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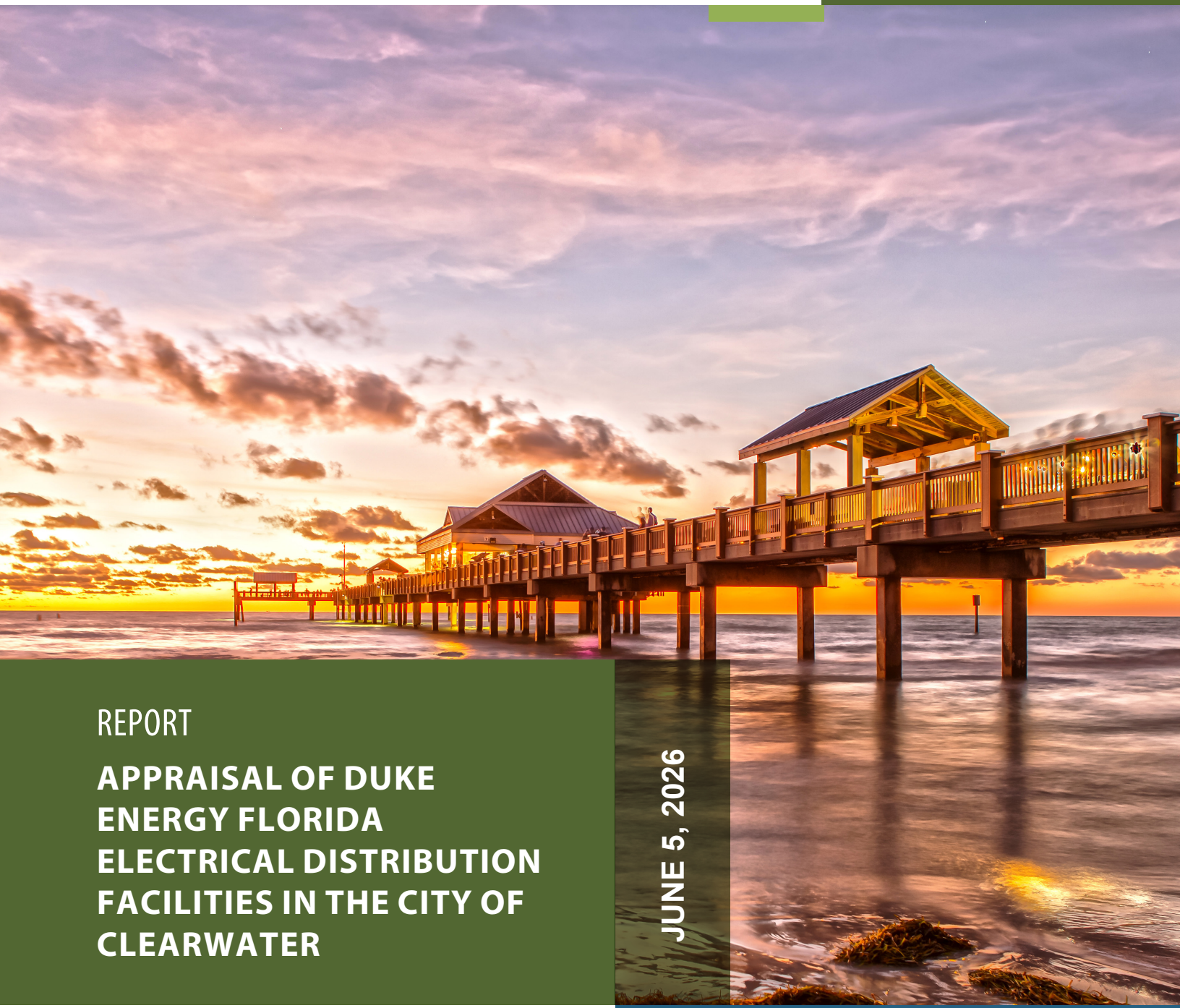

REPORT

APPRAISAL OF DUKE ENERGY FLORIDA ELECTRICAL DISTRIBUTION FACILITIES IN THE CITY OF CLEARWATER

JUNE 5, 2026

CLEARWATER
BRIGHT AND BEAUTIFUL · BAY TO BEACH

Prepared for:
City of Clearwater, FL

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Section 1
PREMISE OF THE APPRAISAL

The City of Clearwater, Florida (City or Client) retained NewGen Strategies and Solutions, LLC (NewGen) to perform an independent appraisal to determine the value of electrical distribution facilities and related real property assets, presently owned and operated by Duke Energy Florida (Duke), that are needed to provide electricity service to customers in and around City, hereinafter referred to as the Subject Property. This appraisal report does not quantify separation and reintegration costs.

In undertaking the study and analyses required to provide an opinion with respect to the value of the Subject Property, NewGen relied on generally accepted valuation methods and procedures. This appraisal report was prepared in conformance with the 2024 Edition of the Uniform Standards of Professional Appraisal Practice (USPAP) as promulgated by the Appraisal Standards Board of the Appraisal Foundation.

This report is an Appraisal Report as that term is defined in USPAP, Standards Rule 8-2.

Purpose and Intended Use

The purpose of this appraisal is to estimate the value of the Subject Property in accordance with the applicable laws, statutes, and USPAP. The client and intended users of this appraisal are the City and its authorized representatives for the purpose of establishing the acquisition price for the Subject Property either through a negotiated agreement or pursuant to the eminent domain provisions of the Florida Statutes 73.0715.

Date of Valuation

The value of the Subject Property was estimated as of January 1, 2026.

Date of the Appraisal Report

The date of the appraisal report is June 5, 2026.

Definition of Value

NewGen estimated the value of the Subject Property in continued use as utility property providing and/or supporting electric distribution service. NewGen developed the estimate of value under Florida Statutes 73.0715, which states:

> When any person having the right to exercise the power of eminent domain seeks the appropriation of property used for the generation, transmission, or distribution of electric energy, the jury shall determine solely the amount of compensation to be paid. Such compensation shall include the reproduction cost of the property sought to be appropriated less depreciation, together with going concern value, and, when less than the entire property is sought to be appropriated, any damages to the remainder caused by the taking.

Thus, under eminent domain in Florida, the value of electric utility property is defined as “reproduction cost of the property sought to be appropriated less depreciation, together with going concern value”.

Property Interests Appraised

The property interest being valued is the 100% ownership interest in facilities and real property interests currently owed by Duke and associated with the Subject Property with no restrictions, indebtedness, or other encumbrances. A description of the Subject Property is provided in Section 3 of this appraisal report.

Highest and Best Use

Highest and best use is defined as "the most probable and legal use of a property, which is physically possible, appropriately supported, financially feasible, and that results in the highest value."[1] In our opinion, the highest and best use of the Subject Property is its current use, to provide electric service to end-users located in and around the City.

Scope of Services

At the request of the City, NewGen performed an independent appraisal to determine the value of the Subject Property. In undertaking the studies and analyses required to provide an opinion with respect to the value of the Subject Property, the NewGen appraiser certifying this appraisal report has relied on generally accepted valuation methods and procedures in accordance with USPAP. In performing the appraisal, NewGen considered all three generally accepted approaches to valuation (i.e., cost, income, and sales comparison) and their degree of applicability in estimating the value of the Subject Property. The results of NewGen’s analyses and indicators of value developed are described in Section 4 of this appraisal report.

NewGen performed a site visit, accompanied by engineers, to observe representative samples of the types of facilities composing the Subject Property. This included visiting substations (Clearwater Substation, East Clearwater Substation, and Bayview Substation) as well as driving around the City to observe distribution facilities. This site visit took place November 18-19, 2025. The site visit was not facilitated by Duke, so all observations were made from the public right-of-way.

Information Relied Upon

In performing the appraisal, NewGen relied upon the confidential information contained in the materials listed below.

- Workpapers developed by Barr Engineering from confidential maps and other proprietary information provided by Duke. Barr is a subconsultant to NewGen on this engagement.

Critically, Duke did not provide any data on easements and real property related to the Subject Property. This limited the avenues available to the real property appraiser engaged to develop an estimate of value for the real property. A letter summarizing the findings from the real property appraiser is attached as Attachment F.

[1] American Society of Appraisers, *Valuing Machinery and Equipment: The Fundamentals of Appraising Machinery and Technical Assets*, Second Edition, page 570.

In addition, NewGen relied upon the following publicly available data to develop the appraisal:

- Duke FERC Form 1 Annual Reports for the years ending December 31, 2015 through 2024
- Florida Public Service Commission (FPSC) Docket No. 20240025-EI, Order No. PSC-2024-0472-AS-EI, Issued November 12, 2024
- Blue Chip Economic Indicators, October 10, 2025, page 16, Long-Range Consensus GDP Chained Price Index, 2032-2036
- Whitman, Requardt and Associates, *Handy-Whitman Index of Public Utility Construction Costs*
- Value Line Investment Reports
- SNL Financial Database, S&P Global Market Intelligence, LLC
- Business Valuation Resources, *Cost of Capital Professional*
- Kroll, *Cost of Capital Navigator*

NewGen Strategies and Solutions, LLC

NewGen is a management and economic consulting firm specializing in serving the utility industry and market. We provide financial, valuation, cost of service and rate design, depreciation, strategy, expert witness, stakeholder, and sustainability consulting services to energy, water, wastewater, and solid waste clients across the country.

NewGen has prepared appraisal reports for a wide range of sizes and types of utility property. NewGen has multiple Accredited Senior Appraisers (ASAs) in the Public Utility discipline as certified by the American Society of Appraisers on our staff. The appraisers and other personnel working on this assignment have the knowledge and experience to complete the assignment competently. A list of individuals contributing to this appraisal report and a summary of their qualifications and experience are provided in Attachment E to this report.

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Section 2
ASSUMPTIONS AND LIMITING CONDITIONS

In the preparation of this report, NewGen made certain assumptions and used certain considerations with respect to conditions which may exist or events which may occur in the future. While we believe these considerations and assumptions to be reasonable based upon conditions known to us as of the date of this report, they are dependent upon future events, and actual conditions may differ from those assumed.

While we believe the use of such information and assumptions to be reasonable for the purposes of this report, we offer no other assurances with respect thereto, and some assumptions may vary significantly due to unanticipated events and circumstances. To the extent actual contemporary or future conditions differ from those assumed herein or from the assumptions provided by others, the actual results may vary from those estimated.

The conclusion and opinions found in this report are made expressly subject to the following conditions and stipulations:

1. **Hypothetical Condition**[2]: The Subject Property is located in an area known to be subject to severe wind events (e.g., hurricanes). However, this appraisal was performed without regard to wind risks.
2. **Extraordinary Assumption**[3]: The Subject Property includes assets outside of the municipal boundary of the City (as further described in Section 3 of this appraisal report). NewGen assumes these assets can be acquired by the City under eminent domain.
3. No responsibility is assumed by NewGen for matters that are legal in nature, nor do we render any opinion as to the title, land, and/or land rights which are assumed to be good and marketable.
4. Except as otherwise stated in this report, no opinion is intended to be expressed for matters that would require specialized investigation or knowledge beyond that normally used by an appraiser engaged in valuing the type of assets described in this report.
5. NewGen made no determination as to the validity, enforceability, or interpretation of any law, contract, rule, or regulation applicable to the Subject Property or its operation. However, for the purposes of this report, NewGen assumed that all such laws, contracts, rules, and regulations will be fully enforceable in accordance with their terms as NewGen understands them and that the operators of the Subject Property will operate the Subject Property in accordance with all applicable laws, contracts, rules, and regulations.
6. NewGen assumes that the Subject Property is in compliance with all federal, state, and local environmental laws and regulations at the date of valuation. No soil analyses or geological studies were ordered or made in conjunction with this report, nor were any investigations of oil, gas, coal, or other subsurface mineral and use rights or conditions.
7. NewGen has not conducted any investigations, nor have we reviewed studies performed by others regarding environmental issues. To the extent not specifically mentioned in this report, the existence of any environmental issues may have a detrimental impact on value.

[2] Hypothetical conditions, in the context of this analysis, are conditions that are contrary to what is known by the appraiser to exist on the effective date of the assignment results but that are used for the purposes of the analysis. (USPAP Definitions.)
[3] Extraordinary assumptions, in the context of this analysis, are uncertain information used in an analysis which, if found to be false, could alter the appraiser's opinions or conclusions. (USPAP Definitions.)

8. Substances contained in building structures such as asbestos, chemicals, toxins, wastes, or other potentially hazardous materials could, if present, adversely affect the value of the Subject Property. Unless otherwise stated in this report, the appraiser did not consider the existence of hazardous substances, which may or may not be present at the Subject Property, in the development of the conclusion regarding value. The stated value estimates are predicated on the assumption that the Subject Property contains no material that would cause such a loss in value and, as such, are likely to represent the highest reasonable value of the Subject Property.
9. NewGen assumed that the Subject Property conforms to all applicable zoning and use regulations and restrictions.
10. All existing liens and encumbrances have been disregarded and the value of the Subject Property was appraised as though free and clear and under responsible ownership.
11. NewGen assumed there are no other hidden or unapparent conditions that would make the Subject Property more or less valuable.
12. NewGen assumed the Subject Property has been, and will continue to be, operated in a reasonable and prudent manner consistent with industry practice.
13. On November 18-19, 2025, Mr. Grant Rabon, appraiser for NewGen, performed a site visit accompanied by engineers on behalf of the City to observe Duke substations in and around the City (including Clearwater Substation, East Clearwater Substation, and Bayview Substation) as well as distribution facilities. Based on his observations, information provided by Barr Engineering regarding the inventory, age, and condition of Duke electrical facilities in and around the City, and discussions with personnel from Barr Engineering, NewGen assumed that the electric distribution plant and equipment included in the Subject Property is in average condition for plant of comparable type, age, and location.
14. Certain data and assumptions have been provided by third parties, including, but not limited to, historical financial data, inventory data, estimated age data, and reproduction cost values for the Subject Property. NewGen caveats that it may need to adjust the results in this report if required by changes to these third-party data and assumptions.
15. NewGen relied on work performed by Barr Engineering to develop the inventory quantities, estimated age data, and planning-level construction cost estimates for the Subject Property used in the appraisal. NewGen reviewed the methodology and analyses developed by Barr Engineering to estimate the inventory quantities, age, condition, and Reproduction Cost New of Duke electrical distribution assets in the City and determined that NewGen could reasonably rely on Barr Engineering's work product.
16. NewGen relied on Pinel & Carpenter to provide an estimate of the current value for real property related to the Subject Property. Their findings are attached as Attachment F. NewGen assumed the high end of the range of value developed by Pinel & Carpenter for real property (i.e., Reproduction Cost New of $80 million).
17. For the purpose of developing an opinion of the value of the Subject Property, NewGen assumed income taxes based on a Federal corporate income tax rate of 21% and Florida state corporate tax rate of 5.5%, which were the corporate tax rates at the date of valuation.
18. Under the income approach, the discount rate used to calculate the net present value of the projected cash flow stream is equal to the weighted average cost of capital for a typical purchaser of the Subject Property, rather than any actual financing associated with the Subject Property. For the purposes of

this appraisal report, NewGen assumed the typical purchaser of the Subject Property would be a taxable entity, with a capital structure similar to that of an investor-owned utility (IOU). NewGen assumed that the capital structure of a typical purchaser will remain constant throughout the study period and will be made up of 59% debt and 41% equity.

19. The cost of debt used to develop the discount rate was assumed to be 6.25% based on the Corporate Bond Rates, Baa (%) - 2026 Forecast Annual Average - Blue Chip Economic Indicators - Volume 41, No. 3 (quarterly supplement).

20. It was assumed that a typical purchaser of the Subject Property would seek a return on capital similar to that of an IOU. For the analysis in this appraisal report, NewGen assumed the return on equity to be used in the calculation of the discount factors to be in the range of 11.8% to 12.0% for the Subject Property (as shown in Attachment C, Tables 9 and 12, respectively). The lower bound of the return on equity range was developed using Center for Research in Security Prices (CRSP) risk and size premia. The upper bound of the return on equity range was developed using Kroll risk and size premia.

21. The discount rate used in the appraisal report to determine the net present value of cash flow streams is based on an average of the Weighted Average Cost of Capital (WACC) developed using the Capital Asset Pricing Model (CAPM) using CRSP and Kroll risk premia approaches. This was 7.64% for the Subject Property. Both the Kroll and CRSP risk and size premia are generally accepted approaches to estimating the cost of equity for IOUs that are not actively traded on a public exchange. NewGen did not find evidence to indicate that either of the cost of equity approaches should be rejected. The calculation of the discount rate is shown in Attachment C.

22. NewGen assumed a reasonable long-term inflation rate for the Subject Property to be 2.1% per year based on the long-range consensus forecasts of the Chained Gross Domestic Product as published in the October 10, 2025, issue of the Blue Chip Economic Indicators (page 16, Long-Range Consensus GDP Chained Price Index 2032-2036).

23. For the purpose of performing the discounted cash flow analysis under the income approach, NewGen assumed a study period of 10 years. For the terminal value, the projected cash flow in year 10 was capitalized into perpetuity at a capitalization rate developed based on the discount rate (7.64%) less earnings growth rate (2.1%), and then discounted back to the date of value.

24. Operating and maintenance (O&M) expenses, excluding depreciation, for the Subject Property in 2026 were estimated based on 2024 FERC Form 1 values allocated to the City based on MWh sales in the City as a percent of total Duke MWh sales for distribution O&M and then customer count in the City as a percent of total Duke customer count for customer O&M, all inflated for two years at 2.1% per year to account for the difference in timing between 2024 and 2026. Thereafter, the O&M expense was increased by 2.1% per year for the remainder of the ten-year forecast period.

25. Administrative and general expenses as well as taxes other than income taxes for the Subject Property in 2026 were estimated based on 2024 FERC Form 1 values allocated to the City based on distribution plant as a percent of Duke total plant and then MWh sales in the City as a percent of total Duke MWh sales, all inflated for two years at 2.1% per year to account for the difference in timing between 2024 and 2026. Thereafter, this expense was increased by 2.1% per year (based on the inflation assumption described in item 22) for the remainder of the ten-year forecast period.

26. Depreciation expense for the Subject Property was estimated based on FPSC authorized depreciation rates for Duke applied to the Original Cost developed in the cost approach for assets to be acquired plus depreciation on plant additions over the forecast period.

27. For the purpose of performing the discounted cash flow analysis under the income approach, NewGen assumed that the purchaser's depreciation expenses used in calculating income taxes would be equal to the income approach value depreciated at 20-year Modified Accelerated Cost Recovery System (MACRS) tax depreciation rates.
28. To develop the rate base for the Subject Property, NewGen assumed that the applicable net salvage rate for an asset is equal to the average historical net salvage rate based on the age of the asset and Duke's historical net salvage rates over the time period.
29. NewGen assumed that a reasonable, sustainable rate for plant additions in the City over the next ten years is equal to the Reproduction Cost New value of the assets multiplied by the estimated average retirement rate for the next ten years (2026-2035), based on the average age of the assets as well as the FPSC approved average service life and survivor curve for the asset type, for the first year of the forecast and then inflated at 2.1% per year based on the inflation assumption described in item 22. The plant additions in the City are shown in Attachment B, Table 3.
30. For the cost approach, the amount of accumulated depreciation (to represent physical deterioration) was estimated based on the age of the assets and depreciation parameters (average service life, survivor curves, and net salvage rates) for Duke approved by the FPSC. In addition, the maximum amount of accumulated depreciation assumed in the analysis was 90%, leaving 10% of the estimated original cost value for older plant that has survived beyond its assumed useful life.
31. For the purpose of performing the appraisal, NewGen assumed that a potential purchaser of the Subject Property would be able to operate the Subject Property in accordance with contractual terms and conditions of any existing contracts, and that any agreements, rights, and easements would be assigned to the potential purchaser.
32. Mr. Grant Rabon, ASA, Partner at NewGen, is responsible for the analysis and conclusions described in this report. His qualifications and experience are provided in Attachment E. With the exception of the facilities inventory, estimated age, and engineering cost estimates, as developed by Barr Engineering, and the real property value provided by Pinel & Carpenter, no one outside NewGen provided significant assistance to the preparation of this report.
33. The studies and analyses undertaken in the preparation of the opinions contained herein were performed in accordance with USPAP.

Section 3
DESCRIPTION OF THE PROPERTY

Subject Property

The Subject Property of this appraisal report consists of property and facilities that comprise the electrical distribution facilities located within the municipal boundaries of the City and selected other areas presently owned and operated by Duke. The City seeks to acquire the Subject Property in order to own and operate the Subject Property as a municipal electric utility, referred to here as the Clearwater Municipal Electric Utility (Clearwater MEU).

Barr Engineering, as a subconsultant to NewGen, developed an understanding of the electric delivery-related assets within and around the City based on information provided by Duke as well as an intensive field investigation. This process included detailed analysis and asset assessment of approximately seven separate and non-contiguous areas within the proposed Clearwater MEU service territory, which included areas along the northern portion of the City, an area adjacent to Old Tampa Bay, an area in close proximity to Highland Pines, the downtown area, an area south of downtown, and two distinct areas by the beach and Clearwater Bay (including portions of Clearwater Beach Island and Sand Key). The following is a description of the Duke assets that provide electrical service to customers within and around the City's municipal boundary.

