

# SOLAR FEED IN TARIFF DISCUSSION

## 12/18/08

### COMPARISON OF MODELS

Item	GRU- Pre Tax	After Tax
Engineering Assumptions	Agreement	Agreement
Depreciation	Section 179 -1 year -assumes large tax portfolio	MACRS -5 year -treats as a stand alone business
Statement of Earnings	Pre Tax -similar to most investment opportunities	After Tax -Treats as a stand alone business
Internal Rate of Return <sup>1</sup>	5.87%	0.67%

1. 20 year IRR @.26\$/KWH and \$8.50/Watt installation cost.

# Recalculation of Solar Feed In Tariff

Installed Cost (\$/KW)	Internal Rate of Return After Taxes For Alternative FIT Level	
	.26 \$/KWH	.32 \$/KWH
Mean (\$8.50)	.67%	2.93%
\$7.50	2.58%	4.99%

# Solar Feed In Tariff Schedule

## Effective March 1, 2009

Contract Entered into Under This Policy During Calendar Year	Fixed Rate per kWh Applied Uniformly From the Date of Installation Through December 31,	Fixed Rate \$/kWh Over Life of Contract	
		Building or Pavement Mounted (any size) or Ground Mounted	Free Standing (Non-Building or Non-Pavement Mounted)
		< 25 kW	
2009	2030	\$0.32	\$0.26
2010	2031	\$0.32	\$0.26
2011	2032	\$0.30	\$0.25
2012	2033	\$0.28	\$0.23
2013	2034	\$0.27	\$0.22
2014	2035	\$0.26	\$0.21
2015	2036	\$0.25	\$0.20
2016	2037	\$0.23	\$0.19