

REVENUE (DEFICIENCY) / SUFFICIENCY SUMMARY

1. This evidence presents a summary of EGD's delivery related (deficiency) / sufficiency of the 2013 Board Approved results and the 2014 through 2018 Fiscal Year forecasts. In Updated Exhibit A2, Tab 3, Schedule 1, the Company has set out its proposed rate adjustment process for all years within the Customized Incentive Regulation rate application.
2. The 2014 forecast of revenues, gas cost, and gas in storage amounts have been determined using the gas commodity price, transportation tolls and rates approved by the Board in EGD's October 1, 2013 Quarterly Rate Adjustment Mechanism. The 2014 Gas Supply Plan, Updated 2013-10-29, and approved by the Board in its Decision on Motion dated November 5, 2013, has also been incorporated within this update. The 2015 and 2016 forecast of revenues, gas cost, and gas in storage amounts were completed using the gas commodity price, transportation tolls and rates approved by the Board in EGD's April 1, 2013 Quarterly Rate Adjustment Mechanism (EB-2013-0045 QRAM). The 2017 and 2018 levels of revenues, gas cost, and gas in storage amounts have used the 2016 forecasts as an estimate for 2017 and 2018. As fiscal years 2015 through 2018 will require updated volumes and related gas supply forecast information to be filed in future rate applications to the Board, EGD has not re-forecast the revenue, gas cost and gas in storage amounts for such years as it is not particularly useful to do so.
3. The 2014 fiscal year, as shown at Updated Exhibit F3, Tab 1, Schedule1, page 2, has a required overall return on rate base of 6.74% on a projected rate base of \$4,431.6 million. The overall return has embedded within it a forecast 2014 Board Approved return on equity ("ROE") of 9.27%, based on the EB-2009-0084 Board

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Approved methodology concerning the cost of capital. Evidence for the ROE% is shown at Exhibit E2, Tab 1, Schedule 1.

4. The 2015 fiscal year, as shown at Exhibit F4, Tab 1, Schedule1, page 2, has a required overall return on rate base of 6.90% on a projected rate base of \$4,797.6 million. The overall return has embedded within it a forecast 2015 Board Approved return on equity ("ROE") of 9.72%. Evidence for the ROE% is shown at Exhibit E2, Tab 1, Schedule 1.
5. The 2016 fiscal year, as shown at Exhibit F5, Tab 1, Schedule1, page 2, has a required overall return on rate base of 7.02% on a projected rate base of \$5,524.4 million. The overall return has embedded within it a forecast 2016 Board Approved return on equity ("ROE") of 10.12%. Evidence for the ROE% is shown at Exhibit E2, Tab 1, Schedule 1.
6. The 2017 fiscal year, as shown at Exhibit F6, Tab 1, Schedule1, page 2, has a required overall return on rate base of 7.04% on a projected rate base of \$5,736.6 million. The overall return has embedded within it a forecast 2017 Board Approved return on equity ("ROE") of 10.17%. Evidence for the ROE% is shown at Exhibit E2, Tab 1, Schedule 2.
7. The 2018 fiscal year, as shown at Exhibit F7, Tab 1, Schedule1, page 2, has a required overall return on rate base of 7.11% on a projected rate base of \$5,906.1 million. The overall return has embedded within it a forecast 2018 Board Approved return on equity ("ROE") of 10.27%. Evidence for the ROE% is shown at Exhibit E2, Tab 1, Schedule 2.
8. EGD's revenue sufficiency / (deficiency) for the 2013 Board Approved results, and for the Updated 2014, and originally filed 2015, 2016, 2017 and 2018 fiscal years

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are shown below. The table shows a summary of the major components of the revenue sufficiency/ (deficiency).

9. The sufficiency amount calculated for 2014 represents the annual decrease in rates that is required relative to existing October 1<sup>st</sup>, 2013 Board Approved rates. Additionally, the deficiencies for each of 2015, 2016, 2017 and 2018 have been determined on a cumulative basis in comparison to the April 1<sup>st</sup>, 2013 Board Approved rates, without any assumption as to what level of rate change might be approved by the Board in 2014 through 2018.

Table 1  
Utility Revenue (Deficiency) / Sufficiency

Line No.		Board Approved 2013 (1)	Fiscal Year 2014	Fiscal Year 2015	Fiscal Year 2016	Fiscal Year 2017	Fiscal Year 2018
	(\$millions)	(a)	(b)	(c)	(d)	(e)	(f)
1.	Revenue at existing rates	2,364.1	2,497.9	2,635.8	2,683.4	2,693.2	2,703.3
2.	Other operating revenue	45.0	40.6	41.0	41.3	41.3	41.3
3.	Total operating revenue	(2) 2,409.1	2,538.5	2,676.8	2,724.7	2,734.5	2,744.6
4.	Revenue requirement:						
5.	Operating costs	(3) 2,078.6	2,187.1	2,356.9	2,423.3	2,446.2	2,468.7
6.	Cost of capital	(4) 283.2	298.9	330.8	387.6	403.8	419.9
7.	Income taxes	(5) 56.4	33.5	13.8	4.5	8.6	15.8
8.	Taxes on (deficiency) / sufficiency	(4.5)	(9.3)	5.5	28.2	39.1	50.9
9.	Customer care smoothing adjustment	(4.6)	(2.9)	(1.1)	0.8	2.9	5.0
10.	Revenue requirement	2,409.1	2,507.3	2,705.9	2,844.4	2,900.6	2,960.3
11.	Revenue (deficiency) / sufficiency	(6) -	31.2	(29.1)	(119.7)	(166.1)	(215.7)

Notes: (1) 2013 Board Approved revenue includes \$6.0 million gross sufficiency.

(2) Provided at Ex. C1.T1.S1.pg.1. line no. 5.

(3) Provided at Ex. D1.T1.S1.pg.1. line no. 6.

(4) Provided at Ex's. F3/F4/F5/F6/F7.T1.S1.pg.2. Col.4, line no. 3.

(5) Provided at Ex. D1.T1.S1.pg.1. line no. 7.

(6) Reference at Ex's. F3/F4/F5/F6/F7.T1.S1.pg.1. Col.4, line no. 14.

