

From: Kennedy, John
Sent: Wednesday, January 24, 2018 8:21 AM
To: David M. Moore; Brice Soucy; Thompson, Robert
Cc: Andrew Kingman; Scott Maloni; Fick, Randy
Subject: RE: HBDP | Financial Model (1.23.18)

All,
Just a couple of comments

1. The OCWD Distribution cost should have some amount of annual escalation. Keeping it flat over 30 years is not accurate. 1.5% is probably appropriate.
2. For each of the options we look at it would be good to know the NPV of the total payments OCWD is making over the contract life. Probable use 4% for the discount factor.

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From: David M. Moore [<mailto:dmoore@cleanenergycap.com>]
Sent: Wednesday, January 24, 2018 7:56 AM
To: Brice Soucy; Thompson, Robert
Cc: Andrew Kingman; Scott Maloni; Kennedy, John; Fick, Randy
Subject: RE: HBDP | Financial Model (1.23.18)

Brice,

Thank you for the model, and for the internal changes you've incorporated in response to our request (showing the nominal equity return calculations and fixing the circular cell references). Is there a scenario summary you could also provide, showing the key commercial inputs you have varied from your prior submission, and showing a line graph vs MWD?

Thanks.

David

From: Brice Soucy [<mailto:bsoucy@poseidonwater.com>]
Sent: Tuesday, January 23, 2018 11:43 AM
To: David M. Moore <dmoore@cleanenergycap.com>; Thompson, Robert <rthompson@cleanenergycap.com>
Cc: Andrew Kingman <akingman@poseidonwater.com>; Scott Maloni <smaloni@poseidonwater.com>
Subject: HBDP | Financial Model (1.23.18)

David and Bert,

Please find attached the updated Financial Model for the Huntington Beach Desalination Project presenting Cases A2 (35 Years) and B2 (30 Years), updated from Cases A and B presented at the 12.4.17 Ad Hoc Committee

Meeting.

Please note that a 'Changes Log' is presented on the first tab to explain changes from the 11.30.17 Model provided and also that a Nominal IRR is presented in Line 131 in both Cases for your reference (on the same basis as the model sent on 5.15.17).

Please let us know some windows that work to discuss this, this week and we will arrange a call. In the meantime I am happy to answer any questions (Bert you can feel free to reach me anytime today after 1:30PM PST or tomorrow morning except for 8AM-8:30 PST).

-Brice

Brice P. Soucy

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