF NEW SHOREHAM

TOWN-110 What is the projected cost and anticipated size/number of the new tank farm?

Response: See Town-95.

Prepared by CM

THIRD SET OF DATA REQUESTS OF THE TOWN OF NEW SHOREHAM

TOWN-111 How were the tank farms costs addressed in the HDR supply plan?

Response: The Town has the report and I assume that they have read it. Our reading of the report suggests that the tank farm replacement was not addressed.

Prepared by CM

THIRD SET OF DATA REQUESTS OF THE TOWN OF NEW SHOREHAM

TOWN-112 How was the $600/month rental for the use of the parcels 37 & 38 determined. Were any comparables evaluated as BIPCo had done when in assessing the costs associated with fuel handling and fuel oil?

Response: The question assumes that the $600 per month was for parcels 37 and 38 which it wasn't. The $600 was negotiated between the parties and was for the small house on lot 38 and only two of the bays in the four bay garage. Comparables were used only generally based upon years of living on the Island and both parties having knowledge of the Island's economy. In addition, the build out to be completed by the lessee to the small house was a major consideration.

Prepared by WEE

THIRD SET OF DATA REQUESTS OF THE TOWN OF NEW SHOREHAM

TOWN-113 In response to Town-10, does BIPCo agree than the 7% payroll savings quoted refers to a pre-tax savings?

Response: Yes.

Prepared by WEE

THIRD SET OF DATA REQUESTS OF THE TOWN OF NEW SHOREHAM

TOWN-114 In response to Town-12, is BIPCo offering to change to officer positions from "contract" employee to "payroll" employee if preferred by the Town?

Response: No.

Prepared by WEE

THIRD SET OF DATA REQUESTS OF THE TOWN OF NEW SHOREHAM

TOWN-115 Are officer benefits included as compensation on the 1099 from BIPCo. If not, how is any other than cash compensation reported to BIPCo officers?

Response: No. The non-cash compensation (such as free electricity) is not reported to BIPCo's officers by the company through a 1099. However, during a recent audit by the IRS, the owners were required to pay tax on the free electricity they received. Since then BIPCo has made available the value of the free electricity to the owners for inclusion on their personal tax returns.

Prepared by WEE

THIRD SET OF DATA REQUESTS OF THE TOWN OF NEW SHOREHAM

TOWN-116 When the Board of Directors agreed in principle to a change-out of meters, was there any suspicion that the older meter may be, may soon become, less accurate?

Response: I don't believe that there was "suspicion" but there was concern regarding the problems reading the dial face meters. BIPCo has been installing digital meters that are far easier to read and has found that there are less reading errors. BIPCo wants to replace the old meters currently in the system with a more state of the art metering system.

Prepared by WEE

THIRD SET OF DATA REQUESTS OF THE TOWN OF NEW SHOREHAM

TOWN-117 How was the $1,000/month rental for the use of 2nd floor of the office building determined? Were any comparables evaluated as BIPCo had done when in assessing the costs associated with fuel handling and fuel oil? What was the original cost of the building and what amount had the Commission disallowed?

Response: The $1,000 monthly rental was proposed by Island Services and considered reasonable by BIPCo. Prior to this rental, the second floor apartment had been rented in an arms length agreement to a third party (2 women) for $900 per month. All of the parties involved were aware of the costs of housing on the Island in the summer. The intent was to rent the second floor for a year or a little more in order to get the distribution system maintenance and upgrades completed.

BIPCo's current management did not build the building and do not know what it cost. I reviewed the fixed asset records and could not find any item in the depreciation schedules that was listed as the office building. In fact the only item that I felt could have been the office building is the $60,000 leasehold improvement that has been discussed in earlier data requests. The amount approved by the Commission for inclusion in rate base is probably in old orders of the Commission which BIPCo does not have in its possession.

Prepared by WEE

THIRD SET OF DATA REQUESTS OF THE TOWN OF NEW SHOREHAM

TOWN-118 Was the annual amount of the $600,000 depreciation of leasehold improvement booked from 1973-1993 included in BIPCo cost of service (note response to Town-25)?

Response: No. However, I think that you meant $60,000 and depreciated from 1973-2003 and the answer is then yes. This was fully explained in the response to Division 1-16 that the Town stated that they had in Town 1.

Prepared by WEE

THIRD SET OF DATA REQUESTS OF THE TOWN OF NEW SHOREHAM

TOWN-119 Please explain the data used to determine that "business was up" during the summer of 2007 as asserted in the response to Town-31

Response: Observation by the COO who lives on the Island year round and information regarding Interstate Navigation's summer ridership.