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ALLOWED REVENUE  
(DEFICIENCY)/SUFFICIENCY  
2014 FISCAL YEAR

Line No.		Col. 1 Reference	Col. 2 Exclusive of CC-CIS (\$Millions)	Col. 3 CC-CIS (\$Millions)	Col. 4 EGD Total (\$Millions)
<b>Cost of Capital</b>					
1.	Rate base	B3.T1.S1.P1	4,373.8	57.8	4,431.6
2.	Required rate of return	E3.T1.S1.P1	6.75%	6.44%	6.74%
3.			295.2	3.7	298.9
<b>Cost of Service</b>					
4.	Gas costs	D3.T1.S1.P1	1,455.9		1,455.9
5.	Operation and maintenance	D3.T1.S1.P1	332.7	92.6	425.3
6.	Depreciation and amortization	D3.T1.S1.P1	250.1	12.7	262.8
7.	Fixed financing costs	D3.T1.S1.P1	1.9	-	1.9
8.	Municipal and other taxes	D3.T1.S1.P1	41.2	-	41.2
9.			2,081.8	105.3	2,187.1
<b>Miscellaneous operating and non operating revenue</b>					
10.	Other operating revenue	C3.T1.S1.P1	(40.5)	-	(40.5)
11.	Interest and property rental	C3.T1.S1.P1	0.0	-	-
12.	Other income	C3.T1.S1.P1	(0.1)	-	(0.1)
13.			(40.6)	-	(40.6)
<b>Income taxes on earnings</b>					
14.	Excluding tax shield	D3.T1.S1.P3	64.3	8.7	73.0
15.	Tax shield provided by interest expense	D3.T1.S1.P3	(38.8)	(0.7)	(39.5)
16.			25.5	8.0	33.5
<b>Taxes on sufficiency</b>					
17.	Gross sufficiency -w/out CC/CIS	E3.T1.S1.P1	35.1	-	35.1
18.	Net sufficiency -w/out CC/CIS	E3.T1.S1.P1	25.8	-	25.8
19.			(9.3)	-	(9.3)
20.	Sub-total Allowed Revenue		2,352.6	117.0	2,469.6
21.	Customer Care Rate Smoothing Variance Account Adjustment		-	(2.9)	(2.9)
22.	<b>Allowed Revenue</b>		<u>2,352.6</u>	<u>114.1</u>	<u>2,466.7</u>
<b>Revenue at existing Rates</b>					
23.	Gas sales	C3.T1.S1.P1	2,161.7	91.8	2,253.5
24.	Transportation service	C3.T1.S1.P1	224.4	18.4	242.8
25.	Transmission, compression and storage	C3.T1.S1.P1	1.8	-	1.8
26.	Rounding adjustment		(0.2)	-	(0.2)
27.	Total		2,387.7	110.2	2,497.9
28.	<b>Gross revenue sufficiency</b>		<u>35.1</u>	<u>(3.9)</u>	<u>31.2</u>

Witness: K. Culbert

ALLOWED REVENUE  
(DEFICIENCY)/SUFFICIENCY  
2015 FORECAST YEAR

		Col. 1	Col. 2	Col. 3	Col. 4
Line No.		Reference	Exclusive of CC-CIS	CC-CIS	EGD Total
			(\$Millions)	(\$Millions)	(\$Millions)
Cost of Capital					
1.	Rate base	B4.T1.S1.P1	4,752.5	45.1	4,797.6
2.	Required rate of return	E4.T1.S1.P1	6.90%	6.44%	6.90%
3.			327.9	2.9	330.8
Cost of Service					
4.	Gas costs	D4.T1.S1.P1	1,606.8	-	1,606.8
5.	Operation and maintenance	D4.T1.S1.P1	332.0	96.5	428.5
6.	Depreciation and amortization	D4.T1.S1.P1	263.9	12.7	276.6
7.	Fixed financing costs	D4.T1.S1.P1	1.9	-	1.9
8.	Municipal and other taxes	D4.T1.S1.P1	43.1	-	43.1
9.			2,247.7	109.2	2,356.9
Miscellaneous operating and non operating revenue					
10.	Other operating revenue	C4.T1.S1.P1	(40.9)	-	(40.9)
11.	Interest and property rental	C4.T1.S1.P1	0.0	-	-
12.	Other income	C4.T1.S1.P1	(0.1)	-	(0.1)
13.			(41.0)	-	(41.0)
Income taxes on earnings					
14.	Excluding tax shield	D4.T1.S1.P3	48.0	8.3	56.3
15.	Tax shield provided by interest expense	D4.T1.S1.P3	(41.9)	(0.6)	(42.5)
16.			6.1	7.7	13.8
Taxes on deficiency					
17.	Gross deficiency -w/out CC/CIS	E4.T1.S1.P1	(20.6)	-	(20.6)
18.	Net deficiency -w/out CC/CIS	E4.T1.S1.P1	(15.2)	-	(15.2)
19.			5.5	-	5.5
20.	Sub-total Allowed Revenue		2,546.2	119.8	2,666.0
21.	Customer Care Rate Smoothing Variance Account Adjustment		-	(1.1)	(1.1)
22.	Allowed Revenue		2,546.2	118.7	2,664.9
Revenue at existing Rates					
23.	Gas sales	C4.T1.S1.P1	2,312.5	91.8	2,404.3
24.	Transportation service	C4.T1.S1.P1	211.2	18.4	229.6
25.	Transmission, compression and storage	C4.T1.S1.P1	1.8	-	1.8
26.	Rounding adjustment		0.1	-	0.1
27.	Total		2,525.6	110.2	2,635.8
28.	Gross revenue deficiency		(20.6)	(8.5)	(29.1)