There are ten electrical substations that serve distribution at 12.47 kilovolt (kV) and 7.2 kV loads located in and around the City. Seven of these substations are located either to the north or the south of the City's current municipal boundary (generally along Curlew Road on the north and Belleair Road on the south). Two of these substations (East Clearwater Substation and Bayview Substation) are located within "enclaves", which are unincorporated areas surrounded by the City. One substation, Clearwater Substation, is located within the City's municipal boundary.

There are approximately 31 distribution voltage feeders that originate within the Clearwater, East Clearwater, and Bayview Substations. Portions of these feeders serve load within the proposed Clearwater MEU service territory, and some serve areas beyond the proposed Clearwater MEU service territory. Duke did not provide detailed information on specific feeder routing, substation loads, and capacity utilization; therefore, it was assumed that the Clearwater MEU would acquire the entirety of the distribution assets in each of the three substations within its proposed Clearwater MEU service territory (specifically Clearwater Substation, East Clearwater Substation and Bayview Substation). The distribution assets within each substation include the power transformers and associated high-side isolation/protection devices as well as the distribution buses and the feeder breakers. To be clear, all transmission voltage assets (defined as 69 kV and above), including those within the Clearwater MEU service territory, would remain the property of Duke. A detailed separation / reintegration plan would be required to construct facilities to serve the Clearwater MEU customers from these three substations and to serve Duke customers from the remaining seven substations.

Barr Engineering created base-level GIS maps from satellite and aerial photography, field reconnaissance, and information provided by Duke. These maps, excluding confidential information, were utilized to estimate the field asset quantities. Figure 3-1 is a map of the City's municipal boundary and the location of the three substations discussed above. Figure 3-2 is a map of the proposed Clearwater MEU service territory. Figure 3-3 is a map of the sampled areas used to develop a detailed understanding of the assets

of the entire Clearwater MEU service territory (including a summary of the data collected from mapping and field investigations).

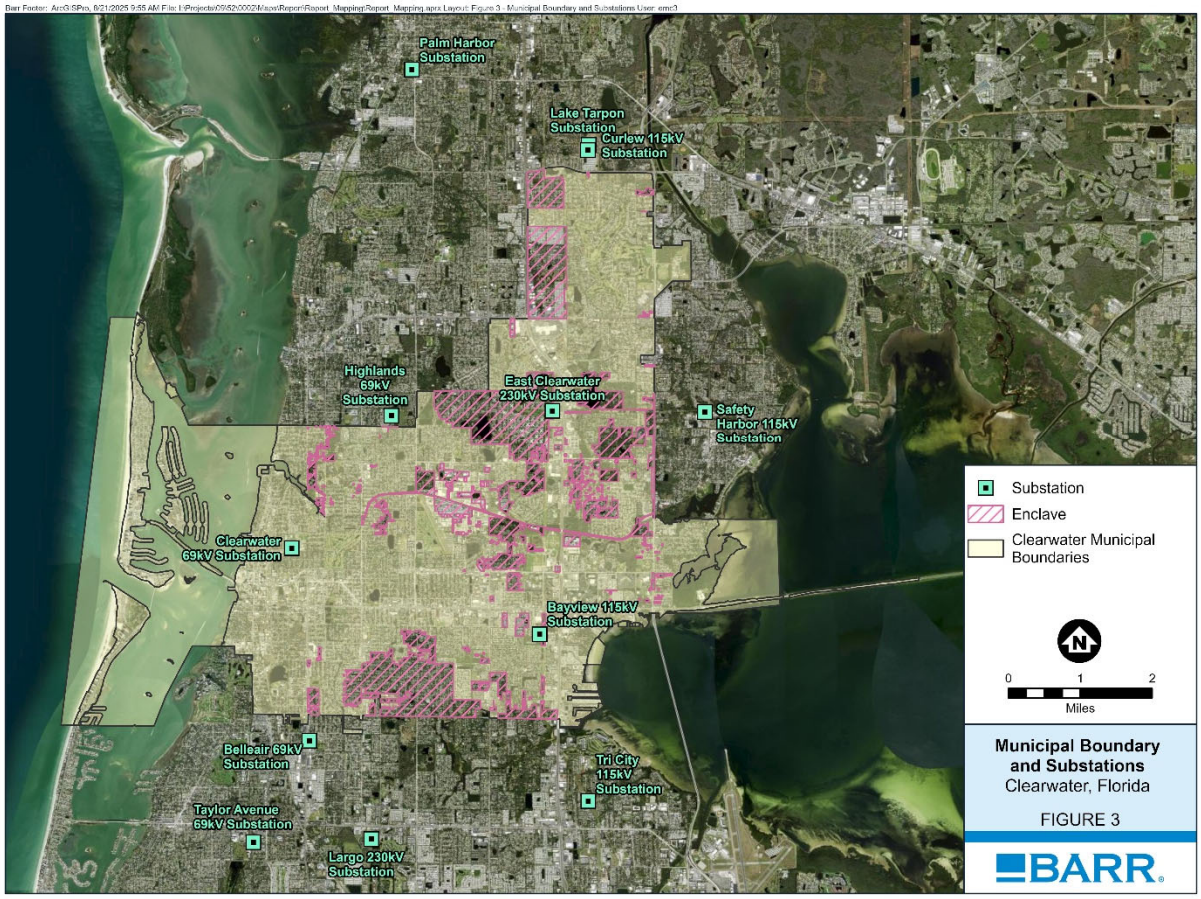

Figure 3-1. Clearwater Municipal Boundary

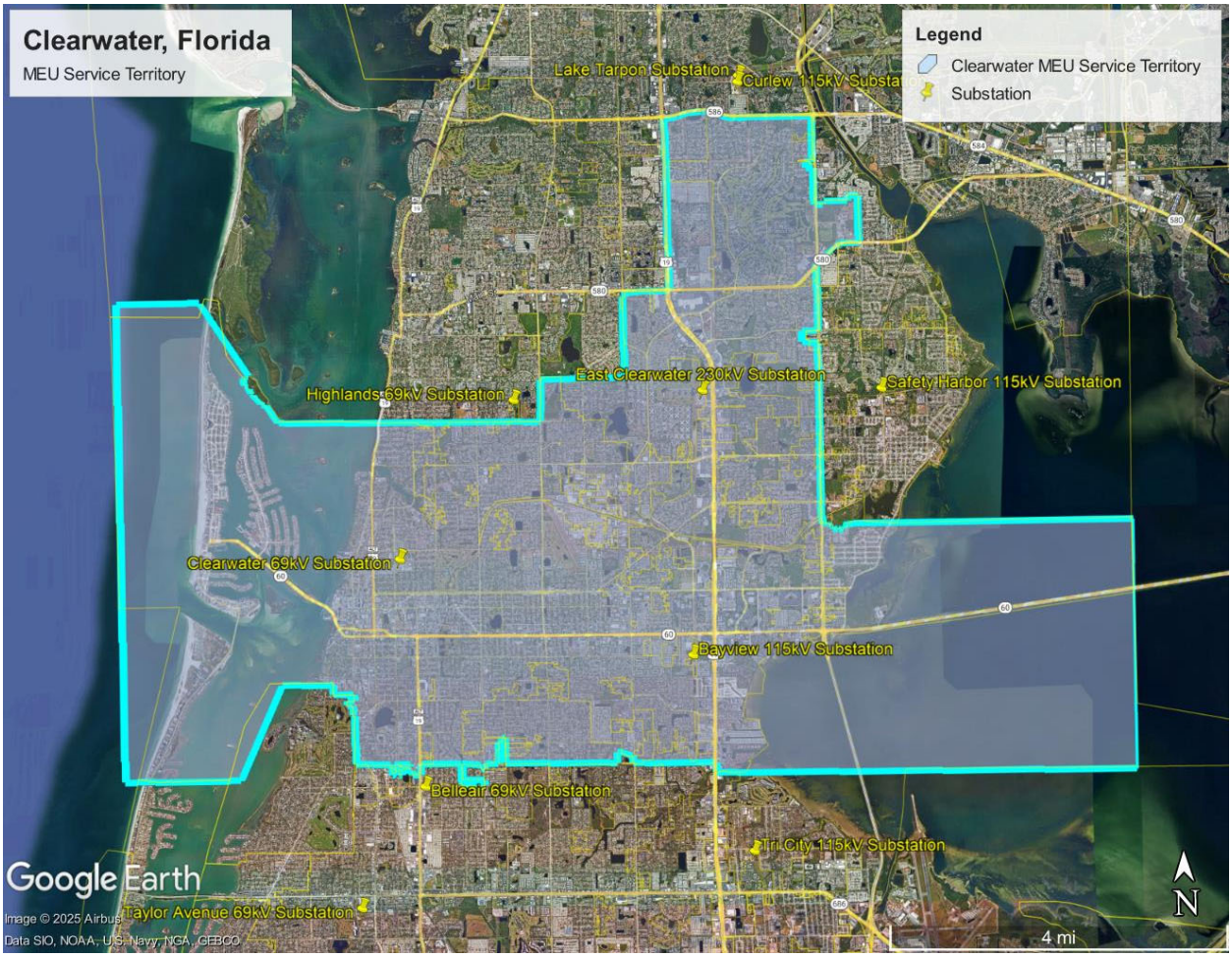

Figure 3-2. Proposed Clearwater MEU Service Territory Boundary

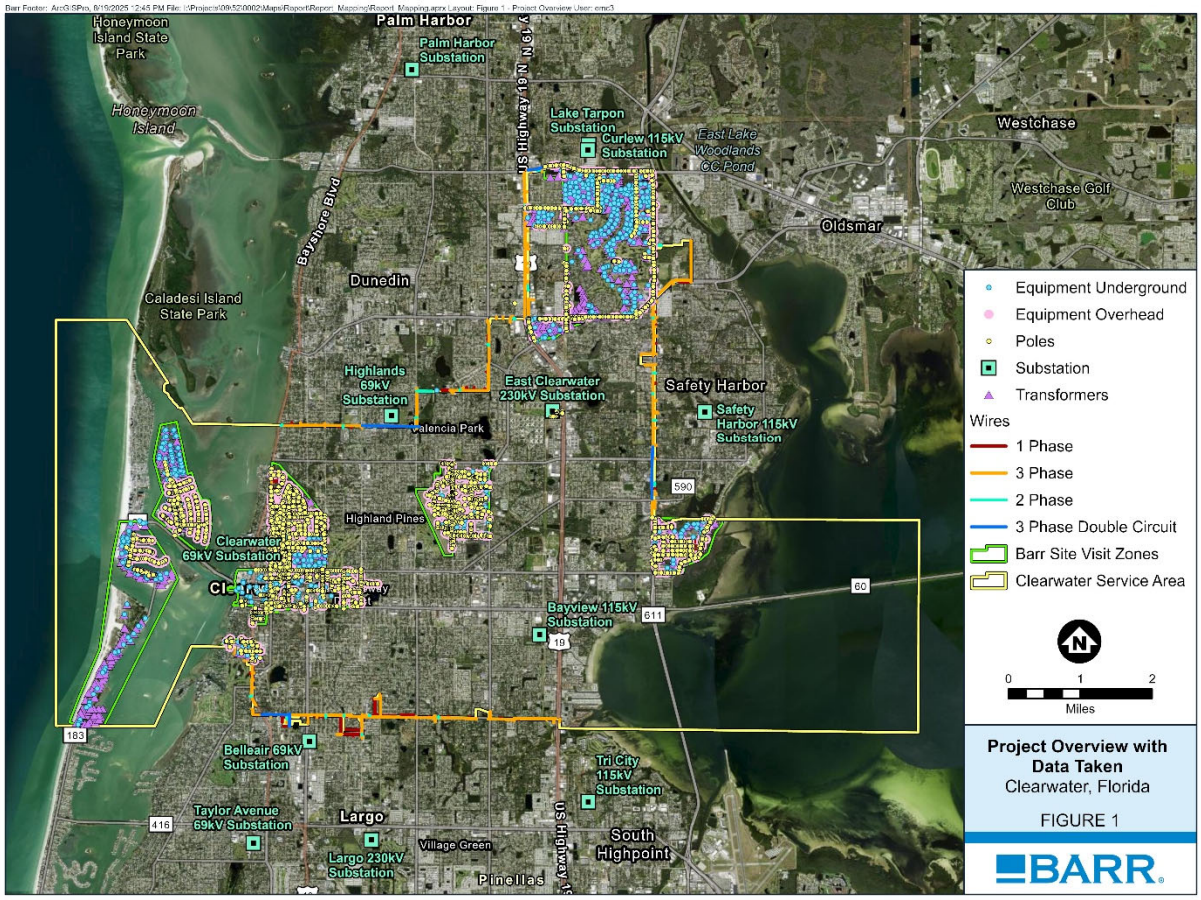

Figure 3-3. Clearwater MEU Service Territory with Sampled Areas Identified

The field review and data provided by Duke resulted in the development of an estimate of the size, type, and estimated age of assets within the proposed Clearwater MEU area. A summary of the findings from the field review is provided in Table 3-1.

Table 3-1
Estimated Asset Quantities to be Acquired from Duke within the MEU Service Territory (1)

FERC Account	Description	Quantity (feet or units) (2)
362	Substations	3
364	Poles, Tower, and Fixtures	2,054,000
365	Overhead Conductors and Devices	2,054,000
366	Underground Conduit and Direct Burial Installations	129,500
367	Underground Conductors and Devices	129,500
368	Transformers	11,429
369	Services (3)	2,391,444
370	Meters	84,400
373	Streetlights and Decorative Poles	26,041

(1) Estimated asset quantities include facilities in the enclave areas
(2) Estimated linear feet from GIS mapping. Accounts 362, 368, 370, and 373 are in units
(3) Services include non-linear units (pedestals, pull boxes, cabinets)

Figure 3-4 is a picture of the existing Clearwater Substation (which is entirely within the City's municipal boundary).

Figure 3-4. Clearwater Substation

Clearwater MEU Service Territory

As indicated in Figures 3-1 and 3-2, there are differences between the area of the City's existing municipal boundary and the proposed Clearwater MEU service territory. Most of these differences are due to the "enclaves" that are located within the City. These enclaves are areas that are legally outside of the City's municipal boundary. However, residents and businesses located within these enclaves are served by the City's primary municipal functions, including water and wastewater utility services, natural gas utility services, and first responder services.

For the purposes of this appraisal, NewGen assumed that these enclaves would be provided with electrical service by the proposed Clearwater MEU. Based on calculations of the density of customers within the municipal boundary and the GIS mapping information provided and developed for this appraisal, Barr Engineering estimated that the enclave areas (and the greater Clearwater MEU service territory) represent an approximate 20% increase to the electric load within the City boundary as well as a similar increase in assets. Therefore, the asset costs and related valuation estimates provided herein were adjusted accordingly. Additionally, it was assumed that the customer classes and usage characteristics within these areas are similar to those within the existing municipal boundary (i.e., they are no different than the general composition of the customer class data provided by Duke for the City). In addition, NewGen assumed a Clearwater MEU service territory that generally includes a "regular and reasonable" boundary, such as a linear segment of a main road, instead of the current irregular municipal boundary of the City.

Section 4
ANALYSES

Approaches

There are three generally accepted approaches to estimating the value of property:

- Cost Approach – the value of the property is based on the premise that an informed buyer would pay no more than the cost of producing a substitute property with the same function or utility as the Subject Property.
- Income Approach – the value of the property is estimated by capitalizing or determining the present value of the prospective net earnings from the property.
- Sales Comparison (or Market) Approach – the value of the property is estimated based on recent fair market sales of similar facilities under similar circumstances.

NewGen considered all three approaches to valuation to determine the value of the Subject Property.

Effect of Utility Rate Regulation on Value

The Subject Property is used to provide rate regulated electric service to customers located in the City. When appraising the reasonable value of regulated utility property, it is important to understand utility rate regulation and how utility rates are determined. In exchange for being granted the right to be the monopoly service provider, the utility agrees to have its rates regulated by the state public utilities commission, in this case the FPSC.

Under utility rate regulation, a utility is allowed to charge rates based on cost of service that are projected to produce revenues equal to the utility's total revenue requirement. The term "revenue requirement" refers to the utility's total cost of serving its customers, including a reasonable rate of return as determined by the FPSC.

Under the utility basis to ratemaking, customarily used by IOUs, and adopted by the FPSC, the total revenue requirement is generally equal to the utility's reasonable operating expenses, depreciation expense and taxes, plus the utility's authorized rate of return times rate base.

Rate base is the value of property on which a utility is allowed to earn its authorized rate of return and is generally equal to the utility's net plant in service with various adjustments for other elements, such as cash working capital, prepayments, inventories, customer contributed capital, accumulated deferred income tax, etc. The utility's authorized rate of return is typically determined by an analysis of the WACC for the utility.

As a result of rate regulation, and the way utility rates are developed, the income value of regulated utility property is typically tied to (but not necessarily equal to) the rate base value of the property, as described below.

The income approach estimates the value of property by capitalizing or determining the present worth of anticipated economic benefits from the property as a going concern. Under the direct capitalization of earnings method, the income value of the property is estimated by capitalizing (i.e., dividing) the net

income associated with the property for a one-year period by an appropriate capitalization rate.[4] This is shown in Equation (1) below:

$$(1) \qquad Value = \frac{(Revenues - Expenses)}{Capitalization\ Rate}$$

In theory, the income value for a regulated utility should approximately equal its rate base value since this is the value of the utility's investment on which it is allowed to earn its authorized rate of return. The majority of rate base is composed of the original cost of plant in service less accumulated depreciation.

Under cost-of-service ratemaking procedures approved by the FPSC, utility rates are designed to produce revenues that recover the utility's operating expenses (inclusive of depreciation and taxes) plus a return on rate base, as shown in Equation (2) below:

$$(2) \qquad Revenues = Expenses + (Rate\ of\ Return)(Rate\ Base)$$

Equation (2) can be restated as follows:

$$(3) \qquad Rate\ Base = \frac{(Revenues - Expenses)}{Rate\ of\ Return}$$

By comparing Equations (1) and (3), one can see that the capitalized income value for regulated utility property is generally equivalent to its rate base value. The only distinction of significance is that the capitalization rate is generally equal to the rate of return (WACC) minus an assumed long-term earnings growth rate. Thus, the assumed long-term earnings growth rate (if it is greater than 0%) causes the value of the utility to be some amount greater than rate base.

Under the principle of substitution, an informed buyer would pay no more than the cost of producing a substitute property with the same utility as the Subject Property. However, an informed buyer (unencumbered by non-financial or strategic objectives) would also pay no more than the income value of the property. In the case of rate regulated utility property, the income value is generally close to rate base, which is primarily composed of the original cost less depreciation (OCLD) value, assuming that utility rates are based on cost of service. This is because the net income (return) a utility can earn is determined based on the utility's authorized rate of return multiplied by the value of its rate base.

Cost Approach

The cost approach is based on the premise that an informed buyer would pay no more than the cost of producing a substitute property with the same function or utility as the Subject Property. A key indicator of value that is commonly considered under the cost approach when valuing public utility property is the Reproduction Cost New Less Depreciation (RCNLD) value. RCNLD is the current cost of reproducing a new replica of the property being appraised using the same, or closely similar, materials, less all forms of depreciation.[5]

NewGen relied on analyses prepared by Barr Engineering to develop the Reproduction Cost New (RCN) of the Subject Property. The RCN was developed based on the inventory of facilities to be acquired by the City and applying current unit construction costs. The RCN value includes direct construction costs (labor, materials, and equipment), overhead costs, and contingency.

[4] The capitalization rate (also called the 'cap rate') is the annual rate of return on and return of capital, equivalent to the risk assumed by an investor. American Society of Appraisers, *Valuing Machinery and Equipment: The Fundamentals of Appraising Machinery and Technical Assets*, Fourth Edition, p. 118.

[5] American Society of Appraisers, *Valuing Machinery and Equipment: The Fundamentals of Appraising Machinery and Technical Assets*, Fourth Edition, p. 34.

Cost estimates were developed using 2025 pricing estimates and were based on the Association of the Advancement of Cost Engineering's (AACE) Class 5 Estimate, defined as within the range of -50% to +100%, which is an appropriate range of cost estimating for the purposes of this appraisal. Barr Engineering also developed an estimate of the age of the assets (to assist in determining the amount of depreciation associated with the Subject Property). The estimated age was based on a combination of data provided by Duke and Barr Engineering's professional experience.

The RCN value was adjusted for depreciation, which is the estimated loss in value of an asset compared with a new asset. There are three basic types or causes of depreciation:

- Physical deterioration – the loss in value or usefulness resulting from the wear and tear of an asset in operation and exposure to various elements.
- Functional obsolescence – the loss in value or usefulness caused by inefficiencies or inadequacies of the property itself, when compared to a more efficient or less costly replacement property that new technology has developed.
- Economic obsolescence – the loss in value caused by factors external to the property.[6]

The amount of accumulated depreciation due to physical deterioration was estimated based on the age of the facilities and current average service life and survivor curve approved for Duke by the FPSC.

NewGen has no information about the Subject Property that suggests there is any functional obsolescence so no adjustment for functional obsolescence was made.

The Subject Property is subject to economic obsolescence based on utility rate regulation, which restricts the earnings of the utility to an allowed rate of return times rate base.[7] Thus, the adjustment for economic obsolescence was developed based on the results of the income approach, as discussed later.

The RCNLD indicator of value for the Subject Property is shown in Table 4-1. Supporting schedules showing the calculation of the RCNLD value are provided in Attachment A.

