

|                                   |    |           |
|-----------------------------------|----|-----------|
| Detailed Energy Audit:            | \$ | 45,000    |
| Facility ECMs Costs:              | \$ | 551,129   |
| Water & Electric Meter AMI Costs: | \$ | 1,827,950 |
| Performance and Payment Bond:     | \$ | 28,125    |
| Financing Origination Costs:      | \$ | 34,868    |
| STW Billing System Costs:         | \$ | 100,628   |

**Financial Assumptions**

Capitalized Interest \$ 73,448

**Total Amount Financed: \$ 2,661,148**

|   |       |   |       |
|---|-------|---|-------|
| Project Term:                           | 15    | Water Revenue Escalation Rate:                | 1.35% |
| Financing Term:                         | 15    | Sewer Revenue Escalation Rate:                | 0.93% |
| Financing Rate:                         | 0.47% | Leak Detection Savings Escalation Rate:       | 1.35% |
| Payments Per Year:                      | 12    | Hardware Maintenance Savings Escalation Rate: | 2.00% |
| Discount Rate:                          | 0.47% | Labor Savings Escalation Rate:                | 2.00% |
| M&V Cost Escalation Rate:               | 2.00% | Electric Energy Savings Escalation Rate:      | 1.12% |
| AMI Annual Maintenance Escalation Rate: | 2.00% | Natural Gas Savings Escalation Rate:          | 1.26% |
|   |       | Facility O&M Savings Escalation Rate:         | 2.00% |