Prepared by WEE and CM

THIRD SET OF DATA REQUESTS OF THE TOWN OF NEW SHOREHAM

TOWN-120 Was there any common ownership between and officers/directors of A Transue Corp and BIPCo?

Response: No.

Prepared by WEE

THIRD SET OF DATA REQUESTS OF THE TOWN OF NEW SHOREHAM

TOWN-121 Please provide the peak kW losses by month for each of the last three years.

Response: BIPCo does not maintain the necessary records to calculate the "peak kW losses by month" therefore this data request can not be answered.

Prepared by CM

THIRD SET OF DATA REQUESTS OF THE TOWN OF NEW SHOREHAM

TOWN-122 Please provide page 401 of the FERC-1, "Electric Energy Account" with lines 2 through 28 filled out. Please provide this information for calendar years 2005, 2006 and 2007.

Response: This page has not been prepared for the annual reports and is not required by the Division. However, BIPCo addressed this information in the response to Town-76 which provided the information that would be included on page 401 of the FERC-1 report had it been required and prepared.

Prepared by DGB

THIRD SET OF DATA REQUESTS OF THE TOWN OF NEW SHOREHAM

TOWN-123 Please explain how selling the assets of an electric utility increases the debt/equity ratio.

Response: It improves the debt/equity ratio by increasing the equity. It does not increase the debt /equity ratio, it decreases the debt/equity ratio.

Prepared by WEE

THIRD SET OF DATA REQUESTS OF THE TOWN OF NEW SHOREHAM

TOWN-124 With regard to the RUS grant application provided in response to TOWN-41, please state when the Company expects to receive a determination from RUS whether to award it a grant and in what amount, if any is awarded.

Response: BIPCo called RUS and determined that it would be at least another month before BIPCo would be notified as to how much if anything BIPCo might receive in the form of a grant. Further, RUS would not commit to an amount of any eventual grant.

Prepared by AC

THIRD SET OF DATA REQUESTS OF THE TOWN OF NEW SHOREHAM

TOWN-125 With regard to the RUS grant application provided in response to TOWN-41, please state whether the land that the Company proposes to develop and sell is or ever has been included in rate base.

Response: Yes the land has been and is in rate base.

Prepared by WEE

THIRD SET OF DATA REQUESTS OF THE TOWN OF NEW SHOREHAM

TOWN-126 Please explain whether the present zoning of the land that the Company proposes to develop and sell for residential housing as part of its plan to construct a cable to the mainland currently allows for the construction of homes, as contemplated by BIPCO.

Response: Yes, the land is zoned Service Commercial and single family dwellings are a permitted use in a Service Commercial zone.

Prepared by WEE

THIRD SET OF DATA REQUESTS OF THE TOWN OF NEW SHOREHAM

TOWN-127 With regard to the RUS grant application provided in response to TOWN-41, please state whether the distribution upgrade included in the grant application is the same as an alternative upgrade assumed by HDR in its September 2007 IRP Report.

Response: No it is not. The 2007 HDR IRP report was not available at the time that the grant was written.

Prepared by AC

THIRD SET OF DATA REQUESTS OF THE TOWN OF NEW SHOREHAM

TOWN-128 Please explain whether the Company is required to remove and replace its existing fuel storage tanks. Include a citation to any specific law, regulation or order that provides such requirement and the date when such removal and replacement must occur.

Response: See the response to Town 110 and Town-95.

Prepared by AC

THIRD SET OF DATA REQUESTS OF THE TOWN OF NEW SHOREHAM

TOWN-129 Has the Company accepted the September 2007 HDR IRP Report in all respects? If not, please identify any portion of the IRP Report that the Company does not accept and the reasons why such portion(s) are not accepted by the Company.

Response: BIPCo is in accord with the recommendations of the 2007 HDR report with the exception of continuing the 1 cent IRP charge in the summer to BIPCo's ratepayers and the funding of a position for a conservation person. The report states that all of the people interviewed knew about conservation. Additionally I have been stressing conservation methods in my PUC mandated notes to the ratepayers. In addition, energy conservation methods and alternative forms of energy production have been foremost in the popular public press for the past several months. Further, BIPCo believes that conservation is already happening because peak demand in July and August were less than last year.