Table 4-1 also shows the estimated OCLD value for the Subject Property, which is used in the income approach. Trending the RCN to estimate the original cost when installed was based primarily on Handy Whitman Cost Index values or, in the case of land and land rights, based on the Consumer Price Index (CPI). Next, an estimate of accumulated depreciation was developed based on the average service life and survivor curve approved for Duke by the FPSC. The accumulated depreciation was subtracted from the estimated original cost to estimate OCLD. However, because NewGen assumes that any asset still in service has value, NewGen ensured that none of the OCLD values were less than 10% of the original cost for the asset.

[6] American Society of Appraisers, *Appraising Machinery and Equipment*, Second Edition, p. 66-67.
[7] Woolery, *Valuation of Railroad and Utility Property*, 1991, p. 44.

Table 4-1
Cost Approach Indicators of Value

	Indicators of Value
Reproduction Cost New	$ 785,217,109
Less: Physical Deterioration	(346,903,950)
Less: Functional Obsolescence	-
Less: Economic Obsolescence	(203,169,841)
Reproduction Cost New Less Depreciation (RCNLD)	$ 235,143,319
Original Cost	$ 299,214,892
Less: Physical Deterioration	(120,766,890)
Original Cost Less Depreciation (OCLD)	$ 178,448,002

Source: Attachment A for everything except the economic obsolescence adjustment, which was based on the results of the income approach, as shown in Attachment B.

Rate Base Value

Rate base is the value of property on which a public utility is allowed to earn its authorized rate of return and is approximately equal to the OCLD value of the utility's plant in service, with adjustments for some miscellaneous items, such as working capital, inventories, prepaid expenses, customer contributed capital, and Accumulated Deferred Income Tax. As discussed previously, for rate regulated utility property, such as the Subject Property, the OCLD value is a relevant indicator of value because it is generally the largest component in rate base for ratemaking purposes. Supporting detail showing the calculation of the OCLD value is provided in Attachment A.

It is worth noting that there are at least two key differences between the OCLD value developed by NewGen and the net plant balances in Duke's rate base that cause OCLD to be larger. First, it is possible for the net book value of assets to be zero dollars in rate base if the utility plant has been fully depreciated. In fact, it is possible for the value to be negative due to net salvage. However, for the purposes of developing OCLD and RCNLD, NewGen assumed that any asset that is still in service has value. Thus, we set a maximum depreciation at 90%, maintaining 10% of the original cost or RCN value regardless of the age of the asset. Second, RCN and original cost values in the cost approach include all relevant utility plant for the Subject Property, regardless of how Duke came to own the property. Property contributed or funded by customers is generally not included in rate base, but NewGen has not attempted to identify or remove these assets from our cost approach analyses. Thus, the analysis by NewGen includes all assets owned by Duke, even if they were donated to Duke.

Maps, Drawings and Records

The Subject Property includes 1) existing maps, drawings, operation and maintenance logs, and other engineering and operations records for the assets acquired, and 2) electric utility customer billing and maintenance records for customers served by the Subject Property. The cost of maps and drawings of plant are capitalized costs that are included in the construction cost of a project. Maintenance and inspection records are part of ongoing operations and maintenance expense that is paid for by ratepayers

and are part of the utility's business. The utility is generally required to keep accurate maintenance and inspection records as part of their normal business operations.

Under the willing buyer/willing seller principle, the seller would be willing to provide maps, drawings and records that pertain to the Subject Property as part of the sale transaction. The maps, drawings and records pertaining to the Subject Property have little to no value to anyone other than the owner of the Subject Property. In situations where the seller needs to retain maps, drawings and records for the Subject Property, it may be appropriate for the buyer to reimburse the seller for the cost to produce copies of maps, drawings and records pertaining to the Subject Property.

Income Approach

The income approach estimates the value of property by capitalizing or determining the present worth of anticipated economic benefits from the property as a going concern. Under the discounted cash flow (DCF) method, the direct economic benefits derived from continued ownership of the Subject Property are expressed in terms of free cash flow, which represents the total cash flow generated by the going concern that is available to the providers of both debt and equity capital.

The DCF model used to estimate the value of the Subject Property is essentially an after-tax cash flow model of annual revenues and expenses over a ten-year period beginning in 2026 and ending in 2035. The revenues were assumed to equal the revenue requirement developed for the Subject Property in each year of the forecast based on rate regulation treatment. The rate base was primarily composed of the OCLD developed for the cost approach, with additions for cash working capital and deductions for accumulated deferred income tax as well as accumulated net salvage (which was not accounted for in accumulated depreciation in the development of OCLD). The development of rate base as well as the revenue requirement is shown in Attachment B, Table 4.

The calculation of free cash flow is illustrated as follows:

	Annual Operating Revenues
Less:	*Annual Operating Expenses*
Equals:	*Pre-tax Net Operating Income*
Less:	*Income Taxes*
Equals:	*Earnings Before Interest, Depreciation & Amortization (EBIDA)*
Less:	*Future Capital Expenditures*
	Net Changes in Working Capital
Equals:	*Free Cash Flow*

Under the DCF method, the income indicator of value is equal to the sum of the present value of the projected cash flows plus the present value of the projected terminal value. The series of annual cash flows from 2026 to 2035 was discounted using a 7.64% discount rate (discussed below). For the terminal (or residual) value, the projected cash flow in year 2035 was capitalized into perpetuity at a capitalization rate developed based on the discount rate (7.64%) less earnings growth rate (2.10%), and then discounted back to the date of value.[8]

[8] In calculating the terminal value, the cash flow in 2035 was increased by one year of growth at 2.1% to get the cash flow in 2031 and then divided by the capitalization rate (7.64% discount rate less 2.1% growth rate). This provides the value of all future cash flows in 2035, which is then discounted to a value in 2026.

Table 4-2 presents the income value for the Subject Property using the DCF method. Supporting detail is provided in Attachment B.

Table 4-2
Income Approach Indicator of Value

Discounted Cash Flow Value	$ 235,143,319

Source: Attachment B

Discount Rate

The discount rate used in the DCF analysis is equal to the weighted average cost of capital for a hypothetical buyer, which is assumed to be a taxable corporate entity. The discount rate of 7.64% for the hypothetical corporate buyer is based on an analysis of the weighted average cost of capital for a proxy group of investor-owned electric utilities and reflects a capital structure equal to 59% debt and 41% equity, with a cost of debt equal to 6.25% and average cost of equity equal to 11.9%. The combined Federal and state income tax rate is equal to 25.35% based on 21% Federal and 5.5% Florida state corporate tax rates. The calculation of the weighted average cost of capital (discount rate) used in the DCF analysis is shown in Attachment C.

Sales Comparison Approach

The sales comparison approach involves review of recent sales of similar facilities between a willing buyer and a willing seller, who are unrelated, as an indication of the market price for such facilities. The guideline sale transactions method under the sales comparison approach is primarily applicable to property that is readily substitutable and where a number of similar types of properties have recently been sold. Caution must be exercised when using the comparable sales method as an indicator of value for utility property. Normally, the appraiser will, when necessary, make adjustments to the guideline sale transactions in order to correlate the sales price to the characteristics of the subject property. However, there are many factors that can influence sales price including, among others, market area, age, condition, and other considerations that may be reflected in the sales price. Each party's motivation can affect the negotiation and the terms of the sale. Strategic objectives are the driving motivator for some sales. These objectives are often kept confidential and are not available to an appraiser for evaluation. For this reason, we generally use the sales comparison approach as a test of the reasonableness of values produced by the cost and income approaches.

Table 4-3 shows select sales transactions involving electric utility distribution property that occurred from 2011 through 2023. All of the sales shown in Table 4-3 were negotiated sales and did not involve the exercise of eminent domain. There is a wide variation in the size, location, and type of plant (e.g., some sales include generation plant) for these sales, and no attempt was made to adjust the sales to correlate with the characteristics of the Subject Property. More information regarding the guideline sale transactions is provided in Attachment D.

Table 4-3
Electric Utility Sales Transactions

No.	Year	State	Buyer	Seller	Purchase Price	Net Plant	Purchase Price/ Net Plant
1	2011	CA	California Pacific Electric Co. (Liberty Energy)	Sierra Pacific Power Co.	$ 136,418,000	$ 123,599,000	1.10
2	2011	OH	AES Corporation	DPL, Inc. (Dayton Power & Light)	$ 4,719,000,000	$ 2,965,600,000	1.59
3	2012	NH	Liberty Energy NH	Granite State Electric Co.	$ 83,000,000	$ 81,380,000	1.02
4	2015	IA, MN	Southern Minnesota Energy Cooperative	Interstate Power & Light	$ 129,000,000	$ 105,189,000	1.23
5	2017	MO, KS, OK, AR	Liberty Utilities Co. (Algonquin)	The Empire District Electric Company	$ 2,348,510,000	$ 1,919,010,000	1.22
6	2019	TX	AEP Texas, Inc.	Oncor Electric Delivery Company, LLC	$ 17,956,000	$ 17,956,000	1.00
7	2019	FL	NextEra Energy	Gulf Power Company	$ 5,657,000,000	$ 3,605,426,000	1.57
8	2020	ME	ENMAX	Emera Maine	$ 1,295,000,000	$ 1,066,820,818	1.21
9	2020	TN	Middle Tennessee Electric Membership Corporation	Murfreesboro Electric Department	$ 202,000,000	$ 152,382,078	1.33
10	2020	AK	Chugach Electric Association	Anchorage Municipal Light & Power	$ 986,000,000	$ 703,166,000	1.40
11	2020	TX	JP Morgan Chase	El Paso Electric Company	$ 4,370,650,000	$ 3,120,858,000	1.40
12	2022	RI	PPL Corporation	Narragansett Electric Company (National Grid)	$ 5,320,000,000	$ 3,471,757,000	1.53
13	2023	GA	Georgia Transmission Corporation	The Southern Company	$ 54,747,406	$ 35,640,347	1.54
						Mean	1.32

Figure 4-1 plots these sales transactions.

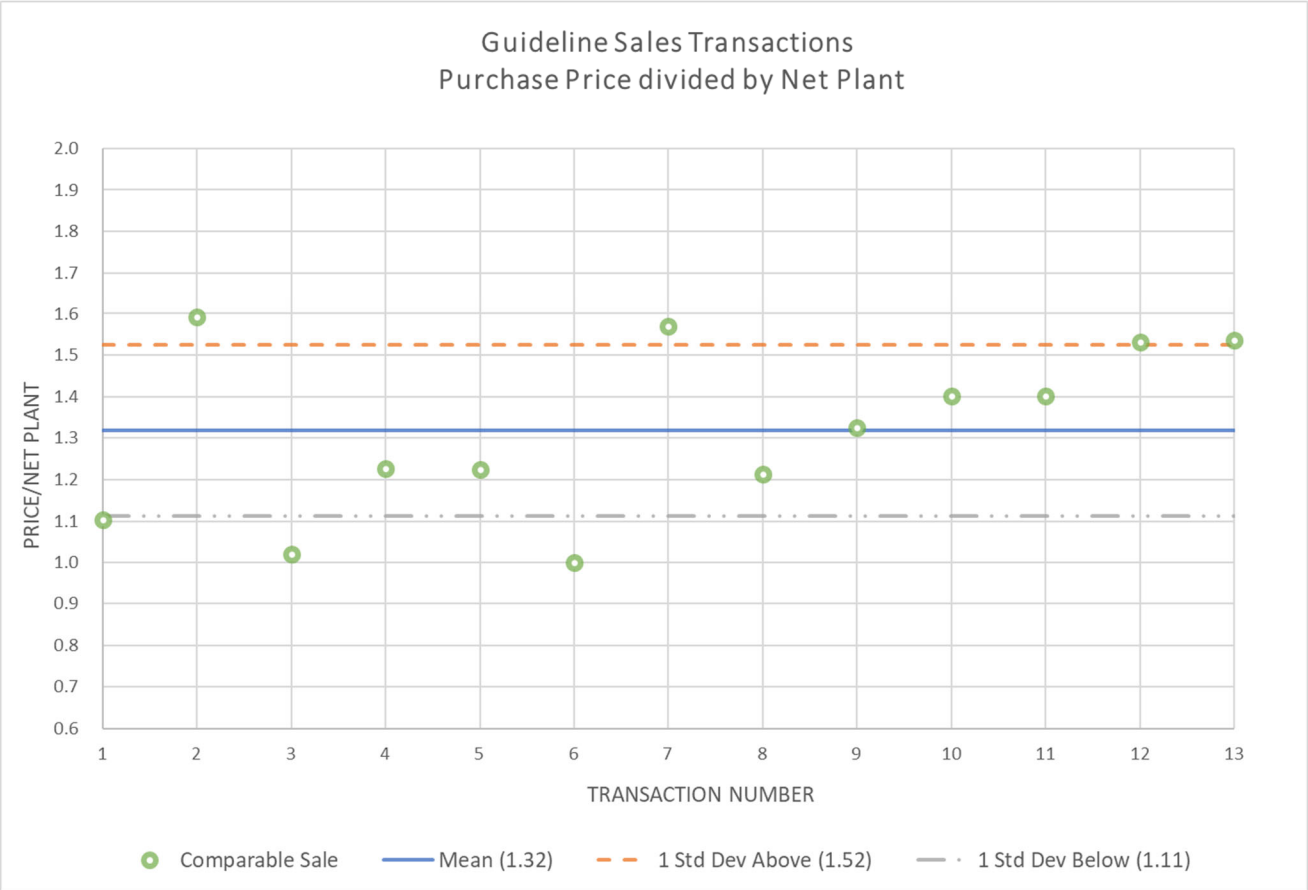

Figure 4-1 Comparable Sales Transactions

While many of the sales transactions in Table 4-3 vary in size compared to the Subject Property, examining the ratio of purchase price to net plant (OCLD) provides insight into the valuation of rate regulated property in willing buyer/willing seller transactions. The average (mean) ratio results in a purchase price equal to 1.32 times net plant. Most of the sales are within plus or minus one standard deviation from the mean, i.e., 1.11 to 1.52 times net plant, which corresponds to a range of value under the sales comparison approach for the Subject Property of approximately $200 million to $270 million based on an OCLD (net plant) value of electric plant of $178,448,002. The average (mean) ratio of 1.32 times net plant when applied to the Subject Property yields a purchase price shown in Table 4-4.

Table 4-4
Sales Comparison Approach Indicator of Value

Based on Average Ratio of Purchase Price to Net Plant	$ 235,342,000

Source: Attachment D

Section 5
CONCLUSIONS

Based on the results of our analyses and the limiting assumptions and conditions described in this report, NewGen developed indicators of value using generally accepted approaches to valuation. These indicators of value are summarized in Table 5-1.

Table 5-1
Summary of Indicators of Value

	Indicators of Value
Cost Approach:	
Reproduction Cost New	$ 785,217,109
Less: Physical Deterioration	(346,903,950)
Less: Functional Obsolescence	-
Less: Economic Obsolescence	(203,169,841)
Reproduction Cost New Less Depreciation (RCNLD)	$ 235,143,319
Original Cost	$ 299,214,892
Less: Physical Deterioration	(120,766,890)
Original Cost Less Depreciation (OCLD)	$ 178,448,002
Income Approach:	
Discounted Cash Flow	$ 235,143,319
Sales Comparison Approach:	
Guideline Sale Transactions	$ 235,342,000

In this appraisal, NewGen considered and evaluated all three generally accepted approaches to valuation (cost, income, and sales comparison approaches) in developing our opinion of the value of the Subject Property. Under the principle of substitution, an informed buyer would pay no more than the cost of producing a substitute property with the same utility as the Subject Property. However, an informed buyer (unencumbered by non-financial or strategic objectives) would also pay no more than the income value of the property. As discussed earlier in this report, the effect of utility rate regulation is an important consideration in valuing public utility property. Under standard ratemaking procedures, rate regulated utilities are allowed the opportunity to earn a fair and reasonable rate of return on their rate base (predominately composed of the OCLD value of the plant assets). Operating expenses are essentially a pass-through cost recovered through rates. Thus, in theory, the income value for rate regulated utility property is tied to its rate base value since this is the value of the utility's investment on which it is allowed to earn its authorized rate of return or profit. Moreover, most state commissions, like the FPSC, do not allow for positive acquisition premiums to be included in rate base under normal circumstances. Thus, the purchaser of the Subject Property would necessarily bring the original cost and accumulated depreciation for the assets onto its books for rate regulation. Therefore, a purchaser of the Subject Property would not

expect to be able to pay more than the depreciated original cost for the assets and include that excess (or premium) in rate base as the new owner.

An informed buyer would not be willing to pay a price for the Subject Property that exceeds the income value of the property (absent unique synergies or motivations of the buyer). Therefore, the RCNLD value without adjustment for economic obsolescence is not a relevant indicator of the value for the Subject Property. NewGen tested for the presence of economic obsolescence by comparing the income approach value and the RCNLD value before economic obsolescence and found that economic obsolescence does exist.

The income value of the Subject Property supports paying a price that is greater than the OCLD value due, in part, to the expected growth in earnings. The capitalized income value for regulated utility property is generally equivalent to its rate base value. The only distinction of significance is that the capitalization rate is generally equal to the rate of return (WACC) minus an assumed long-term earnings growth rate. Thus, the assumed long-term earnings growth rate (if it is greater than 0%) causes the value of the utility to be some amount greater than rate base.

The sales comparison approach indicator of value using the guideline sale transactions method has some weaknesses previously identified that bear on its reliability in the determination of value, but the results of the sales comparison approach generally support the income approach value for the Subject Property, as shown in Table 5-1.

Going Concern Value

We do not believe it is appropriate to add any amount to the cost approach indicators of value for going concern. Going concern value is defined as "the value of an operating business enterprise, or an interest therein."[9] The income approach measures the value of the property in continued use as a going concern business enterprise. Since the income value of the Subject Property is less than the RCNLD value before accounting for economic obsolescence, there is no evidence of any additional value for going concern that should be added to the RCNLD value.[10]

However, the Definition of Value in this appraisal is codified in Florida Statutes 73.0715, and that statute indicates the relevant value is RCNLD "together with going concern value". NewGen reads "together with" in this statute to mean "plus". Thus, NewGen adds a going concern value to RCNLD in our final determination of value under the statute in recognition of the plain language in the statute. The total value is shown in Table 5-2.

Going concern was developed based on the free cash flow from the income approach (see Table 6) for eight years (2026-2033) discounted at 7.64% (as developed in Attachment C). Barr Engineering estimates it would take between five and ten years for the Subject Property assets to be constructed independently. Thus, eight years of free cash flow was determined to be an appropriate duration on which to develop the amount for going concern.

The total value, including going concern, represents 1.49 times OCLD, which is within one standard deviation above the mean under the sales comparison approach.[11]

[9] American Society of Appraisers, *Valuing Machinery and Equipment: The Fundamentals of Appraising Machinery and Technical Assets*, Second Edition, Glossary of Terms, p. 570.
[10] Shannon P. Pratt, *Valuing a Business, The Analysis and Appraisal of Closely Held Businesses*, Fifth Edition, p. 888.
[11] One standard deviation above the mean is 1.52 times OCLD.

Table 5-2
Determination of Value

	Value Determined
Reproduction Cost New	$ 785,217,109
Less: Physical Deterioration	(346,903,950)
Less: Functional Obsolescence	-
Less: Economic Obsolescence	(203,169,841)
Reproduction Cost New Less Depreciation (RCNLD)	$ 235,143,319
Going Concern (NPV 8 years Free Cash Flow)	30,115,365
Total Value under Florida Statutes 73.0715	**$ 265,258,683**

Separation and Reintegration

In a taking under Florida Statutes, the City would be responsible for the cost of separation and reintegration. Separation refers to electrically separating the Subject Property from the rest of Duke's system – generally composed of separating circuits, reconfiguring substations and isolating a local distribution system. Reintegration refers to connecting the newly separated, independent local distribution system as a standalone entity or integration with another provider. These costs are not quantified in this report, but have been estimated by Barr Engineering.

Damages to the Remainder

The remaining Duke system, after separation of the Subject Property and reintegration of the Duke system, will be no less valuable to Duke than before the separation.

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APPRAISAL CERTIFICATION

I, the undersigned, certify that, to the best of my knowledge and belief:

- The statements of fact contained in this report are true and correct.
- The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are impartial and unbiased professional analyses, opinions, and conclusions.
- NewGen Strategies and Solutions, LLC (NewGen) has no present or prospective interest in the properties that are the subject of this report, and NewGen has no interest or bias with respect to the parties involved.
- I have performed no services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding the agreement to perform this assignment.
- NewGen's engagement in this assignment was not contingent upon developing or reporting predetermined results.
- NewGen's compensation is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the Client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
- The analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice (USPAP) promulgated by the Appraisal Standards Board of the Appraisal Foundation and the Principles of Appraisal Practice and Code of Ethics of the American Society of Appraisers.
- The American Society of Appraisers has a mandatory recertification program for all its Senior Members and Grant Rabon, ASA is in compliance with that program.
- Zachary Wright, ASA (Partner at NewGen) and Nicholas Coomer (Manager at NewGen) provided significant personal property appraisal assistance to the person signing this certification.
- Grant Rabon performed a site visit to observe accessible portions of the Subject Property in connection with this appraisal.

Respectfully Submitted,

NewGen Strategies and Solutions, LLC

Signed by:
Grant Rabon
D0BBF3F379164C0...

