

**Southwest Power Pool
FINANCE COMMITTEE MEETING
June 4, 2010**

Teleconference

• Summary of Action Items •

1. Approved minutes from April 1, 2010 meeting
2. Approved Organization Scope document for creation of Credit Working Group
3. Approved plan to proceed with construction of office building co-located with new SPP operations center, stop looking at existing office buildings for acquisition, confirmed budget for new facility project.

• Schedule of Follow up Items •

1. Identify entities with poor meter data quality and offer to assist in improving the quality of meter data submission. Report to the committee the results of this effort.
2. Draft organizational charter to propose forming a task force focused on meters within SPP.
3. Formal review of forecast administrative fee for 2011 and 2012 in July 2010.
4. Review/determine benefits & costs of individual SPP services
5. Report financial impact of extending depreciation lives on SPP's annual property tax bill.
6. Present potential roster for Credit Working Group to Finance Committee prior to Corporate Governance Committee action.

FINANCE COMMITTEE MEETING

June 4, 2010

Teleconference

• M I N U T E S •

Call to Order

Harry Skilton called the meeting to order at 2:30 pm. The following members were in attendance:

Mr. Harry Skilton	Director
Mr. Larry Altenbaumer	Director
Mr. Kelly Harrison	Westar Energy
Mr. Gary Voigt	Arkansas Electric Cooperative
Mr. Tom Dunn	Southwest Power Pool

Southwest Power Pool staff participating: Nick Brown, Tom Fritsche, and Michael Desselle
SPP members participating: Carol Shoemake (OG&E), Kip Fox (AEP), Richard Ross (AEP), David Ried (OPPD), and Bruce Cude (Xcel Energy)
Other guests: David Sargent (Witsell Evans Rasco Architects/Planners)

Minutes

The minutes from the April 1, 2010 meeting were reviewed with several edits suggested by Kelly Harrison. Kelly Harrison motioned to approve the minutes as amended. The motion was seconded by Larry Altenbaumer and approved by unanimous voice vote.

Credit Working Group Organizational Group Scope Statement Review

The Organizational Group Scope Statement was updated to indicate neither the Credit Working Group nor its individual members would be privy to credit or exposure information on any specifically identified customer. Kelly Harrison motioned to approve the Organizational Group Scope Statement as amended. The motion was seconded by Larry Altenbaumer and approved by unanimous voice vote.

Harry Skilton requested the potential roster for the Credit Working Group be presented to the Finance Committee at its July 9, 2010 meeting.

Facilities

SPP staff reviewed the following activities and findings related to the construction of operations and office buildings on a single SPP owned site:

- Approved budget of \$62.2 million for construction of operations building and office building co-located on a single site.
- Characteristics of local office property listed for sale
- Evaluation of office property for sale:
 - Abandons stated goal of single campus,
 - Expected acquisition and remodel costs slightly lower than new construction cost
 - Requires expansion of new operations facility to accommodate additional staff and enhance mechanical and electrical capabilities,
 - Total expected costs close to cost for newly constructed co-located operations and office buildings

- Reviewed schematic design of office building and revised cost estimates for entire project (current estimate is \$65 million).

The Committee spent significant time questioning the rationale for selecting the site based on the design implications resulting from the topography of the site and the presence of novaculite (a hard, dense sedimentary rock). The topography of the site lends itself to a preference for deck parking as opposed to surface parking. Deck parking results in an increase in expected costs of approximately \$3 million. The novaculite rock results in an increase in expected site prep costs of approximately \$1.7 million. Several comments were made suggesting abandoning the existing site, reopening the site search process, and selecting a site which is more level which may not have the site prep issues of the existing site. Opposing comments indicated the cost savings may not be present as level sites will sell at a higher cost and still may have equal or even worse site prep issues.

Gary Voigt motioned to direct SPP staff to cease review of alternate office building locations, proceed with the development of construction of an office building co-located with the new operations center, and bring the project in within the approved budget of \$62.2 million. The motion was seconded by Larry Altenbaumer and approved by a vote of 3 for and 1 against.

Forecast of SPP Administrative Fee

Harry Skilton advised the Committee that the July 9 meeting will spend considerable time reviewing opportunities to reduce SPP's administrative fee.

Future Meetings

The next scheduled meeting of the SPP Finance Committee will be held on July 9, 2010 from 8:30 am to 3:00 pm at the DFW – Hyatt hotel in Dallas, TX. The primary topics for this meeting will be management of SPP's administrative fee, review of interim 2010 SAS70 audit results, and review of corporate insurance programs.

Adjourn

There being no further business, Harry Skilton adjourned the meeting at 4:30 pm.