Witness: K. Culbert

ALLOWED REVENUE  
(DEFICIENCY)/SUFFICIENCY  
2016 FORECAST YEAR

Line No.		Col. 1 Reference	Col. 2 Exclusive of CC-CIS (\$Millions)	Col. 3 CC-CIS (\$Millions)	Col. 4 EGD Total (\$Millions)
<b>Cost of Capital</b>					
1.	Rate base	B5.T1.S1.P1	5,492.0	32.4	5,524.4
2.	Required rate of return	E5.T1.S1.P1	7.02%	6.44%	7.02%
3.			385.5	2.1	387.6
<b>Cost of Service</b>					
4.	Gas costs	D5.T1.S1.P1	1,632.5	-	1,632.5
5.	Operation and maintenance	D5.T1.S1.P1	339.1	100.4	439.5
6.	Depreciation and amortization	D5.T1.S1.P1	291.2	12.7	303.9
7.	Fixed financing costs	D5.T1.S1.P1	1.9	-	1.9
8.	Municipal and other taxes	D5.T1.S1.P1	45.5	-	45.5
9.			2,310.2	113.1	2,423.3
<b>Miscellaneous operating and non operating revenue</b>					
10.	Other operating revenue	C5.T1.S1.P1	(41.2)	-	(41.2)
11.	Interest and property rental	C5.T1.S1.P1	0.0	-	-
12.	Other income	C5.T1.S1.P1	(0.1)	-	(0.1)
13.			(41.3)	-	(41.3)
<b>Income taxes on earnings</b>					
14.	Excluding tax shield	D5.T1.S1.P3	45.0	7.9	52.9
15.	Tax shield provided by interest expense	D5.T1.S1.P3	(48.0)	(0.4)	(48.4)
16.			(3.0)	7.5	4.5
<b>Taxes on deficiency</b>					
17.	Gross deficiency -w/out CC/CIS	E5.T1.S1.P1	(106.4)	-	(106.4)
18.	Net deficiency -w/out CC/CIS	E5.T1.S1.P1	(78.2)	-	(78.2)
19.			28.2	-	28.2
20.	Sub-total Allowed Revenue		2,679.6	122.7	2,802.3
21.	Customer Care Rate Smoothing Variance Account Adjustment		-	0.8	0.8
22.	<b>Allowed Revenue</b>		<u>2,679.6</u>	<u>123.5</u>	<u>2,803.1</u>
<b>Revenue at existing Rates</b>					
23.	Gas sales	C5.T1.S1.P1	2,372.7	91.8	2,464.5
24.	Transportation service	C5.T1.S1.P1	198.7	18.4	217.1
25.	Transmission, compression and storage	C5.T1.S1.P1	1.8	-	1.8
26.	Rounding adjustment		-	-	-
27.	Total		2,573.2	110.2	2,683.4
28.	<b>Gross revenue deficiency</b>		(106.4)	(13.3)	(119.7)

Witness: K. Culbert

ALLOWED REVENUE  
(DEFICIENCY)/SUFFICIENCY  
2017 FORECAST YEAR

Line No.		Col. 1 Reference	Col. 2 Exclusive of CC-CIS (\$Millions)	Col. 3 CC-CIS (\$Millions)	Col. 4 EGD Total (\$Millions)
<b>Cost of Capital</b>					
1.	Rate base	B6.T1.S1.P1	5,716.9	19.7	5,736.6
2.	Required rate of return	E6.T1.S1.P1	7.04%	6.44%	7.04%
3.			402.5	1.3	403.8
<b>Cost of Service</b>					
4.	Gas costs	D6.T1.S1.P1	1,632.5	-	1,632.5
5.	Operation and maintenance	D6.T1.S1.P1	346.1	104.4	450.5
6.	Depreciation and amortization	D6.T1.S1.P1	300.7	12.7	313.4
7.	Fixed financing costs	D6.T1.S1.P1	1.9	-	1.9
8.	Debt redemption premium amortization	D6.T1.S1.P1	-	-	-
9.	Company share of IR agreement tax savings	D6.T1.S1.P1	-	-	-
10.	Municipal and other taxes	D6.T1.S1.P1	47.9	-	47.9
11.			2,329.1	117.1	2,446.2
<b>Miscellaneous operating and non operating revenue</b>					
12.	Other operating revenue	C6.T1.S1.P1	(41.2)	-	(41.2)
13.	Interest and property rental	C6.T1.S1.P1	0.0	-	-
14.	Other income	C6.T1.S1.P1	(0.1)	-	(0.1)
15.			(41.3)	-	(41.3)
<b>Income taxes on earnings</b>					
16.	Excluding tax shield	D6.T1.S1.P3	51.3	7.5	58.8
17.	Tax shield provided by interest expense	D6.T1.S1.P3	(50.0)	(0.2)	(50.2)
18.			1.3	7.3	8.6
<b>Taxes on deficiency</b>					
19.	Gross deficiency -w/out CC/CIS	E6.T1.S1.P1	(147.7)	-	(147.7)
20.	Net deficiency -w/out CC/CIS	E6.T1.S1.P1	(108.6)	-	(108.6)
21.			39.1	-	39.1
22.	Sub-total Allowed Revenue		2,730.7	125.7	2,856.4
23.	Customer Care Rate Smoothing Variance Account Adjustment		-	2.9	2.9
24.	<b>Allowed Revenue</b>		<u>2,730.7</u>	<u>128.6</u>	<u>2,859.3</u>
<b>Revenue at existing Rates</b>					
25.	Gas sales	C6.T1.S1.P1	2,388.5	91.8	2,480.3
26.	Transportation service	C6.T1.S1.P1	192.7	18.4	211.1
27.	Transmission, compression and storage	C6.T1.S1.P1	1.8	-	1.8
28.	Rounding adjustment		-	-	-
29.	Total		2,583.0	110.2	2,693.2
30.	<b>Gross revenue deficiency</b>		<u>(147.7)</u>	<u>(18.4)</u>	<u>(166.1)</u>