| Year | Water Revenue | Sewer Revenue | Electricity Revenue | Meter Reader Labor Savings | Meter Replacement Materials Savings | Electric Energy Savings | Natural Gas Savings | Facility O&M Materials Savings | Total Revenues and Savings | Payments for Financing Equipment | Measurement and Verification | Mueller Annual Maintenance Cost | Net Annual Benefit | Cumulative Cash Flow |
|------|---------------|---------------|---------------------|----------------------------|-------------------------------------|-------------------------|---------------------|--------------------------------|----------------------------|----------------------------------|------------------------------|---------------------------------|--------------------|----------------------|
| 0    | \$ 33,465     | \$ 31,795     | \$ 48,028           | \$ 36,908                  | \$ 30,000                           | \$ 44,491               | \$ (439)            | \$ 5,448                       | \$ 229,697                 |                                  |                              |                                 |                    |                      |
| 1    | \$ 33,915     | \$ 32,091     | \$ 48,565           | \$ 37,646                  | \$ 30,600                           | \$ 44,989               | \$ (445)            | \$ 5,557                       | \$ 232,918                 | \$ 143,303                       | \$ 9,141                     | \$ 28,320                       | \$ 52,154          | \$ 52,154            |
| 2    | \$ 34,371     | \$ 32,390     | \$ 49,108           | \$ 38,399                  | \$ 31,212                           | \$ 45,492               | \$ (451)            | \$ 5,668                       | \$ 236,189                 | \$ 170,331                       | \$ 9,324                     | \$ 28,886                       | \$ 27,648          | \$ 79,802            |
| 3    | \$ 34,833     | \$ 32,691     | \$ 49,657           | \$ 39,167                  | \$ 31,836                           | \$ 46,001               | \$ (457)            | \$ 5,781                       | \$ 239,509                 | \$ 172,986                       | \$ 9,510                     | \$ 29,464                       | \$ 27,549          | \$ 107,351           |
| 4    | \$ 35,302     | \$ 32,995     | \$ 50,212           | \$ 39,950                  | \$ 32,473                           | \$ 46,515               | \$ (463)            | \$ 5,897                       | \$ 242,881                 | \$ 175,825                       | \$ 9,700                     | \$ 30,053                       | \$ 27,303          | \$ 134,655           |
| 5    | \$ 35,777     | \$ 33,302     | \$ 50,773           | \$ 40,749                  | \$ 33,122                           | \$ 47,035               | \$ (469)            | \$ 6,015                       | \$ 246,304                 | \$ 151,878                       | \$ 36,730                    | \$ 30,654                       | \$ 27,042          | \$ 161,697           |
| 6    | \$ 36,258     | \$ 33,612     | \$ 51,341           | \$ 41,564                  | \$ 33,784                           | \$ 47,561               | \$ (475)            | \$ 6,135                       | \$ 249,780                 | \$ 181,577                       | \$ 10,092                    | \$ 31,267                       | \$ 26,844          | \$ 188,541           |
| 7    | \$ 36,746     | \$ 33,925     | \$ 51,915           | \$ 42,395                  | \$ 34,460                           | \$ 48,093               | \$ (481)            | \$ 6,258                       | \$ 253,311                 | \$ 184,565                       | \$ 10,294                    | \$ 31,892                       | \$ 26,560          | \$ 215,101           |
| 8    | \$ 37,240     | \$ 34,241     | \$ 52,495           | \$ 43,243                  | \$ 35,149                           | \$ 48,631               | \$ (487)            | \$ 6,383                       | \$ 256,895                 | \$ 187,535                       | \$ 10,500                    | \$ 32,530                       | \$ 26,330          | \$ 241,431           |
| 9    | \$ 37,741     | \$ 34,560     | \$ 53,082           | \$ 44,108                  | \$ 35,852                           | \$ 49,175               | \$ (493)            | \$ 6,511                       | \$ 260,536                 | \$ 190,488                       | \$ 10,710                    | \$ 33,181                       | \$ 26,157          | \$ 267,588           |
| 10   | \$ 38,249     | \$ 34,882     | \$ 53,675           | \$ 44,990                  | \$ 36,569                           | \$ 49,725               | \$ (499)            | \$ 6,641                       | \$ 264,232                 | \$ 193,623                       | \$ 10,924                    | \$ 33,845                       | \$ 25,840          | \$ 293,428           |
| 11   | \$ 38,763     | \$ 35,207     | \$ 54,275           | \$ 45,890                  | \$ 37,300                           | \$ 50,281               | \$ (505)            | \$ 6,774                       | \$ 267,985                 | \$ 196,739                       | \$ 11,142                    | \$ 34,522                       | \$ 25,582          | \$ 319,011           |
| 12   | \$ 39,284     | \$ 35,535     | \$ 54,882           | \$ 46,808                  | \$ 38,046                           | \$ 50,843               | \$ (511)            | \$ 6,909                       | \$ 271,796                 | \$ 199,936                       | \$ 11,365                    | \$ 35,212                       | \$ 25,283          | \$ 344,294           |
| 13   | \$ 39,812     | \$ 35,866     | \$ 55,496           | \$ 47,744                  | \$ 38,807                           | \$ 51,411               | \$ (517)            | \$ 7,047                       | \$ 275,666                 | \$ 203,114                       | \$ 11,592                    | \$ 35,916                       | \$ 25,044          | \$ 369,338           |
| 14   | \$ 40,347     | \$ 36,200     | \$ 56,116           | \$ 48,699                  | \$ 39,583                           | \$ 51,986               | \$ (524)            | \$ 7,188                       | \$ 279,595                 | \$ 206,473                       | \$ 11,824                    | \$ 36,634                       | \$ 24,664          | \$ 394,002           |
| 15   | \$ 40,890     | \$ 36,537     | \$ 56,743           | \$ 49,673                  | \$ 40,375                           | \$ 52,567               | \$ (531)            | \$ 7,332                       | \$ 283,586                 | \$ 205,159                       | \$ 12,060                    | \$ 37,367                       | \$ 29,000          | \$ 423,002           |

\$ 592,993 \$ 545,829 \$ 836,363 \$ 687,933 \$ 559,168 \$ 774,796 \$ (7,747) \$ 101,544 \$ 4,090,880 \$ 2,763,530 \$ 184,908 \$ 489,743 \$ 423,002

Notes:

- 1 This cash flow reflects a QECB financing rate of 0.47%.
- 2 Revenues are based on current utility rate structures and usage information provided for purposes of this project.
- 3 The performance and payment bonds apply only to the installation portion of the contract and do not apply in any way to energy savings guarantees, payments or maintenance provisions, except that the performance bond shall guarantee that the installation will be free of defective materials and workmanship for a period of 12 months following completion and acceptance of the work.
- 4 The STW Billing System Costs represent the installation cost for the billing system. The City will purchase this system directly from the supplier, not through Ameresco.