Respectfully Submitted,

Thomas P. Dunn
Secretary



Southwest Power Pool, Inc.
FINANCE COMMITTEE MEETING
June 4, 2010
Teleconference / WebEx

• A G E N D A •

2:30 pm – 4:00 pm

1. Old Business – Approval of minutes..... Harry Skilton
2. Old Business – Credit Working Group Scope Document..... Tom Dunn
3. Old Business – Facility Project..... Tom Dunn
 - a. Purchase existing office building
 - b. Review of schematic design of SPP campus
4. Old Business – Forecast of SPP Administrative Fee Harry Skilton
5. Other Business All
6. Future Meetings All

**Southwest Power Pool
FINANCE COMMITTEE MEETING**

April 1, 2010

Dallas, Texas

• Summary of Action Items •

1. Approved minutes from February 9, 2010 meeting
2. Accepted 2009 financial audit report
3. Approved 2010 funding levels for defined benefit pension and post-retirement healthcare plans.
4. Approved financing structure for \$130MM in term notes, amended prior approval to allow for all new debt to be issued unsecured, approved issuance of \$20MM revolving line of credit to replace existing \$20MM revolving line of credit.

• Schedule of Follow up Items •

1. Identify entities with poor meter data quality and offer to assist in improving the quality of meter data submission. Report to the committee the results of this effort.
2. Draft organizational charter to propose forming a task force focused on meters within SPP.
3. Formal review of forecast administrative fee for 2011 and 2012 in July 2010.
4. Review/determine benefits & costs of individual SPP services
5. Report financial impact of extending depreciation lives on SPP's annual property tax bill.
6. Add language in Credit Working Group charter restricting sharing of individual or confidential information

FINANCE COMMITTEE MEETING

April 1, 2010

Dallas, Texas

• M I N U T E S •

Call to Order

Harry Skilton called the meeting to order at 8:30 am. The following members were in attendance:

Mr. Harry Skilton	Director
Mr. Larry Altenbaumer	Director
Mr. Kelly Harrison	Westar Energy
Mr. David Sartin	AEP
Ms. Trudy Harper	Tenaska
Mr. Gary Voigt	Arkansas Electric Cooperative
Mr. Tom Dunn	Southwest Power Pool

Southwest Power Pool staff participating: Nick Brown, Michael Desselle, and Dianne Branch

SPP members participating: Carol Shoemake (OG&E)

Other guests: Keith Conine (BKD), Steve Osborn (Osborn, Carreiro & Associates)

Minutes

The minutes from the February 9, 2010 meeting were reviewed. Larry Altenbaumer motioned to approve the minutes. The motion was seconded by Kelly Harrison and approved by unanimous voice vote.

2009 Financial Audit

Keith Conine of BKD, LLC reviewed with the Committee their findings upon completing an audit of SPP's 2009 financial statements. Mr. Conine first reminded the Committee of the auditor's responsibility as outlined in the engagement letter. Next, he informed the Committee that the audit of SPP did not:

- identify any matters requiring alternative accounting treatments,
- identify any audit adjustments
- identify any material weaknesses
- identify any significant deficiencies

Mr. Conine identified "other matters" discussed with management regarding segregation of duties and review of actions by system administrators. The Committee encouraged SPP management to address these issues in as practical a manner as soon as possible. Next, Mr. Conine discussed additions to the footnotes regarding tax matters and disclosures surrounding pensions.

The Committee convened a brief executive session with Keith Conine of BKD, LLC.

Upon returning from executive session, Gary Voigt motioned to accept the audit report in its entirety. The motion was seconded by Larry Altenbaumer and approved by unanimous voice vote.

2010 Benefit Plan Funding

Steve Osborn of Osborn, Carreiro & Associates reviewed with the Committee his actuary report on SPP's defined benefit pension plan and post-retirement healthcare plan. Regarding the defined benefit pension plan, Mr. Osborn indicated SPP had no required funding needed in 2010 but recommended SPP fund \$3,121,000 which equates to the benefits expected to be earned by employees during 2010. Mr. Osborn

also highlighted the plan's termination cost as January 1, 2010 was \$15,000,000 but would increase as employees accrued additional benefits and accounting for early retirement subsidies. Regarding the post-retirement healthcare plan, Mr. Osborn indicated the cost of the plan for 2010 would be \$511,000. He also discussed the potential impact on the plan based on a high level review of the recent healthcare reform legislation. Finally, he indicated SPP will likely be eligible for a 28% subsidy for pharmaceuticals used by retirees under this plan.

Trudy Harper motioned to approve funding for 2010 for the pension plan at \$3,121,000 and for the post-retirement healthcare plan at \$511,000. The motion was seconded by Larry Altenbaumer and approved by unanimous voice vote.

