

TABLE 2: COST OF CAPITAL ALLOWANCE FOR LNG AND PIPELINE FACILITIES

Year	Portion of Year in Service	Tax Rate	Weighted Average Cost Of Capital	Remaining Years	After-Tax Present Value (ATPV) of Future Tax Depreciation	Finance Cost	Finance Cost Minus Total After-Tax Cash Flow
1	25%	0.37	0.08	30.00	287,051	1,082,950	1,052,289
2	100%	0.38	0.09	29.75	297,560	1,109,242	974,152
3	100%	0.39	0.10	28.75	260,405	1,066,686	904,739
4	100%	0.40	0.11	27.75	200,090	999,726	832,974
5	100%	0.41	0.12	26.75	135,837	926,756	754,286
6	100%	0.42	0.13	25.75	62,229	848,563	688,359
7	100%	0.43	0.14	24.75	0	781,280	681,434
8	100%	0.44	0.15	23.75	0	780,235	674,645
9	100%	0.45	0.14	22.75	0	772,462	672,526
10	100%	0.44	0.13	21.75	0	763,310	668,879
11	100%	0.43	0.12	20.75	0	752,481	663,373
12	100%	0.42	0.11	19.75	0	739,654	655,661
13	100%	0.41	0.10	18.75	0	724,498	645,388
14	100%	0.40	0.09	17.75	0	706,692	632,207
15	100%	0.39	0.08	16.75	0	685,938	615,804
16	100%	0.38	0.07	15.75	0	661,983	595,914
17	100%	0.37	0.06	14.75	0	634,641	572,341
18	100%	0.36	0.05	13.75	0	603,813	544,981
19	100%	0.35	0.06	12.75	0	574,949	512,875
20	100%	0.36	0.07	11.75	0	546,206	481,048
21	100%	0.37	0.08	10.75	0	517,121	449,058
22	100%	0.38	0.09	9.75	0	487,222	416,445
23	100%	0.39	0.10	8.75	0	456,002	382,719
24	100%	0.40	0.11	7.75	0	422,900	347,334
25	100%	0.41	0.12	6.75	0	387,274	309,665
26	100%	0.42	0.13	5.75	0	348,370	268,973
27	100%	0.43	0.14	4.75	0	305,281	224,366
28	100%	0.44	0.15	3.75	0	256,897	174,752
29	100%	0.45	0.16	2.75	0	201,837	118,764
30	100%	0.46	0.17	1.75	0	138,359	54,679
31	75%	0.47	0.18	0.75	0	62,932	-31

(continued)

TABLE 2: COST OF CAPITAL ALLOWANCE FOR LNG AND PIPELINE FACILITIES (cont.)

Year	Remaining Unrecovered Investment	Unrecovered Investment minus ATPV Future Tax Depreciation	Present Value Annuity	Initial Cash Flow	After-Tax Cash Flow Depreciation Benefits	Total After-Tax Cash Flow (TATCF)	Cost of Capital Allowance
1	1,062,461	785,530	46.79773	16,786	13,875	30,661	26,644
2	1,017,045	764,901	10.70697	71,440	63,650	135,090	115,225
3	948,898	756,640	9.81098	77,122	84,825	161,947	126,429
4	877,592	748,808	9.04874	82,753	84,000	166,753	137,921
5	798,261	741,755	8.39372	88,370	86,100	174,470	149,780
6	731,736	736,032	7.82562	94,054	66,150	160,204	162,163
7	727,573	731,736	7.32868	99,845	0	99,845	175,167
8	723,477	727,573	6.89057	105,590	0	105,590	188,553
9	718,062	723,477	7.23946	99,935	0	99,935	181,700
10	711,028	718,062	7.60405	94,431	0	94,431	168,628
11	702,048	711,028	7.97941	89,108	0	89,108	156,329
12	690,782	702,048	8.35848	83,992	0	83,992	144,814
13	676,888	690,782	8.73185	79,111	0	79,111	134,086
14	660,044	676,888	9.08758	74,485	0	74,485	124,142
15	639,963	660,044	9.41128	70,133	0	70,133	114,973
16	616,418	639,963	9.68630	66,069	0	66,069	106,563
17	589,261	616,418	9.89431	62,300	0	62,300	98,889
18	558,440	589,261	10.01606	58,832	0	58,832	91,924
19	528,037	558,440	8.99634	62,074	0	62,074	95,499
20	497,600	528,037	8.10405	65,157	0	65,157	101,808
21	466,674	497,600	7.31080	68,064	0	68,064	108,038
22	434,781	466,674	6.59352	70,778	0	70,778	114,158
23	401,399	434,781	5.93286	73,284	0	73,284	120,137
24	365,939	401,399	5.31192	75,566	0	75,566	125,943
25	327,718	365,939	4.71518	77,609	0	77,609	131,540
26	285,922	327,718	4.12760	79,397	0	79,397	136,891
27	239,558	285,922	3.53363	80,914	0	80,914	141,955
28	187,401	239,558	2.91628	82,145	0	82,145	146,688
29	127,913	187,401	2.25587	83,072	0	83,072	151,041
30	59,145	127,913	1.52860	83,680	0	83,680	154,963
31	-33	59,145	0.93935	62,964	0	62,964	118,799