

UNION GAS LIMITED

Undertaking of Union Gas
To Schools Energy Coalition (“SEC”)

To produce the live excel spreadsheets for Exhibit K7.1.

Union filed the live K7.1 Excel spreadsheets via email on Monday, April 14 to all intervenors of record.

Exhibit K7.1, pages 2 – 4 of 4 has been attached for reference.

Question: April 11, 2008
Answer: April 14, 2008
Docket: EB-2007-0606 / EB-2007-0615

Table 1
Schools Request
Impact of Tax Changes on Union Gas without Anticipatory Effects

Line No.			<u>2008</u> (a)	<u>2009</u> (b)	<u>2010</u> (c)	<u>2011</u> (d)	<u>2012</u> (e)
<u>Tax Change Impact on GDP IPI FDD</u>							
1	2000-2001		-0.02%	-0.02%	-0.02%	-0.01%	0.00%
2	2001-2002		-0.05%	-0.04%	-0.03%	-0.03%	-0.02%
3	2002-2003		-0.01%	0.00%	0.00%	0.00%	0.00%
4	2003-2004		-0.07%	-0.05%	-0.04%	-0.03%	-0.03%
5	2004-2005		-0.02%	-0.02%	-0.01%	-0.01%	-0.01%
6	2005-2006		-0.08%	-0.11%	-0.09%	-0.07%	-0.06%
7	2006-2007		-0.04%	-0.21%	-0.28%	-0.24%	-0.19%
8	2000-2007 Tax Changes		-0.28%	-0.45%	-0.48%	-0.40%	-0.31%
9	2007-2008			-0.02%	-0.10%	-0.13%	-0.11%
10	2008-2009				0.00%	-0.02%	-0.03%
11	2009-2010					-0.01%	-0.03%
12	2010-2011						-0.01%
14	2007-2011 Tax Changes		0.00%	-0.02%	-0.10%	-0.15%	-0.18%
15	Total Tax Change Impact on GDP IPI FDD	L8 + L14	-0.28%	-0.47%	-0.58%	-0.56%	-0.49%
16	Base Revenue Requirement (\$ millions)	Rate Order Working Papers	873.20	873.20	873.20	873.20	873.20
<u>Revenue Requirement Impact Associated with Tax Rate Change</u>							
17	Tax Change Impact (\$ millions)	Exhibit E3.1.1	-8.29	-10.05	-16.75	-21.56	-23.86
18	Cumulative Tax Change Impact (\$ millions)	From L17	-8.29	-18.34	-35.09	-56.65	-80.51
<u>Rate Impact Associated with GDP IPI FDD Change</u>							
2007-2011 Tax Changes:							
19	Price Change Impact (\$ millions)	L14 * L16	0.00	-0.17	-0.89	-1.35	-1.55
20	Annual Rate Impact (\$ millions)	From L19	0.00	-0.17	-1.06	-2.41	-3.96
21	Cumulative Rate Impact (\$ millions)	From L20	0.00	-0.17	-1.24	-3.65	-7.61
22	Cumulative Difference (\$ millions)	L18 - L21	-8.29	-18.17	-33.85	-53.00	-72.90
2000-2011 Tax Changes:							
23	Price Change Impact (\$ millions)	L15 * L16	-2.45	-4.11	-5.10	-4.88	-4.27
24	Annual Rate Impact (\$ millions)	From L23	-2.45	-6.56	-11.66	-16.54	-20.81
25	Cumulative Rate Impact (\$ millions)	From L24	-2.45	-9.01	-20.67	-37.21	-58.02
26	Cumulative Difference (\$ millions)	L18 - L25	-5.84	-9.33	-14.42	-19.44	-22.49

Notes: Distributed lags apply to business taxes. GST impacts appear fully at the time of implementation.
GST impact of 0.2% removed from Line 7, Column (a) and of 0.4% removed from Line 9, Column (b)

Question: April 8, 2008

Answer: April 10, 2008

Docket: EB-2007-0606 / EB-2007-0615

Table 2
Schools Request
Impact of Tax Changes on Union Gas with Anticipatory Effects