Witness: K. Culbert

ALLOWED REVENUE  
(DEFICIENCY)/SUFFICIENCY  
2018 FORECAST YEAR

Line No.	Col. 1 Reference	Col. 2 Exclusive of CC-CIS (\$Millions)	Col. 3 CC-CIS (\$Millions)	Col. 4 EGD Total (\$Millions)
<b>Cost of Capital</b>				
1.	Rate base	B7.T1.S1.P1 5,899.1	7.0	5,906.1
2.	Required rate of return	E7.T1.S1.P1 7.11%	6.44%	7.11%
3.		419.4	0.5	419.9
<b>Cost of Service</b>				
4.	Gas costs	D7.T1.S1.P1 1,632.5	-	1,632.5
5.	Operation and maintenance	D7.T1.S1.P1 353.3	108.5	461.8
6.	Depreciation and amortization	D7.T1.S1.P1 309.4	12.7	322.1
7.	Fixed financing costs	D7.T1.S1.P1 1.9	-	1.9
8.	Debt redemption premium amortization	D7.T1.S1.P1 -	-	-
9.	Company share of IR agreement tax savings	D7.T1.S1.P1 -	-	-
10.	Municipal and other taxes	D7.T1.S1.P1 50.4	-	50.4
11.		2,347.5	121.2	2,468.7
<b>Miscellaneous operating and non operating revenue</b>				
12.	Other operating revenue	C7.T1.S1.P1 (41.2)	-	(41.2)
13.	Interest and property rental	C7.T1.S1.P1 0.0	-	-
14.	Other income	C7.T1.S1.P1 (0.1)	-	(0.1)
15.		(41.3)	-	(41.3)
<b>Income taxes on earnings</b>				
16.	Excluding tax shield	D7.T1.S1.P3 60.7	7.2	67.9
17.	Tax shield provided by interest expense	D7.T1.S1.P3 (52.0)	(0.1)	(52.1)
18.		8.7	7.1	15.8
<b>Taxes on deficiency</b>				
19.	Gross deficiency -w/out CC/CIS	E7.T1.S1.P1 (192.1)	-	(192.1)
20.	Net deficiency -w/out CC/CIS	E7.T1.S1.P1 (141.2)	-	(141.2)
21.		50.9	-	50.9
22.	Sub-total Allowed Revenue	2,785.2	128.8	2,914.0
23.	Customer Care Rate Smoothing Variance Account Adjustment	-	5.0	5.0
24.	<b>Allowed Revenue</b>	<u>2,785.2</u>	<u>133.8</u>	<u>2,919.0</u>
<b>Revenue at existing Rates</b>				
25.	Gas sales	C7.T1.S1.P1 2,404.4	91.8	2,496.2
26.	Transportation service	C7.T1.S1.P1 186.6	18.4	205.0
27.	Transmission, compression and storage	C7.T1.S1.P1 1.8	-	1.8
28.	Rounding adjustment	0.3	-	0.3
29.	Total	2,593.1	110.2	2,703.3
30.	<b>Gross revenue deficiency</b>	<u>(192.1)</u>	<u>(23.6)</u>	<u>(215.7)</u>

Witness: K. Culbert



PRELIMINARY ALLOWED REVENUE DETERMINATION  
FOR 2017 AND 2018 CUSTOMIZED IR FISCAL YEARS

1. Within Exhibit A2, Tab 3, Schedule 1, EGD describes its proposed rate adjustment processes which would be performed for each of 2014 through 2018. Each year, the relevant Allowed Revenue amount will be used within an annual Rate Adjustment proceeding to set rates for that year.
2. The Allowed Revenue amounts for 2014 to 2016 are set out at Exhibit F1, Tab 1, Schedule 2. This exhibit sets out the derivation of the preliminary Allowed Revenue amounts for 2017 and 2018. The preliminary Allowed Revenue amounts to be set in this proceeding will be updated within phase 1 of the 2017 Rate Adjustment proceeding (to be filed in 2016), through which Enbridge will provide its 2017 and 2018 Capital Budget, along with the Allowed Revenue implications of that budget.
3. The preliminary Allowed Revenue amounts for 2017 and 2018 will contain some items that are fixed in this case, and some items that are subject to later adjustment<sup>1</sup>. Essentially, those items that are not impacted by the 2017–2018 Capital Budget shall be determined in this 2014 Application. That includes operating costs, municipal taxes and other revenues. Enbridge will also fix the cost of capital parameters (ROE, debt rates and equity ratio) and income tax rates for 2017 and 2018 within this 2014 proceeding. Those items that are impacted by the 2017-2018 Capital Budget will be included within 2017 and 2018 Allowed Revenue amounts on

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<sup>1</sup> The enclosed update does not reflect the recent changes in the GTA Project (EB-2012-0451) which was filed on July 22, 2013.

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a preliminary (placeholder) basis in order to allow for preliminary rates to be shown that reflect the approximate impact of the Customized IR plan for those years (see Exhibit H3, Tab 1, Schedule 2).

4. A full description of the process to set preliminary 2017 and 2018 Allowed Revenue amounts is set out at Exhibit A2, Tab 3, Schedule 1. Beginning at page six of that exhibit, a description is provided about how each of the constituent parts of the preliminary Allowed Revenue amounts for 2017 and 2018 will be set. Specifically, that evidence sets out the manner in which each of the items (a) through (i), shown on the attached page 1 of Appendix A ("2017 and 2018 Preliminary Allowed Revenue and Deficiency"), will be derived.
5. Within the description starting at page six of Exhibit A2, Tab 3, Schedule 1, there is also indication as to which of the items (a) through (i) will be:
  - a. Forecast for 2017 and 2018 and determined/set within this Application.  
Those items will not be subject to any update during the Rate Adjustment proceedings for 2017 and 2018; or
  - b. Set on a preliminary (placeholder) basis within this Application. Those items will be subject to final determination within the Rate Adjustment proceedings for 2017 and 2018. The items impacted by Enbridge's 2017-2018 Capital Budget will be determined within phase 1 of the 2017 Rate Adjustment proceeding. Other items related to gas volumes and gas costs, as well as customer care/CIS, pension/OPEB and DSM costs, will be updated within phase 2 of the 2017 Rate Adjustment proceeding (for 2017 rates) and within the 2018 Rate Adjustment proceeding (for 2018 rates).

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6. Within the attached page 1 of Appendix A, the Company has provided a summary of the determination of the preliminary Allowed Revenue for each of 2017 and 2018 and an indication of each of the items (a) through (i) which are proposed as being fixed or determined and set now, and those which are only placeholder examples of items that will be forecast and established in the Rate Adjustment applications for 2017 and 2018.

