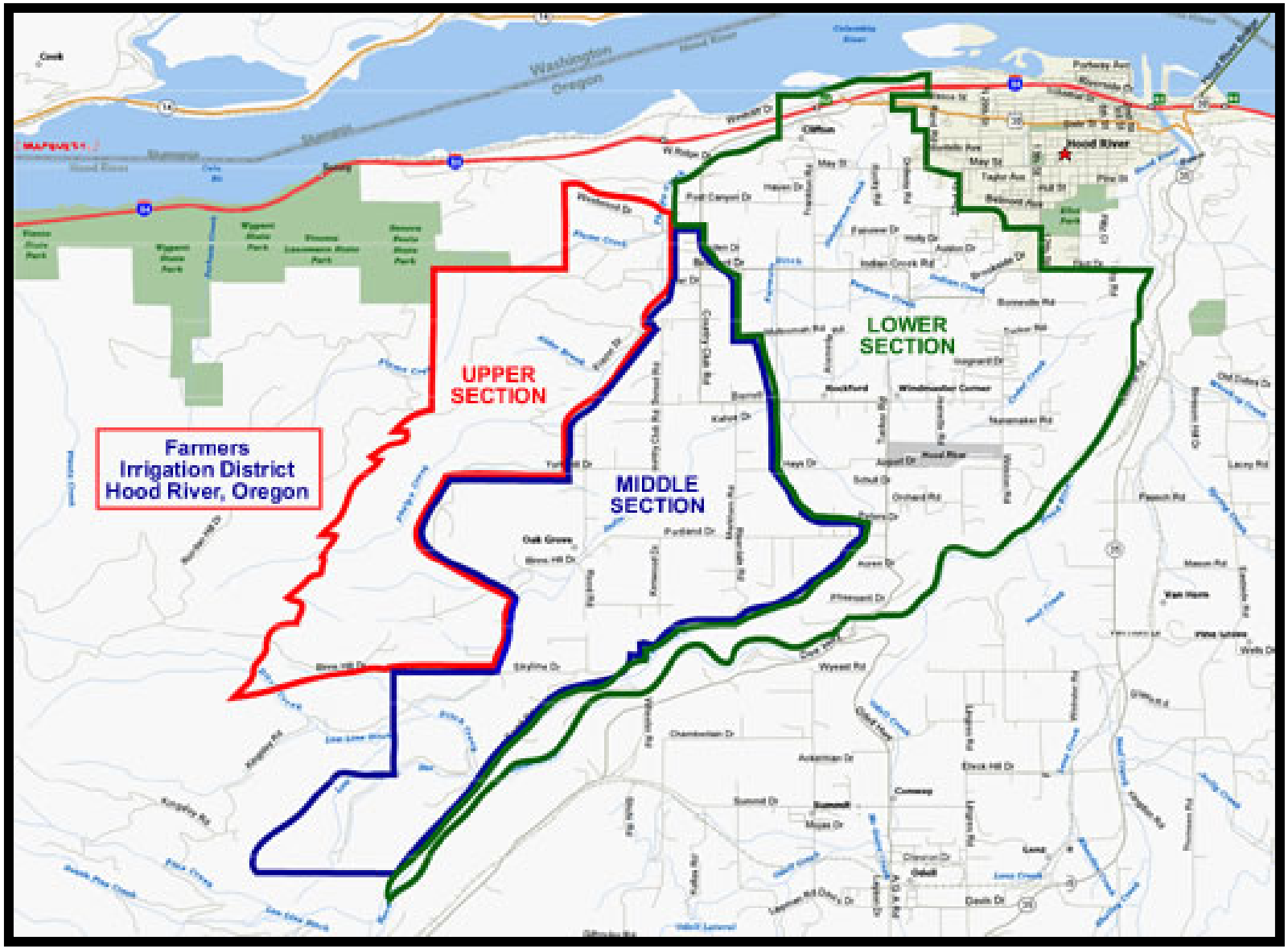
Farmers Irrigation District

Lower District Pressurization Project


Farmers
Irrigation District
Hood River, Oregon
UPPER
SECTION
MIDDLE
SECTION
LOWER
SECTION
Washington
Oregon
Hood River

Multiple Benefit Incentive Calculation Methodology

Process steps	Efficiency	Renewables
1	Split project costs based on kWh of generation/savings	
2	Run programmatic tests based on cost split percentage	
3	If passes, calculate incentive.	If passes, calculate incentive.
4	If does not pass efficiency tests, move 100% of project costs to **Renewables** and recalculate →	← If does not have **above market costs**, move 100% of project costs to **Efficiency** and recalculate
5	→ Combine incentives, if applicable	←
6		Run project as 100% renewable to test if combined incentive is reasonable in comparison to what would be offered if project was renewable only

Project Cost Split

Total Project Cost $2,702,137

	kWh	%	Cost Allocation
EE Savings (kWh)	481,458	51.8%	$ 1,373,478
RE Generation (kWh)	465,747	49.2%	$ 1,328,659
	947,205	100%	$ 2,702,137

Resulting Incentives:

Efficiency	$154,067
Renewables	$225,000
Total	$379,067

Above Market Cost Test

NPV Power Sales	$	507,551
NPV BETC pass-through	$	423,905
NPV reduced O&M expenses	$	109,990
Total NPV of Revenues	$	1,041,477

Minus		
Total upfront project costs	$	1,328,659
NPV of interest payments	$	303,772
NPV Net above-market costs	***($***	***590,984)***