

\$100 Projected From 2012 to 2029					
		Direct Inflation <sup>3</sup>		3YR Average <sup>4</sup>	
		1Yr Inflation	\$100 Inflated	3Yr Inflation	\$100 Inflated
Projected <sup>1</sup>	2029	3.00%	\$ 170.35	2.50%	\$ 170.32
	2028	2.00%	\$ 165.39	2.50%	\$ 166.17
	2027	2.50%	\$ 162.15	2.50%	\$ 162.11
	2026	3.00%	\$ 158.19	2.67%	\$ 158.16
	2025	2.00%	\$ 153.58	3.00%	\$ 154.05
	2024	3.00%	\$ 150.57	4.33%	\$ 149.56
	2023	4.00%	\$ 146.19	5.78%	\$ 143.35
	2022	6.00%	\$ 140.56	5.17%	\$ 135.51
Actual <sup>2</sup>	2021	7.35%	\$ 132.61	3.75%	\$ 128.85
	2020	2.15%	\$ 123.52	2.26%	\$ 124.20
	2019	1.74%	\$ 120.92	2.63%	\$ 121.45
	2018	2.88%	\$ 118.85	3.29%	\$ 118.35
	2017	3.26%	\$ 115.52	3.05%	\$ 114.58
	2016	3.72%	\$ 111.88	2.89%	\$ 111.19
	2015	2.17%	\$ 107.86	2.56%	\$ 108.06
	2014	2.77%	\$ 105.57	2.70%	\$ 105.37
	2013	2.72%	\$ 102.72	2.60%	\$ 102.60
	2012		\$ 100.00		\$ 100.00

This table shows an example of how implementing a running 3-year average to the Utility Fund's automatic inflation adjustment policy can help 'smooth' short-term price spikes for the customers while resulting in effectively the same revenue picture for the system long-term, by looking at the different impacts of inflation on \$100 beginning in 2012.

1. Projected: Green highlighted years include assumed annual inflation rates for 2022 - 2029
2. Actual: Blue highlighted years only use actual annual inflation rates for showing both Direct Inflation, and what a 3-Year Average would be.
3. Direct Inflation: These columns show the impact of directly applying one year's inflation rate on an annual basis.
4. 3YR Average: These columns show what the annual 3-Year Average is for inflation using the percentages from the "1Yr Inflation" column, and apply that 3-Year Average on an annual basis to the "\$100 Inflated" column.