Determination of Preliminary Allowed Revenue amounts for 2017 and 2018

7. As shown on page 1 of Appendix A, and in accordance with the approach described at Exhibit A2, Tab 3, Schedule 1, the 2017 and 2018 preliminary Allowed Revenue amounts to be collected through rates have been determined in the following manner.
  - a. Line 1 Row (a) (and Appendix A, page 4). The preliminary rate base amounts for 2017 and 2018 have been calculated assuming the Capital Budget for each of those years to be the same as in 2016. To do this, EGD has used the 2016 closing forecast individual rate base amounts and categories, and then for each of 2017 and 2018, the impacts of assumed closeouts to rate base each year were added. The assumed closeouts to rate base in 2017 and 2018 are the same as forecast for 2016 (except for the fact that EGD has removed the impact of 2016 WAMS spending when forecasting for 2017 and 2018). The working capital amounts for 2017 and 2018 have been assumed to be the same as the 2016 forecast amounts (other than a portion of the working cash allowance, which is influenced by the O&M forecast that is being set in the manner described below). The final values for this line will be determined within phase 1 of the 2017 Rate Adjustment proceeding.

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- b. Line 2 Row (b) (and Appendix A, page 2). EGD has forecast each of the rates for ROE, debt amounts and preference shares within each of the 2017 and 2018 capital structures (evidence about these items can be found at Exhibits E1, Tab 2, Schedule 2 and E2, Tab 1, Schedule 2). EGD proposes that these forecast rates should be set now for purposes of use in phase 1 of the 2017 Rate Adjustment proceeding. At Appendix A, page 2, EGD has calculated the resulting overall rate of return for 2017 and 2018. While the overall required rate of return might change due to changes in the level of required equity or debt as a result of changes in the forecast level of rate base versus these preliminary calculations, the cost rates shown within Appendix A, page 2, will not change.
- c. Line 4 Row (c). The preliminary gas costs amounts for 2017 and 2018 have been calculated assuming gas costs to be the same as in 2016. The gas cost values shown for 2017 and 2018 are the values determined based upon the proxy 2016 volume forecast as applied to the proxy gas supply plan for 2016. The gas cost related inputs within the final Allowed Revenue amounts for 2017 and 2018 will be updated within each annual Rate Adjustment proceeding.
- d. Line 5 Row (d). Most of the O&M costs for 2017 and 2018 will be set within this proceeding, though some will be subject to update within the 2017 Rate Adjustment proceeding (phase 2) and the 2018 Rate Adjustment proceeding. EGD proposes the "Other O&M" and RCAM amounts for 2017 and 2018 be set now and has determined each year's amount by applying the average rate of change, 3.12%, for those costs from 2013 to 2016, to the 2016 forecast amount and then the resulting 2017 amount. Customer Care/CIS costs,

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pension/OPEB costs, and DSM costs have been included as placeholders, to be updated within the 2017 and 2018 Rate Adjustment proceedings. The placeholder Customer Care/CIS costs are included based on current customer forecast numbers, as applied to the EB-2011-0226 Customer Care/CIS Settlement Agreement. The placeholder Pension/OPEB costs are included using Mercer's current forecasts (Exhibit D1, Tab 16, Schedule 1, Appendices 1 and 2). The placeholder DSM amounts have been determined by applying a 2% per year inflation amount to the 2016 forecast amount and then to the resulting 2017 amount. Each of these placeholder amounts will be updated for 2017 and 2018 within the 2017 Rate Adjustment proceeding (phase 2) and the 2018 Rate Adjustment proceeding.

- e. Line 6 Row (e). The preliminary depreciation costs amounts have been determined for 2017 and 2018 by applying the proposed depreciation rates to the proxy rate base and related property, plant and equipment amounts for 2017 and 2018. The final values for this line will be determined within phase 1 of the 2017 Rate Adjustment proceeding.
- f. Line 7 Row (f). Similar to item (b), EGD has forecast the annual fixed financing fee for each of 2017 and 2018 (see Exhibit E1, Tab 2, Schedule 2) and is proposing these amounts to be set now within the Allowed Revenue amounts for those fiscal years.
- g. Line 8 Row (g). EGD proposes municipal and property tax amounts for 2017 and 2018 be set now within the Allowed Revenue amounts for those fiscal years. EGD has determined each year's amount by applying the average

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rate of change, 5.26%, for those costs from 2013 to 2016, to the 2016 forecast amount and then the resulting 2017 amount.

- h. Lines 10 & 11 Row (h). EGD proposes other operating revenue and income for 2017 and 2018 to remain at the same level forecast for 2016. These items will be set now within the Allowed Revenue amounts for those fiscal years. While other operating revenue and income are forecast to decline from 2013 to 2016, primarily because of a decline in late payment penalty revenues, the Company believes that it is reasonable to assume that these items will remain flat for 2017 and 2018, and does not propose to forecast continued decline in these items.
- i. Lines 13 & 14 Row (i). EGD proposes that the forecast income tax rates, at a combined rate of 26.50%, be set now for 2017 and 2018 and not be subject to change or update within the 2017 Rate Adjustment proceeding. The income tax amounts included in these lines are based on proxy taxable income as calculated within the 2017 and 2018 preliminary utility income calculations (see Appendix A, page 3), applying the forecast income tax rates, at a combined rate of 26.50%. The actual income tax amounts to be included within 2017 and 2018 Allowed Revenue amounts will be determined within the 2017 and 2018 Rate Adjustment proceedings.