Grant Rabon, ASA

June 5, 2026

NewGen Strategies & Solutions, LLC
8140 North Mopac Expressway, Suite 1-240
Austin, TX 78759

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Attachment A
COST APPROACH: RCNLD AND OCLD ANALYSIS

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Table 1
Cost Approach

Line No.	Device	FERC Account	Count [1]	Area Multiplier [1, 4]	Unit Cost [1]	Sub-Total [1]	Owner's Costs 20%	Contingency [3] 10%	Total RCN 2025	Estimated Installation Year [1]	Estimated Age in 2025 (years)	Survivor Curve [2]	Average Service Life [2]	Age % of ASL	Reserve Ratio [5] (per curve)
A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P
1	**Clearwater Substation**														
2	1950-1969 Vintage	362.00	1.0	1.0	$ -	$ -	$ -	$ -	$ -	1960	65	R0.5	60	108	60.59%
3	1970-1979 Vintage	362.00	1.0	1.0	3,352,832	3,352,832	670,566	402,340	4,425,738	1975	50	R0.5	60	83	48.34%
4	1980-1989 Vintage	362.00	1.0	1.0	3,352,832	3,352,832	670,566	402,340	4,425,738	1985	40	R0.5	60	67	39.75%
5	1990-1999 Vintage	362.00	1.0	1.0	5,029,248	5,029,248	1,005,850	603,510	6,638,607	1995	30	R0.5	60	50	30.10%
6	2000-2009 Vintage	362.00	1.0	1.0	3,352,832	3,352,832	670,566	402,340	4,425,738	2005	20	R0.5	60	33	20.08%
7	2010-Present Vintage	362.00	1.0	1.0	1,676,416	1,676,416	335,283	201,170	2,212,869	2018	7	R0.5	60	12	7.40%
8						$ 16,764,160	$ 3,352,832	$ 2,011,699	$ 22,128,691						
9															
10	**Bayview Substation**														
11	1950-1969 Vintage	362.00	1.0	1.0	$ -	$ -	$ -	$ -	$ -	1960	65	R0.5	60	108	60.59%
12	1970-1979 Vintage	362.00	1.0	1.0	-	-	-	-	-	1975	50	R0.5	60	83	48.34%
13	1980-1989 Vintage	362.00	1.0	1.0	1,668,800	1,668,800	333,760	200,256	2,202,816	1985	40	R0.5	60	67	39.75%
14	1990-1999 Vintage	362.00	1.0	1.0	3,337,600	3,337,600	667,520	400,512	4,405,632	1995	30	R0.5	60	50	30.10%
15	2000-2009 Vintage	362.00	1.0	1.0	1,668,800	1,668,800	333,760	200,256	2,202,816	2005	20	R0.5	60	33	20.08%
16	2010-Present Vintage	362.00	1.0	1.00	1,668,800	1,668,800	333,760	200,256	2,202,816	2018	7	R0.5	60	12	7.40%
17						$ 8,344,000	$ 1,668,800	$ 1,001,280	$ 11,014,080						
18															
19	**East Clearwater Substation**														
20	1950-1969 Vintage	362.00	1.0	1.00	$ -	$ -	$ -	$ -	$ -	1960	65	R0.5	60	108	60.59%
21	1970-1979 Vintage	362.00	1.0	1.00	1,173,872	1,173,872	234,774	140,865	1,549,511	1975	50	R0.5	60	83	48.34%
22	1980-1989 Vintage	362.00	1.0	1.00	2,347,744	2,347,744	469,549	281,729	3,099,022	1985	40	R0.5	60	67	39.75%
23	1990-1999 Vintage	362.00	1.0	1.00	3,521,616	3,521,616	704,323	422,594	4,648,533	1995	30	R0.5	60	50	30.10%
24	2000-2009 Vintage	362.00	1.0	1.00	3,521,616	3,521,616	704,323	422,594	4,648,533	2005	20	R0.5	60	33	20.08%
25	2010-Present Vintage	362.00	1.0	1.00	1,173,872	1,173,872	234,774	140,865	1,549,511	2018	7	R0.5	60	12	7.40%
26						$ 11,738,720	$ 2,347,744	$ 1,408,646	$ 15,495,110						
27															
28	**Total Substations**					$ 36,846,880	$ 7,369,376	$ 4,421,626	$ 48,637,882						
29															
30	**Poles, Towers, Fixtures - Two Phase and Three Phase Overhead Feeders (12.47kV, Single Pole)**														
31	1950-1969 Vintage	364.00	1,215.0	1.21	$ -	$ -	$ -	$ -	$ -	1960	65	R4	32	203	90.00%
32	1970-1979 Vintage	364.00	1,215.0	1.21	8,890	13,119,470	2,623,894	1,574,336	17,317,700	1975	50	R4	32	156	90.00%
33	1980-1989 Vintage	364.00	1,215.0	1.21	8,890	13,119,470	2,623,894	1,574,336	17,317,700	1985	40	R4	32	125	90.00%
34	1990-1999 Vintage	364.00	1,215.0	1.21	13,334	19,679,205	3,935,841	2,361,505	25,976,550	1995	30	R4	32	94	82.28%
35	2000-2009 Vintage	364.00	1,215.0	1.21	4,445	6,559,735	1,311,947	787,168	8,658,850	2005	20	R4	32	63	60.16%
36	2010-Present Vintage	364.00	1,215.0	1.21	8,890	13,119,470	2,623,894	1,574,336	17,317,700	2018	7	R4	32	22	21.91%
37						$ 65,597,350	$ 13,119,470	$ 7,871,682	$ 86,588,502						
38															
39	**Poles, Towers, Fixtures - Double Circuit Three Phase Overhead Feeders (12.47kV, Single Pole)**														
40	1950-1969 Vintage	364.00	60.2	1.21	$ -	$ -	$ -	$ -	$ -	1960	65	R4	32	203	90.00%
41	1970-1979 Vintage	364.00	60.2	1.21	-	-	-	-	-	1975	50	R4	32	156	90.00%
42	1980-1989 Vintage	364.00	60.2	1.21	7,624	557,755	111,551	66,931	736,236	1985	40	R4	32	125	90.00%
43	1990-1999 Vintage	364.00	60.2	1.21	30,495	2,231,019	446,204	267,722	2,944,945	1995	30	R4	32	94	82.28%
44	2000-2009 Vintage	364.00	60.2	1.21	15,248	1,115,509	223,102	133,861	1,472,472	2005	20	R4	32	63	60.16%
45	2010-Present Vintage	364.00	60.2	1.21	22,872	1,673,264	334,653	200,792	2,208,709	2018	7	R4	32	22	21.91%
46						$ 5,577,547	$ 1,115,509	$ 669,306	$ 7,362,362						
47															
48	**Poles, Towers, Fixtures - Single Phase Overhead Lines (12.47kV, Single Pole)**														
49	1950-1969 Vintage	364.00	436.0	1.21	$ -	$ -	$ -	$ -	$ -	1960	65	R4	32	203	90.00%
50	1970-1979 Vintage	364.00	436.0	1.21	5,453	2,887,779	577,556	346,533	3,811,868	1975	50	R4	32	156	90.00%
51	1980-1989 Vintage	364.00	436.0	1.21	5,453	2,887,779	577,556	346,533	3,811,868	1985	40	R4	32	125	90.00%
52	1990-1999 Vintage	364.00	436.0	1.21	8,179	4,331,668	866,334	519,800	5,717,802	1995	30	R4	32	94	82.28%
53	2000-2009 Vintage	364.00	436.0	1.21	4,090	2,165,834	433,167	259,900	2,858,901	2005	20	R4	32	63	60.16%
54	2010-Present Vintage	364.00	436.0	1.21	4,090	2,165,834	433,167	259,900	2,858,901	2018	7	R4	32	22	21.91%
55						$ 14,438,894	$ 2,887,779	$ 1,732,667	$ 19,059,340						
56															

Table 1
Cost Approach

Line No.	Device	FERC Account	Count [1]	Area Multiplier [1, 4]	Unit Cost [1]	Sub-Total [1]	Owner's Costs 20%	Contingency [3] 10%	Total RCN 2025	Estimated Installation Year [1]	Estimated Age in 2025 (years)	Survivor Curve [2]	Average Service Life [2]	Age % of ASL	Reserve Ratio [5] (per curve)
A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P
57	**Total Poles, Towers, Fixtures**					$ 85,613,791	$ 17,122,758	$ 10,273,655	$ 113,010,204						
58															
59	**Overhead Primary Conductor - Three Phase Overhead Lines**														
60	1950-1969 Vintage	365.00	1.0	1.21	$ -	$ -	$ -	$ -	$ -	1960	65	R0.5	36	181	90.00%
61	1970-1979 Vintage	365.00	1.0	1.21	4,308,603	5,233,495	1,046,699	628,019	6,908,213	1975	50	R0.5	36	139	73.95%
62	1980-1989 Vintage	365.00	1.0	1.21	4,308,603	5,233,495	1,046,699	628,019	6,908,213	1985	40	R0.5	36	111	61.96%
63	1990-1999 Vintage	365.00	1.0	1.21	6,462,904	7,850,242	1,570,048	942,029	10,362,319	1995	30	R0.5	36	83	48.34%
64	2000-2009 Vintage	365.00	1.0	1.21	2,154,301	2,616,747	523,349	314,010	3,454,106	2005	20	R0.5	36	56	33.56%
65	2010-Present Vintage	365.00	1.0	1.21	4,308,603	5,233,495	1,046,699	628,019	6,908,213	2018	7	R0.5	36	19	11.66%
66						$ 26,167,473	$ 5,233,495	$ 3,140,097	$ 34,541,065						
67															
68	**Overhead Primary Conductor - Two Phase Overheard Lines**														
69	1950-1969 Vintage	365.00	1.0	1.21	$ -	$ -	$ -	$ -	$ -	1960	65	R0.5	36	181	90.00%
70	1970-1979 Vintage	365.00	1.0	1.21	162,937	197,914	39,583	23,750	261,246	1975	50	R0.5	36	139	73.95%
71	1980-1989 Vintage	365.00	1.0	1.21	162,937	197,914	39,583	23,750	261,246	1985	40	R0.5	36	111	61.96%
72	1990-1999 Vintage	365.00	1.0	1.21	244,406	296,870	59,374	35,624	391,869	1995	30	R0.5	36	83	48.34%
73	2000-2009 Vintage	365.00	1.0	1.21	81,469	98,957	19,791	11,875	130,623	2005	20	R0.5	36	56	33.56%
74	2010-Present Vintage	365.00	1.0	1.21	162,937	197,914	39,583	23,750	261,246	2018	7	R0.5	36	19	11.66%
75						$ 989,568	$ 197,914	$ 118,748	$ 1,306,229						
76															
77	**Overhead Primary Conductor - Single Phase Overhead Lines**														
78	1950-1969 Vintage	365.00	1.0	1.21	$ -	$ -	$ -	$ -	$ -	1960	65	R0.5	36	181	90.00%
79	1970-1979 Vintage	365.00	1.0	1.21	395,344	480,209	96,042	57,625	633,876	1975	50	R0.5	36	139	73.95%
80	1980-1989 Vintage	365.00	1.0	1.21	395,344	480,209	96,042	57,625	633,876	1985	40	R0.5	36	111	61.96%
81	1990-1999 Vintage	365.00	1.0	1.21	593,016	720,314	144,063	86,438	950,814	1995	30	R0.5	36	83	48.34%
82	2000-2009 Vintage	365.00	1.0	1.21	197,672	240,105	48,021	28,813	316,938	2005	20	R0.5	36	56	33.56%
83	2010-Present Vintage	365.00	1.0	1.21	395,344	480,209	96,042	57,625	633,876	2018	7	R0.5	36	19	11.66%
84						$ 2,401,045	$ 480,209	$ 288,125	$ 3,169,380						
85															
86	**Total Overhead Primary Conductor**					$ 29,558,086	$ 5,911,617	$ 3,546,970	$ 39,016,673						
87															
88	**Overhead Equipment - Overhead Switches**														
89	1950-1969 Vintage	365.00	1.0	1.21	$ -	$ -	$ -	$ -	$ -	1960	65	R0.5	36	181	90.00%
90	1970-1979 Vintage	365.00	1.0	1.21	638,400	775,440	155,088	93,053	1,023,581	1975	50	R0.5	36	139	73.95%
91	1980-1989 Vintage	365.00	1.0	1.21	638,400	775,440	155,088	93,053	1,023,581	1985	40	R0.5	36	111	61.96%
92	1990-1999 Vintage	365.00	1.0	1.21	957,600	1,163,160	232,632	139,579	1,535,371	1995	30	R0.5	36	83	48.34%
93	2000-2009 Vintage	365.00	1.0	1.21	319,200	387,720	77,544	46,526	511,790	2005	20	R0.5	36	56	33.56%
94	2010-Present Vintage	365.00	1.0	1.21	638,400	775,440	155,088	93,053	1,023,581	2018	7	R0.5	36	19	11.66%
95						$ 3,877,200	$ 775,440	$ 465,264	$ 5,117,904						
96															
97	**Overhead Equipment - Capacitor Banks**														
98	1950-1969 Vintage	365.00	1.0	1.21	$ -	$ -	$ -	$ -	$ -	1960	65	R0.5	36	181	90.00%
99	1970-1979 Vintage	365.00	1.0	1.21	1,040,126	1,263,401	252,680	151,608	1,667,690	1975	50	R0.5	36	139	73.95%
100	1980-1989 Vintage	365.00	1.0	1.21	1,040,126	1,263,401	252,680	151,608	1,667,690	1985	40	R0.5	36	111	61.96%
101	1990-1999 Vintage	365.00	1.0	1.21	1,560,189	1,895,102	379,020	227,412	2,501,535	1995	30	R0.5	36	83	48.34%
102	2000-2009 Vintage	365.00	1.0	1.21	520,063	631,701	126,340	75,804	833,845	2005	20	R0.5	36	56	33.56%
103	2010-Present Vintage	365.00	1.0	1.21	1,040,126	1,263,401	252,680	151,608	1,667,690	2018	7	R0.5	36	19	11.66%
104						$ 6,317,006	$ 1,263,401	$ 758,041	$ 8,338,448						
105															
106	**Overhead Equipment - Fuse Cutouts**														
107	1950-1969 Vintage	365.00	1.0	1.21	$ 360,202	$ 437,523	$ 87,505	$ 52,503	$ 577,531	1960	65	R0.5	36	181	90.00%
108	1970-1979 Vintage	365.00	1.0	1.21	360,202	437,523	87,505	52,503	577,531	1975	50	R0.5	36	139	73.95%
109	1980-1989 Vintage	365.00	1.0	1.21	360,202	437,523	87,505	52,503	577,531	1985	40	R0.5	36	111	61.96%
110	1990-1999 Vintage	365.00	1.0	1.21	360,202	437,523	87,505	52,503	577,531	1995	30	R0.5	36	83	48.34%
111	2000-2009 Vintage	365.00	1.0	1.21	360,202	437,523	87,505	52,503	577,531	2005	20	R0.5	36	56	33.56%
112	2010-Present Vintage	365.00	1.0	1.21	1,801,008	2,187,616	437,523	262,514	2,887,653	2018	7	R0.5	36	19	11.66%

Table 1
Cost Approach

Line No.	Device	FERC Account	Count [1]	Area Multiplier [1,4]	Unit Cost [1]	Sub-Total [1]	Owner's Costs 20%	Contingency [3] 10%	Total RCN 2025	Estimated Installation Year [1]	Estimated Age in 2025 (years)	Survivor Curve [2]	Average Service Life [2]	Age % of ASL	Reserve Ratio [5] (per curve)
A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P
113						$ 4,375,232	$ 875,046	$ 525,028	$ 5,775,306						
114															
115	**Overhead Equipment - Reclosers**														
116	1950-1969 Vintage	365.00	1.0	1.21	$ -	$ -	$ -	$ -	$ -	1960	65	R0.5	36	181	90.00%
117	1970-1979 Vintage	365.00	1.0	1.21	3,540,768	4,300,835	860,167	516,100	5,677,102	1975	50	R0.5	36	139	73.95%
118	1980-1989 Vintage	365.00	1.0	1.21	3,540,768	4,300,835	860,167	516,100	5,677,102	1985	40	R0.5	36	111	61.96%
119	1990-1999 Vintage	365.00	1.0	1.21	5,311,152	6,451,253	1,290,251	774,150	8,515,654	1995	30	R0.5	36	83	48.34%
120	2000-2009 Vintage	365.00	1.0	1.21	1,770,384	2,150,418	430,084	258,050	2,838,551	2005	20	R0.5	36	56	33.56%
121	2010-Present Vintage	365.00	1.0	1.21	3,540,768	4,300,835	860,167	516,100	5,677,102	2018	7	R0.5	36	19	11.66%
122						$ 21,504,176	$ 4,300,835	$ 2,580,501	$ 28,385,512						
123															
124	**Total Overhead Equipment (not including transformers)**					$ 36,073,614	$ 7,214,723	$ 4,328,834	$ 47,617,170						
125															
126	**Underground Conduit and Direct Burial Installations - Underground Duct Bank**														
127	1950-1969 Vintage	366.00	1.0	1.21	$ -	$ -	$ -	$ -	$ -	1960	65	R2.5	67	97	74.69%
128	1970-1979 Vintage	366.00	1.0	1.21	-	-	-	-	-	1975	50	R2.5	67	75	62.06%
129	1980-1989 Vintage	366.00	1.0	1.21	-	-	-	-	-	1985	40	R2.5	67	60	51.59%
130	1990-1999 Vintage	366.00	1.0	1.21	-	-	-	-	-	1995	30	R2.5	67	45	39.95%
131	2000-2009 Vintage	366.00	1.0	1.21	3,533,654	4,292,194	858,439	515,063	5,665,696	2005	20	R2.5	67	30	27.35%
132	2010-Present Vintage	366.00	1.0	1.21	883,413	1,073,048	214,610	128,766	1,416,424	2018	7	R2.5	67	10	9.36%
133						$ 5,365,242	$ 1,073,048	$ 643,829	$ 7,082,120						
134															
135	**Underground Conduit and Direct Burial Installations - Manholes and Vaults**														
136	1950-1969 Vintage	366.00	1.0	1.21	$ -	$ -	$ -	$ -	$ -	1960	65	R2.5	67	97	74.69%
137	1970-1979 Vintage	366.00	1.0	1.21	-	-	-	-	-	1975	50	R2.5	67	75	62.06%
138	1980-1989 Vintage	366.00	1.0	1.21	-	-	-	-	-	1985	40	R2.5	67	60	51.59%
139	1990-1999 Vintage	366.00	1.0	1.21	-	-	-	-	-	1995	30	R2.5	67	45	39.95%
140	2000-2009 Vintage	366.00	1.0	1.21	4,757,760	5,779,069	1,155,814	693,488	7,628,371	2005	20	R2.5	67	30	27.35%
141	2010-Present Vintage	366.00	1.0	1.21	1,189,440	1,444,767	288,953	173,372	1,907,093	2018	7	R2.5	67	10	9.36%
142						$ 7,223,836	$ 1,444,767	$ 866,860	$ 9,535,463						
143															
144	**Total Underground Conduit and Direct Burial Installations**					$ 12,589,078	$ 2,517,816	$ 1,510,689	$ 16,617,583						
145															
146	**Underground Conductors and Devices - Three Phase Underground Lines**														
147	1950-1969 Vintage	367.00	1.0	1.21	$ -	$ -	$ -	$ -	$ -	1960	65	R2	35	186	90.00%
148	1970-1979 Vintage	367.00	1.0	1.21	-	-	-	-	-	1975	50	R2	35	143	88.11%
149	1980-1989 Vintage	367.00	1.0	1.21	-	-	-	-	-	1985	40	R2	35	114	78.42%
150	1990-1999 Vintage	367.00	1.0	1.21	118,776	144,273	28,855	17,313	190,440	1995	30	R2	35	86	65.10%
151	2000-2009 Vintage	367.00	1.0	1.21	237,552	288,545	57,709	34,625	380,880	2005	20	R2	35	57	46.62%
152	2010-Present Vintage	367.00	1.0	1.21	237,552	288,545	57,709	34,625	380,880	2018	7	R2	35	20	17.60%
153						$ 721,363	$ 144,273	$ 86,564	$ 952,200						
154															
155	**Underground Conductors and Devices - Single Phase Underground Lines**														
156	1950-1969 Vintage	367.00	1.0	1.21	$ -	$ -	$ -	$ -	$ -	1960	65	R2	35	186	90.00%
157	1970-1979 Vintage	367.00	1.0	1.21	-	-	-	-	-	1975	50	R2	35	143	88.11%
158	1980-1989 Vintage	367.00	1.0	1.21	-	-	-	-	-	1985	40	R2	35	114	78.42%
159	1990-1999 Vintage	367.00	1.0	1.21	285,062	346,254	69,251	41,551	457,056	1995	30	R2	35	86	65.10%
160	2000-2009 Vintage	367.00	1.0	1.21	570,125	692,509	138,502	83,101	914,112	2005	20	R2	35	57	46.62%
161	2010-Present Vintage	367.00	1.0	1.21	570,125	692,509	138,502	83,101	914,112	2018	7	R2	35	20	17.60%
162						$ 1,731,272	$ 346,254	$ 207,753	$ 2,285,279						
163															
164	**Underground Conductors and Devices - Three Phase Undersea Cable**														
165	1950-1969 Vintage	367.00	1.0	1.00	$ -	$ -	$ -	$ -	$ -	1960	65	R2	35	186	90.00%
166	1970-1979 Vintage	367.00	1.0	1.00	-	-	-	-	-	1975	50	R2	35	143	88.11%
167	1980-1989 Vintage	367.00	1.0	1.00	-	-	-	-	-	1985	40	R2	35	114	78.42%
168	1990-1999 Vintage	367.00	1.0	1.00	-	-	-	-	-	1995	30	R2	35	86	65.10%

