

THE RISK - Present Value of a Private Pipeline System's Revenue/Income Model (Gas Pass-Trough)

Calculation Basis: Cash flows per referenced term less IO (initial outlays or outflows)

PV at 19 Bcf/yr

20 Years \$/Billion	35 Years \$/Billion	65 Years \$/Billion	15th Year
\$2.770	\$5.385	\$10.615	-\$0.019
			Caeteris Paribus
19 Bcf/yr or 30 Bcf/yr:			< 4 years

PV at 30 Bcf/yr

(Same as 19 Bcf/year because GC is a pass through)

THE RISK - Net Present Value of a Private Pipeline System's Revenue/Income Model (Gas Pass-Through)

Discount Basis: Net 3.08% as leveraged by 60/40 Debt to Equity

Avoided Cost Basis: N/A

Dividend Yields: Zero

Total Value to Alaskans: In State WIR - 12% State Royalties In Alaskan Pockets - \$0.00

Calculation Basis: $R_t / (1+i)^t$, where:
 t = time of cash flows
 i = discount rate, or rate of return that could be earned on an investment in the financial markets with similar risks
 R_t = net cash flow at time t

NPV at 19 Bcf/yr

	20 Years \$/Billion	35 Years \$/Billion	65 Years \$/Billion	18th Year
NPV:	\$2.412	\$3.344	\$4.181	\$0.780
LAPY:	0.038	(Net 60/40 L)		Caeteris Paribus
IO:	\$716,000,000	19 Bcf/yr or 30 Bcf/yr:		4th year

NPV at 30 Bcf/yr

(Same as 19 Bcf/year because GC is a pass through)

Period	(Cash Flow/yr)
0	
1 thru 20	\$174,322,441
1 thru 35	\$174,322,441
1 thru 65	\$174,322,441