

Non-Binding Estimate for Anticipated Future Additions and Adjustments to Plant					
Additions & Adjustments to Plant Assignment	Addition or Adjustment	Estimated Cost or Actual Cost 1/	Assignment Transmission	Assignment Nontransmission	Est. Date in-Service
Plant Balance as of Sept. 30, 2008			\$123,698,159	\$124,901,737	
Tracy Substation Double Bus-Double Breaker	Addition	\$15,800,000	\$15,800,000		Sep. 2012
Sacramento Area Voltage Support (SVS)	Addition	\$84,900,000	\$84,900,000		Mar. 2011
Folsom Loop	Addition	\$5,500,000	\$5,500,000		Oct. 2009
Shasta Double Bus- Double Breaker	Addition	\$6,600,000	\$6,600,000		Aug. 2009
Trinity Interconnection	Addition	\$12,300,000		\$12,300,000	Dec. 2009
Subtotal Facility Assignment			<u>\$236,498,159</u>	<u>\$137,201,737</u>	
Folsom-Elverta	Adjustment	\$1,005,890	\$1,005,890	-\$1,005,890	
Shasta-Cottonwood No. 2	Adjustment	\$1,333,642	\$1,333,642	-\$1,333,642	
Keswick Sub	Reversal of Current	\$12,345,187	-\$7,036,757	-\$5,308,430	
Keswick Sub	Adjustment 43% Tx 57% Nontx	\$12,345,187	\$5,308,430	\$7,036,757	
Roseville	Adjustment	\$425,301	\$425,301	-\$425,301	
Total Facility Assignment			<u>\$237,534,665</u>	<u>\$136,165,231</u>	
Estimated Future Plant			<u>\$373,699,896</u>		

Ratio of Total Plant to Plant Assigned to Transmission and Nontransmission		
Plant/Plant Assignment	Amount in \$	Ratio
Total Plant	\$373,699,896	100.00%
Plant Assigned to Transmission	\$237,534,665	63.56%
Plant Assigned to Nontransmission	\$136,165,231	36.44%

1/ Cost estimate includes IDC.

Non-Binding Estimate for FY 2013 Rates with Future Plant Additions and Adjustments

CVP Cost of Service Study			
Ratio and Costs	Transmission	Nontransmission	Total Costs 1/
Ratio	63.56%	36.44%	100.00%
O&M	\$32,185,302	\$18,452,366	\$50,637,668
Depreciation	\$6,208,714	\$3,559,558	\$9,768,272
Cost of Capital	\$5,019,149	\$2,877,561	\$7,896,711
Transmission Annual Revenue Requirement	\$43,413,165		
Revenue Requirement Adjustments			
CVP Transmission Reservation Fee and other fixed charge transmission misc. revenue	(\$225,039)		
Short term Point-to-Point CVP Transmission Sales	(\$500,000)		
Total CVP Transmission Revenue Requirement	\$42,688,126		

PRELIMINARY/DRAFT RATE for FY 2012

Monthly NITS:	\$2.65 Million
Firm P-to-P Rate (kW Month)	\$1.45

Average Rate Firm Point-to-Point Rate
(kW Month) (Since 1/1/2005)

\$1.05

1/ FUTURE based on following assumptions:

O&M as of September 30, 2008, inflated by 3% a year over four years

Additional depreciation expense associated with \$125 million plant additions (est. 35 year life): \$3.5 million

Additional interest expense associated with \$125 million plant additions (at 4.875%): \$6 million

Note: The denominator was not changed (estimated at 2,363MW)