

K3.3

| Energy Probe Exhibit K--           |                  | Comparison THESL and PEG CUSTOM PCI FORMULAS |               |               |               |                |                                    | Based on PEG Report Table 8 Adjusted to 5yr CIR Plan |               |                                |               |               |                |
|------------------------------------|------------------|--|---------------|---------------|---------------|----------------|------------------------------------|--|---------------|--------------------------------|---------------|---------------|----------------|
|                                    |                  | THESL Formula                                |               |               | As Filed      |                |                                    |  |               | PEG Formula                    |               |               |                |
| <b>Key Assumptions</b>             |                  |  |               |               |               |                |                                    | <b>Key Assumptions</b>                               |               |                                |               |               |                |
| X Stretch factor                   | -0.003           |  |               |               |               |                |                                    | X Stretch factor                                     | -0.006        |                                |               |               |                |
| Cn Stretch factor                  | 0                |  |               |               |               |                |                                    | Cn Stretch factor                                    | -0.004        |                                |               |               |                |
| Billing Determinant Adjustment     | 0                |  |               |               |               |                |                                    | Billing Determinant Adjustment                       | -0.00125      |                                |               |               |                |
| Growth                             | 0                |  |               |               |               |                |                                    | Growth   | 0             |                                |               |               |                |
| <b>PCI=(I-X)+Cn-Scap*(I-X)</b>     |                  | <b>PCI Formula Calculation</b>               |               |               |               |                |                                    | <b>PCI=(I-X)+Cn-Scap*(I-X)</b>                       |               | <b>PCI Formula Calculation</b> |               |               |                |
| <b>THESL Formulation</b>           | <b>2015 Base</b> | <b>2016</b>                                  | <b>2017</b>   | <b>2018</b>   | <b>2019</b>   | <b>TOTAL</b>   | <b>PEG Formulation</b>             | <b>2015 Base</b>                                     | <b>2016</b>   | <b>2017</b>                    | <b>2018</b>   | <b>2019</b>   | <b>TOTAL</b>   |
| Input Parameters                   |                  |  |               |               |               |                |                                    | Input Parameters                                     |               |                                |               |               |                |
| Inflation                          | N/A              | 0.017  | 0.017         | 0.017         | 0.017         |                | Inflation                          | N/A  | 0.017         | 0.017                          | 0.017         | 0.017         |                |
| X=Stretch Factor                   | N/A              | -0.003                                       | -0.003        | -0.003        | -0.003        |                | X=Stretch Factor                   | N/A  | -0.006        | -0.006                         | -0.006        | -0.006        |                |
| I-X                                | 0                | 0.014  | 0.014         | 0.014         | 0.014         |                | I-X                                | 0  | 0.011         | 0.011                          | 0.011         | 0.011         |                |
| Base year RR                       | 655.0            |  |               |               |               |                |                                    | Base year RR   | 655.0         |                                |               |               |                |
| Capital-related RR 1BT2S3Table4    | 431.6            | 460.9  | 517.6         | 567.5         | 607.5         |                | Capital-related RR 1BT2S3Table4    | 431.6  | 460.9         | 517.6                          | 567.5         | 607.5         |                |
| Cn                                 | 0                | 0.0447                                       | 0.0824        | 0.0666        | 0.0498        |                | Cn                                 | 0  | 0.0447        | 0.0829                         | 0.0674        | 0.0507        |                |
| Stretch factor                     | 0                | 0.0000                                       | 0.0000        | 0.0000        | 0.0000        |                | Stretch factor                     | 0  | -0.0040       | -0.0041                        | -0.0042       | -0.0043       |                |