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Line No.	Device	FERC Account	Count [1]	Area Multiplier [1, 4]	Unit Cost [1]	Sub-Total [1]	Owner's Costs 20%	Contingency [3] 10%	Total RCN 2025	Estimated Installation Year [1]	Estimated Age in 2025 (years)	Survivor Curve [2]	Average Service Life [2]	Age % of ASL	Reserve Ratio [5] (per curve)
A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P
169	2000-2009 Vintage	367.00	1.0	1.00	2,590,000	2,590,000	518,000	310,800	3,418,800	2005	20	R2	35	57	46.62%
170	2010-Present Vintage	367.00	1.0	1.00	2,590,000	2,590,000	518,000	310,800	3,418,800	2018	7	R2	35	20	17.60%
171						$ 5,180,000	$ 1,036,000	$ 621,600	$ 6,837,600						
172															
173	**Underground Conductors and Devices - Padmount Switchgear**														
174	1950-1969 Vintage	367.00	1.0	1.21	$ -	$ -	$ -	$ -	$ -	1960	65	R2	35	186	90.00%
175	1970-1979 Vintage	367.00	1.0	1.21	-	-	-	-	-	1975	50	R2	35	143	88.11%
176	1980-1989 Vintage	367.00	1.0	1.21	-	-	-	-	-	1985	40	R2	35	114	78.42%
177	1990-1999 Vintage	367.00	1.0	1.21	1,438,080	1,746,781	349,356	209,614	2,305,750	1995	30	R2	35	86	65.10%
178	2000-2009 Vintage	367.00	1.0	1.21	1,438,080	1,746,781	349,356	209,614	2,305,750	2005	20	R2	35	57	46.62%
179	2010-Present Vintage	367.00	1.0	1.21	1,917,440	2,329,041	465,808	279,485	3,074,334	2018	7	R2	35	20	17.60%
180						$ 5,822,602	$ 1,164,520	$ 698,712	$ 7,685,835						
181															
182	**Underground Conductors and Devices - Risers**														
183	1950-1969 Vintage	367.00	1.0	1.21	$ -	$ -	$ -	$ -	$ -	1960	65	R2	35	186	90.00%
184	1970-1979 Vintage	367.00	1.0	1.21	-	-	-	-	-	1975	50	R2	35	143	88.11%
185	1980-1989 Vintage	367.00	1.0	1.21	-	-	-	-	-	1985	40	R2	35	114	78.42%
186	1990-1999 Vintage	367.00	1.0	1.21	157,920	191,819	38,364	23,018	253,202	1995	30	R2	35	86	65.10%
187	2000-2009 Vintage	367.00	1.0	1.21	315,840	383,639	76,728	46,037	506,403	2005	20	R2	35	57	46.62%
188	2010-Present Vintage	367.00	1.0	1.21	315,840	383,639	76,728	46,037	506,403	2018	7	R2	35	20	17.60%
189						$ 959,097	$ 191,819	$ 115,092	$ 1,266,008						
190															
191	**Total Underground Conductors and Devices**					$ 14,414,334	$ 2,882,867	$ 1,729,720	$ 19,026,921						
192															
193	**Transformers - Single Phase Overhead**														
194	1950-1969 Vintage	368.02	1.0	1.21	$ -	$ -	$ -	$ -	$ -	1960	65	R2	31	210	90.00%
195	1970-1979 Vintage	368.02	1.0	1.21	8,477,710	10,297,549	2,059,510	1,235,706	13,592,765	1975	50	R2	31	161	90.00%
196	1980-1989 Vintage	368.02	1.0	1.21	8,477,710	10,297,549	2,059,510	1,235,706	13,592,765	1985	40	R2	31	129	83.80%
197	1990-1999 Vintage	368.02	1.0	1.21	12,716,565	15,446,324	3,089,265	1,853,559	20,389,148	1995	30	R2	31	97	70.88%
198	2000-2009 Vintage	368.02	1.0	1.21	6,358,283	7,723,162	1,544,632	926,779	10,194,574	2005	20	R2	31	65	52.15%
199	2010-Present Vintage	368.02	1.0	1.21	6,358,283	7,723,162	1,544,632	926,779	10,194,574	2018	7	R2	31	23	20.14%
200						$ 51,487,747	$ 10,297,549	$ 6,178,530	$ 67,963,826						
201															
202	**Transformers - Single Phase Padmount**														
203	1950-1969 Vintage	368.01	1.0	1.21	$ -	$ -	$ -	$ -	$ -	1960	65	R2	31	210	90.00%
204	1970-1979 Vintage	368.01	1.0	1.21	-	-	-	-	-	1975	50	R2	31	161	90.00%
205	1980-1989 Vintage	368.01	1.0	1.21	-	-	-	-	-	1985	40	R2	31	129	83.80%
206	1990-1999 Vintage	368.01	1.0	1.21	3,597,630	4,369,904	873,981	524,388	5,768,273	1995	30	R2	31	97	70.88%
207	2000-2009 Vintage	368.01	1.0	1.21	7,195,261	8,739,807	1,747,961	1,048,777	11,536,546	2005	20	R2	31	65	52.15%
208	2010-Present Vintage	368.01	1.0	1.21	7,195,261	8,739,807	1,747,961	1,048,777	11,536,546	2018	7	R2	31	23	20.14%
209						$ 21,849,518	$ 4,369,904	$ 2,621,942	$ 28,841,364						
210															
211	**Transformers - Three Phase Padmount**														
212	1950-1969 Vintage	368.01	1.0	1.21	$ -	$ -	$ -	$ -	$ -	1960	65	R2	31	210	90.00%
213	1970-1979 Vintage	368.01	1.0	1.21	-	-	-	-	-	1975	50	R2	31	161	90.00%
214	1980-1989 Vintage	368.01	1.0	1.21	-	-	-	-	-	1985	40	R2	31	129	83.80%
215	1990-1999 Vintage	368.01	1.0	1.21	11,437,451	13,892,633	2,778,527	1,667,116	18,338,276	1995	30	R2	31	97	70.88%
216	2000-2009 Vintage	368.01	1.0	1.21	22,874,902	27,785,267	5,557,053	3,334,232	36,676,552	2005	20	R2	31	65	52.15%
217	2010-Present Vintage	368.01	1.0	1.21	22,874,902	27,785,267	5,557,053	3,334,232	36,676,552	2018	7	R2	31	23	20.14%
218						$ 69,463,167	$ 13,892,633	$ 8,335,580	$ 91,691,380						
219															
220	**Total Transformers**					$ 142,800,432	$ 28,560,086	$ 17,136,052	$ 188,496,570						
221															
222	**Services - Overhead Secondary/Services**														
223	1950-1969 Vintage	369.02	1.0	1.21	$ -	$ -	$ -	$ -	$ -	1960	65	R3	34	191	90.00%
224	1970-1979 Vintage	369.02	1.0	1.21	2,121,506	2,576,912	515,382	309,229	3,401,523	1975	50	R3	34	147	90.00%

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A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P
225	1980-1989 Vintage	369.02	1.0	1.21	2,121,506	2,576,912	515,382	309,229	3,401,523	1985	40	R3	34	118	86.82%
226	1990-1999 Vintage	369.02	1.0	1.21	3,182,259	3,865,368	773,074	463,844	5,102,285	1995	30	R3	34	88	73.51%
227	2000-2009 Vintage	369.02	1.0	1.21	1,060,753	1,288,456	257,691	154,615	1,700,762	2005	20	R3	34	59	53.47%
228	2010-Present Vintage	369.02	1.0	1.21	2,121,506	2,576,912	515,382	309,229	3,401,523	2018	7	R3	34	21	20.33%
229						$ 12,884,559	$ 2,576,912	$ 1,546,147	$ 17,007,617						
230															
231	**Services - Underground Secondary/Services**														
232	1950-1969 Vintage	369.01	1.0	1.21	$ -	$ -	$ -	$ -	$ -	1960	65	R0.5	43	151	78.76%
233	1970-1979 Vintage	369.01	1.0	1.21	-	-	-	-	-	1975	50	R0.5	43	116	64.21%
234	1980-1989 Vintage	369.01	1.0	1.21	-	-	-	-	-	1985	40	R0.5	43	93	53.41%
235	1990-1999 Vintage	369.01	1.0	1.21	305,632	371,240	74,248	44,549	490,037	1995	30	R0.5	43	70	41.40%
236	2000-2009 Vintage	369.01	1.0	1.21	407,510	494,986	98,997	59,398	653,382	2005	20	R0.5	43	47	28.35%
237	2010-Present Vintage	369.01	1.0	1.21	305,632	371,240	74,248	44,549	490,037	2018	7	R0.5	43	16	9.84%
238						$ 1,237,466	$ 247,493	$ 148,496	$ 1,633,455						
239															
240	**Services - Secondary Pedestals**														
241	1950-1969 Vintage	369.01	1.0	1.21	$ -	$ -	$ -	$ -	$ -	1960	65	R0.5	43	151	78.76%
242	1970-1979 Vintage	369.01	1.0	1.21	-	-	-	-	-	1975	50	R0.5	43	116	64.21%
243	1980-1989 Vintage	369.01	1.0	1.21	937,810	1,139,121	227,824	136,695	1,503,640	1985	40	R0.5	43	93	53.41%
244	1990-1999 Vintage	369.01	1.0	1.21	937,810	1,139,121	227,824	136,695	1,503,640	1995	30	R0.5	43	70	41.40%
245	2000-2009 Vintage	369.01	1.0	1.21	3,751,238	4,556,485	911,297	546,778	6,014,561	2005	20	R0.5	43	47	28.35%
246	2010-Present Vintage	369.01	1.0	1.21	3,751,238	4,556,485	911,297	546,778	6,014,561	2018	7	R0.5	43	16	9.84%
247						$ 11,391,214	$ 2,278,243	$ 1,366,946	$ 15,036,402						
248															
249	**Services - Pullboxes**														
250	1950-1969 Vintage	369.01	1.0	1.21	$ -	$ -	$ -	$ -	$ -	1960	65	R0.5	43	151	78.76%
251	1970-1979 Vintage	369.01	1.0	1.21	-	-	-	-	-	1975	50	R0.5	43	116	64.21%
252	1980-1989 Vintage	369.01	1.0	1.21	-	-	-	-	-	1985	40	R0.5	43	93	53.41%
253	1990-1999 Vintage	369.01	1.0	1.21	304,416	369,762	73,952	44,371	488,086	1995	30	R0.5	43	70	41.40%
254	2000-2009 Vintage	369.01	1.0	1.21	-	-	-	-	-	2005	20	R0.5	43	47	28.35%
255	2010-Present Vintage	369.01	1.0	1.21	304,416	369,762	73,952	44,371	488,086	2018	7	R0.5	43	16	9.84%
256						$ 739,525	$ 147,905	$ 88,743	$ 976,173						
257															
258	**Services - Cabinets**														
259	1950-1969 Vintage	369.01	1.0	1.21	$ -	$ -	$ -	$ -	$ -	1960	65	R0.5	43	151	78.76%
260	1970-1979 Vintage	369.01	1.0	1.21	-	-	-	-	-	1975	50	R0.5	43	116	64.21%
261	1980-1989 Vintage	369.01	1.0	1.21	-	-	-	-	-	1985	40	R0.5	43	93	53.41%
262	1990-1999 Vintage	369.01	1.0	1.21	15,523	18,855	3,771	2,263	24,889	1995	30	R0.5	43	70	41.40%
263	2000-2009 Vintage	369.01	1.0	1.21	20,698	25,141	5,028	3,017	33,186	2005	20	R0.5	43	47	28.35%
264	2010-Present Vintage	369.01	1.0	1.21	15,523	18,855	3,771	2,263	24,889	2018	7	R0.5	43	16	9.84%
265						$ 62,851	$ 12,570	$ 7,542	$ 82,964						
266															
267	**Total Services**					$ 26,315,615	$ 5,263,123	$ 3,157,874	$ 34,736,612						
268															
269	**Meters**														
270	1950-1969 Vintage	370.02	1.0	1.21	$ -	$ -	$ -	$ -	$ -	1960	65	S2.5	15	433	90.00%
271	1970-1979 Vintage	370.02	1.0	1.21	-	-	-	-	-	1975	50	S2.5	15	333	90.00%
272	1980-1989 Vintage	370.02	1.0	1.21	-	-	-	-	-	1985	40	S2.5	15	267	90.00%
273	1990-1999 Vintage	370.02	1.0	1.21	-	-	-	-	-	1995	30	S2.5	15	200	90.00%
274	2000-2009 Vintage	370.02	1.0	1.21	15,877,991	19,286,387	3,857,277	2,314,366	25,458,030	2005	20	S2.5	15	133	87.12%
275	2010-Present Vintage	370.02	1.0	1.21	63,511,964	77,145,547	15,429,109	9,257,466	101,832,122	2018	7	S2.5	15	47	45.24%
276	**Total Meters**					$ 96,431,934	$ 19,286,387	$ 11,571,832	$ 127,290,152						
277															
278	**Streetlights**														
279	1950-1969 Vintage	373.00	1.0	1.21	$ -	$ -	$ -	$ -	$ -	1960	65	S0	25	260	90.00%
280	1970-1979 Vintage	373.00	1.0	1.21	-	-	-	-	-	1975	50	S0	25	200	90.00%

Table 1
Cost Approach

Line No.	Device	FERC Account	Count [1]	Area Multiplier [1, 4]	Unit Cost [1]	Sub-Total [1]	Owner's Costs 20%	Contingency [3] 10%	Total RCN 2025	Estimated Installation Year [1]	Estimated Age in 2025 (years)	Survivor Curve [2]	Average Service Life [2]	Age % of ASL	Reserve Ratio [5] (per curve)
A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P
281	1980-1989 Vintage	373.00	1.0	1.21	-	-	-	-	-	1985	40	S0	25	160	85.02%
282	1990-1999 Vintage	373.00	1.0	1.21	4,413,708	5,361,162	1,072,232	643,339	7,076,734	1995	30	S0	25	120	68.92%
283	2000-2009 Vintage	373.00	1.0	1.21	2,206,854	2,680,581	536,116	321,670	3,538,367	2005	20	S0	25	80	50.97%
284	2010-Present Vintage	373.00	1.0	1.21	37,516,521	45,569,879	9,113,976	5,468,385	60,152,240	2018	7	S0	25	28	22.06%
285	**Total Streetlights**					$ 53,611,622	$ 10,722,324	$ 6,433,395	$ 70,767,342						
286															
287	**Total Plant**					$ 534,255,386	$ 106,851,077	$ 64,110,646	$ 705,217,109						
288															
289	**Real Property [8]**								$ 80,000,000	1975	50				
290															
291	**Total**					$ 534,255,386	$ 106,851,077	$ 64,110,646	$ 785,217,109						

Table 1
Cost Approach

Line No.	Device	FERC Account	RCN Physical Deterioration	RCNLD before Obsolescence	Handy Whitman Cost Index [7] Line No.	Install Yr	2025	Factor	Trended Original Cost	OC Physical Deterioration [6]	Trended Original Cost Less Depreciation
A	B	C	Q	R	S	T	U	V	W	X	Y
1	**Clearwater Substation**										
2	1950-1969 Vintage	362.00	$ -	$ -	43	78	1088	0.072	$ -	$ -	$ -
3	1970-1979 Vintage	362.00	2,139,402	2,286,336	43	145	1088	0.133	589,827	285,122	304,705
4	1980-1989 Vintage	362.00	1,759,231	2,666,507	43	229	1088	0.210	931,520	370,279	561,241
5	1990-1999 Vintage	362.00	1,998,221	4,640,387	43	341	1088	0.313	2,080,666	626,280	1,454,386
6	2000-2009 Vintage	362.00	888,688	3,537,050	43	461	1088	0.423	1,874,227	376,345	1,497,882
7	2010-Present Vintage	362.00	163,752	2,049,117	43	743	1088	0.682	1,510,161	111,752	1,398,409
8			$ 6,949,294	$ 15,179,397					$ 6,986,401	$ 1,769,779	$ 5,216,622
9											
10	**Bayview Substation**										
11	1950-1969 Vintage	362.00	$ -	$ -	43	78	1088	0.072	$ -	$ -	$ -
12	1970-1979 Vintage	362.00	-	-	43	145	1088	0.133	-	-	-
13	1980-1989 Vintage	362.00	875,619	1,327,197	43	229	1088	0.210	463,644	184,298	279,346
14	1990-1999 Vintage	362.00	1,326,095	3,079,537	43	341	1088	0.313	1,380,809	415,624	965,185
15	2000-2009 Vintage	362.00	442,325	1,760,491	43	461	1088	0.423	932,856	187,317	745,539
16	2010-Present Vintage	362.00	163,008	2,039,808	43	743	1088	0.682	1,503,300	111,244	1,392,056
17			$ 2,807,048	$ 8,207,032					$ 4,280,609	$ 898,484	$ 3,382,125
18											
19	**East Clearwater Substation**										
20	1950-1969 Vintage	362.00	$ -	$ -	43	78	1088	0.072	$ -	$ -	$ -
21	1970-1979 Vintage	362.00	749,034	800,477	43	145	1088	0.133	206,507	99,825	106,682
22	1980-1989 Vintage	362.00	1,231,861	1,867,161	43	229	1088	0.210	652,276	259,280	392,996
23	1990-1999 Vintage	362.00	1,399,208	3,249,325	43	341	1088	0.313	1,456,939	438,539	1,018,400
24	2000-2009 Vintage	362.00	933,425	3,715,108	43	461	1088	0.423	1,968,577	395,290	1,573,287
25	2010-Present Vintage	362.00	114,664	1,434,847	43	743	1088	0.682	1,057,456	78,252	979,204
26			$ 4,428,193	$ 11,066,918					$ 5,341,755	$ 1,271,186	$ 4,070,569
27											
28	**Total Substations**		$ 14,184,535	$ 34,453,346					$ 16,608,765	$ 3,939,448	$ 12,669,317
29											
30	**Poles, Towers, Fixtures - Two Phas**										
31	1950-1969 Vintage	364.00	$ -	$ -	44	50	686	0.073	$ -	$ -	$ -
32	1970-1979 Vintage	364.00	15,585,930	1,731,770	44	146	686	0.213	3,683,901	3,315,511	368,390
33	1980-1989 Vintage	364.00	15,585,930	1,731,770	44	231	686	0.337	5,828,638	5,245,774	582,864
34	1990-1999 Vintage	364.00	21,373,506	4,603,045	44	318	686	0.464	12,045,222	9,910,809	2,134,413
35	2000-2009 Vintage	364.00	5,209,164	3,449,686	44	402	686	0.585	5,065,364	3,047,323	2,018,041
36	2010-Present Vintage	364.00	3,794,308	13,523,392	44	516	686	0.752	13,026,124	2,854,024	10,172,100
37			$ 61,548,839	$ 25,039,663					$ 39,649,249	$ 24,373,441	$ 15,275,808
38											
39	**Poles, Towers, Fixtures - Double Ci**										
40	1950-1969 Vintage	364.00	$ -	$ -	44	50	686	0.073	$ -	$ -	$ -
41	1970-1979 Vintage	364.00	-	-	44	146	686	0.213	-	-	-
42	1980-1989 Vintage	364.00	662,613	73,624	44	231	686	0.337	247,796	223,016	24,780
43	1990-1999 Vintage	364.00	2,423,101	521,844	44	318	686	0.464	1,365,559	1,123,582	241,977
44	2000-2009 Vintage	364.00	885,839	586,633	44	402	686	0.585	861,386	518,210	343,176
45	2010-Present Vintage	364.00	483,928	1,724,781	44	516	686	0.752	1,661,359	364,004	1,297,355
46			$ 4,455,481	$ 2,906,881					$ 4,136,100	$ 2,228,812	$ 1,907,288
47											
48	**Poles, Towers, Fixtures - Single Pha**										
49	1950-1969 Vintage	364.00	$ -	$ -	44	50	686	0.073	$ -	$ -	$ -
50	1970-1979 Vintage	364.00	3,430,681	381,187	44	146	686	0.213	810,878	729,790	81,088
51	1980-1989 Vintage	364.00	3,430,681	381,187	44	231	686	0.337	1,282,965	1,154,669	128,297
52	1990-1999 Vintage	364.00	4,704,608	1,013,195	44	318	686	0.464	2,651,322	2,181,508	469,814
53	2000-2009 Vintage	364.00	1,719,915	1,138,986	44	402	686	0.585	1,672,436	1,006,137	666,299
54	2010-Present Vintage	364.00	626,385	2,232,516	44	516	686	0.752	2,150,424	471,158	1,679,266
55			$ 13,912,270	$ 5,147,070					$ 8,568,025	$ 5,543,262	$ 3,024,763
56											

