

Capacity Senior Task Force

MOPR Unit Specific Review Process Matrix Detail

Parameters Determined/Used in 2011 Brattle CONE Study and in Filed Values Pre-Settlement 12/1/2011

			Solution Options ²					
#	Design Components ¹	Priority (high/med/low)	Unit Specific Exemption Status Quo	A	B	C	D	E
1	Levilization Technique		nominal levelized					
2	Inflation Rate		2.5%					
3	Asset Life		20 years					
4	Residual Value		none					
5	Sunk Costs		none					
6	Calculation of Weighted Average Cost of Capital (WACC)							
6a	Debt:Equity ratio		50:50					
6b	Cost of Debt		7%					
6c	Cost of Equity		12%					
6d	Applicable Federal, State tax rates		36% Federal, State varies based on location in CONE Area					
7	Calculation of Net Revenues		Historic; average of three calendar years prior to the BRA					