Q 1. How much capital can the Hurdle Rate Model support for a typical Residential (100.3 MCF), Commercial (126.2 MCF) and Industrial (971.5 MCF) customer?

	YGS - 15 Yr	SCG/CNG - 20 Yr
Max Supportable Capital - Res Cstrmr with 100.3 Mcf/Yr	$ 5,264	$ 5,190
Max Supportable Capital - Comm Cstrmr with 126.2 Mcf/Yr	$ 7,209	$ 12,615
Max Supportable Capital - Ind Cstrmr with 971.5 Mcf/Yr	$ 20,604	$ 34,640

Q 2. How much of a setback for a service extension do the above numbers support (assuming on main)?

	YGS - 15 Yr	SCG/CNG - 20 Yr
Max Service Length Supportable - Res Cstrmr with 100.3 Mcf/Yr	74 feet[1]	104 feet[4]
Max Service Length Supportable - Comm Cstrmr with 126.2 Mcf/Yr	134 feet[2]	252 feet[4]
Max Service Length Supportable - Ind Cstrmr with 971.5 Mcf/Yr	579 feet[3]	693 feet[4]

Q 3. Calculate how much capital is supported in 15, 20, 25 and 30 year DCF assumptions for **RESIDENTIAL CUSTOMERS**

	YGS	SCG/CNG
Max Supportable Capital - Res Cstrmr with 100.3 Mcf/Yr - 15 Yr Horizon	$ 5,264	$ 4,510
Max Supportable Capital - Res Cstrmr with 100.3 Mcf/Yr - 20 Yr Horizon	$ 6,272	$ 5,190
Max Supportable Capital - Res Cstrmr with 100.3 Mcf/Yr - 25 Yr Horizon	$ 6,860	$ 5,660
Max Supportable Capital - Res Cstrmr with 100.3 Mcf/Yr - 30 Yr Horizon	$ 7,263	$ 5,990

Q 4. At 150' of main, what is the CIAC required on average (Assuming 100.3 MCF for Residential)?

	YGS[5]	SCG/CNG[6]
CIAC Required for 150' Servive - Res Cstmr with 100.3 Mcf/Yr	$ 3,481	$ 3,218

ASSUMPTIONS

1 Cost of meter $450/mtr; Cost per ft of service $66/ft
2 Cost of meter $600/mtr; Cost per ft of service $49.50/ft; economies of scale & grass area installations reduce $/ft costs
3 Cost of meter $1,500/mtr; Cost per ft of service $33/ft; economies of scale & grass area installations reduce $/ft costs
4 Cost per ft of service $50/ft
5 Cost per ft of service $49.50/ft; economies of scale & grass area installations reduce $/ft costs
6 Cost per ft of main $70/ft