

Middle Fork Project Finance Authority

2006 Budget

Revenue:

Bond proceeds	\$ 9,578,255	
Investment earnings	<u>2,000</u>	
Total revenue		9,580,255

Expenses:

Administration expense:

Administrative expense (See detail Exhibit A)	93,000	
Bond Interest expense as provided by the County Treasurer	<u>215,000</u>	
		308,000

MFP Relicensing expenses (See detail Exhibit B):

2006 Estimated Project Expenses

General and Administrative (Project Level)	1,441,944	
Relicensing Process Activities	370,000	
Relicensing Project Description	687,800	
Existing Environment Studies	1,766,927	
Prepare Pre-Application Document (PAD)	445,000	
Technical Studies and Activities	614,000	
License Application	-	
Post-License Application Activities	<u>-</u>	
Total 2006 Estimated Project Expenses		5,325,671

County Incurred and Projected Expenses

Estimated County expenses incurred and paid through 2005	235,000	235,000
Estimated County debt issuance expenses in 2006	85,000	85,000

Agency Actual 2005 and Prior Project Expenses

Agency expenses incurred and paid through February 17, 2006	3,576,584	
Contingency for unbilled/unpaid prior expenses	<u>50,000</u>	
Total 2005 and Prior Expenses		3,626,584

MFP Relicensing expenses 9,272,255

Total expenses 9,580,255

Total revenue over (under) expenses \$ -

Middle Fork Project Finance Authority

Exhibit A

2006 Administrative Budget

	<u>2006</u>	
<u>Expenses</u>		
Personnel costs	\$	- Note 1
Office expenses:		
Stationary, bonding and misc office exp	2,500	
Banking fees	500	
Audit	10,000	Note 2
Legal	80,000	
Professional and consulting services	-	Note 1
Debt service	0	
	<hr/>	
Total expenses	<u>\$</u>	<u>93,000</u>

Notes:

- Note 1** Personnel costs and professional and consulting services will be captured at the Organizing party level and reimbursed through the Authority.
- Note 2** Tentative amount based on preliminary discussion with the Agency's auditor. An agreement will be presented to the Board for consideration and approval once the audit Firm has reviewed the agreement and estimated transactional activity.

Date Printed: 3/22/2006

**PCWA - Middle Fork American River Hydroelectric Project Relicensing
Project Expenses To Date, Unbilled and Projected Through 2007**

