

EXHIBIT 2

VOM

The Variable Operation and Maintenance cost (VOM) shall be determined using the applicable budgeted variable cost line items, as listed in the table below, and the annual forecasted Project Energy in the then current Project Annual Budget or Mandatory Budget Amendment. The VOM shall be reviewed and revised annually in coordination with NCPA's Project Annual Budget cycle, or as otherwise determined by the PPC and NCPA.

VOM (\$/MWH) = (Operation (\$) + Siemens LTSA (\$) + Maintenance Reserve (\$)) / forecasted annual Project Energy (MWH)

FY 20178 Project Annual Budget Line Items

Variable Cost	\$	\$/MWH
Routine O&M Costs Operation (Appendix I)	\$1,634,847,435,878	0.961,15
Routine O&M Costs Maintenance Siemens LTSA	\$3,510,222,827,187	2.12,19
Other Costs Maintenance Reserve (Appendix I)	\$347,710,79,319	0.21
Total FY2017	\$5,320,128,1,342,384	3.2955

Forecast annual Project Energy (MWh)	<u>1,655,765,377,711</u>
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VOM = $(\$1,634,847,435,878 + \$3,510,222,827,187 + \$347,710,79,319) / 1,655,765,377,711$

VOM = 3.2955 \$/MWh