| Growth                             | 0                | 0.000  | 0.000         | 0.000         | 0.000         |                | Billing Determinant Redn           | 0  | -0.00150      | -0.00150                       | -0.00150      | -0.00150      |                |
| <b>Adjusted Cn</b>                 |                  | <b>0.0447</b>                                | <b>0.0824</b> | <b>0.0666</b> | <b>0.0498</b> |                | <b>Adjusted Cn</b>                 |  | <b>0.0392</b> | <b>0.0773</b>                  | <b>0.0617</b> | <b>0.0449</b> |                |
| Scap Factor[ % RR(prior yr)]       | 0                | 0.6589                                       | 0.6695        | 0.6908        | 0.7063        |                | Scap Factor[ % RR(prior year)]     | 0  | 0.6589        | 0.6737                         | 0.6990        | 0.7187        |                |
| <b>PCI=[(I-X)+Cn-(Scap*(I-X))]</b> | 0                | 0.049508                                     | 0.086989      | 0.070924      | 0.053896      |                | <b>PCI=[(I-X)+Cn-(Scap*(I-X))]</b> | 0  | 0.042985      | 0.080866                       | 0.065         | 0.047952      |                |
| <b>PCI Escalator %</b>             | N/A              | 4.95   | 8.70          | 7.09          | 5.39          |                | <b>PCI Escalator %</b>             | N/A  | 4.30          | 8.09                           | 6.50          | 4.80          |                |
| <b>Revenue Requirement \$ M</b>    | <b>655.00</b>    | <b>688.43</b>                                | <b>749.31</b> | <b>803.46</b> | <b>847.76</b> | <b>3743.96</b> | <b>Revenue Requirement \$ M</b>    | <b>655.00</b>  | <b>684.15</b> | <b>740.48</b>                  | <b>789.61</b> | <b>828.47</b> | <b>3697.72</b> |
| Rate (RR) Increase                 | 19.85%           | 5.10%  | 8.84%         | 7.23%         | 5.51%         | 9.31%          | Rate (RR) Increase                 | 19.85%   | 4.45%         | 8.23%                          | 6.64%         | 4.92%         | 8.82%          |

|                                    |                  | Energy Probe SCENARIO A        |               |               |               |                |                                    | ~20% CAPEX annual Reduction    |               |                                |               |               |                |
|------------------------------------|------------------|--------------------------------|---------------|---------------|---------------|----------------|------------------------------------|--------------------------------|---------------|--------------------------------|---------------|---------------|----------------|
|                                    |                  | THESL Formula                  |               |               |               |                |                                    |                                |               | PEG Formula                    |               |               |                |
| <b>Key Assumptions</b>             |                  |                                |               |               |               |                |                                    | <b>Key Assumptions</b>         |               |                                |               |               |                |
| X Stretch factor                   | -0.003           |                                |               |               |               |                |                                    | X Stretch factor               | -0.006        |                                |               |               |                |
| Cn Stretch factor                  | 0                |                                |               |               |               |                |                                    | Cn Stretch factor              | -0.004        |                                |               |               |                |
| Billing Determinant Adjustment     | 0                |                                |               |               |               |                |                                    | Billing Determinant Adjustment | 0             |                                |               |               |                |
| Growth                             | -0.003           |                                |               |               |               |                |                                    | Growth                         | -0.003        |                                |               |               |                |
| <b>PCI=(I-X)+Cn-Scap*(I-X)</b>     |                  | <b>PCI Formula Calculation</b> |               |               |               |                |                                    | <b>PCI=(I-X)+Cn-Scap*(I-X)</b> |               | <b>PCI Formula Calculation</b> |               |               |                |
| <b>THESL Formulation</b>           | <b>2015 Base</b> | <b>2016</b>                    | <b>2017</b>   | <b>2018</b>   | <b>2019</b>   | <b>TOTAL</b>   | <b>PEG Formulation</b>             | <b>2015 Base</b>               | <b>2016</b>   | <b>2017</b>                    | <b>2018</b>   | <b>2019</b>   | <b>TOTAL</b>   |
| Input Parameters                   |                  |                                |               |               |               |                |                                    | Input Parameters               |               |                                |               |               |                |