Process Integrity Report

SPP staff led a discussion regarding internal processes and opportunities to achieve efficiencies and cost savings. Staff first discussed SPP's "process" evolution, the function of the Project Review and Prioritization Committee and highlighted numerous efficiencies already achieved. The Committee encouraged staff to develop meaningful metrics which can be used to assess progress and capture the benefits of additional efficiency realization in the future. Additionally, SPP should review efficiencies by focusing on three areas: cost savings, quality, and value.

SAS 70 RFP Process

SPP staff reported they had held discussions with the internal audit staff of SPP's SEC jurisdictional members on February 24 to discuss the process to be used to select an auditor of SPP's control environment and to share the names of the eight firms being invited to respond to SPP's RFP. Vendor responses were due on March 31, 2010 and will be reviewed by SPP staff and its membership prior to a recommendation being presented to the Committee at its July 9, 2010 meeting. Staff was asked to apprise the Committee with written reports following internal review of the responses and following member review of the responses.

Facilities

SPP staff advised the Committee regarding an office property now listed for sale in Little Rock with enough size to house SPP's administrative staff. The property consists of three buildings with over 200,000 s.f. of total space (buildings are 20 and 30 years old). Pursuing this property would require SPP to abandon its stated objective of having its facilities co-located on a single campus. The property owners have not indicated an initial asking price, however there is a chance the property could be acquired (and updated) for less than the cost to construct the proposed administrative office building in west Little Rock. SPP will continue to pursue its planned campus project but will also investigate further the costs of acquiring the newly listed property and compare the cost differential to new construction. An additional meeting of the Finance Committee is scheduled for April 20, 2010 at 8am to discuss any new information.

Financing

SPP staff discussed several proposed financing structures to meet SPP's forecast capital expenditure program of \$176,000,000 through 2012. Of particular importance are the current low yields on treasuries which serve as the base index for pricing SPP debt. SPP has investigated numerous financing options including straight bond issuance to retail investors, private placements, bank financing, combined bank financing and private placements. Additionally, SPP has had numerous conversations with its existing bank lenders to revise/remove the financial reporting covenants in its existing loan obligation and other opportunities to develop meaningful loan covenants prior to issuing new financing. Finally, SPP staff discussed opportunities to renew/replace its existing revolving credit facility for a new three year term with pricing consistent with the pricing in the existing revolving facility.

Trudy Harper motioned to approve a debt structure consisting of two series of private placements of \$70,000,000 for 32 years and \$60,000,000 for 13 years, with the following provisions:

- allow SPP management flexibility to change funding amounts on either or both series within +/- \$5,000,000.
- funding amounts of delayed draws should be set at the issuance date based on the most recent cash forecast.
- permit delays in placements if forecasts indicate a reduction or postponement in spending.
- authorize a filing with FERC and AR PSC to amend their authorization to allow up to \$150 million unsecured.

Recommend to SPP's Board of Directors issuance of three year revolving credit facility in the amount of \$20 million to replace existing revolving credit facility prior to its stated maturity. The motion was seconded by Kelly Harrison and approved by unanimous voice vote.

Follow-Up Items

- 1) Settlement Process for SPP Administrative Fee – SPP staff reviewed the monthly process for billing and collecting assessments and schedule 1A charges.
- 2) Depreciation Policy – SPP staff reviewed a draft policy proposal which would extend depreciable lives of certain software and real property up to 7 and 30 years respectively. Staff also advised the Committee this extension of depreciable lives would result in an increase in SPP's property taxes. SPP staff will detail the financial impact of extending the life of these assets and report to the Committee at its next meeting.
- 3) Organizational Group Charter – Credit Working Group – SPP staff reviewed a proposed a charter for the Credit Working Group. Committee members requested the charter contain additional language documenting that the group will not review individual customer credit exposures and would not be privy to confidential information on any individual customers. SPP staff will add language and forward to the Committee for approval.
- 4) FERC NOPR – SPP staff reviewed SPP's response to the FERC credit NOPR. The response was developed by SPP stakeholders and facilitated by SPP staff. A few members of the Committee expressed displeasure with the response, specifically that the response did not "push the envelope" in driving significantly stronger credit provisions be mandated by FERC. The Committee requested SPP staff develop a proposal of credit provisions suggested to eliminate potential default risk.
- 5) Administrative Fee with Depreciation – SPP staff reviewed a model of its administrative fee if depreciation was included in the calculation of rates. The model indicated SPP's administrative fee through 2016 would be higher with depreciation in the rates than under the current model where scheduled principal payments on debt are included in the rates.