Line No.			<u>2008</u> (a)	<u>2009</u> (b)	<u>2010</u> (c)	<u>2011</u> (d)	<u>2012</u> (e)
	<u>Tax Change Impact on GDP IPI FDD</u>						
1	2000-2001		-0.02%	0.00%	0.00%	0.00%	0.00%
2	2001-2002		-0.06%	-0.05%	0.00%	0.00%	0.00%
3	2002-2003		-0.01%	-0.01%	0.00%	0.00%	0.00%
4	2003-2004		-0.08%	-0.06%	-0.05%	-0.04%	0.00%
5	2004-2005		-0.02%	-0.02%	-0.01%	-0.01%	-0.01%
6	2005-2006		-0.10%	-0.13%	-0.11%	-0.09%	-0.07%
7	2006-2007		-0.05%	-0.26%	-0.35%	-0.30%	-0.23%
8	2000-2007 Tax Changes		-0.35%	-0.53%	-0.53%	-0.44%	-0.31%
9	2007-2008			-0.02%	-0.12%	-0.16%	-0.14%
10	2008-2009				0.00%	-0.02%	-0.03%
11	2009-2010					-0.01%	-0.04%
12	2010-2011						-0.01%
14	2007-2011 Tax Changes		0.00%	-0.02%	-0.12%	-0.19%	-0.22%
15	Total Tax Change Impact on GDP IPI FDD	L8 + L14	-0.35%	-0.56%	-0.66%	-0.63%	-0.53%
16	Base Revenue Requirement (\$ millions)	Rate Order Working Papers	873.20	873.20	873.20	873.20	873.20
	<u>Revenue Requirement Impact Associated with Tax Rate Change</u>						
17	Tax Change Impact (\$ millions)	Exhibit E3.1.1	-8.29	-10.05	-16.75	-21.56	-23.86
18	Cumulative Tax Change Impact (\$ millions)	From L17	-8.29	-18.34	-35.09	-56.65	-80.51
	<u>Rate Impact Associated with GDP IPI FDD Change</u>						
	2007-2011 Tax Changes:						
19	Price Change Impact (\$ millions)	L14 * L16	0.00	-0.21	-1.09	-1.66	-1.91
20	Annual Rate Impact (\$ millions)	From L19	0.00	-0.21	-1.31	-2.97	-4.88
21	Cumulative Rate Impact (\$ millions)	From L20	0.00	-0.21	-1.52	-4.49	-9.37
22	Cumulative Difference (\$ millions)	L18 - L21	-8.29	-18.13	-33.57	-52.16	-71.14
	2000-2011 Tax Changes:						
23	Price Change Impact (\$ millions)	L15 * L16	-3.02	-4.87	-5.75	-5.52	-4.64
24	Annual Rate Impact (\$ millions)	From L23	-3.02	-7.89	-13.64	-19.16	-23.80
25	Cumulative Rate Impact (\$ millions)	From L24	-3.02	-10.91	-24.55	-43.71	-67.51
26	Cumulative Difference (\$ millions)	L18 - L25	-5.27	-7.43	-10.54	-12.94	-13.00

Notes: Distributed lags apply to business taxes. GST impacts appear fully at the time of implementation.
GST impact of 0.2% removed from Line 7, Column (a) and of 0.4% removed from Line 9, Column (b)

Question: April 8, 2008

Answer: April 10, 2008

Docket: EB-2007-0606 / EB-2007-0615

Table 3
Schools Request
Impact of Tax Changes on Union Gas without Anticipatory Effects and with Longer Lags

Line No.			<u>2008</u> (a)	<u>2009</u> (b)	<u>2010</u> (c)	<u>2011</u> (d)	<u>2012</u> (e)
	<u>Tax Change Impact on GDP IPI FDD</u>						
1	2000-2001		-0.02%	-0.02%	-0.01%	-0.01%	-0.01%
2	2001-2002		-0.04%	-0.03%	-0.03%	-0.03%	-0.02%
3	2002-2003		-0.01%	0.00%	0.00%	0.00%	0.00%
4	2003-2004		-0.06%	-0.05%	-0.04%	-0.03%	-0.03%
5	2004-2005		-0.02%	-0.01%	-0.01%	-0.01%	-0.01%
6	2005-2006		-0.07%	-0.10%	-0.08%	-0.06%	-0.05%
7	2006-2007		-0.04%	-0.19%	-0.26%	-0.22%	-0.17%
8	2000-2007 Tax Changes		-0.25%	-0.41%	-0.43%	-0.36%	-0.29%
9	2007-2008			-0.02%	-0.09%	-0.12%	-0.10%
10	2008-2009				0.00%	-0.02%	-0.02%
11	2009-2010					-0.01%	-0.03%
12	2010-2011						-0.01%
14	2007-2011 Tax Changes		0.00%	-0.02%	-0.09%	-0.14%	-0.16%
15	Total Tax Change Impact on GDP IPI FDD	L8 + L14	-0.25%	-0.42%	-0.53%	-0.50%	-0.45%
16	Base Revenue Requirement (\$ millions)	Rate Order Working Papers	873.20	873.20	873.20	873.20	873.20
	<u>Revenue Requirement Impact Associated with Tax Rate Change</u>						
17	Tax Change Impact (\$ millions)	Exhibit E3.1.1	-8.29	-10.05	-16.75	-21.56	-23.86
18	Cumulative Tax Change Impact (\$ millions)	From L17	-8.29	-18.34	-35.09	-56.65	-80.51
	<u>Rate Impact Associated with GDP IPI FDD Change</u>						
	2007-2011 Tax Changes:						
19	Price Change Impact (\$ millions)	L14 * L16	0.00	-0.16	-0.80	-1.22	-1.40
20	Annual Rate Impact (\$ millions)	From L19	0.00	-0.16	-0.95	-2.17	-3.57
21	Cumulative Rate Impact (\$ millions)	From L20	0.00	-0.16	-1.11	-3.28	-6.85
22	Cumulative Difference (\$ millions)	L18 - L21	-8.29	-18.18	-33.98	-53.37	-73.66
	2000-2011 Tax Changes:						
23	Price Change Impact (\$ millions)	L15 * L16	-2.21	-3.70	-4.59	-4.39	-3.94
24	Annual Rate Impact (\$ millions)	From L23	-2.21	-5.91	-10.49	-14.89	-18.82
25	Cumulative Rate Impact (\$ millions)	From L24	-2.21	-8.11	-18.61	-33.50	-52.32
26	Cumulative Difference (\$ millions)	L18 - L25	-6.08	-10.23	-16.48	-23.15	-28.19

Notes: Distributed lags apply to business taxes. GST impacts appear fully at the time of implementation.
GST impact of 0.2% removed from Line 7, Column (a) and of 0.4% removed from Line 9, Column (b)

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