Table 1
Cost Approach

Line No.	Device	FERC Account	RCN Physical Deterioration	RCNLD before Obsolescence	Handy Whitman Cost Index [7] Line No.	Install Yr	2025	Factor	Trended Original Cost	OC Physical Deterioration [6]	Trended Original Cost Less Depreciation
A	B	C	Q	R	S	T	U	V	W	X	Y
57	**Total Poles, Towers, Fixtures**		$ 79,916,589	$ 33,093,614					$ 52,353,374	$ 32,145,514	$ 20,207,860
58											
59	**Overhead Primary Conductor - Thr**										
60	1950-1969 Vintage	365.00	$ -	$ -	45	51	1256	0.041	$ -	$ -	$ -
61	1970-1979 Vintage	365.00	5,108,623	1,799,589	45	143	1256	0.114	786,316	581,481	204,835
62	1980-1989 Vintage	365.00	4,280,329	2,627,884	45	237	1256	0.189	1,303,194	807,459	495,735
63	1990-1999 Vintage	365.00	5,009,145	5,353,174	45	327	1256	0.260	2,692,993	1,301,793	1,391,200
64	2000-2009 Vintage	365.00	1,159,198	2,294,908	45	453	1256	0.360	1,244,771	417,745	827,026
65	2010-Present Vintage	365.00	805,498	6,102,715	45	760	1256	0.605	4,176,270	486,953	3,689,317
66			$ 16,362,793	$ 18,178,271					$ 10,203,544	$ 3,595,431	$ 6,608,113
67											
68	**Overhead Primary Conductor - Two**										
69	1950-1969 Vintage	365.00	$ -	$ -	45	51	1256	0.041	$ -	$ -	$ -
70	1970-1979 Vintage	365.00	193,191	68,055	45	143	1256	0.114	29,736	21,990	7,746
71	1980-1989 Vintage	365.00	161,868	99,378	45	237	1256	0.189	49,283	30,536	18,747
72	1990-1999 Vintage	365.00	189,429	202,439	45	327	1256	0.260	101,840	49,229	52,611
73	2000-2009 Vintage	365.00	43,837	86,786	45	453	1256	0.360	47,073	15,798	31,275
74	2010-Present Vintage	365.00	30,461	230,785	45	760	1256	0.605	157,933	18,415	139,518
75			$ 618,787	$ 687,442					$ 385,865	$ 135,968	$ 249,897
76											
77	**Overhead Primary Conductor - Sing**										
78	1950-1969 Vintage	365.00	$ -	$ -	45	51	1256	0.041	$ -	$ -	$ -
79	1970-1979 Vintage	365.00	468,751	165,125	45	143	1256	0.114	72,150	53,355	18,795
80	1980-1989 Vintage	365.00	392,750	241,126	45	237	1256	0.189	119,577	74,090	45,487
81	1990-1999 Vintage	365.00	459,623	491,190	45	327	1256	0.260	247,101	119,449	127,652
82	2000-2009 Vintage	365.00	106,364	210,574	45	453	1256	0.360	114,216	38,331	75,885
83	2010-Present Vintage	365.00	73,910	559,966	45	760	1256	0.605	383,201	44,681	338,520
84			$ 1,501,399	$ 1,667,981					$ 936,245	$ 329,906	$ 606,339
85											
86	**Total Overhead Primary Conductor**		$ 18,482,979	$ 20,533,695					$ 11,525,654	$ 4,061,304	$ 7,464,350
87											
88	**Overhead Equipment - Overhead S**										
89	1950-1969 Vintage	365.00	$ -	$ -	45	51	1256	0.041	$ -	$ -	$ -
90	1970-1979 Vintage	365.00	756,938	266,643	45	143	1256	0.114	116,507	86,157	30,350
91	1980-1989 Vintage	365.00	634,211	389,370	45	237	1256	0.189	193,093	119,640	73,453
92	1990-1999 Vintage	365.00	742,198	793,173	45	327	1256	0.260	399,017	192,885	206,132
93	2000-2009 Vintage	365.00	171,757	340,034	45	453	1256	0.360	184,436	61,897	122,539
94	2010-Present Vintage	365.00	119,350	904,231	45	760	1256	0.605	618,792	72,151	546,641
95			$ 2,424,453	$ 2,693,451					$ 1,511,845	$ 532,730	$ 979,115
96											
97	**Overhead Equipment - Capacitor B**										
98	1950-1969 Vintage	365.00	$ -	$ -	45	51	1256	0.041	$ -	$ -	$ -
99	1970-1979 Vintage	365.00	1,233,257	434,433	45	143	1256	0.114	189,822	140,373	49,449
100	1980-1989 Vintage	365.00	1,033,301	634,389	45	237	1256	0.189	314,600	194,926	119,674
101	1990-1999 Vintage	365.00	1,209,242	1,292,293	45	327	1256	0.260	650,107	314,262	335,845
102	2000-2009 Vintage	365.00	279,838	554,007	45	453	1256	0.360	300,496	100,846	199,650
103	2010-Present Vintage	365.00	194,453	1,473,237	45	760	1256	0.605	1,008,180	117,554	890,626
104			$ 3,950,090	$ 4,388,359					$ 2,463,205	$ 867,961	$ 1,595,244
105											
106	**Overhead Equipment - Fuse Cutout**										
107	1950-1969 Vintage	365.00	$ 519,778	$ 57,753	45	51	1256	0.041	$ 23,444	$ 21,100	$ 2,344
108	1970-1979 Vintage	365.00	427,084	150,447	45	143	1256	0.114	65,736	48,612	17,124
109	1980-1989 Vintage	365.00	357,838	219,693	45	237	1256	0.189	108,948	67,504	41,444
110	1990-1999 Vintage	365.00	279,178	298,352	45	327	1256	0.260	150,091	72,554	77,537
111	2000-2009 Vintage	365.00	193,819	383,711	45	453	1256	0.360	208,127	69,847	138,280
112	2010-Present Vintage	365.00	336,700	2,550,953	45	760	1256	0.605	1,745,693	203,548	1,542,145

Table 1
Cost Approach

Line No.	Device	FERC Account	RCN Physical Deterioration	RCNLD before Obsolescence	Handy Whitman Cost Index [7] Line No.	Install Yr	2025	Factor	Trended Original Cost	OC Physical Deterioration [6]	Trended Original Cost Less Depreciation
A	B	C	Q	R	S	T	U	V	W	X	Y
113			$ 2,114,397	$ 3,660,909					$ 2,302,039	$ 483,165	$ 1,818,874
114											
115	**Overhead Equipment - Reclosers**										
116	1950-1969 Vintage	365.00	$ -	$ -	45	51	1256	0.041	$ -	$ -	$ -
117	1970-1979 Vintage	365.00	4,198,217	1,478,885	45	143	1256	0.114	646,186	477,855	168,331
118	1980-1989 Vintage	365.00	3,517,533	2,159,570	45	237	1256	0.189	1,070,952	663,562	407,390
119	1990-1999 Vintage	365.00	4,116,467	4,399,187	45	327	1256	0.260	2,213,076	1,069,801	1,143,275
120	2000-2009 Vintage	365.00	952,618	1,885,933	45	453	1256	0.360	1,022,940	343,299	679,641
121	2010-Present Vintage	365.00	661,950	5,015,152	45	760	1256	0.605	3,432,018	400,173	3,031,845
122			$ 13,446,785	$ 14,938,727					$ 8,385,172	$ 2,954,689	$ 5,430,483
123											
124	**Total Overhead Equipment (not inc**		$ 21,935,725	$ 25,681,445					$ 14,662,261	$ 4,838,546	$ 9,823,715
125											
126	**Underground Conduit and Direct Bu**										
127	1950-1969 Vintage	366.00	$ -	$ -	46	52	785	0.066	$ -	$ -	$ -
128	1970-1979 Vintage	366.00	-	-	46	123	785	0.157	-	-	-
129	1980-1989 Vintage	366.00	-	-	46	207	785	0.264	-	-	-
130	1990-1999 Vintage	366.00	-	-	46	249	785	0.317	-	-	-
131	2000-2009 Vintage	366.00	1,549,568	4,116,128	46	351	785	0.447	2,534,400	693,158	1,841,242
132	2010-Present Vintage	366.00	132,577	1,283,847	46	500	785	0.637	902,113	84,438	817,675
133			$ 1,682,145	$ 5,399,975					$ 3,436,513	$ 777,596	$ 2,658,917
134											
135	**Underground Conduit and Direct Bu**										
136	1950-1969 Vintage	366.00	$ -	$ -	46	52	785	0.066	$ -	$ -	$ -
137	1970-1979 Vintage	366.00	-	-	46	123	785	0.157	-	-	-
138	1980-1989 Vintage	366.00	-	-	46	207	785	0.264	-	-	-
139	1990-1999 Vintage	366.00	-	-	46	249	785	0.317	-	-	-
140	2000-2009 Vintage	366.00	2,086,359	5,542,011	46	351	785	0.447	3,412,351	933,278	2,479,073
141	2010-Present Vintage	366.00	178,504	1,728,589	46	500	785	0.637	1,214,617	113,688	1,100,929
142			$ 2,264,863	$ 7,270,600					$ 4,626,968	$ 1,046,966	$ 3,580,002
143											
144	**Total Underground Conduit and Di**		$ 3,947,008	$ 12,670,575					$ 8,063,481	$ 1,824,562	$ 6,238,919
145											
146	**Underground Conductors and Devi**										
147	1950-1969 Vintage	367.00	$ -	$ -	47	64	1259	0.051	$ -	$ -	$ -
148	1970-1979 Vintage	367.00	-	-	47	129	1259	0.102	-	-	-
149	1980-1989 Vintage	367.00	-	-	47	213	1259	0.169	-	-	-
150	1990-1999 Vintage	367.00	123,976	66,464	47	277	1259	0.220	41,932	27,298	14,634
151	2000-2009 Vintage	367.00	177,566	203,314	47	361	1259	0.287	109,235	50,925	58,310
152	2010-Present Vintage	367.00	67,035	313,845	47	680	1259	0.540	205,615	36,188	169,427
153			$ 368,577	$ 583,622					$ 356,782	$ 114,411	$ 242,371
154											
155	**Underground Conductors and Devi**										
156	1950-1969 Vintage	367.00	$ -	$ -	47	64	1259	0.051	$ -	$ -	$ -
157	1970-1979 Vintage	367.00	-	-	47	129	1259	0.102	-	-	-
158	1980-1989 Vintage	367.00	-	-	47	213	1259	0.169	-	-	-
159	1990-1999 Vintage	367.00	297,543	159,512	47	277	1259	0.220	100,637	65,515	35,122
160	2000-2009 Vintage	367.00	426,159	487,953	47	361	1259	0.287	262,164	122,221	139,943
161	2010-Present Vintage	367.00	160,884	753,228	47	680	1259	0.540	493,475	86,852	406,623
162			$ 884,586	$ 1,400,693					$ 856,276	$ 274,587	$ 581,689
163											
164	**Underground Conductors and Devi**										
165	1950-1969 Vintage	367.00	$ -	$ -	47	64	1259	0.051	$ -	$ -	$ -
166	1970-1979 Vintage	367.00	-	-	47	129	1259	0.102	-	-	-
167	1980-1989 Vintage	367.00	-	-	47	213	1259	0.169	-	-	-
168	1990-1999 Vintage	367.00	-	-	47	277	1259	0.220	-	-	-

Table 1
Cost Approach

Line No.	Device	FERC Account	RCN Physical Deterioration	RCNLD before Obsolescence	Handy Whitman Cost Index [7] Line No.	Install Yr	2025	Factor	Trended Original Cost	OC Physical Deterioration [6]	Trended Original Cost Less Depreciation
A	B	C	Q	R	S	T	U	V	W	X	Y
169	2000-2009 Vintage	367.00	1,593,845	1,824,955	47	361	1259	0.287	980,501	457,110	523,391
170	2010-Present Vintage	367.00	601,709	2,817,091	47	680	1259	0.540	1,845,609	324,827	1,520,782
171			$ 2,195,553	$ 4,642,047					$ 2,826,110	$ 781,937	$ 2,044,173
172											
173	**Underground Conductors and Devi**										
174	1950-1969 Vintage	367.00	$ -	$ -	47	64	1259	0.051	$ -	$ -	$ -
175	1970-1979 Vintage	367.00	-	-	47	129	1259	0.102	-	-	-
176	1980-1989 Vintage	367.00	-	-	47	213	1259	0.169	-	-	-
177	1990-1999 Vintage	367.00	1,501,044	804,707	47	277	1259	0.220	507,692	330,507	177,185
178	2000-2009 Vintage	367.00	1,074,941	1,230,810	47	361	1259	0.287	661,282	308,290	352,992
179	2010-Present Vintage	367.00	541,083	2,533,251	47	680	1259	0.540	1,659,652	292,099	1,367,553
180			$ 3,117,067	$ 4,568,768					$ 2,828,626	$ 930,896	$ 1,897,730
181											
182	**Underground Conductors and Devi**										
183	1950-1969 Vintage	367.00	$ -	$ -	47	64	1259	0.051	$ -	$ -	$ -
184	1970-1979 Vintage	367.00	-	-	47	129	1259	0.102	-	-	-
185	1980-1989 Vintage	367.00	-	-	47	213	1259	0.169	-	-	-
186	1990-1999 Vintage	367.00	164,834	88,367	47	277	1259	0.220	55,751	36,294	19,457
187	2000-2009 Vintage	367.00	236,085	270,318	47	361	1259	0.287	145,235	67,709	77,526
188	2010-Present Vintage	367.00	89,127	417,276	47	680	1259	0.540	273,377	48,114	225,263
189			$ 490,046	$ 775,962					$ 474,363	$ 152,117	$ 322,246
190											
191	**Total Underground Conductors and**		$ 7,055,830	$ 11,971,091					$ 7,342,157	$ 2,253,948	$ 5,088,209
192											
193	**Transformers - Single Phase Overh**										
194	1950-1969 Vintage	368.02	$ -	$ -	48	112	2338	0.048	$ -	$ -	$ -
195	1970-1979 Vintage	368.02	12,233,489	1,359,277	48	130	2338	0.056	755,907	680,316	75,591
196	1980-1989 Vintage	368.02	11,390,737	2,202,028	48	211	2338	0.090	1,226,896	1,028,139	198,757
197	1990-1999 Vintage	368.02	14,451,828	5,937,320	48	228	2338	0.098	1,990,798	1,411,078	579,720
198	2000-2009 Vintage	368.02	5,316,470	4,878,104	48	276	2338	0.118	1,202,547	627,128	575,419
199	2010-Present Vintage	368.02	2,053,187	8,141,387	48	938	2338	0.401	4,091,712	824,071	3,267,641
200			$ 45,445,711	$ 22,518,115					$ 9,267,860	$ 4,570,732	$ 4,697,128
201											
202	**Transformers - Single Phase Padmo**										
203	1950-1969 Vintage	368.01	$ -	$ -	49	100	2487	0.040	$ -	$ -	$ -
204	1970-1979 Vintage	368.01	-	-	49	106	2487	0.043	-	-	-
205	1980-1989 Vintage	368.01	-	-	49	204	2487	0.082	-	-	-
206	1990-1999 Vintage	368.01	4,088,552	1,679,721	49	291	2487	0.117	673,867	477,637	196,230
207	2000-2009 Vintage	368.01	6,016,309	5,520,237	49	508	2487	0.204	2,356,796	1,229,069	1,127,727
208	2010-Present Vintage	368.01	2,323,460	9,213,085	49	714	2487	0.287	3,311,344	666,905	2,644,439
209			$ 12,428,321	$ 16,413,044					$ 6,342,007	$ 2,373,611	$ 3,968,396
210											
211	**Transformers - Three Phase Padmo**										
212	1950-1969 Vintage	368.01	$ -	$ -	49	100	2487	0.040	$ -	$ -	$ -
213	1970-1979 Vintage	368.01	-	-	49	106	2487	0.043	-	-	-
214	1980-1989 Vintage	368.01	-	-	49	204	2487	0.082	-	-	-
215	1990-1999 Vintage	368.01	12,998,170	5,340,106	49	291	2487	0.117	2,142,333	1,518,486	623,847
216	2000-2009 Vintage	368.01	19,126,822	17,549,730	49	508	2487	0.204	7,492,636	3,907,410	3,585,226
217	2010-Present Vintage	368.01	7,386,658	29,289,895	49	714	2487	0.287	10,527,301	2,120,198	8,407,103
218			$ 39,511,650	$ 52,179,731					$ 20,162,270	$ 7,546,094	$ 12,616,176
219											
220	**Total Transformers**		$ 97,385,682	$ 91,110,889					$ 35,772,137	$ 14,490,436	$ 21,281,701
221											
222	**Services - Overhead Secondary/Ser**										
223	1950-1969 Vintage	369.02	$ -	$ -	50	47	627	0.075	$ -	$ -	$ -
224	1970-1979 Vintage	369.02	3,061,371	340,152	50	121	627	0.193	656,086	590,477	65,609

Table 1
Cost Approach

Line No.	Device	FERC Account	RCN Physical Deterioration	RCNLD before Obsolescence	Handy Whitman Cost Index [7] Line No.	Install Yr	2025	Factor	Trended Original Cost	OC Physical Deterioration [6]	Trended Original Cost Less Depreciation
A	B	C	Q	R	S	T	U	V	W	X	Y
225	1980-1989 Vintage	369.02	2,953,203	448,321	50	214	627	0.341	1,160,350	1,007,416	152,934
226	1990-1999 Vintage	369.02	3,750,690	1,351,595	50	274	627	0.436	2,224,455	1,635,197	589,258
227	2000-2009 Vintage	369.02	909,397	791,364	50	342	627	0.546	927,873	496,134	431,739
228	2010-Present Vintage	369.02	691,530	2,709,994	50	466	627	0.743	2,528,098	513,962	2,014,136
229			$ 11,366,191	$ 5,641,427					$ 7,496,862	$ 4,243,186	$ 3,253,676
230											
231	**Services - Underground Secondary/**										
232	1950-1969 Vintage	369.01	$ -	$ -	51	41	754	0.054	$ -	$ -	$ -
233	1970-1979 Vintage	369.01	-	-	51	107	754	0.142	-	-	-
234	1980-1989 Vintage	369.01	-	-	51	181	754	0.240	-	-	-
235	1990-1999 Vintage	369.01	202,875	287,161	51	218	754	0.289	141,682	58,656	83,026
236	2000-2009 Vintage	369.01	185,234	468,148	51	265	754	0.351	229,420	65,041	164,379
237	2010-Present Vintage	369.01	48,220	441,817	51	411	754	0.544	266,790	26,252	240,538
238			$ 436,329	$ 1,197,127					$ 637,892	$ 149,949	$ 487,943
239											
240	**Services - Secondary Pedestals**										
241	1950-1969 Vintage	369.01	$ -	$ -	51	41	754	0.054	$ -	$ -	$ -
242	1970-1979 Vintage	369.01	-	-	51	107	754	0.142	-	-	-
243	1980-1989 Vintage	369.01	803,094	700,546	51	181	754	0.240	360,953	192,785	168,168
244	1990-1999 Vintage	369.01	622,507	881,133	51	218	754	0.289	434,739	179,982	254,757
245	2000-2009 Vintage	369.01	1,705,128	4,309,433	51	265	754	0.351	2,111,877	598,717	1,513,160
246	2010-Present Vintage	369.01	591,833	5,422,728	51	411	754	0.544	3,274,506	322,211	2,952,295
247			$ 3,722,562	$ 11,313,840					$ 6,182,075	$ 1,293,695	$ 4,888,380
248											
249	**Services - Pullboxes**										
250	1950-1969 Vintage	369.01	$ -	$ -	51	41	754	0.054	$ -	$ -	$ -
251	1970-1979 Vintage	369.01	-	-	51	107	754	0.142	-	-	-
252	1980-1989 Vintage	369.01	-	-	51	181	754	0.240	-	-	-
253	1990-1999 Vintage	369.01	202,068	286,019	51	218	754	0.289	141,118	58,423	82,695
254	2000-2009 Vintage	369.01	-	-	51	265	754	0.351	-	-	-
255	2010-Present Vintage	369.01	48,028	440,059	51	411	754	0.544	265,729	26,148	239,581
256			$ 250,095	$ 726,077					$ 406,847	$ 84,571	$ 322,276
257											
258	**Services - Cabinets**										
259	1950-1969 Vintage	369.01	$ -	$ -	51	41	754	0.054	$ -	$ -	$ -
260	1970-1979 Vintage	369.01	-	-	51	107	754	0.142	-	-	-
261	1980-1989 Vintage	369.01	-	-	51	181	754	0.240	-	-	-
262	1990-1999 Vintage	369.01	10,304	14,585	51	218	754	0.289	7,196	2,979	4,217
263	2000-2009 Vintage	369.01	9,408	23,777	51	265	754	0.351	11,652	3,303	8,349
264	2010-Present Vintage	369.01	2,449	22,440	51	411	754	0.544	13,550	1,333	12,217
265			$ 22,161	$ 60,803					$ 32,398	$ 7,616	$ 24,782
266											
267	**Total Services**		$ 15,797,338	$ 18,939,273					$ 14,756,074	$ 5,779,017	$ 8,977,057
268											
269	**Meters**										
270	1950-1969 Vintage	370.02	$ -	$ -	52	84	573	0.147	$ -	$ -	$ -
271	1970-1979 Vintage	370.02	-	-	52	124	573	0.216	-	-	-
272	1980-1989 Vintage	370.02	-	-	52	203	573	0.354	-	-	-
273	1990-1999 Vintage	370.02	-	-	52	184	573	0.322	-	-	-
274	2000-2009 Vintage	370.02	22,179,036	3,278,994	52	288	573	0.503	12,806,767	11,157,255	1,649,512
275	2010-Present Vintage	370.02	46,068,852	55,763,270	52	331	573	0.578	58,824,489	26,612,199	32,212,290
276	**Total Meters**		$ 68,247,888	$ 59,042,264					$ 71,631,256	$ 37,769,454	$ 33,861,802
277											
278	**Streetlights**										
279	1950-1969 Vintage	373.00	$ -	$ -	54	67	854	0.078	$ -	$ -	$ -
280	1970-1979 Vintage	373.00	-	-	54	138	854	0.162	-	-	-