Exhibit B.1

Detail Quarterly Summary Projected Expenses for 2006 & 2007

Project # 01030A

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Job #	Category/Task	Project to Date	Unbilled 2005	2006				2006 Total	2007				2007 Total	Task Total	Category Total
				Q1	Q2	Q3	Q4		Q1	Q2	Q3	Q4			
Preliminary Activities															
1	Relicensing Activities Prior to 2006	\$ 3,576,584	50,000	0	0	0	0	0	0	0	0	0	0	3,626,584	3,626,584
	Placer County Direct Labor & Consultants		235,000											235,000	235,000
General & Administrative (Project level)															
2	PCWA Direct Labor			95,986	95,986	95,986	95,986	383,944	95,986	95,986	95,986	95,986	383,944	767,888	767,888
34	MFP Finance Authority Administration			17,000	3,000	3,000	26,000	26,000	3,000	3,000	3,000	3,000	12,000	38,000	38,000
3	Placer County Direct Labor & Consultants			75,000	75,000	50,000	50,000	250,000	50,000	50,000	50,000	50,000	200,000	450,000	450,000
4	Program Coordination & Support - Consulting			137,000	133,000	133,000	133,000	536,000	122,400	122,200	122,200	122,200	489,000	1,025,000	1,025,000
5	Legal Services			12,000	20,000	24,000	24,000	80,000	16,500	27,500	33,000	33,000	110,000	190,000	190,000
6	Supplies & Services			6,000	16,000	27,000	17,000	66,000	8,600	21,000	12,200	12,200	54,000	120,000	120,000
	Contingency (working capital)			100,000	0	0	0	100,000	0	0	0	0	0	100,000	100,000
Relicensing Process Activities															
7	Develop Relicensing Process Plan			40,000	25,000	0	0	65,000	0	10,000	10,000	0	20,000	85,000	85,000
8	Stakeholder Outreach			61,250	111,250	76,250	56,250	305,000	63,750	63,750	63,750	48,750	240,000	545,000	545,000
9	Settlement Negotiations			0	0	0	0	0	0	0	0	0	0	0	0
Relicensing Project Description															
10	Resource Utilization Study			195,000	150,000	120,000	30,000	495,000	30,000	30,000	30,000	30,000	120,000	615,000	615,000
11	Develop Relicensing Project Description			100,000	56,700	36,100	0	192,800	2,000	35,000	10,000	0	47,000	239,800	239,800
Existing Environment Studies															
12	Develop/Negotiate Study Plans			10,000	35,000	0	5,000	50,000	5,000	5,000	0	0	10,000	60,000	60,000
13	Water Temperature Study			10,000	50,000	78,000	83,000	221,000	25,000	25,000	25,000	25,000	100,000	321,000	321,000
14	Physical Habitat Characterization Study			50,000	35,000	600,000	300,000	985,000	50,000	40,000	0	0	90,000	1,075,000	1,075,000
15	Hydrology Studies & Model Development			42,500	187,927	92,500	65,000	387,927	60,000	60,000	65,000	35,000	220,000	607,927	607,927
16	Cultural Resource research			15,000	29,000	37,000	42,000	123,000	0	0	0	0	0	123,000	123,000
Prepare Pre-Application Document (PAD)															
17	Prepare Existing Resource Information Report			195,000	70,000	20,000	10,000	295,000	20,000	40,000	15,000	0	75,000	370,000	370,000
18	Prepare Pre-Application Document (PAD)			25,000	25,000	40,000	60,000	150,000	150,000	130,000	90,000	20,000	390,000	540,000	540,000
19	Notice of Intent/Notice of Preparation (NOI/NOP)			0	0	0	0	0	0	15,000	15,000	0	30,000	30,000	30,000
Technical Studies & Activities															
20	Develop/Negotiate Study Plans			140,000	165,000	105,000	53,000	463,000	100,000	75,000	50,000	0	225,000	688,000	688,000
21	Water Use/Water Quality			0	0	0	0	0	0	50,000	50,000	50,000	150,000	150,000	150,000
22	Geomorphology/Riparian Resources			0	0	0	0	0	0	0	200,000	50,000	250,000	250,000	250,000
23	Aquatic Resources			0	0	0	0	0	50,000	50,000	350,000	100,000	550,000	550,000	550,000
24	Terrestrial Resources			0	0	0	0	0	0	100,000	300,000	100,000	500,000	500,000	500,000
25	Recreation Resources			0	0	0	0	0	0	15,000	250,000	15,000	280,000	280,000	280,000
26	Land Management/Aesthetics			0	0	0	0	0	0	20,000	40,000	20,000	80,000	80,000	80,000
27	Cultural Resources			0	5,000	1,000	0	6,000	25,000	30,000	30,000	35,000	120,000	126,000	126,000
28	Mapping & GIS			30,000	25,000	45,000	45,000	145,000	45,000	35,000	65,000	35,000	180,000	325,000	325,000
29	Operations Modeling/Hydrology			0	0	0	0	0	0	0	0	0	0	0	0
License Application															
30	Prepare License Application			0	0	0	0	0	0	0	0	0	0	0	0
31	Biological Assessment/Evaluation			0	0	0	0	0	0	0	0	0	0	0	0
Post-License Application Activities															
32	Post-License Application Activities			0	0	0	0	0	0	0	0	0	0	0	0
33	401 Certification CEQA Process			0	0	0	0	0	0	0	0	0	0	0	0
Total Actual and Estimated Expenses		\$ 3,576,584	285,000	1,356,736	1,312,863	1,583,836	1,072,236	5,325,671	922,236	1,148,436	1,975,136	880,136	4,925,944	14,113,199	14,113,199