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2017 & 2018 PRELIMINARY  
ALLOWED REVENUE  
AND DEFICIENCY

Line No.	Row	Item	2017 Preliminary			2018 Preliminary		
			Col. 1	Col. 2	Col. 3	Col. 4	Col. 5	Col. 6
			Exclusive of CC/CIS	CC/CIS	Total	Exclusive of CC/CIS	CC/CIS	Total
			(\$Millions)	(\$Millions)	(\$Millions)	(\$Millions)	(\$Millions)	(\$Millions)
<b>Cost of Capital</b>								
1.	(a) To be refreshed	Rate base	5,716.9	19.7	5,736.6	5,899.1	7.0	5,906.1
2.	(b) Forecast cost rates set now	Required rate of return %	7.04%	6.44%	7.04%	7.11%	6.44%	7.11%
3.			402.5	1.3	403.8	419.4	0.5	419.9
<b>Cost of Service</b>								
4.	(c) To be adjusted annually	Gas costs	1,632.5	-	1,632.5	1,632.5	-	1,632.5
5.	(d) Forecast other O&M/RCAM set now	Operation and maintenance	346.1	104.4	450.5	353.3	108.5	461.8
6.	(e) To be refreshed	Depreciation and amortization	300.7	12.7	313.4	309.4	12.7	322.1
7.	(f) Forecast set now	Fixed financing costs	1.9	-	1.9	1.9	-	1.9
8.	(g) Forecast set now	Municipal and other taxes	47.9	-	47.9	50.4	-	50.4
9.			2,329.1	117.1	2,446.2	2,347.5	121.2	2,468.7
<b>Miscellaneous operating and non operating revenue</b>								
10.	(h) Forecast set now	Other operating revenue	(41.2)	-	(41.2)	(41.2)	-	(41.2)
11.	(h) Forecast set now	Other income	(0.1)	-	(0.1)	(0.1)	-	(0.1)
12.			(41.3)	-	(41.3)	(41.3)	-	(41.3)
<b>Income taxes on earnings</b>								
13.	(i) Forecast tax rates set now	Excluding tax shield	51.3	7.5	58.8	60.7	7.2	67.9
14.	(i) Forecast tax & interest rates set now	Tax shield provided by int. exp.	(50.0)	(0.2)	(50.2)	(52.0)	(0.1)	(52.1)
15.			1.3	7.3	8.6	8.7	7.1	15.8
<b>Taxes on deficiency</b>								
16.		Gross deficiency - w/out CIS/CC	(147.7)	-	(147.7)	(192.1)	-	(192.1)
17.		Net deficiency - w/out CIS/CC	(108.6)	-	(108.6)	(141.2)	-	(141.2)
18.			39.1	-	39.1	50.9	-	50.9
19.		Sub-total Allowed Revenue	2,730.7	125.7	2,856.4	2,785.2	128.8	2,914.0
20.		Cust Care Rate Smoothing Var. Adj.	-	2.9	2.9	-	5.0	5.0
21.		<b>Allowed Revenue</b>	<b>2,730.7</b>	<b>128.6</b>	<b>2,859.3</b>	<b>2,785.2</b>	<b>133.8</b>	<b>2,919.0</b>
<b>Revenue at existing Rates</b>								
22.		Gas sales	2,388.5	91.8	2,480.3	2,404.4	91.8	2,496.2
23.		Transportation service	192.7	18.4	211.1	186.6	18.4	205.0
24.		Transmission, compr. & storage	1.8	-	1.8	1.8	-	1.8
25.		Rounding adjustment	-	-	-	0.3	-	0.3
26.		<b>Total</b>	<b>2,583.0</b>	<b>110.2</b>	<b>2,693.2</b>	<b>2,593.1</b>	<b>110.2</b>	<b>2,703.3</b>
27.		<b>Gross revenue deficiency</b>	<b>(147.7)</b>	<b>(18.4)</b>	<b>(166.1)</b>	<b>(192.1)</b>	<b>(23.6)</b>	<b>(215.7)</b>

(b), (d), (f), (g), (h), & (i) - Items to be set now.

(a) & (e) - Items to be established and set in the 2017 rate adjustment proceeding.

(c) - Item to be adjusted annually (including storage carrying costs within rate base).

REVENUE DEFICIENCY CALCULATION  
AND REQUIRED RATE OF RETURN  
2017 & 2018 PRELIMINARY

Line No.	2017 Preliminary				2018 Preliminary			
	Col. 1	Col. 2	Col. 3	Col. 4	Col. 5	Col. 6	Col. 7	Col. 8
	Principal Excl. CC/CIS	Component	Cost Rate	Return Component	Principal Excl. CC/CIS	Component	Cost Rate	Return Component
	(\$Millions)	%	%	%	(\$Millions)	%	%	%
1. Long and Medium-Term Debt	3,515.5	61.49	5.31	3.265	3,614.9	61.28	5.36	3.285
2. Short-Term Debt	43.3	0.76	4.30	0.033	60.5	1.02	4.30	0.044
3.	3,558.8	62.25		3.298	3,675.4	62.30		3.329
4. Preference Shares	100.0	1.75	4.64	0.081	100.0	1.70	4.64	0.079
5. Common Equity	2,058.1	36.00	10.17	3.661	2,123.7	36.00	10.27	3.697
6.	5,716.9	100.00		7.040	5,899.1	100.00		7.105
7. Rate Base	(\$Millions)			5,716.9				5,899.1
8. Utility Income	(\$Millions)			293.9				277.9
9. Indicated Rate of Return				5.141				4.711
10. Deficiency in Rate of Return				(1.899)				(2.394)
11. Net Deficiency	(\$Millions)			(108.6)				(141.2)
12. Gross Deficiency	(\$Millions)	(other than CC - CIS)		(147.7)				(192.1)
13. Customer Care/CIS Deficiency	(\$Millions)	(\$128.6 vs \$110.2)		(18.4)		(\$133.8 vs \$110.2)		(23.6)
14. Total Gross Revenue Deficiency	(\$Millions)			(166.1)				(215.7)
15. Revenue at Existing Rates	(\$Millions)			2,693.2				2,703.3
16. Allowed Revenue	(\$Millions)			2,859.3				2,919.0
17. Gross Revenue Deficiency	(\$Millions)			(166.1)				(215.7)
<u>Common Equity</u>								
18. Allowed Rate of Return				10.170				10.270
19. Earnings on Common Equity				4.894				3.619
20. Deficiency in Common Equity Return				(5.276)				(6.651)



