

ATTACHMENT 8

DEMONSTRATION INFLATION FACTOR CALCULATION

The Demonstration Inflation Factor was calculated using the most recent 12 months of data available from the Boeckh Index prior to the Board Meeting. The actual inflation factor applied on 12/31/2001 will be calculated using the most recent data available at that time.

(September 31, 2001) (September 31, 2000)

$$\frac{2046.9}{2017.6} - \frac{2017.6}{2017.6} \quad X \quad 100 = 1.45 \% \text{ Demonstration Inflation Factor}$$