Financial and Project Reports

SPP staff reviewed financial reports for the year to date period ending February 28, 2010. Points highlighted were:

- Revenues below budget by 2%, primarily due to recognition of LG&E 890 settlement in 2009 while budget assumed recognition in 2010.
- Expenses 2.7% below budget due to slower staffing, lower health plan utilization, and lower legal and regulatory expenditures.
- The revenue and expense variances are expected to remain throughout fiscal year 2010.
- Forecast indicates SPP will remain in compliance with its debt covenants through 2012.
- Capital expenditures are under budget due to delays in Future Markets and New Facilities projects.

Future Meetings

The next scheduled meeting of the SPP Finance Committee will be held on April 20, 2010 from 8:00 am to 9:00 am via teleconference. The primary topic for this meeting will be review of new information on office properties listed for sale in Little Rock.

Adjourn

There being no further business, Harry Skilton adjourned the meeting at 3:00 pm.

Respectfully Submitted,

Thomas P. Dunn
Secretary



Southwest Power Pool, Inc.
CREDIT WORKING GROUP
Organizational Group Scope Statement
February 9, 2010

Purpose

The Credit Working Group's responsibility is to develop and recommend courses of action to address credit risk issues resulting from administration of the SPP regional tariff and operation of the SPP business.

Scope of Activities

Develop and recommend changes to the SPP Credit Policy to mitigate the risk of socialized default charges to customers and members of SPP, using commercially viable practices.

Develop and recommend commercial practices to mitigate, to a reasonable extent, the risk of credit defaults in the services administered by SPP.

Provide expertise to SPP in its administration and monitoring of credit exposures. However, the Credit Working Group nor any of its members will be privy to credit or exposure information on any individual customer(s).

Representation

The Credit Working Group will consist of 6 individuals representing members of SPP. The chair of the Credit Working Group will be nominated by Corporate Governance Committee for consideration and appointment by the SPP Board of Directors. A vice chair will be elected by the members of the Credit Working Group. The term of the chair and vice chair will coincide with the term of the chair of the SPP Board of Directors. A meeting quorum will exist with 1/2 of the sitting members.

Duration

The Credit Working Group is a permanent working group.

Reporting

The Credit Working Group will report to the SPP Finance Committee.



NEW FACILITY

BOD Approvals

	<u>Phase I</u>	<u>Phase II</u>	<u>Total</u>
Land	4,573,800		4,573,800
Construction	23,829,000	29,298,200	53,127,200
Professional Fees	1,712,000	2,782,890	4,494,890
	<u>30,114,800</u>	<u>32,081,090</u>	<u>62,195,890</u>

- **Phase I represents land purchase and Ops/Data Center (BOD approved Oct 2009)**
- **Phase II represents construction of 150,000 s.f. office building (BOD approved July 2009)**
- **A budget contingency for Phase II of \$3,092,100 was requested by staff, but rejected by the Finance Committee.**

Acquire Existing Office Building

- **Three contiguous buildings totaling 204,000 SF.**
- **Seller refuses to disclose or communicate an asking price.**
- **Property consists of two office towers (187,672 SF total) and a 17,000 SF café/auditorium.**
- **Tower 1 is 28 years old. Tower 2 and the Café/Auditorium are 18 years old.**
- **The buildings are located immediately below the levee, roughly 200 feet from the Arkansas River.**
- **Property is co-located with national call center of the seller.**
- **Meaningful maintenance and remodeling will be required to meet SPP's needs.**
- **Inconsistent with SPP's stated goal of establishing a secure campus to house its operations.**
- **Would result in a re-design of the Ops/Data Center, causing at least a 90 day schedule delay and significant additional costs.**

Acquire Existing Office Building

Estimated Purchase Price

	<u>Building Size</u>	<u>\$ / SF</u>	<u>Subtotal</u>
Existing "For Sale" Office Property			
- Building 1	93,836 SF		
- Building 2	93,836 SF		
- Building 3	17,000 SF		
Total Estimated Purchase Cost ⁷	204,672 SF	\$ 85	\$ 17,397,120

- **Purchase price / SF is low end of estimate received from local commercial real estate broker.**
- **High end of estimate is north of \$100 / SF**