UTILITY INCOME  
2017 & 2018 PRELIMINARY

Line No.	2017 Preliminary			2018 Preliminary		
	Col. 1	Col. 2	Col. 3	Col. 4	Col. 5	Col. 6
	Excl. CIS & Customer Care (\$Millions)	CIS & Customer Care (\$Millions)	Total (\$Millions)	Excl. CIS & Customer Care (\$Millions)	CIS & Customer Care (\$Millions)	Total (\$Millions)
1. Gas sales	2,388.5	91.8	2,480.3	2,404.4	91.8	2,496.2
2. Transportation of gas	192.7	18.4	211.1	186.6	18.4	205.0
3. Transmission, compression and storage revenue	1.8	-	1.8	1.8	-	1.8
4. Other operating revenue	41.2	-	41.2	41.2	-	41.2
5. Interest and property rental	-	-	-	-	-	-
6. Other income	0.1	-	0.1	0.1	-	0.1
7. Total operating revenue	2,624.3	110.2	2,734.5	2,634.1	110.2	2,744.3
8. Gas costs	1,632.5	-	1,632.5	1,632.5	-	1,632.5
9. Operation and maintenance	346.1	104.4	450.5	353.3	108.5	461.8
10. Depreciation and amortization expense	300.7	12.7	313.4	309.4	12.7	322.1
11. Fixed financing costs	1.9	-	1.9	1.9	-	1.9
12. Municipal and other taxes	47.9	-	47.9	50.4	-	50.4
13. Interest and financing amortization expense	-	-	-	-	-	-
14. Other interest expense	-	-	-	-	-	-
15. Cost of service	2,329.1	117.1	2,446.2	2,347.5	121.2	2,468.7
16. Utility income before income taxes	295.2	(6.9)	288.3	286.6	(11.0)	275.6
17. Income tax expense	1.3	7.3	8.6	8.7	7.1	15.8
18. Utility income	293.9	(14.2)	279.7	277.9	(18.1)	259.8

UTILITY RATE BASE  
2017 & 2018 PRELIMINARY

Line No.	2017 Preliminary			2018 Preliminary		
	Col. 1	Col. 2	Col. 3	Col. 4	Col. 5	Col. 6
	Excl. CIS & Customer Care	CIS & Customer Care	Total	Excl. CIS & Customer Care	CIS & Customer Care	Total
	(\$Millions)	(\$Millions)	(\$Millions)	(\$Millions)	(\$Millions)	(\$Millions)
<u>Property, Plant, and Equipment</u>						
1. Cost or redetermined value	8,686.6	127.1	8,813.7	9,042.2	127.1	9,169.3
2. Accumulated depreciation	(3,258.4)	(107.4)	(3,365.8)	(3,431.7)	(120.1)	(3,551.8)
3. Net property, plant, and equipment	5,428.2	19.7	5,447.9	5,610.5	7.0	5,617.5
<u>Allowance for Working Capital</u>						
4. Accounts receivable billable projects	1.4	-	1.4	1.4	-	1.4
5. Materials and supplies	34.6	-	34.6	34.6	-	34.6
6. Mortgages receivable	-	-	-	-	-	-
7. Customer security deposits	(64.6)	-	(64.6)	(64.6)	-	(64.6)
8. Prepaid expenses	1.0	-	1.0	1.0	-	1.0
9. Gas in storage	276.3	-	276.3	276.3	-	276.3
10. Working cash allowance	40.0	-	40.0	39.9	-	39.9
11. Total Working Capital	288.7	-	288.7	288.6	-	288.6
12. <u>Utility Rate Base</u>	<u>5,716.9</u>	<u>19.7</u>	<u>5,736.6</u>	<u>5,899.1</u>	<u>7.0</u>	<u>5,906.1</u>

REVENUE SUFFICIENCY CALCULATION  
AND REQUIRED RATE OF RETURN  
2014 FISCAL YEAR

	Col. 1	Col. 2	Col. 3	Col. 4
Line No.	Principal Excl. CC/CIS	Component	Cost Rate	Return Component
	(\$Millions)	%	%	%
1. Long and Medium-Term Debt	2,596.9	59.37	5.57	3.307
2. Short-Term Debt	102.3	2.34	1.78	0.042
3.	2,699.2	61.71		3.349
4. Preference Shares	100.0	2.29	2.96	0.068
5. Common Equity	1,574.6	36.00	9.27	3.337
6.	4,373.8	100.00		6.754
7. Rate Base	(\$Millions)			4,373.8
8. Utility Income	(\$Millions)			321.2
9. Indicated Rate of Return				7.344
10. Sufficiency in Rate of Return				0.590
11. Net Sufficiency	(\$Millions)			25.8
12. Gross Sufficiency	(\$Millions)	(other than CC - CIS)		35.1
13. Customer Care/CIS Deficiency	(\$Millions)	(\$114.1 vs \$110.2)		(3.9)
14. Total Gross Revenue Sufficiency	(\$Millions)			31.2
15. Revenue at Existing Rates	(\$Millions)			2,497.9
16. Allowed Revenue	(\$Millions)			2,466.7
17. Gross Revenue Sufficiency	(\$Millions)			31.2
<u>Common Equity</u>				
18. Allowed Rate of Return				9.270
19. Earnings on Common Equity				10.908
20. Sufficiency in Common Equity Return				1.638