| Inflation                          | N/A              | 0.017                          | 0.017         | 0.017         | 0.017         |                | Inflation                          | N/A                            | 0.017         | 0.017                          | 0.017         | 0.017         |                |
| X=Stretch Factor                   | N/A              | -0.003                         | -0.003        | -0.003        | -0.003        |                | X=Stretch Factor                   | N/A                            | -0.006        | -0.006                         | -0.006        | -0.006        |                |
| I-X                                | 0                | 0.014                          | 0.014         | 0.014         | 0.014         |                | I-X                                | 0                              | 0.011         | 0.011                          | 0.011         | 0.011         |                |
| Base year RR                       | 635.0            |                                |               |               |               |                |                                    | Base year RR                   | 635.0         |                                |               |               |                |
| Capital-related RR                 | 411.6            | 440.9                          | 497.6         | 547.5         | 587.5         |                | Capital-related RR                 | 411.6                          | 440.9         | 497.6                          | 547.5         | 587.5         |                |
| Cn                                 | 0                | 0.0461                         | 0.0851        | 0.0688        | 0.0515        |                | Cn                                 | 0                              | 0.0461        | 0.0855                         | 0.0694        | 0.0522        |                |
| Stretch factor                     | 0                | 0.0000                         | 0.0000        | 0.0000        | 0.0000        |                | Stretch factor                     | 0                              | -0.0040       | -0.0041                        | -0.0042       | -0.0043       |                |
| Growth                             | 0                | -0.003                         | -0.003        | -0.003        | -0.003        |                | Billing Determinant Redn (growth)  | 0                              | -0.00300      | -0.00300                       | -0.00300      | -0.00300      | Same Growth    |
| <b>Adjusted Cn</b>                 |                  | <b>0.0431</b>                  | <b>0.0821</b> | <b>0.0658</b> | <b>0.0485</b> |                | <b>Adjusted Cn</b>                 |                                | <b>0.0391</b> | <b>0.0784</b>                  | <b>0.0622</b> | <b>0.0449</b> |                |
| Scap Factor[ % RR(prior yr)]       | 0                | 0.6482                         | 0.6615        | 0.6860        | 0.7044        |                | Scap Factor[ % RR(prior year)]     | 0                              | 0.6482        | 0.6647                         | 0.6923        | 0.7139        |                |
| <b>PCI=[(I-X)+Cn-(Scap*(I-X))]</b> | 0                | 0.048067                       | 0.086807      | 0.070188      | 0.052599      |                | <b>PCI=[(I-X)+Cn-(Scap*(I-X))]</b> | 0                              | 0.043012      | 0.082068                       | 0.065611      | 0.048005      |                |
| <b>PCI Escalator %</b>             | N/A              | 4.81                           | 8.68          | 7.02          | 5.26          |                | <b>PCI Escalator %</b>             | N/A                            | 4.30          | 8.21                           | 6.56          | 4.80          |                |
| <b>Revenue Requirement \$ M</b>    | <b>635.00</b>    | <b>666.52</b>                  | <b>725.38</b> | <b>777.29</b> | <b>819.18</b> | <b>3623.38</b> | <b>Revenue Requirement \$ M</b>    | <b>635.00</b>                  | <b>663.31</b> | <b>718.75</b>                  | <b>766.91</b> | <b>804.72</b> | <b>3588.69</b> |
| Rate (RR) Increase                 | 16.19%           | 4.96%                          | 8.83%         | 7.16%         | 5.39%         | 8.51%          | Rate (RR) Increase                 | 16.19%                         | 4.46%         | 8.36%                          | 6.70%         | 4.93%         | 8.13%          |

|                                |           | Energy Probe SCENARIO B |          |          |         |         |                                | ~20% lower CAPEX + \$10 M Annual OM&A Reduction |          |                         |          |          |             |  |  |
|--------------------------------|-----------|-------------------------|----------|----------|---------|---------|--------------------------------|---|----------|-------------------------|----------|----------|-------------|--|--|
|                                |           | THESL Formula           |          |          |         |         |                                | PEG Formula                                     |          |                         |          |          |             |  |  |
| Key Assumptions                |           |                         |          |          |         |         |                                | Key Assumptions                                 |          |                         |          |          |             |  |  |
