

CENTRAL ARIZONA PROJECT

Revenue Requirement and Rate Design

Average Annual Amortization	\$5,618,883
Major Capital Funding	1,528,566
Operation & Maintenance	6,319,000
Purchase Power & Wheeling	4,000,000
Other Expenses	<u>536,000</u>
Gross Annual Expenses	\$18,002,449
Other Revenues	<u>(3,200,000)</u>
Expenses Less Other Revenues	\$14,802,449
Prior Year Estimate to Actual Adjustment	<u>(522,594)</u>
Revenue Requirement	\$14,279,855

Average Annual Reservations 680,000 kW

Transmission Rates and Charges for 2022	
Firm Transmission Rate	$\frac{\$14,279,855}{680,000 \text{ kW}} = \21.00 /kW-Year <div style="text-align: right; padding-right: 20px;"> 1.75 /kW-Month 0.40 /kW-Week 0.06 /kW-Day 2.40 mills/kWh </div>
Nonfirm Transmission Rate	$\frac{\$21.00 \text{ /kW-Yr}}{8,760 \text{ Hours}} = 2.40 \text{ mills/kWh}$

