

Appendix 4: Indicative Cash Flow Projection Summary

| Year | 0 | 1 | 2 | 3 | 39 | 40 | TOTAL |
|--|-------------------|------------------|------------------|------------------|------------------|------------------|---------------------|
| Base Case | | | | | | | |
| Capital Cost | £1,084,590 | £0 | £0 | £0 | £0 | £0 | £1,084,590 |
| Income Generation | £0 | £0 | £0 | £0 | £0 | £0 | £0 |
| Energy Cost Offset - Gas | £0 | £0 | £0 | £0 | £0 | £0 | £0 |
| Energy Cost Offset - Electricity | £0 | £0 | £0 | £0 | £0 | £0 | £0 |
| Revenue Savings | £0 | £0 | £0 | £0 | £0 | £0 | £0 |
| Gas Costs | £0 | -£68,900 | -£70,278 | -£71,684 | -£146,227 | -£149,151 | -£4,161,702 |
| Electricity Costs | £0 | -£179,641 | -£183,234 | -£186,899 | -£381,253 | -£388,878 | -£10,850,694 |
| Other (Repairs & maintenance, annualised plant referbishment costs) | £0 | -£29,400 | -£29,988 | -£30,588 | -£62,396 | -£63,643 | -£1,775,818 |
| Revenue Expenditure | £0 | -£277,941 | -£283,500 | -£289,170 | -£589,875 | -£601,672 | -£16,788,215 |
| Net Revenue Savings / (Cost) | £0 | -£277,941 | -£283,500 | -£289,170 | -£589,875 | -£601,672 | -£16,788,215 |
| Present Value - Revenue Savings / (Cost) | £0 | -£277,941 | -£277,941 | -£277,941 | -£277,941 | -£277,941 | -£11,117,658 |
| CHP (5,000 hours) plus GSHP (Wells & Bores), Battery Storage and Solar PV | | | | | | | |
| Capital Cost | £3,051,842 | £0 | £0 | £0 | £0 | £0 | £3,051,842 |
| Income Generation | £0 | £165,015 | £166,728 | £168,475 | £340,495 | £347,305 | £9,699,926 |
| Energy Cost Offset - Gas | £0 | £66,420 | £67,748 | £69,103 | £140,977 | £143,797 | £4,012,020 |
| Energy Cost Offset - Electricity | £0 | £120,719 | £124,286 | £129,992 | £309,932 | £317,609 | £8,119,199 |
| Revenue Savings | £0 | £352,154 | £358,762 | £367,570 | £791,405 | £808,711 | £21,831,145 |
| Gas Costs | £0 | -£82,585 | -£84,237 | -£85,922 | -£175,271 | -£178,776 | -£4,988,317 |
| Electricity Costs | £0 | -£214,633 | -£218,926 | -£223,304 | -£455,515 | -£464,625 | -£12,964,252 |
| Other (Repairs & maintenance, annualised plant referbishment costs) | £0 | -£107,221 | -£109,365 | -£111,553 | -£227,555 | -£232,106 | -£6,476,361 |
| Revenue Expenditure | £0 | -£404,439 | -£412,528 | -£420,779 | -£858,341 | -£875,508 | -£24,428,930 |
| Net Revenue Savings / (Cost) | £0 | -£52,285 | -£53,766 | -£53,209 | -£66,936 | -£66,796 | -£2,597,785 |
| Present Value - Revenue Savings / (Cost) | £0 | -£52,285 | -£52,712 | -£51,142 | -£31,539 | -£30,856 | -£1,781,148 |
| Summary | | | | | | | |
| Additional Capital Cost compared to Base Case | £1,967,252 | £0 | £0 | £0 | £0 | £0 | £1,967,252 |
| Additional Revenue Savings compared to Base Case | £0 | £225,656 | £229,734 | £235,962 | £522,939 | £534,876 | £14,190,430 |
| Additional Present Value - Revenue Savings compared to Base Case | £0 | £225,656 | £225,230 | £226,799 | £246,402 | £247,085 | £9,336,510 |
| Borrowing Costs of additional capital requirement | £0 | -£108,199 | -£108,199 | -£108,199 | -£108,199 | -£108,199 | -£4,327,955 |
| Revenue Savings after Borrowing Costs | £0 | £117,458 | £117,031 | £118,600 | £138,203 | £138,886 | £5,008,555 |

Assumptions used:

- Inflation rate of 2%
- Interest rate of 3% - current 40 year PWLB rate
- Minimum Revenue Provision of 2.5% - 40 year asset life
- Discount rate of 2%
- Capital contingency of 15%
- Plant refurbishment costs have been including in the annual running costs of the technology.