Table 1
Cost Approach

Line No.	Device	FERC Account	RCN Physical Deterioration	RCNLD before Obsolescence	Handy Whitman Cost Index [7] Line No.	Install Yr	2025	Factor	Trended Original Cost	OC Physical Deterioration [6]	Trended Original Cost Less Depreciation
A	B	C	Q	R	S	T	U	V	W	X	Y
281	1980-1989 Vintage	373.00	-	-	54	291	854	0.341	-	-	-
282	1990-1999 Vintage	373.00	4,877,285	2,199,449	54	359	854	0.421	2,978,114	2,052,516	925,598
283	2000-2009 Vintage	373.00	1,803,506	1,734,861	54	468	854	0.548	1,937,743	987,668	950,075
284	2010-Present Vintage	373.00	13,269,584	46,882,656	54	684	854	0.801	48,161,722	10,624,476	37,537,246
285	**Total Streetlights**		$ 19,950,375	$ 50,816,967					$ 53,077,579	$ 13,664,660	$ 39,412,919
286											
287	**Total Plant**		$ 346,903,950	$ 358,313,160					$ 285,792,738	$ 120,766,890	$ 165,025,848
288											
289	**Real Property** [8]		$ -	$ 80,000,000	CPI	54	323	0.168	$ 13,422,154	$ -	$ 13,422,154
290											
291	**Total**		$ 346,903,950	$ 438,313,160					$ 299,214,892	$ 120,766,890	$ 178,448,002

Table 1
Cost Approach

Line No.	Device	FERC Account	Count [1]	Area Multiplier [1, 4]	Unit Cost [1]	Sub-Total [1]	Owner's Costs 20%	Contingency [3] 10%	Total RCN 2025	Estimated Installation Year [1]	Estimated Age in 2025 (years)	Survivor Curve [2]
A	B	C	D	E	F	G	H	I	J	K	L	M

Notes:

[1] From Barr workpapers (except Real Property)

[2] Depreciation parameters for facilities based on Duke Energy Florida authorized depreciation rates

[3] Contingency is calculated based on Sub-Total and Owner's Costs

[4] Service Area/Municipal Area multiplier to account for assets in the enclave areas to be acquired

[5] Based on applicable survivor curve with a cap of 90% (and no net salvage)

[6] Based on the percent Reserve Ratio applied to the original cost

[7] Handy Whitman Index of Public Utility Construction Costs, South Atlantic Region (Region 2)

[8] RCN assumption for real property provided by Pinel & Carpenter; age assumed to correspond to the vintage of the oldest equipment on the system

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Attachment B
INCOME APPROACH: DISCOUNTED CASH FLOW ANALYSIS

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Appraisal of the Electric System Owned by Duke Energy Florida
Serving In and Around the City of Clearwater

Table 3
Plant in Service to be Acquired (excluding land)

Line No.			2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
A	B	C	D	E	F	G	H	I	J	K	L	M	N
1													
2	BOY Original Cost	c	$ 285,792,738	$ 301,689,100	$ 320,076,093	$ 342,201,702	$ 368,127,033	$ 392,968,948	$ 421,314,229	$ 452,305,158	$ 479,797,811	$ 508,099,242	$ 532,900,395
3	Additions	a	18,043,543	20,870,594	25,114,199	29,427,163	28,197,407	32,173,985	35,176,990	31,206,190	32,124,212	28,151,139	25,536,573
4	Retirements	b	(2,147,182)	(2,483,601)	(2,988,590)	(3,501,832)	(3,355,491)	(3,828,704)	(4,186,062)	(3,713,537)	(3,822,781)	(3,349,986)	(3,038,852)
5	EOY Original Cost		$ 301,689,100	$ 320,076,093	$ 342,201,702	$ 368,127,033	$ 392,968,948	$ 421,314,229	$ 452,305,158	$ 479,797,811	$ 508,099,242	$ 532,900,395	$ 555,398,116
6													
7	BOY Depreciation Reserve	c	$ 120,766,890	$ 130,697,932	$ 141,019,593	$ 151,667,568	$ 162,849,764	$ 175,408,461	$ 188,684,705	$ 202,987,417	$ 219,264,127	$ 236,717,573	$ 255,978,013
8	Depreciation Expense	d	12,078,224	12,805,262	13,636,564	14,684,028	15,914,188	17,104,949	18,488,773	19,990,247	21,276,227	22,610,426	23,784,556
9	Retirements		(2,147,182)	(2,483,601)	(2,988,590)	(3,501,832)	(3,355,491)	(3,828,704)	(4,186,062)	(3,713,537)	(3,822,781)	(3,349,986)	(3,038,852)
10	EOY Depreciation Reserve		$ 130,697,932	$ 141,019,593	$ 151,667,568	$ 162,849,764	$ 175,408,461	$ 188,684,705	$ 202,987,417	$ 219,264,127	$ 236,717,573	$ 255,978,013	$ 276,723,716
11													
12	EOY Net Plant		$ 170,991,167	$ 179,056,499	$ 190,534,134	$ 205,277,269	$ 217,560,488	$ 232,629,524	$ 249,317,741	$ 260,533,684	$ 271,381,669	$ 276,922,382	$ 278,674,400
13													
14	Net Additions	e	$ 15,896,362	$ 18,386,993	$ 22,125,609	$ 25,925,330	$ 24,841,916	$ 28,345,281	$ 30,990,928	$ 27,492,653	$ 28,301,431	$ 24,801,154	$ 22,497,721
15													
16	Retirements as a % of BOY Original Cost		0.8%	0.8%	0.9%	1.0%	0.9%	1.0%	1.0%	0.8%	0.8%	0.7%	0.6%

Notes:

a Additions based on estimate of annual capital replacements over a ten year period based on estimated average age of facilities and the Duke Energy Florida approved survivor curve
Each year's additions were inflated at 2.1% per year from the 2025 dollar amount (Blue Chip Economic Indicators, October 10, 2025, page 16, GDP Chained Price Index, 2032-2036)

b Retirements estimated to be equal to 11.9% of additions (based on 2022-2024 average for Duke Energy Florida distribution equipment as reported in the annual Form 1)

c See Table 1; does not include real property

d The depreciation expense was developed based on Duke Energy Florida authorized depreciation rates applied to the Original Cost developed in the cost approach for assets to be acquired plus depreciation on net additions over the forecast period

e Additions less Retirements

Table 4
Revenue Requirement for Rate Base of Assets to be Acquired

Line No.			2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
A	B	C	D	E	F	G	H	I	J	K	L	M
1	Total Utility Plant											
2	Plant in Service (excluding land)	b	$ 320,076,093	$ 342,201,702	$ 368,127,033	$ 392,968,948	$ 421,314,229	$ 452,305,158	$ 479,797,811	$ 508,099,242	$ 532,900,395	$ 555,398,116
3	Land and Land Rights	i	13,422,154	13,422,154	13,422,154	13,422,154	13,422,154	13,422,154	13,422,154	13,422,154	13,422,154	13,422,154
4	Total Utility Plant		$ 333,498,247	$ 355,623,856	$ 381,549,187	$ 406,391,102	$ 434,736,383	$ 465,727,312	$ 493,219,965	$ 521,521,396	$ 546,322,549	$ 568,820,270
5												
6	Accumulated Depreciation											
7	Plant in Service	b	$ 141,019,593	$ 151,667,568	$ 162,849,764	$ 175,408,461	$ 188,684,705	$ 202,987,417	$ 219,264,127	$ 236,717,573	$ 255,978,013	$ 276,723,716
8	Land and Land Rights		-	-	-	-	-	-	-	-	-	-
9	Total Accum. Depreciation		$ 141,019,593	$ 151,667,568	$ 162,849,764	$ 175,408,461	$ 188,684,705	$ 202,987,417	$ 219,264,127	$ 236,717,573	$ 255,978,013	$ 276,723,716
10												
11	Net Utility Plant		$ 192,478,653	$ 203,956,288	$ 218,699,423	$ 230,982,642	$ 246,051,678	$ 262,739,895	$ 273,955,838	$ 284,803,823	$ 290,344,536	$ 292,096,554
12												
13	Add: Cash Working Capital	c	$ 3,323,275	$ 3,393,064	$ 3,464,318	$ 3,537,069	$ 3,611,347	$ 3,687,186	$ 3,764,617	$ 3,843,674	$ 3,924,391	$ 4,006,803
14	Add: Inventory		-	-	-	-	-	-	-	-	-	-
15	Add: Plant Held for Future Use		-	-	-	-	-	-	-	-	-	-
16	Less: Deferred Income Tax	d	-	(654,439)	(2,004,449)	(3,210,469)	(4,295,077)	(5,262,894)	(6,056,659)	(6,687,252)	(7,281,984)	(7,849,270)
17	Less: Accumulated 2025 Net Salvage	g	(14,564,890)	(14,428,896)	(14,281,241)	(14,151,067)	(14,013,193)	(13,873,962)	(13,760,053)	(13,650,420)	(13,560,421)	(13,483,093)
18	Less: Customer Deposits		-	-	-	-	-	-	-	-	-	-
19	Rate Base		$ 181,237,039	$ 192,266,017	$ 205,878,051	$ 217,158,174	$ 231,354,755	$ 247,290,225	$ 257,903,742	$ 268,309,824	$ 273,426,523	$ 274,770,994
20												
21	After-tax Rate of Return	h	7.64%	7.64%	7.64%	7.64%	7.64%	7.64%	7.64%	7.64%	7.64%	7.64%
22	Allowed Return		$ 13,846,510	$ 14,689,124	$ 15,729,083	$ 16,590,885	$ 17,675,503	$ 18,892,973	$ 19,703,846	$ 20,498,871	$ 20,889,786	$ 20,992,504
23	Return (grossed up for income tax)	e	18,547,331	19,676,008	21,069,028	22,223,407	23,676,248	25,307,043	26,393,203	27,458,135	27,981,765	28,119,354
24												
25	Operations and Maintenance	a	$ 15,344,558	$ 15,666,794	$ 15,995,797	$ 16,331,708	$ 16,674,674	$ 17,024,842	$ 17,382,364	$ 17,747,394	$ 18,120,089	$ 18,500,611
26	Administrative and General	f	5,335,011	5,447,047	5,561,435	5,678,225	5,797,468	5,919,214	6,043,518	6,170,432	6,300,011	6,432,311
27	Taxes Other Than Income Taxes	f	6,275,884	6,407,678	6,542,239	6,679,626	6,819,898	6,963,116	7,109,341	7,258,638	7,411,069	7,566,701
28	Depreciation Expense	b	12,805,262	13,636,564	14,684,028	15,914,188	17,104,949	18,488,773	19,990,247	21,276,227	22,610,426	23,784,556
29	Total Operating Expenses		$ 39,760,716	$ 41,158,083	$ 42,783,498	$ 44,603,748	$ 46,396,989	$ 48,395,946	$ 50,525,471	$ 52,452,690	$ 54,441,594	$ 56,284,179
30												
31	Revenue Requirement		$ 58,308,046	$ 60,834,091	$ 63,852,527	$ 66,827,155	$ 70,073,237	$ 73,702,989	$ 76,918,674	$ 79,910,825	$ 82,423,359	$ 84,403,533
32												
33	Less Other Revenues		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
34												
35	Rate Revenue Requirement		$ 58,308,046	$ 60,834,091	$ 63,852,527	$ 66,827,155	$ 70,073,237	$ 73,702,989	$ 76,918,674	$ 79,910,825	$ 82,423,359	$ 84,403,533

Notes:

a 2026 based on 2024 FERC Form 1 values allocated to Clearwater based on MWh sales in Clearwater as a percent of total DEF MWh sales for Distribution O&M and then customer count in Clearwater as a percent of total DEF customer count for Customer O&M, all inflated for two years at 2.1% per year to account for the difference in timing between 2024 and 2026
Subsequent years increase at 2.1% per year (Blue Chip Economic Indicators, October 10, 2025, page 16, GDP Chained Price Index, 2032-2036)

b See Table 3

c Based on an assumed 45 days O&M plus Taxes Other Than Income Taxes

d See Table 5

e Based on the combined statutory federal and state income tax rates, as follows:

Federal income tax rate	21.00%	
State corporate tax rate	5.50%	
Combined statutory federal and state inco	25.35%	equals 1-((1-FITR)*(1-SITR))
Net-to-gross multiplier	1.3395	

f 2026 based on 2024 FERC Form 1 values allocated to Clearwater based on Distribution Plant as a percent of Total Plant and then MWh sales in Clearwater as a percent of total MWh sales, all inflated for two years at 2.1% per year to account for the difference in timing between 2024 and 2026
Subsequent years increase at 2.1% per year (Blue Chip Economic Indicators, October 10, 2025, page 16, GDP Chained Price Index, 2032-2036)

g Estimate of accumulated net salvage that is not included in the estimate of Accumulated Depreciation but would reduce rate base
Only the balance as of 2025 is required because the depreciation expense in 2026 and thereafter includes net salvage
Balance of accumulated net salvage decreases each year based on forecasted retirements

h See Table 14

i See Table 1

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Table 5
Tax Depreciation

Line No.			2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
A	B	C	D	E	F	G	H	I	J	K	L	M
1	**Total Plant Tax Depreciation Basis**											
2	MACRS 20-Year	a	3.750%	7.219%	6.677%	6.177%	5.713%	5.285%	4.888%	4.522%	4.462%	4.461%
3												
4	**Capital**											
5	Initial Purchase of System	b	$ 235,143,319	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
6	Annual Capital Additions	c	20,870,594	25,114,199	29,427,163	28,197,407	32,173,985	35,176,990	31,206,190	32,124,212	28,151,139	25,536,573
			$ 256,013,912	$ 25,114,199	$ 29,427,163	$ 28,197,407	$ 32,173,985	$ 35,176,990	$ 31,206,190	$ 32,124,212	$ 28,151,139	$ 25,536,573
	Annual Tax Depreciation											
	Initial Purchase & Year 1 Capital		$ 9,600,522	$ 18,481,644	$ 17,094,049	$ 15,813,979	$ 14,626,075	$ 13,530,335	$ 12,513,960	$ 11,576,949	$ 11,423,341	$ 11,420,781
	Capital Additions - Year 2			941,782	1,812,994	1,676,875	1,551,304	1,434,774	1,327,285	1,227,582	1,135,664	1,120,596
	Capital Additions - Year 3				1,103,519	2,124,347	1,964,852	1,817,716	1,681,174	1,555,226	1,438,400	1,330,696
	Capital Additions - Year 4					1,057,403	2,035,571	1,882,741	1,741,754	1,610,918	1,490,233	1,378,289
	Capital Additions - Year 5						1,206,524	2,322,640	2,148,257	1,987,387	1,838,100	1,700,395
	Capital Additions - Year 6							1,319,137	2,539,427	2,348,768	2,172,883	2,009,661
	Capital Additions - Year 7								1,170,232	2,252,775	2,083,637	1,927,606
	Capital Additions - Year 8									1,204,658	2,319,047	2,144,934
	Capital Additions - Year 9										1,055,668	2,032,231
	Capital Additions - Year 10											957,621
			$ 9,600,522	$ 19,423,427	$ 20,010,562	$ 20,672,604	$ 21,384,326	$ 22,307,343	$ 23,122,089	$ 23,764,262	$ 24,956,972	$ 26,022,811
	Book Depreciation	c	$ 12,805,262	$ 13,636,564	$ 14,684,028	$ 15,914,188	$ 17,104,949	$ 18,488,773	$ 19,990,247	$ 21,276,227	$ 22,610,426	$ 23,784,556
	Difference Btwn Book and Tax Depreciation		$ (3,204,740)	$ 5,786,862	$ 5,326,533	$ 4,758,416	$ 4,279,377	$ 3,818,570	$ 3,131,842	$ 2,488,035	$ 2,346,546	$ 2,238,255
	Deferred Income Tax (State and Federal)											
	Annual		$ (812,241)	$ 1,466,680	$ 1,350,010	$ 1,206,020	$ 1,084,608	$ 967,817	$ 793,765	$ 630,593	$ 594,732	$ 567,286
	Accumulated (for Rate Base development)		-	$ 654,439	$ 2,004,449	$ 3,210,469	$ 4,295,077	$ 5,262,894	$ 6,056,659	$ 6,687,252	$ 7,281,984	$ 7,849,270

Notes:
a Modified Accelerated Cost Recovery System (MACRS), IRS Publication 946, Table A-1 (Half-Year Convention). Electric Utility Transmission and Distribution Plant is asset class 49.14 (use 20-year MACRS, Table B-2)
b See Table 6
c See Table 3

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Table 6
Discounted Cash Flow Analysis

Line No.			2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
A	B	C	D	E	F	G	H	I	J	K	L	M
1	Retail Rate Revenue	a	$ 58,308,046	$ 60,834,091	$ 63,852,527	$ 66,827,155	$ 70,073,237	$ 73,702,989	$ 76,918,674	$ 79,910,825	$ 82,423,359	$ 84,403,533
2	Other Operating Revenue	a	-	-	-	-	-	-	-	-	-	-
3	Total Operating Revenue		$ 58,308,046	$ 60,834,091	$ 63,852,527	$ 66,827,155	$ 70,073,237	$ 73,702,989	$ 76,918,674	$ 79,910,825	$ 82,423,359	$ 84,403,533
4												
5	Operations and Maintenance	a	$ 15,344,558	$ 15,666,794	$ 15,995,797	$ 16,331,708	$ 16,674,674	$ 17,024,842	$ 17,382,364	$ 17,747,394	$ 18,120,089	$ 18,500,611
6	Administrative and General	a	5,335,011	5,447,047	5,561,435	5,678,225	5,797,468	5,919,214	6,043,518	6,170,432	6,300,011	6,432,311
7	Taxes Other Than Income Taxes	a	6,275,884	6,407,678	6,542,239	6,679,626	6,819,898	6,963,116	7,109,341	7,258,638	7,411,069	7,566,701
8	Depreciation Expense (book)	a	12,805,262	13,636,564	14,684,028	15,914,188	17,104,949	18,488,773	19,990,247	21,276,227	22,610,426	23,784,556
9	Expenses Before Interest & Income Taxes		$ 39,760,716	$ 41,158,083	$ 42,783,498	$ 44,603,748	$ 46,396,989	$ 48,395,946	$ 50,525,471	$ 52,452,690	$ 54,441,594	$ 56,284,179
10												
11	**Income Tax Calculation**											
12	Operating Income		$ 18,547,331	$ 19,676,008	$ 21,069,028	$ 22,223,407	$ 23,676,248	$ 25,307,043	$ 26,393,203	$ 27,458,135	$ 27,981,765	$ 28,119,354
13	Add Back: Book Depreciation		12,805,262	13,636,564	14,684,028	15,914,188	17,104,949	18,488,773	19,990,247	21,276,227	22,610,426	23,784,556
14	Less: Tax Depreciation	c	(9,600,522)	(19,423,427)	(20,010,562)	(20,672,604)	(21,384,326)	(22,307,343)	(23,122,089)	(23,764,262)	(24,956,972)	(26,022,811)
15	Operating Income for Tax Purposes		$ 21,752,071	$ 13,889,145	$ 15,742,495	$ 17,464,991	$ 19,396,871	$ 21,488,473	$ 23,261,361	$ 24,970,100	$ 25,635,218	$ 25,881,099
16												
17	Combined Income Tax Rate		25.3%	25.3%	25.3%	25.3%	25.3%	25.3%	25.3%	25.3%	25.3%	25.3%
18												
19	Income Taxes		$ 5,513,062	$ 3,520,204	$ 3,989,935	$ 4,426,502	$ 4,916,137	$ 5,446,254	$ 5,895,592	$ 6,328,672	$ 6,497,246	$ 6,559,565
20												
21	**Earnings and Cash Flow**											
22	Operating Income		$ 18,547,331	$ 19,676,008	$ 21,069,028	$ 22,223,407	$ 23,676,248	$ 25,307,043	$ 26,393,203	$ 27,458,135	$ 27,981,765	$ 28,119,354
23	Income Taxes (at statutory rates)		5,513,062	3,520,204	3,989,935	4,426,502	4,916,137	5,446,254	5,895,592	6,328,672	6,497,246	6,559,565
24	Net Income		$ 13,034,268	$ 16,155,804	$ 17,079,093	$ 17,796,905	$ 18,760,111	$ 19,860,790	$ 20,497,611	$ 21,129,463	$ 21,484,518	$ 21,559,790
25												
26	Plus: Depreciation Expense	d	$ 12,805,262	$ 13,636,564	$ 14,684,028	$ 15,914,188	$ 17,104,949	$ 18,488,773	$ 19,990,247	$ 21,276,227	$ 22,610,426	$ 23,784,556
27	Earnings before Interest, Depr & Amort		$ 25,839,530	$ 29,792,368	$ 31,763,121	$ 33,711,093	$ 35,865,060	$ 38,349,563	$ 40,487,858	$ 42,405,690	$ 44,094,944	$ 45,344,345
28												
29	Less: Capital Expenditures	b	$ (20,870,594)	$ (25,114,199)	$ (29,427,163)	$ (28,197,407)	$ (32,173,985)	$ (35,176,990)	$ (31,206,190)	$ (32,124,212)	$ (28,151,139)	$ (25,536,573)
30	Less: Changes in Working Capital	e	-	(69,789)	(71,254)	(72,751)	(74,278)	(75,838)	(77,431)	(79,057)	(80,717)	(82,412)
31	Free Cash Flow		$ 4,968,936	$ 4,608,381	$ 2,264,704	$ 5,440,935	$ 3,616,797	$ 3,096,734	$ 9,204,238	$ 10,202,421	$ 15,863,088	$ 19,725,360
32												
33	Discount Rate	f	7.64%									
34	Growth Rate	g	2.10%									
35	Capitalization Rate for Terminal Value		5.54%									
36												
37	Net Present Value of Cash Flows (2026 - 2035)		$ 47,739,812									
38	Terminal Value (2035)		363,530,552									
39	Present Value of Terminal Value		187,403,507									
40												
41	Estimated Income Value		$ 235,143,319									

Notes:
a See Table 4
b See Table 3
c See Table 5
d Depreciation is added back because it is a non-cash expense
e Based on an assumed 45 days O&M plus Taxes Other Than Income Taxes
f See Table 14
g Blue Chip Economic Indicators, October 10, 2025, page 16, GDP Chained Price Index, 2032-2036

Prepared by:
NewGen Strategies and Solutions

Attachment C
WEIGHTED AVERAGE COST OF CAPITAL (DISCOUNT RATE)

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Appraisal of the Electric System Owned by Duke Energy Florida
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Estimation of Weighted Average Cost of Capital as of November 25, 2025

TABLE 7: UNLEVERING ELECTRIC UTILITY PROXY GROUP BETAS

Line No.	Company	Ticker Symbol	% Debt in Capital Structure [1]	Tax Rate [2]	% Equity in Capital Structure	Levered (Published) Beta [3]	Unlevered Beta [4]
A	B	C	D	E	F	G	H
1	Consolidated Edison Inc	ED	52.0%	17.0%	48.0%	0.65	0.34
2	Dominion Energy	D	59.0%	17.0%	41.0%	0.80	0.36
3	Eversource Energy	ES	62.5%	20.0%	37.5%	0.85	0.36
4	Exelon Corp	EXC	62.0%	15.0%	38.0%	0.75	0.31
5	FirstEnergy Corp	FE	65.5%	21.0%	34.5%	0.75	0.30
6	NextEra Energy Inc	NEE	59.5%	7.0%	40.5%	0.90	0.38
7	PPL Corporation	PPL	51.0%	21.0%	49.0%	0.80	0.44
8	Public Service Enterprise Group Inc	PEG	55.5%	15.0%	44.5%	0.85	0.41
9	Southern Co	SO	64.0%	15.0%	36.0%	0.65	0.26
10	Average		59.0%	16.4%	41.0%	0.78	0.35

11 ***Footnotes:***

12 [1] Capital structure as forecast by Value Line Investment Survey reports prior to date of valuation.

