



Calculation of Operating Reserve Credit for 2013

\$ in '000

There are four factors that affect the calculation of the reserve credit

- (1) Prior year 25% debt service reserve
- (2) Current Year Estimates
- (3) Prior year true-up
- (4) Change in the 15% O&M Reserve

Summary of Operating Reserve Credit	If no changes to last years plan (a)	Revised: Forecast to Actual (b)	Difference
2013 25% debt service reserve collected	\$ 8,500	\$ 8,500	\$ -
Prior year(2012) true up	-	(7,379)	(7,379)
Current year (2013) estimates	-	-	-
15% O&M Reserve	(67)	(67)	-
2013 Operating Reserve Credit	\$ 8,433	\$ 1,054	\$ (7,379)
(a) Plan assumes prior year expenses and revenues were equal to budgeted amounts			
(b) Revised reflects the true -up of prior year activities			



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Prior Year (2012) True Up			
Description	Estimate	Actual	Difference
Revenue			
GMC revenue	\$ 194,821	\$ 195,170	\$ 349
Other income	8,400	6,646	(1,754)
Realized loss on Investments	-	(243)	(243)
Total revenue	203,221	201,573	(1,648)
Expenses			
O&M	(160,048)	(156,527)	3,521
Debt service: principal	(48,880)	(33,280)	15,600
Debt service: interest	(12,958)	(12,972)	(14)
Debt service: smoothing out adjustment	15,535	-	(15,535)
Cash funded capital	(17,000)	(17,000)	-
Reversal of prior years amortization of bond premium	-	(7,090)	(7,090)
Generator fine liability interest accrual	-	(2,213)	(2,213)
Total expenses	(223,351)	(229,082)	(5,731)
Impact to Operating Reserve			
Prior year true-up	\$ (20,130)	\$ (27,509)	\$ (7,379)



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Current Year (2013) Estimates			
Description	Budget	Estimate	Difference
Revenue			
GMC revenue	\$ 196,000	\$ 196,000	\$ -
Other income	7,900	7,900	-
Total revenue	203,900	203,900	-
Expenses			
O&M	(162,900)	(162,900)	-
Debt service: principal	(15,800)	(15,800)	-
Debt service: interest	(11,165)	(11,165)	-
Debt service: smoothing out adjustment	(15,535)	(15,535)	-
Cash funded capital	(24,000)	(24,000)	-
Total expenses	(229,400)	(229,400)	-
Impact to Operating Reserve			
Current year estimate	\$ (25,500)	\$ (25,500)	\$ -

Change in 15% Operating Reserve			
Description	Prior year Budget	Current year Budget	Change
O&M budget	\$ 163,048	\$ 163,492	\$ (444)
15% Operating Reserve	\$ 24,457	\$ 24,524	\$ (67)