

APPENDIX
Transition Cost Recovery
Reconciliation to Audited Financial Statements
Illustrative Example

| | Financial Statements - Line Items & Breakdowns | Amount (\$) | Recovery Percentage (%) | Total Recovery Amount Proposed in RA Model (\$) | Category of Activity per Article 480 | Amount (\$) |
|-----|---|-------------|-------------------------|---|--------------------------------------|------------------------------|
| 1 | Line Item: Information Systems | 31,000,000 | - | - | - | - |
| 1a) | CWIP-Transition Costs | 1,000,000 | 20 | 200,000 | 1. billing 4. IMO requirements | 1. - 100,000 4. - 100,000 |
| 1b) | CWIP-Other Services | 3,000,000 | n/a | n/a | n/a | n/a |
| 1c) | Assets in Service | 27,000,000 | n/a | n/a | n/a | n/a |
| 2 | Line Item: Other Assets | 28,000,000 | - | - | - | - |
| 2a) | Transition Costs - Capital | 15,000,000 | n/a | n/a | n/a | n/a |
| 2b) | Transition Costs - Non-Capital | 2,000,000 | 33 | 666,666 | 1. billing 2. customer education | 1.- 200,000 2. - 466,000 |
| 2c) | Transition Costs - Non-Capital (transferred from capital) | 3,000,000 | 100 | 3,000,000 | 5. retailers/customers requirements | 5. - 3,000,000 |
| 2d) | Non-Transition Costs in Line Item | 8,000,000 | n/a | n/a | n/a | n/a |