Acquire Existing Office Building

Estimated Refurbishing Costs and Other

Other Costs Required After Acquisition

- Remodeling and Upgrade Expenses for Purchased Buildings				
• Interior Finish Improvements (\$ cost/SF) ²	150,000	SF	\$ 60	\$ 9,000,000
• New Chiller Unit ³				\$ 1,000,000
• Sprinkler Addition - Building 1				\$ 250,000
• Other Identified Maintenance Issues (PV) - Building 1 ⁴	93,836	SF	\$ 3.27	\$ 306,380
• Other Identified Maintenance Issues (PV) - Building 2 ⁴	93,836	SF	\$ 2.99	\$ 280,408
• Other Identified Maintenance Issues (PV) - Building 3 ⁴	17,000	SF	\$ 8.45	\$ 143,637
• Additional Network Connectivity Costs for Non-Adjacent Office Building ⁵				
o Equipment Costs for Network Point of Entry				\$ 1,000,000
o Recurring Annual Connectivity Expenses (first year only)				\$ 480,000
- New Ops Center ⁶				
• Additional Office Space for Ops, IT and Training	9,500	SF	\$ 270	\$ 2,565,000
• Additional Public Spaces (Break Room, Toilets)	1,250	SF	\$ 310	\$ 387,500
• M&E Systems Upgrade/Service Yard Expansion due to Non-Adjacent CEP				\$ 2,500,000
Total - Other Costs Required After Acquisition				<u>\$ 17,912,925</u>

- Interior finish improvements (flooring, ceilings, electrical, etc.) based on RS Means benchmark data and costs for relocation of interior walls and doors provided by project architect and contractor.
- Improvements to new ops center based on M&E redundancy and additional staffing for a stand alone facility.



SPP Campus Cost Estimates After Schematic Design

	<u>Phase I</u>	<u>Phase II</u>	<u>Other</u>	<u>Total</u>
Land	4,259,509			4,259,509
Construct OPS Center	16,403,896			16,403,896
Construct Office Bldg		23,615,440		23,615,440
Professional Fees	1,312,312	1,889,235	1,008,863	4,210,410
Site Work			3,857,944	3,857,944
Central Energy Plant			6,814,060	6,814,060
Parking Deck			5,796,728	5,796,728
TOTAL	<u>21,975,717</u>	<u>25,504,675</u>	<u>17,477,595</u>	<u>64,957,987</u>

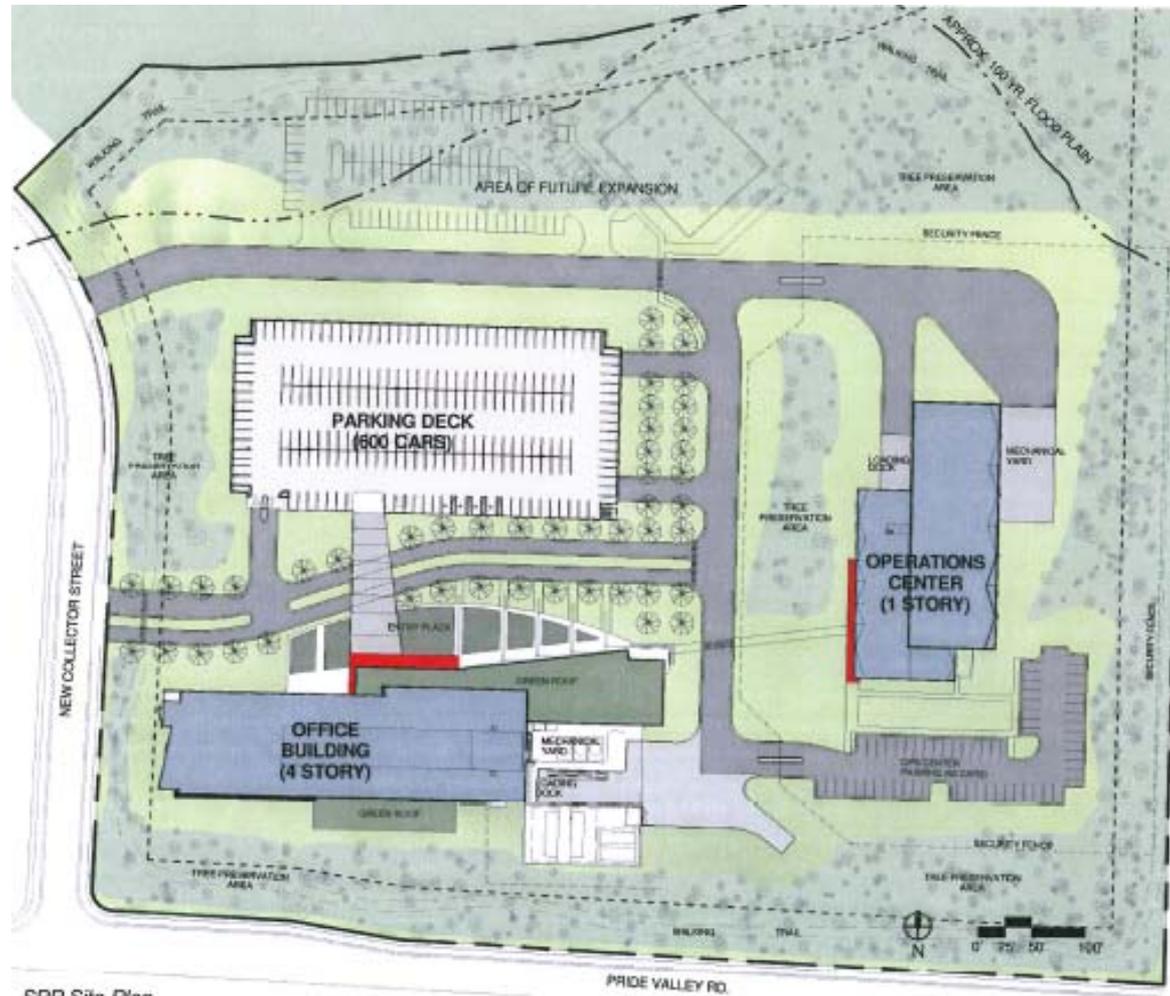
- **Site work and CEP benefit both phases (\$1.7MM extra for rock)**
- **Parking deck is specific to office building**
- **Design team now working on “value engineering”**
- **Office building estimate includes finish for entire 150,000 SF**

