

Preliminary
Total CAP Project Costs Including Interest & Hoover Capacity Charge

	<u>Project Costs</u> (\$ Millions)	<u>Per Cent</u> (%)	<u>(Adjusted to Approximate Same Year Dollars) Per Cent</u> (%)
Project Costs:			
Current Project Cost	\$5,732.1	1/	
Less Other Facilities	(\$1,919.0)	2/	
Less Plan 6 (Waddell Dam) Contribution	(\$175.0)		
Plus Plan 6 (Waddell Dam) Debt Service	\$526.2	3/	
Interest on Federal debt	\$971.3		
Hoover Capacity Charge	<u>\$52.8</u>	4/	
Total CAP Project Costs Including Interest & Hoover Capacity Charge	\$5,188.6	100%	
Project Funding Sources:			
Power Revenues and Related Interest Income (Bond Debt Service)	\$526.0	10%	8%
Basin Development Fund Revenues (Navajo power revenues, 4.5 mill rate on power sales, land sales, etc.)	\$2,117.7	5/	41%
Property Taxes	\$178.3	3%	3%
Capital Charges	<u>\$395.4</u>	6/	6%
CAP Payment (Federal & bond debt service, and the Hoover Capacity Charge)	\$3,217.4	7/	62%
Federal Government / Others	<u>\$1,971.2</u>	<u>38%</u>	<u>51%</u>
Total CAP Project Costs Including Interest & Hoover Capacity Charge	\$5,188.6	100%	100%

1/ Excludes the NIA distribution system. Based on 7-20-06 BOR project cost estimate for CAP, consistent with 2007 R. W. Beck replacement model study. Includes interest during construction.

2/ Includes Indian distribution systems, Lake Roosevelt Modifications, Buttes Dam & Reservoir, etc. Also includes unspent CAP feature expenditures (e.g. Tucson reliability).

3/ Assumes series A 1993 bonds are defeased in November 2009.

4/ Includes the Hoover capacity charge from October 1993 to December 2011. Starting in 2012 the Hoover capacity charge will be part of the CAP energy rate.

5/ Assumes January 2013-January 2046 Federal debt payments (\$1,627 million) will be paid entirely by power revenues and other Basin Development Fund revenues.

6/ Assumes capital charge rate is zero starting in 2012, per advisory year water rates approved by the CAP Board of Directors in June 2008.

7/ Includes 1993 Federal debt service prepayment of \$20.5 million.

Preliminary
 Total CAP Project Costs Excluding Interest & Including Hoover Capacity Charge
 (Same Year Dollar Analysis)

	<u>Project Costs</u> (\$ Millions)	<u>Per Cent</u> (%)
Project Costs:		
Current Project Cost	\$5,732.1	
Less Other Facilities	(\$1,919.0)	
Hoover Capacity Charge	<u>\$52.8</u>	
Total CAP Project Costs	\$3,866.0	100%
CAP Versus Federal / Other Share		
CAP Federal Debt	\$1,646.5	
Plan 6 (Waddell Dam) Contribution	\$175.0	
1993 Federal debt service prepayment of \$20.5 million	\$20.5	
Hoover Capacity Charge	<u>\$52.8</u>	
CAP Share	\$1,894.8	49%
Federal Government / Others	<u>\$1,971.2</u>	<u>51%</u>
Total CAP Project Costs	\$3,866.0	100%