BIPCo also believes that it has already addressed this position by appointing Mr. McGinnes the Green Operating Officer (GOO) of the company. Mr. McGinnes has already been to a number of locations that have wind power generation and he has been to meetings regarding alternative energy sources. Mr. McGinnes would be happy to serve on a committee with a Division and Town representative to continue conservation efforts. BIPCo sees no need to continue to charge the ratepayers the 1 cent surcharge.

Prepared by AC

THIRD SET OF DATA REQUESTS OF THE TOWN OF NEW SHOREHAM

TOWN-130 With regard to the "Environmental Profile" portion of the Company's response to TOWN-41, please state:

a) How the adequacy of 2 engines for back-up purposes was determined;

b) Where fuel storage tanks for back-up units would be located;

c) Whether the fuel storage tanks for back-up would need to be removed and replaced;

d) When the Company plans to seek PUC approvals of the changes in its distribution and generation plans, relative to the grant award determination by the RUS.

Response:

a) The adequacy was determined by Milton/CAT in collaboration with BIPCo. Engine's 25 and 24 will provide sufficient power for all six grids ten months of the year. If power fails in July or August the down town grid would operate 100% of the time the other five grids would be put on a rotating black out for one hour periods.

b) The fuel tanks for the back up units would self contained fuel tanks located in the same enclosure as the engines.

c) They would be new. The tank farm would be removed.

d) The Company would begin to request approvals as soon as possible after receiving notice of an appropriate grant award.

Prepared by AC

THIRD SET OF DATA REQUESTS OF THE TOWN OF NEW SHOREHAM

TOWN-131 Please refer to the "Project Design and Technical Merit Criteria" portion of the response to TOWN-41. Please explain what items on pages 22-23 of the December 2004 distribution upgrade study were deleted by HDR as "unnecessary items" and provide any back-up information for the "new pricing" added by HDR "for the remaining items that are pertinent to the submarine cable project." State whether this information is summarized on the one page insert which states that it replaces pages 22 and 23 of the December 2004 HDR distribution upgrade study.

Response:

1. The November, 2004 distribution upgrade study was for six grids.
2. In the construction project planned with the submarine cable project the Corn Neck grid will contain 3.2 miles of 34.5K v 250kcmil copper cable and will be direct bury. This cable has a PVC jacket that cannot be penetrated by salt water. The November, 2004 distribution upgrade study includes this grid with wire overhead on telephone pole upgrades. This is entirely eliminated in the submarine cable project.
3. All poles on Corn Neck Road to Bridgegate Square, all poles on West Beach Road, and all poles on Beach Avenue to the police station will be removed. All of this grid will have buried electrical services and ground transformers and vaults.
4. The cost upgrades on all grids was updated for September 2007 expense levels since the costs for the six grids listed on pages 22 and 23 were almost three years old.
5. In addition, the November, 2004 study had an entirely different kind of wire, on the Corn Neck grid, and substitution was made for direct burial.
6. Back up power plans changed other parts of the long range needs plan as well.
7. All numbers and changes came from the engineers at HDR Consulting.
8. The new inserted page contains the requested revisiting of the cost of the upgrades. The grant reflects as accurately as possible the cost of delivering the project.
9. HDR had not included the cost for construction management inspections in the original numbers for a cable, nor was there sufficient dollars for permits/engineering and legal work.

10. HDR did not include a fiber optic option to the cable to bring Block Island telephone to needed levels, as much of the island cannot have high speed internet, and cannot use cell phones at present. HDR priced this option for the project, will provide future revenue to BIPCO.

Prepared by AC

TOWN-132 Please refer to the "Project Design and Technical Merit Criteria" portion of the response to TOWN-41. Please provide all documents provided by ISO New England regarding the cost of purchased power used in the grant application to determine ratepayer savings.

Response:

The following persons were contacted for information concerning pricing and sale of electricity:

a. Ed. McKenzie, USDA/RD/RUS in New Hampshire, the regional representative for RUS.
b. Christie Hoferer, engineer, HDR Engineering, Omaha, Nebraska.
c. Steve Shelton, engineer, HDR Engineering, Billings, Montana.
d. Dave Fredericks, National Grid (in charge of the Nantucket cable and installation-both of them-in Nantucket, Mass.) Mr. Fredericks went through the cost of purchased power and what Nantucket was paying in September, 2007 per kW.
e. Ed Kremzier, National Grid, Westborough, Massachusetts, the gentlemen in charge of transmission in Rhode Island.
f. ISO New England, Tom Brennan, who gave the cost to purchase power as of September 10, 2007.

