

**POR Sample Calculation**

	2021	2020	Total
<u>Part 1 - Uncollectible expense</u>			
Uncollectible Expense	\$ 6,653,584	\$ 8,531,549	\$ 15,185,133
Customer Revenues	<u>\$ 1,046,840,638</u>	<u>\$ 957,675,878</u>	<u>\$ 2,004,516,516</u>
Uncollectible Factor per \$ of revenues	0.00636	0.00891	0.00758
<u>Part 2 - Implementation of POR costs</u>			
Cost to modify billing systems (estimate)		\$ 1,900,000	
Amortization period in years		<u>3</u>	
One year amortization <b>(subject to a full Revenue Requirement calculation, not yet completed)</b>		\$ 633,333	
2021 actual Supplier billings		<u>205,801,977</u>	
Implementation Factor per \$ of billings			0.00308
<u>Part 3 - Incremental Administrative Expenses</u>			
Place holder - no current estimate			
Combined Part 1, 2, 3 = POR discount rate			<u><u>0.01066</u></u>
Monthly Supplier Billing (Hypothetical)	\$ 1,000,000		
POR Discount Rate	<u>0.01066</u>		
<b>Reduction of Supplier Payment</b>	<b>\$ 10,655</b>		