| X Stretch factor               | -0.003    |                         |          |          |         |         |                                | X Stretch factor                                | -0.006   |                         |          |          |             |  |  |
| Cn Stretch factor              | 0         |                         |          |          |         |         |                                | Cn Stretch factor                               | -0.004   |                         |          |          |             |  |  |
| Billing Determinant Adjustment | 0         |                         |          |          |         |         |                                | Billing Determinant Adjustment                  | 0        |                         |          |          |             |  |  |
| Growth                         | -0.003    |                         |          |          |         |         |                                | Growth  | -0.003   |                         |          |          |             |  |  |
|                                |           |                         |          |          |         |         |                                |   |          |                         |          |          |             |  |  |
| PCI=(I-X)+Cn-Scap*(I-X)        |           | PCI Formula Calculation |          |          |         |         |                                | PCI=(I-X)+Cn-Scap*(I-X)                         |          | PCI Formula Calculation |          |          |             |  |  |
| THESL Formulation              | 2015 Base | 2016                    | 2017     | 2018     | 2019    | TOTAL   | PEG Formulation                | 2015 Base                                       | 2016     | 2017                    | 2018     | 2019     | TOTAL       |  |  |
| Input Parameters               |           |                         |          |          |         |         |                                | Input Parameters                                |          |                         |          |          |             |  |  |
| Inflation                      | N/A       | 0.017                   | 0.017    | 0.017    | 0.017   |         | Inflation                      | N/A   | 0.017    | 0.017                   | 0.017    | 0.017    |             |  |  |
| X=Stretch Factor               | N/A       | -0.003                  | -0.003   | -0.003   | -0.003  |         | X=Stretch Factor               | N/A   | -0.006   | -0.006                  | -0.006   | -0.006   |             |  |  |
| I-X                            | 0         | 0.014                   | 0.014    | 0.014    | 0.014   |         | I-X                            | 0   | 0.011    | 0.011                   | 0.011    | 0.011    |             |  |  |
| Base year RR                   | 625.0     |                         |          |          |         |         | Base year RR                   | 625.0   |          |                         |          |          |             |  |  |
| Capital-related RR             | 411.6     | 440.9                   | 497.6    | 547.5    | 587.5   |         | Capital-related RR             | 411.6   | 440.9    | 497.6                   | 547.5    | 587.5    |             |  |  |
| Cn                             | 0         | 0.0469                  | 0.0864   | 0.0698   | 0.0522  |         | Cn                             | 0   | 0.0469   | 0.0868                  | 0.0704   | 0.0528   |             |  |  |
| Stretch factor                 | 0         | 0.0000                  | 0.0000   | 0.0000   | 0.0000  |         | Stretch factor                 | 0   | -0.0040  | -0.0040                 | -0.0040  | -0.0040  |             |  |  |
| Growth                         | 0         | -0.003                  | -0.003   | -0.003   | -0.003  |         | Billing Determinant Redn       | 0   | -0.00300 | -0.00300                | -0.00300 | -0.00300 | Same Growth |  |  |
| Adjusted Cn                    |           | 0.0439                  | 0.0834   | 0.0668   | 0.0492  |         | Adjusted Cn                    |   | 0.0399   | 0.0798                  | 0.0634   | 0.0458   |             |  |  |
| Scap Factor[ % RR(prior yr)]   | 0         | 0.6586                  | 0.6717   | 0.6958   | 0.7139  |         | Scap Factor[ % RR(prior year)] | 0   | 0.6586   | 0.6749                  | 0.7021   | 0.7233   |             |  |  |
| PCI=[(I-X)+Cn-(Scap*(I-X))]    | 0         | 0.04866                 | 0.087975 | 0.071034 | 0.05316 |         | PCI=[(I-X)+Cn-(Scap*(I-X))]    | 0   | 0.043636 | 0.08337                 | 0.066684 | 0.048885 |             |  |  |
| PCI Escalator %                | N/A       | 4.87                    | 8.80     | 7.10     | 5.32    |         | PCI Escalator %                | N/A   | 4.36     | 8.34                    | 6.67     | 4.89     |             |  |  |
| Revenue Requirement \$ M       | 625.00    | 656.41                  | 715.16   | 766.96   | 808.73  | 3572.27 | Revenue Requirement \$ M       | 625.00  | 653.27   | 708.74                  | 757.00   | 795.00   | 3539.01     |  |  |
| Rate (RR) Increase             | 14.36%    | 5.03%                   | 8.95%    | 7.24%    | 5.45%   | 8.21%   | Rate (RR) Increase             | 14.36%  | 4.52%    | 8.49%                   | 6.81%    | 5.02%    | 7.84%       |  |  |