

**ATTACHMENT “2”
Forecasted Potential Savings**

Note: All costs and savings are net of HST recoveries

Year	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	Total
Biomethane Production (GJ/yr)											
High Biogas Production Scenario ¹	106,603	123,003	123,003	123,003	123,003	123,003	123,003	123,003	123,003	123,003	1,213,630
Low Biogas Production Scenario ²	94,302	102,503	102,503	102,503	102,503	102,503	102,503	102,503	102,503	102,503	1,016,825
Forecasted Biomethane Production Cost (\$/GJ) ³											
High Production Cost Scenario	\$8.83	\$9.02	\$9.21	\$9.40	\$9.59	\$9.80	\$10.02	\$10.23	\$10.45	\$10.68	
Low Production Cost Scenario	\$6.79	\$6.94	\$7.09	\$7.24	\$7.39	\$7.56	\$7.72	\$7.90	\$8.07	\$8.24	
Forecasted Natural Gas Price (\$/GJ)											
Including commodity and transportation costs	\$10.31	\$10.49	\$10.72	\$10.92	\$11.10	\$11.30	\$11.50	\$11.73	\$11.97	\$12.21	
Potential Savings (\$)											
High Biogas Production + High Production Cost Scenario	\$157,771.85	\$180,814.41	\$185,734.53	\$186,964.56	\$185,734.53	\$184,504.50	\$182,044.44	\$184,504.50	\$186,964.56	\$188,194.59	\$1,823,232.47
High Biogas Production + Low Production Cost Scenario	\$375,241.15	\$436,660.65	\$446,500.89	\$452,651.04	\$456,341.13	\$460,031.22	\$464,951.34	\$471,101.49	\$479,711.70	\$488,321.91	\$4,531,512.52
Low Biogas Production + High Production Cost Scenario	\$139,567.40	\$150,678.68	\$154,778.78	\$155,803.80	\$154,778.78	\$153,753.75	\$151,703.70	\$153,753.75	\$155,803.80	\$156,828.83	\$1,527,451.25
Low Biogas Production + Low Production Cost Scenario	\$331,944.10	\$363,883.88	\$372,084.08	\$377,209.20	\$380,284.28	\$383,359.35	\$387,459.45	\$392,584.58	\$399,759.75	\$406,934.93	\$3,795,503.57

Explanation of Potential Savings Calculation

For the 2014 high biogas production + high production cost scenario:

106,603 GJ of biomethane = 50,000 tonnes of SSO processed x 130 m3 biogas/tonne of SSO x 60% biogas methane x 79% recovery efficiency x 0.0346 GJ/m3 biomethane

\$8.83/GJ biomethane production & distribution cost is upper limit of cost range provided by Enbridge.

\$10.31/GJ = \$7.39 commodity cost per NG price forecast, Alberta Gas Reference Price, Sproule Associates Ltd., www.sproule.com + \$2.92/GJ transportation cost

\$157,771.85 potential savings = 106,603 GJ biomethane x (\$10.31/GJ NG price - \$8.83/GJ biomethane production cost)

Notes

1 Assumes future expansion of DOPF processing capacity and increased rate of biogas production per tonne of SSO processed.

2 Assumes future expansion of DOPF processing capacity and biogas production at the current rate.

3 Based on the forecasted range of operating costs of the biomethane system provided by Enbridge.