Project Cost Estimates (w/ purchased bldg)

	<u>Campus</u>	<u>Remove</u>	<u>Add</u>	<u>Total</u>
Land	4,259,509			4,259,509
Construct OPS Center	16,403,896			16,403,896
Construct Office Bldg	23,615,440	(23,615,440)		-
Professional Fees	4,210,410	(2,898,098)	436,200	1,748,512
Site Work	3,857,944			3,857,944
Central Energy Plant	6,814,060	(6,814,060)		-
Parking Deck	5,796,728	(5,796,728)		-
Purchase Bldg			17,397,120	17,397,120
Remodel Bldg			10,980,425	10,980,425
Enlarge OPS Center			5,452,500	5,452,500
New Networking			1,480,000	1,480,000
TOTAL	<u>64,957,987</u>			<u>61,579,906</u>

- **Removed professional fees associated with design/construction of office bldg, deck, CEP**
- **Functionality of CEP diminished w/ 1 bldg; removed from design & increased specific to OPS**
- **No parking deck required with only OPS bldg**
- **Staffing in OPS increases to 83 employees (excludes shift workers)**

Site Plan



SPP Site Plan

Office Building – Front Elevation



Office Building – Northeast Perspective



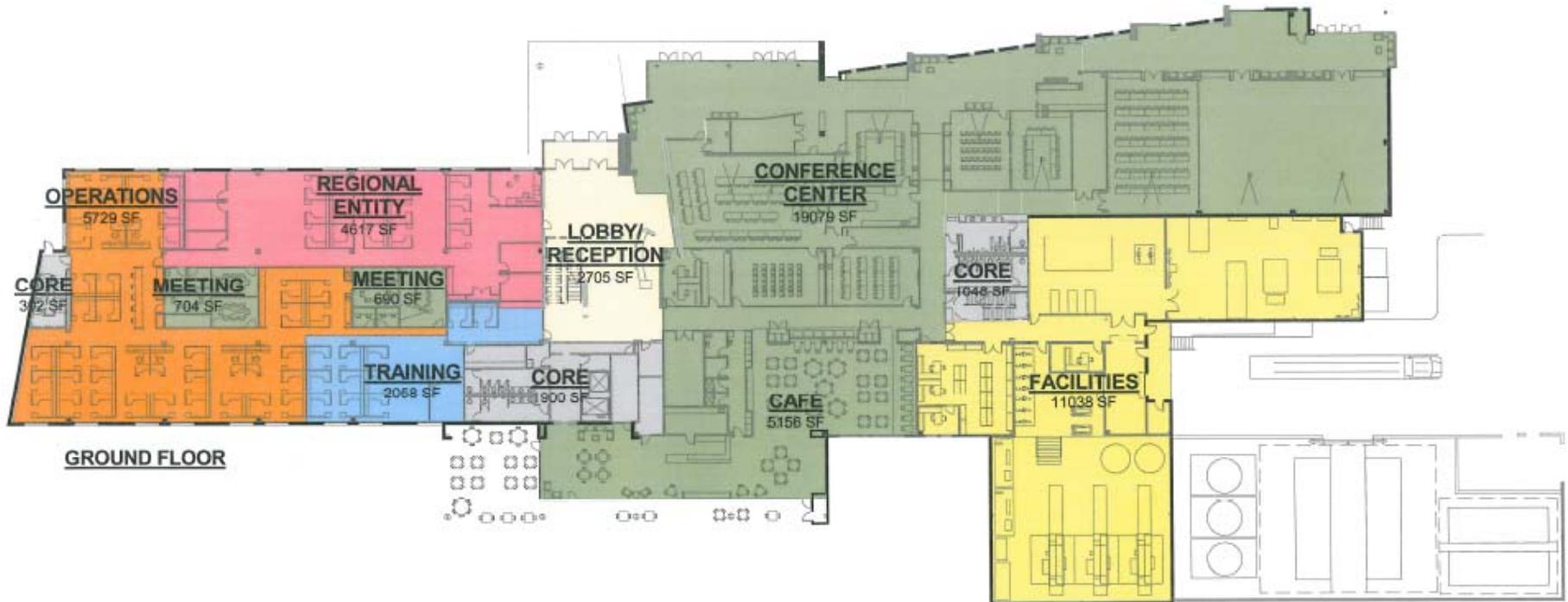
Office Building – Southwest Perspective



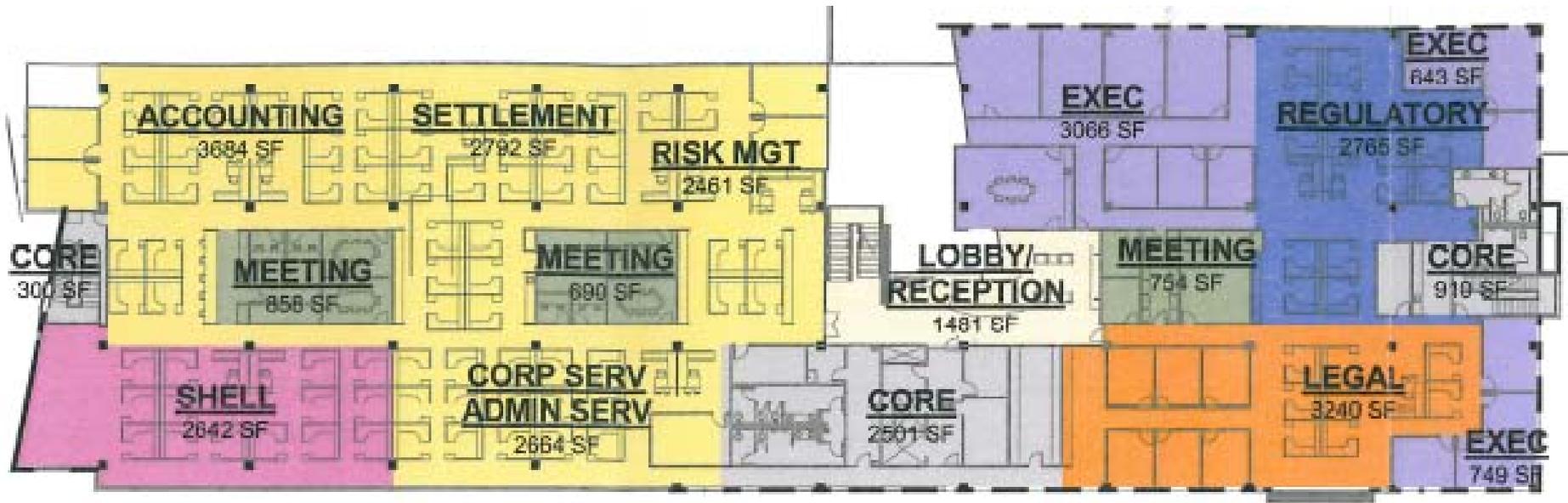
Office Building Exterior Materials

- **The exterior will be a blend of precast concrete panels and a curtain wall system, with aluminum frames and anodized low E and tinted windows. Several cladding alternatives for the precast panels are being examined.**
- **A prefinished sun shading system will be employed to shelter the curtain wall from southern sun exposures.**
- **A stone veneer will be placed on the ground floor entry wall of the lobby adjacent to the pedestrian access way.**
- **The rooftops will be a metal cladding over concrete panels.**