Update: March 20, 2006

PCWA - Middle Fork American River Hydroelectric Project Relicensing

Exhibit B.2

Project Expenses To Date, Unbilled and Projected Through 2013

Project # 01030A

Job #	Category/Task	Project to Date	Unbilled 2005	Estimates							Total	
				2006	2007	2008	2009	2010	2011	2012		2013
	Preliminary Activities											3,861,584
1	Relicensing Activities Prior to 2006	\$ 3,576,584	50,000									
	Placer County Direct Labor & Consultants		235,000									
	General & Administrative (Project level)			1,441,944	248,944	1,100,000	1,100,000	600,000	700,000	500,000	700,000	7,390,888
2	PCWA Direct Labor			383,944	383,944							
34	MFP Finance Authority Administration			26,000	12,000							
3	Placer County Direct Labor & Consultants			250,000	200,000							
4	Program Coordination & Support - Consulting			536,000	489,000							
5	Legal Services			80,000	110,000							
6	Supplies & Services			66,000	54,000							
	Contingency			100,000								
	Relicensing Process Activities			370,000	260,000	150,000	200,000	400,000	200,000	150,000	100,000	1,830,000
7	Develop Relicensing Process Plan			65,000	20,000							
8	Stakeholder Outreach			305,000	240,000							
9	Settlement Negotiations			0	0							
	Relicensing Project Description			687,800	157,000	0	0	0	0	0	0	854,800
10	Resource Utilization Study			495,000	120,000							
11	Develop Relicensing Project Description			192,800	47,000							
	Existing Environment Studies			1,766,927	420,000	0	0	0	0	0	0	2,186,927
12	Develop/Negotiate Study Plans			50,000	10,000							
13	Water Temperature Study			221,000	100,000							
14	Physical Habitat Characterization Study			985,000	90,000							
15	Hydrology Studies & Model Development			387,927	220,000							
16	Cultural Resource research			123,000	0							
	Prepare Pre-Application Document (PAD)			445,000	495,000	0	0	0	0	0	0	940,000
17	Prepare Existing Resource Information Report			295,000	75,000							
18	Prepare Pre-Application Document (PAD)			150,000	390,000							
19	Notice of Intent/Notice of Preparation (NOI/NOP)			0	30,000							
	Technical Studies & Activities			614,000	2,335,000	5,350,000	2,800,000	1,000,000	700,000	500,000	500,000	13,799,000
20	Develop/Negotiate Study Plans			463,000	225,000							
21	Water Use/Water Quality			0	150,000							
22	Geomorphology/Riparian Resources			0	250,000							
23	Aquatic Resources			0	550,000							
24	Terrestrial Resources			0	500,000							
25	Recreation Resources			0	280,000							
26	Land Management/Aesthetics			0	80,000							
27	Cultural Resources			6,000	120,000							
28	Mapping & GIS			145,000	180,000							
29	Operations Modeling/Hydrology			0	0							
	License Application			0	0	100,000	200,000	400,000	350,000	0	0	1,050,000
30	Prepare License Application			0	0							
31	Biological Assessment/Evaluation			0	0							
	Post-License Application Activities			0	0	0	0	0	125,000	375,000	250,000	750,000
32	Post-License Application Activities			0	0							
33	401 Certification CEQA Process			0	0							
	Total Actual and Estimated Expenses	\$ 3,576,584	285,000	5,325,671	4,925,944	6,700,000	4,300,000	2,600,000	2,075,000	1,525,000	1,550,000	32,365,199

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Middle Fork Project Finance Authority

5 Year Summary Annual Budgets

2006 (Current Year) and 4 Additional Years (Years 2007 - 2010)

	2006	Estimates			
		2007	2008	2009	2010
Income					
Investment earnings	\$ 2,000	10,000	10,000	10,000	10,000
Expenses					
Administrative expenses	93,000	50,000	50,000	50,000	50,000
Bond interest expense*	215,000	537,000	937,000	1,337,000	1,837,000
MFP Relicensing expenses	9,272,255	4,925,944	6,600,000	4,200,000	2,500,000
Total expenses	9,580,255	5,512,944	7,587,000	5,587,000	4,387,000
Revenue over (under) expenses	(9,578,255)	(5,502,944)	(7,577,000)	(5,577,000)	(4,377,000)
Bond proceeds (draw request)	9,578,255	5,502,944	7,577,000	5,577,000	4,377,000
Net	\$ -	-	-	-	-

* Until conversion, the debt interest cost accrues to the debt principal without a cash transaction. Amounts have been estimated and will be updated as draws occur. Actual amounts will vary.