1. Ed Kremzier, National Grid, 1-508-389-3688.
    a. First cost to National Grid is annual charge for 34.5 KV meter of approximately $100/year.
    b. Second charge by National Grid is transformer surcharge of $0.31KW per month. The monthly KW is calculated based on the peak month KW for the year. While the "Project Design and Technical Merit Criteria" used $12,000.00, the annual cost would be closer to $15,000 based on a clarification from Mr. Kremzier and the peak KW from the FY 2007 annual report. (4,030 KW per month x 12 months x $0.31)
    c. Third charge is the biggest. It is for O & M-operations and maintenance of mainland power lines on the telephone poles, etc. that costs 10% of the original capital Land costs for the rest of our lives! The Langworthy option choice cost is $910,000.00 x $10%=$91,000.00 annually.

2. ISO New England – 1-413-540-4220-Tom.
   a. Independent Operators System..can hook up with supplies through a broker..costs about 2 cents per KW-grant chose buying power on its own without broker.
   b. ISO supervised by Federal Energy Regulatory Commission.
   c. In a moment in time on September 10, 2007 costs of buying power from ISO were:
      1. Six (6) cents KW
      2. plus a capacity charge
      3. plus a Forward Reservation charge
      4. plus a NCPC-Net commitment Period Consumption charge
      5. plus RMR-Reliability Must Run Charge
      6. plus a regulation charge
      7. plus a RNS-Regional Network Service Charge

      ISO stated that the charges listed above 2-7 on September 10, 2007 approximately 3 cents per KW.

      ISO numbers on September 10, 2007 were just a little under nine cents per KW…our grant used ten cents per KW in the Pro-Forma budget.

      ISO also stated that a broker can cost approximately 2 cents per KW, or you can do it yourself, or make a long term Contract with one supplier.

3. Nantucket Cable-National Grid-David Fredericks, VP Nantucket Electric. 1-508-325-8213.

   1. Nantucket pays 15-18 cents per KW, including transmission costs for electricity purchases…varies over the year as power is bought.
   2. Massachusetts Docket MPTE-04-10 (2004) life is 40 years or beyond on cable.
   3. Nantucket chose to go with National Grid…price per KW declines over years of contract.

Prepared by AC

THIRD SET OF DATA REQUESTS OF THE TOWN OF NEW SHOREHAM

TOWN-133 Please refer to the "Project Design and Technical Merit Criteria" portion of the response to TOWN-41. Please provide all workpapers, calculations and assumptions showing how estimated ratepayer savings were derived and stated in the grant application.

Response:

1. The audits for the Block Island Power Company for 2006 and the draft of the audit for 2007 were used.
2. The budget as prepared for 2008 by BIPCO's accountant of record were used for the current year.
3. The budgets for 2009 and 2010 were projected based on operating the company in an "as is" condition with no changes, and inflation was added to current costs in consultation with BIPCO's accountant.
4. The author's budget and costs are reflective of the following major assumptions when the cable is on line in 2011:
    a. Reduction in staff on five positions, wages, benefit and pension reduction of $268,000.
    b. Officer compensation remaining the same between 2008 and 2011.
    c. Payroll taxes reduced because it is a percentage of payroll.
    d. Legal fees are reduced as all rate case hearings will be completed before cable goes online in 2011.
    e. Engineering services are reduced as there is little future engineering to be required when cable is in place.
    f. Accounting services are reduced as there are no calculations to be made for fuel adjustments, or other billing necessities, and there will be no rate case involvement.
    g. Insurance is reduced due to removal of 3 engines and the buildings.
    h. Maintenance on Equipment will be reduced as the back up engines only require to be fired up twice per year for maintenance, and the two engines being kept are practically brand new.
    i. Clean air compliance goes completely away, because back up power does not have to be monitored by regulation.
    j. The exorbitant cost of fuel is, aside for running the engine for maintenance, totally gone along with the associated ferry and trucking costs.

Prepared by AC

THIRD SET OF DATA REQUESTS OF THE TOWN OF NEW SHOREHAM

TOWN-134 Please refer to the "Project Design and Technical Merit Criteria" portion of the response to TOWN-41. What are the "huge rental amounts" that people pay "if they are lucky enough to find a year round apartment."

Response: A recent project on the island for affordable housing included 20 new homes. There were 115 applications for the 20 new homes which supports the statement above.