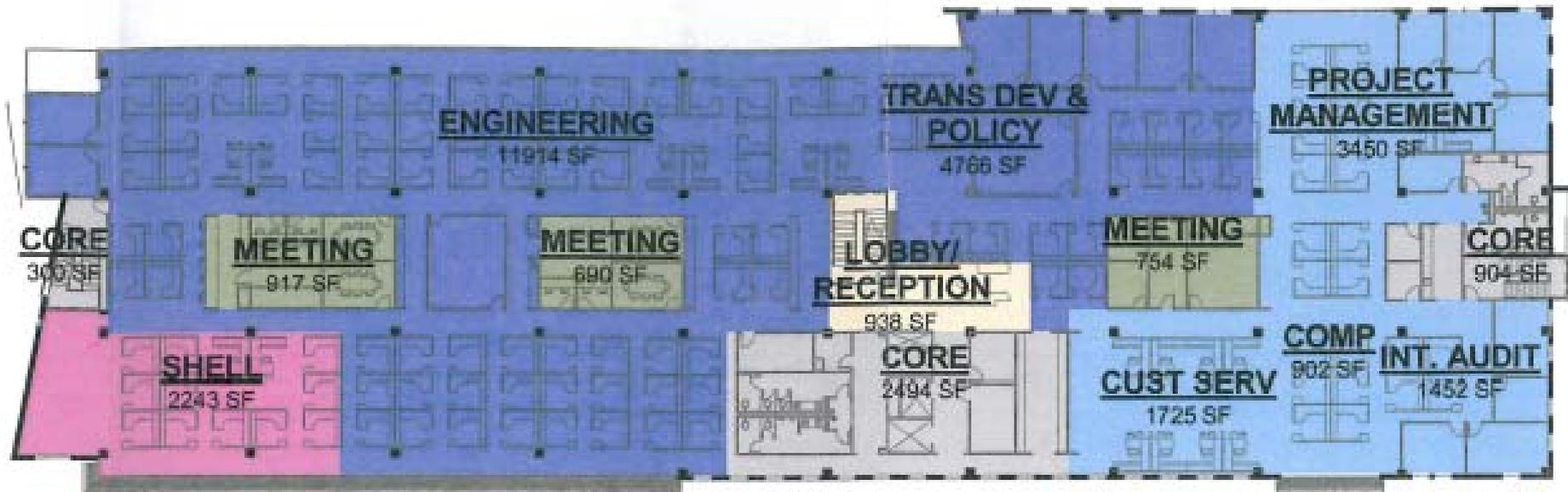
1st Floor



2nd Floor



3rd Floor



4th Floor



Ops/Data Center - Southeast Perspective



Ops/Data Center – Front Elevation



SPP Budget Compared to GC Estimates

SPP Budget

Ops/Data Center	\$ 23,829,000
Office Building	\$ 29,298,200
Total Approved by Finance Committee	\$ 53,127,200
Contingency Requested (Denied by FC)	\$ 3,092,100
Total Requested Project Budget	\$ 56,219,300

GC Pricing Estimates

Ops/Data Center	\$ 16,403,896
Office Building	\$ 23,615,440
Site Development	\$ 3,857,944
Central Energy Plant	\$ 6,814,060
Parking Deck	\$ 5,796,728
Total	\$ 56,488,068

Total Requested Project Budget - SPP	\$ 56,219,300
Total Estimated Costs - GC	\$ 56,488,068
Pricing vs. Budget Variance	\$ (268,768)



SPP ADMINISTRATIVE FEE

Forecast Model

	2010	2011	2012	2013	2014	2015	2016
Income Statement Highlights (000s)							
Calculated NRR / MWh	\$0.195	\$0.266	\$0.304	\$0.316	\$0.345	\$0.348	\$0.358
Total Revenue	\$ 100,616	\$ 121,837	\$ 136,188	\$ 143,798	\$ 157,356	\$ 162,157	\$ 169,794
Total Cash Operating Expenses ¹	\$ 107,347	\$ 119,987	\$ 127,906	\$ 135,316	\$ 143,206	\$ 150,475	\$ 158,128
Growth in Cash Op Exp (\$/MWh)		\$ 0.037	\$ 0.023	\$ 0.021	\$ 0.022	\$ 0.020	\$ 0.021
Growth in Salaries & Benefits		\$ 0.030	\$ 0.015	\$ 0.011	\$ 0.011	\$ 0.011	\$ 0.012
Debt Summary							
Debt Service (principal + interest)	\$ 12,774	\$ 16,188	\$ 23,335	\$ 23,536	\$ 29,204	\$ 26,736	\$ 26,721
Ending Outstanding Principal Balance	\$ 122,070	\$ 164,405	\$ 166,745	\$ 152,674	\$ 142,383	\$ 134,259	\$ 125,802
Growth in Debt Service (\$/MWh)		\$ 0.010	\$ 0.021	\$ 0.001	\$ 0.016	\$ (0.007)	\$ (0.000)
Balance Sheet Highlights (000s)							
Members Equity	(36,335)	(39,394)	(42,201)	(43,788)	(40,266)	(38,160)	(36,970)
Net Fixed Assets	95,740	144,763	146,581	140,923	134,153	128,136	120,869
Long-term Debt	122,070	164,405	166,745	152,674	142,383	134,259	125,802
Cash Flow Highlights (000s)							
Capital Expenditures (000s)	\$ 74,101	\$ 65,289	\$ 18,195	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000
New Debt Issued	61,701	55,541	15,911	0	10,000	10,000	10,000
Ending Cash	19,643	13,182	13,235	4,444	6,599	7,362	8,575

Changes From Base Model

Other capex funding delayed to 2014.