13 [2] Income tax rates as forecast by Value Line Investment Survey reports prior to date of valuation.

14 [3] Most recent Value Line Investment Survey reports prior to date of valuation.

[4] See *Valuing a Business* , Fourth Edition, by Pratt, Reilly and Schweihs, page 169. Published betas for publicly traded stocks reflect

15 the actual financial leverage of the company's capital structure. An unlevered beta is the beta the company would have if it had no debt. Unlevering the betas removes the effect of each company's financial leverage on the guideline betas.

16 $$B_U = B_L / (1+(1-t)(W_d/W_e))$$

17 where B_U = Beta unlevered

18 B_L = Beta levered

19 t = tax rate for company

20 W_d = Percent debt in the capital structure

21 W_e = Percent equity in the capital structure

Estimation of Weighted Average Cost of Capital as of November 25, 2025

TABLE 8: RELEVERING GUIDELINE COMPANY BETA

Line No.	Debt [1]	Tax Rate	Equity	Unlevered Beta	Beta Levered [2]
A	B	C	D	E	F
1	59.00%	16.4%	41.00%	0.35	0.78

Footnotes:

[1] Average debt, tax rate and beta for water utility proxy group shown in Table 7

[2] Relevered beta calculated based on formula provided in *Valuing a Business* , Fourth Edition, by Pratt, Reilly and Schweihs, page 169.

$$B_L = B_U [1+(1-t)(W_d/W_e)]$$

where B_U = Beta unlevered

B_L = Beta levered

t = tax rate for company

W_d = Percent debt in the capital structure

W_e = Percent equity in the capital structure

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TABLE 9: CAPITAL ASSET PRICING MODEL (USING CRSP SIZE PREMIA) [1]

Line No.	Methodology				Amount	Notes
A	B	C	D	E	F	G
1	**Step One:**		Risk Free Investment Rate		4.62%	Risk Free Rate (RFR) was selected, representing the 20-Year Treasury Constant Maturity Rate available on 11/25/2025 at the Federal Reserve Bank.
2	**Step Two:**	*Plus*	Equity Risk Premium [2]		6.71%	
3		*Times*	Beta		0.78	Table 8: Levered Beta
4					5.23%	Valuation Date Average Market Return
5	**Step Three:**	*Plus*	Size Premium [3]		1.97%	CRSP Size Premium (Return in Excess of CAPM), Decile 9
6	**Step Four:**	*Equals*			11.82%	Cost of Equity

7 ***Footnotes:***

8 [1] Source: Business Valuation Resources Cost of Capital Professional

9 [2] Historical ERP calculated using the S&P 500 average annual return of 11.94% derived from CRSP data for the 1928 - 2024 period and a 5.23% 20-year T-Bond average annual return (Reconstructed) for the same timeframe.

10 [3] The Size Premium was based on CRSP decile 9 which included 406 firms with an equity market capitalization size ranging from $304,621,000 to $729,919,000 in Q4 2024. The mean annual return for the S&P 500 for the same period was 11.94%. The difference between the CRSP mean decile return and the S&P 500 mean return was adjusted by the beta of CRSP decile 9 of 1.33.

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TABLE 10: WEIGHTED AVERAGE COST OF CAPITAL (USING CRSP SIZE PREMIA)

Line No.	Description	Amount
A	B C D E	F
1	Percent Debt in Capital Structure [1]	59.00%
2	Cost of Debt [2]	6.25%
3	Effective Tax Rate [3]	25.3%
4	Percent Equity in Capital Structure	41.00%
5	Cost of Equity [4]	11.82%
6	**Weighted Average Cost of Capital [5]**	**7.60%**

7	[1]	Average capital structure based on utility proxy group. See Table 7
8	[2]	Corporate Bond Rates, Baa (%) - 2026 Forecast Annual Average - Blue Chip Economic Indicators - Volume 41, No. 3 (quarterly supplement).
9	[3]	Effective Federal and State tax at 21% federal income tax rate and 5.5% state income tax
10	[4]	Average of cost of equity using the Capital Asset Pricing Model in Table 9
11	[5]	WACC = $W_d(k_d)(1-t)+W_e(k_e)$
12		where
13		W_d = Percent debt in the capital structure
14		k_d = Cost of debt
15		t = tax rate
16		W_e = Percent equity in the capital structure
17		k_e = Cost of equity

Estimation of Weighted Average Cost of Capital as of November 25, 2025

TABLE 11: CRSP Capital Asset Pricing Model Assumptions

The 11/25/2025 cost of capital analysis for Clearwater was completed on 12/03/2025 using the Q4 2024 Cost of Capital Professional study. Returns were selected and calculated for the time period ranging from 1928 to 2024 using an arithmetic mean.
The Capital Asset Pricing Model was selected based on professional judgment for the calculation of the cost of equity capital. The various components selected are as follow:
CoE = RFR + (Beta*ERP) + SP
11.82% = 4.62% + [0.78 * 6.71%] + 1.97%
A **4.62%** Risk Free Rate (RFR) was selected, representing the 20-Year Treasury Constant Maturity Rate available on 11/25/2025 at the Federal Reserve Bank.
A beta of **0.78** was selected based on professional judgment. Relevered Beta from Proxy Group.
A **6.71%** Equity Risk Premium (ERP) was selected, representing the Historical ERP calculated using the S&P 500 average annual return of 11.94% derived from CRSP data for the 1928 - 2024 period and a 5.23% 20-year T-Bond average annual return (Reconstructed) for the same timeframe.
A **1.97%** Size Premium (SP) was selected. The Size Premium was based on CRSP decile 9 which included 406 firms with an equity market capitalization size ranging from $304,621,000 to $729,919,000 in Q4 2024. The mean annual return for the S&P 500 for the same period was 11.94%. The difference between the CRSP mean decile return and the S&P 500 mean return was adjusted by the beta of CRSP decile 9 of 1.33.
Cost of Capital Professional returned a **11.82%** cost of equity capital for Clearwater as of 11/25/2025 based on the Capital Asset Pricing Model.
In addition, the Weighted Average Cost of Capital (WACC) was also computed for Clearwater. Given the components selected the formula used is as follows:
WACC = (CoE * We) + (KdPreTax * (1 - t) * Wd)
7.60% = (11.82% * 41.00%) + (6.25% * (1 - 25.35%) * 59.00%)

A debt weight (Wd) of **59.00%** was selected. Proxy Group.

The equity weight (We) of **41.00%** is the complement of the debt weight (i.e. 1 minus debt weight (Wd) equals equity weight). Proxy Group.

A borrowing rate (pre-tax cost of debt) of **6.25%** was selected. Forecast average - 2026 - BCEI.

A tax rate of **25.35%** was selected. Effective Federal and State tax at 21% federal income tax rate and 5.5% state income tax rate.

Cost of Capital Professional returned a **7.60%** WACC for Clearwater as of 11/25/2025.

Disclaimer: Items included in the analysis based on professional judgment were not provided by Cost of Capital Professional. Additionally, the cost of equity model (Build-Up or CAPM) is chosen by the professional based on professional judgment using skill, knowledge, experience, education, and training.

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TABLE 12: CAPITAL ASSET PRICING MODEL (USING KROLL RISK PREMIA)

Line No.	Methodology				Amount	Notes
A	B	C	D	E	F	G
1	**Step One:**		Risk Free Investment Rate [1]		3.50%	Kroll Normalized Risk Free Rate
2	**Step Two:**	*Plus*	Equity Risk Premium [1]		5.00%	Kroll Recommended U.S. Equity Risk Premium
3		*Times*	Beta		0.78	Table 8: Levered Beta
4					3.90%	Valuation Date Average Market Return
5	**Step Three:**	*Plus*	Size Premium [1]		4.61%	Kroll Size Premium (Portfolio 25)
6	**Step Four:**	*Equals*			**12.01%**	Cost of Equity
7	***Footnotes:***					
8	[1] Source: Kroll Cost of Capital Navigator					

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Estimation of Weighted Average Cost of Capital as of November 25, 2025

TABLE 13: WEIGHTED AVERAGE COST OF CAPITAL (USING KROLL RISK PREMIA)

Line No.	Description	Amount
A	B C D E	F
1	Percent Debt in Capital Structure [1]	59.00%
2	Cost of Debt [2]	6.25%
3	Tax Rate [3]	25.3%
4	Percent Equity in Capital Structure	41.00%
5	Cost of Equity [4]	12.01%
6	**Weighted Average Cost of Capital [5]**	**7.68%**

Footnotes:

7 [1] Average capital structure based on utility proxy group. See Table 8

8 [2] Corporate Bond Rates, Baa (%) - 2026 Forecast Annual Average - Blue Chip Economic Indicators - Volume 41, No. 3 (quarterly supplement).

9 [3] Effective Federal and State tax at 21% federal income tax rate and 5.5% state income tax rate

10 [4] Average of cost of equity using the Capital Asset Pricing Model in Table 12

11 [5] $WACC = W_d(k_d)(1-t)+W_e(k_e)$

12 where

13 W_d = Percent debt in the capital structure

14 k_d = Cost of debt

15 t = tax rate

16 W_e = Percent equity in the capital structure

17 k_e = Cost of equity

Estimation of Weighted Average Cost of Capital as of November 25, 2025

TABLE 14: WEIGHTED AVERAGE COST OF CAPITAL

Line No.	Description	Amount
A	B C D E	F
1	CRSP Risk Premia WACC	7.60%
2	Kroll Risk Premia WACC	7.68%
3	**Average Weighted Cost of Capital** [1]	**7.64%**
4	***Footnotes:***	
5	[1] Average WACC = (CRSP WACC + D&P WACC) / 2	

Attachment D
SALES COMPARISON APPROACH: GUIDELINE SALE TRANSACTIONS METHOD

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Appraisal of the Electric System Owned by Duke Energy Florida
Serving In and Around the City of Clearwater

Table 2
Sales Comparison Approach

Line No.	Year	State	Buyer	Buyer Type[1]	Seller	Seller Type[1]	Assets[2]	Consideration	Sale Price	Net Plant	Price/ Net Plant
A	B	C	D	E	F	G	H	I	J	K	L
1	2011	CA	California Pacific Electric Co. (d/b/a Liberty Energy)	IOU	Sierra Pacific Power Co. (d/b/a NV Energy)	IOU	G,D	Cash	$ 136,418,000	$ 123,599,000	1.10
2	2011	OH	AES Corporation	IOU	DPL, Inc. (Dayton Power & Light Co.)	IOU	G,T,D	Cash and assumption of debt	$ 4,719,000,000	$ 2,965,600,000	1.59
3	2012	NH	Liberty Energy NH	PRV	Granite State Electric Company (National Grid)	IOU	G, T, D	Cash	$ 83,000,000	$ 81,380,000	1.02
4	2015	IA, MN	Southern Minnesota Energy Cooperative	CP	Interstate Power & Light (Alliant)	IOU	D	Cash	$ 129,000,000	$ 105,189,000	1.23
5	2017	MO, KS, OK, AR	Liberty Utilities Co. (Algonquin)	PRV	The Empire District Electric Company	IOU	Electric G,T D, natural gas, and water	Cash and assumption of debt	$ 2,348,510,000	$ 1,919,010,000	1.22
6	2019	TX	AEP Texas, Inc.	IOU	Oncor Electric Delivery Company, LLC	IOU	D	Cash	$ 17,956,000	$ 17,956,000	1.00
7	2019	FL	NextEra Energy	IOU	Gulf Power Company (Southern Company)	IOU	G, T, D	Cash and assumption of debt	$ 5,657,000,000	$ 3,605,426,401	1.57
8	2020	ME	ENMAX	IOU	Emera Maine	IOU	T, D	Cash and assumption of debt	$ 1,295,000,000	$ 1,066,820,818	1.21
9	2020	TN	Middle Tennessee Electric Membership Corporation	CP	Murfreesboro Electric Department	M	D	Cash	$ 202,000,000	$ 152,382,078	1.33
10	2020	AK	Chugach Electric Association	CP	Anchorage Municipal Light & Power	M	G, T, D	Cash	$ 986,000,000	$ 703,166,000	1.40
11	2020	TX	JP Morgan Chase	PRV	El Paso Electric Company	IOU	G, T, D	Cash and assumption of debt	$ 4,370,650,000	$ 3,120,858,000	1.40
12	2022	RI	PPL Corporation	IOU	Narragansett Electric Company (National Grid)	IOU	Electric T&D, Gas D	Cash and assumption of debt	$ 5,320,000,000	$ 3,471,757,000	1.53
13	2023	GA	Georgia Transmission Corporation	PRV	The Southern Company	IOU	T	Cash	$ 54,747,406	$ 35,640,347	1.54
14											

Prepared by:
NewGen Strategies and Solutions

Table 2
Sales Comparison Approach

Line No.	Year	State	Buyer	Buyer Type[1]	Seller	Seller Type[1]	Assets[2]	Consideration	Sale Price	Net Plant	Price/ Net Plant
A	B	C	D	E	F	G	H	I	J	K	L

15	Summary of Sales Data	Count
16	Total Sales from IOU to IOU	6
17	Total Sales from IOU to Municipal Utility	0
18	Total Sales from IOU to Public Utility District	0
19	Total Sales IOU to Cooperative	1
20	Total Sales IOU to Private Investor	4
21	Total Sales from Municipal Utility to IOU	0
22	Total Sales from Municipal Utility to Cooperative	2
23	Total Sales from Public Utility District to IOU	0
24	Total Sales from Cooperative to IOU	0
25	Total Sales from Private Investor to IOU	0
26	Total Number of Sales	13

Analysis of All Sales	Sales Comparison Approach Indication of Value	Net Plant of Assets to be Acquired (Cost Approach)	Sales Comparison Approach Price/Net Plant
High	$ 283,955,000	$ 178,448,002	1.59
Low	$ 178,448,000	$ 178,448,002	1.00
Mean	**$ 235,342,000**	**$ 178,448,002**	**1.32**
Median	$ 236,553,000	$ 178,448,002	1.33
Standard Dev. Above Mean	$ 272,099,000	$ 178,448,002	1.52
Standard Dev. Below Mean	$ 198,584,000	$ 178,448,002	1.11

Notes:

[1] IOU - Investor-owned Utility; M - Municipal; CP - Cooperative; PUD - Public Utility District, PRV - Private Investor

[2] G - Generation; T - Transmission; D - Distribution

Attachment E
QUALIFICATIONS AND EXPERIENCE OF APPRAISAL TEAM

Grant Rabon, ASA | Partner

B.S. in Chemical Engineering, Texas A&M University
M.B.A., University of Texas at Austin

Mr. Rabon is an Accredited Senior Appraiser (ASA) of Public Utility property certified by the American Society of Appraisers. He has worked in the public utility industry since 2005 managing electric, natural gas, water, wastewater, and solid waste utility projects designed to safeguard clients' financial integrity primarily through the performance of financial risk assessments and feasibility studies, valuations/appraisals, litigation support, and comprehensive cost of service analyses.

Mr. Rabon has conducted valuations as well as fair market value appraisals to determine an indication of value for acquisitions/dispositions, or to evaluate municipalization or privatization of utilities. His experience also includes service area valuations to determine compensation for decertification of areas covered by certificates of convenience and necessity.

Zachary Wright, ASA, CDP, CRRA | Partner

B.B.A., Finance, University of Tennessee, Knoxville
M.B.A., Belmont University

Mr. Wright is an Accredited Senior Appraiser (ASA), Machinery and Technical Specialties by the American Society of Appraisers, and a Certified Depreciation Professional (CDP) by the Society of Depreciation Professionals (SDP), and a Certified Rate of Return Analyst (CRRA) by the Society of Utility and Regulatory Financial Analysts (SURFA). He has over 16 years of experience performing appraisals, financial analyses, depreciation, cost of service and rate design studies. Before joining NewGen, he worked as a Commercial Credit Analyst and has experience in corporate finance, pro forma financial analysis, financial modeling, underwriting, banking, and strategic and capital planning.

Nicholas Coomer, CDP, CRRA | Manager

B.B.A., Belmont University
M.B.A., Belmont University

Mr. Coomer is a Certified Depreciation Professional through the Society of Depreciation Professionals and a Certified Rate of Return Analyst recognized by the Society of Utility and Regulatory Financial Analysts. He is a member of the American Society of Appraisers and currently serves as Vice President and Treasurer for the Middle Tennessee Chapter. Mr. Coomer joined NewGen as a Consultant in September 2021. During his tenure, he has performed valuations and fair market appraisals to determine an indication of value for acquisitions/dispositions. His experience also includes financial modeling, depreciation studies, rate of return analysis, and cost of service and rate design analysis.

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Attachment F
LETTER FROM PINEL & CARPENTER (Real Estate Appraisers)

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PINEL & CARPENTER INCORPORATED
Real Estate Appraisers and Consultants

WALTER N. CARPENTER, JR., MAI, CRE
Cert Gen RZ1231
MARK G. CARPENTER, MAI
Cert Gen RZ935

May 13, 2026

NewGen Strategies & Solutions, LLC
c/o Scott Burnham
225 Union Boulevard, Suite 450
Denver, CO 80228

RE: City of Clearwater
Electric Distribution System (Duke Energy)

Dear Mr. Burnham:

At the request, Rachael M. Crews, counsel with Gray Robinson representing the City of Clearwater, we have conducted research regarding the real estate assets associated with the above-referenced electric distribution system.

Our research to date has been conducted without the benefit of cooperation from the owner (Duke Energy Florida, Inc.). Unlike our prior assignment involving a comparable municipal electric distribution system owned by Florida Power (City of Winter Park), no information has been provided regarding the underlying real estate interests—including private easements, license agreements, and related rights—on which a substantial portion of the system improvements appear to be located.

For comparative purposes, the prior electric distribution system (City of Winter Park) included 1,399 private easements within an area of approximately 9.3 square miles.

Based on the anticipated 32.31 square miles encompassed by the Clearwater system, we estimate that the number of private easements requiring evaluation could range from approximately 4,000 to 5,000.

Based on our prior work on the comparable system and the research completed to date, we believe a preliminary range of $70,000,000 to $80,000,000 is reasonable for the real estate assets associated with the City of Clearwater system.

As you can appreciate, it is not possible to provide a formal appraisal opinion at this time given the limited information currently available. Accordingly, we have provided this preliminary range solely for your current use pending receipt of additional documentation and supporting data.

We trust this preliminary guidance is sufficient for your present purposes and will continue our work toward a formal appraisal as additional information becomes available.

Sincerely yours,
PINEL & CARPENTER, INC.

Walter N. Carpenter, Jr., MAI, CRE
President
Cert Gen RZ1231

WNC/ego

NewGen Strategies & Solutions

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