Prepared by AC

THIRD SET OF DATA REQUESTS OF THE TOWN OF NEW SHOREHAM

TOWN-135 Does BIPCO intend to function without any fuel storage tanks if a cable project is built and back-up generation is retained? If so, please explain how BIPCO would obtain fuel in the event that the back-up units needed to be operated upon a cable failure.

Response: No.

Prepared by AC

THIRD SET OF DATA REQUESTS OF THE TOWN OF NEW SHOREHAM

TOWN-136 Please refer to the "Project Design and Technical Merit Criteria" portion of the response to TOWN-41. For how long has there been a need for distribution system upgrades "that need to be completed for the aging and deteriorated conditions on the overhead lines, telephone lines, poles, transformers, etc.?"

Response: There is a constant need for distribution upgrades and has been since the power company was originally built. A few years back, BIPCo decided to upgrade the entire generation and distribution systems of the Company. In recent years BIPCo has purchased over $2,000,000 of new generation equipment (Engines and SCR units known as Engines 22, 23, 24, and 25). Engine 25 also has the first electronic switch gear which will eventually be installed on all of BIPCo's engines. The key part of the distribution system is the sub station and BIPCo built a new substation at a cost of over $1,200,000. Now, BIPCo is turning its attention to the distribution system and metering. BIPCo hired an outside overhead line company that could work on live lines to start the upgrades needed on the lines, and other distribution components. This piece meal approach has been very successful, however eventually BIPCo will need to borrow an amount between $1,600,000 and $4,200,000 in 2004 dollars to fully upgrade the distribution system depending on the option chosen.

Prepared by WEE

THIRD SET OF DATA REQUESTS OF THE TOWN OF NEW SHOREHAM

TOWN-137 Please refer to the "Project Design and Technical Merit Criteria" portion of the response to TOWN-41 Please provide all documents, including plant logs and other Company records, to support its statements that "The BIPCO plant does not have enough power on existing generators to meet the current load needs. The summer customers were moved between grids, and black outs occurred regularly due to overload at peak times. Customers are on low power all summer beginning in June and ending after Labor Day." State whether this statement was applicable during FY 2006, FY 2007 and to the date of the grant application.

Response: The quote above was not applicable in FY 2006, FY 2007 or through the application date. The author, a long time islander, was referring to the historical condition of the BIPCo system before BIPCo spent over $4,000,000 to improve its generation and distribution systems.

Prepared by AC

THIRD SET OF DATA REQUESTS OF THE TOWN OF NEW SHOREHAM

TOWN-138 In the "Proforma Budget" section of the response to TOWN-41, please explain the basis for all increase in sales revenues from Budget 2010 to Budget 2011 for residential, public streets and highways, public authorities, commercial and commercial demand rates. Provide supporting workpapers, assumptions and calculations.

Response: The author of the proforma budget eliminated the revenue generated from the fuel adjustment clause. A purchase power revenue stream to cover the cost of the purchased power was then added to the electric sales revenue by customer class. The proforma could have had a separate purchase power revenue stream in lieu of the fuel adjustment revenue but the author chose to combine the two revenue streams into base rates.

Prepared by WEE

THIRD SET OF DATA REQUESTS OF THE TOWN OF NEW SHOREHAM

TOWN-139 As shown in the "Proforma Budget" section of the response to TOWN-41, please confirm that BIPCo does not intend to increase "Officers Compensation" at any time through FY2011. State whether the Company is prepared to make a commitment to this effect or commit to freezing any lesser amount found reasonable in this proceeding.

Response: The proforma assumes a cable. Since the cable is not a given at this time, the Company will continue to determine officer's compensation each year at the annual board meeting. It is very possible that the compensation will increase in future years. At this time BIPCo will not commit to freezing officers compensation through FY 2011 at any amount.

Prepared by WEE

THIRD SET OF DATA REQUESTS OF THE TOWN OF NEW SHOREHAM

TOWN-140 As shown in the "Proforma Budget" section of the response to TOWN-41, please confirm that BIPCo:

a) BIPCo does not intend to seek or include in rates Net Profit greater than $200,000 for FY2011

b) BIPCo does not intend to seek equity return on any gains on the sale of land or any other possible increase in rate base beyond a Net Profit of $200,000 for FY2011

c) BIPCo believes that the projections in FY2011 are representative of future years including Net Profit of $200,000.

Response: a) No, that is incorrect. b) No, that is incorrect. c) No, that is incorrect.

Prepared by WEE