Witness: K. Culbert

ALLOWED REVENUE  
AND SUFFICIENCY  
2014 FISCAL YEAR

		Col. 1	Col. 2	Col. 3	Col. 4
Line No.		Reference	Exclusive of CC-CIS	CC-CIS	EGD Total
			(\$Millions)	(\$Millions)	(\$Millions)
Cost of Capital					
1.	Rate base	B3.T1.S1.P1	4,373.8	57.8	4,431.6
2.	Required rate of return	E3.T1.S1.P1	6.75%	6.44%	6.74%
3.			295.2	3.7	298.9
Cost of Service					
4.	Gas costs	D3.T1.S1.P1	1,455.9		1,455.9
5.	Operation and maintenance	D3.T1.S1.P1	332.7	92.6	425.3
6.	Depreciation and amortization	D3.T1.S1.P1	250.1	12.7	262.8
7.	Fixed financing costs	D3.T1.S1.P1	1.9	-	1.9
8.	Municipal and other taxes	D3.T1.S1.P1	41.2	-	41.2
9.			2,081.8	105.3	2,187.1
Miscellaneous operating and non operating revenue					
10.	Other operating revenue	C3.T1.S1.P1	(40.5)	-	(40.5)
11.	Interest and property rental	C3.T1.S1.P1	0.0	-	-
12.	Other income	C3.T1.S1.P1	(0.1)	-	(0.1)
13.			(40.6)	-	(40.6)
Income taxes on earnings					
14.	Excluding tax shield	D3.T1.S1.P3	64.3	8.7	73.0
15.	Tax shield provided by interest expense	D3.T1.S1.P3	(38.8)	(0.7)	(39.5)
16.			25.5	8.0	33.5
Taxes on sufficiency					
17.	Gross sufficiency -w/out CC/CIS	E3.T1.S1.P1	35.1	-	35.1
18.	Net sufficiency -w/out CC/CIS	E3.T1.S1.P1	25.8	-	25.8
19.			(9.3)	-	(9.3)
20.	Sub-total Allowed Revenue		2,352.6	117.0	2,469.6
21.	Customer Care Rate Smoothing Variance Account Adjustment		-	(2.9)	(2.9)
22.	Allowed Revenue		2,352.6	114.1	2,466.7
Revenue at existing Rates					
23.	Gas sales	C3.T1.S1.P1	2,161.7	91.8	2,253.5
24.	Transportation service	C3.T1.S1.P1	224.4	18.4	242.8
25.	Transmission, compression and storage	C3.T1.S1.P1	1.8	-	1.8
26.	Rounding adjustment		(0.2)	-	(0.2)
27.	Total		2,387.7	110.2	2,497.9
28.	Gross revenue sufficiency		35.1	(3.9)	31.2

Witness: K. Culbert

UTILITY INCOME  
2014 FISCAL YEAR

Line No.	Col. 1 Utility Income Excl. CIS & Customer Care (\$Millions)	Col. 2 CIS & Customer Care (\$Millions)	Col. 3 Total Utility Income (\$Millions)
1. Gas sales	2,161.7	91.8	2,253.5
2. Transportation of gas	224.4	18.4	242.8
3. Transmission, compression and storage revenue	1.8	-	1.8
4. Other operating revenue	40.5	-	40.5
5. Interest and property rental	-	-	-
6. Other income	0.1	-	0.1
7. Total operating revenue (Ex. C3-1-1-pg.1)	2,428.5	110.2	2,538.7
8. Gas costs	1,455.9	-	1,455.9
9. Operation and maintenance	332.7	92.6	425.3
10. Depreciation and amortization expense	250.1	12.7	262.8
11. Fixed financing costs	1.9	-	1.9
12. Municipal and other taxes	41.2	-	41.2
13. Interest and financing amortization expense	-	-	-
14. Other interest expense	-	-	-
15. Cost of service (Ex. D3-1-1-pg.1)	2,081.8	105.3	2,187.1
16. Utility income before income taxes	346.7	4.9	351.6
17. Income tax expense (Ex. D3-1-1-pg.3)	25.5	8.0	33.5
18. Utility income	321.2	(3.1)	318.1

Witness: K. Culbert

UTILITY RATE BASE  
2014 FISCAL YEAR

Line No.	Col. 1 2014 Fiscal Year Excl. CIS & Customer Care (\$Millions)	Col. 2 2014 Fiscal Year CIS & Customer Care (\$Millions)	Col. 3 Total 2014 Fiscal Year (\$Millions)
<u>Property, Plant, and Equipment</u>			
1. Cost or redetermined value	6,977.0	127.1	7,104.1
2. Accumulated depreciation	<u>(2,895.7)</u>	<u>(69.3)</u>	<u>(2,965.0)</u>
3. Net property, plant, and equipment	<u>4,081.3</u>	<u>57.8</u>	<u>4,139.1</u>
<u>Allowance for Working Capital</u>			
4. Accounts receivable rebillable projects	1.3	-	1.3
5. Materials and supplies	32.8	-	32.8
6. Mortgages receivable	0.1	-	0.1
7. Customer security deposits	(65.7)	-	(65.7)
8. Prepaid expenses	0.9	-	0.9
9. Gas in storage	279.9	-	279.9
10. Working cash allowance	<u>43.2</u>	<u>-</u>	<u>43.2</u>
11. Total Working Capital	<u>292.5</u>	<u>-</u>	<u>292.5</u>
12. <u>Utility Rate Base</u>	<u><u>4,373.8</u></u>	<u><u>57.8</u></u>	<u><u>4,431.6</u></u>

Witness: K. Culbert

REVENUE DEFICIENCY CALCULATION  
AND REQUIRED RATE OF RETURN  
2015 FORECAST YEAR

	Col. 1	Col. 2	Col. 3	Col. 4
Line No.	Principal Excl. CC/CIS (\$Millions)	Component %	Cost Rate %	Return Component %
1. Long and Medium-Term Debt	2,918.4	61.41	5.39	3.310
2. Short-Term Debt	23.2	0.49	2.75	0.013
3.	2,941.6	61.90		3.323
4. Preference Shares	100.0	2.10	3.68	0.077
5. Common Equity	1,710.9	36.00	9.72	3.499
6.	4,752.5	100.00		6.899
7. Rate Base	(\$Millions)			4,752.5
8. Utility Income	(\$Millions)			312.7
9. Indicated Rate of Return				6.580
10. Deficiency in Rate of Return				(0.319)
11. Net Deficiency	(\$Millions)			(15.2)
12. Gross Deficiency	(\$Millions)	(other than CC - CIS)		(20.6)
13. Customer Care/CIS Deficiency	(\$Millions)	(\$118.7 vs \$110.2)		(8.5)
14. Total Gross Revenue Deficiency	(\$Millions)			(29.1)
15. Revenue at Existing Rates	(\$Millions)			2,635.8
16. Allowed Revenue	(\$Millions)			2,664.9
17. Gross Revenue Deficiency	(\$Millions)			(29.1)
<u>Common Equity</u>				
18. Allowed Rate of Return				9.720
19. Earnings on Common Equity				8.833
20. Deficiency in Common Equity Return				(0.887)

Witness: K. Culbert

ALLOWED REVENUE  
AND DEFICIENCY  
2015 FORECAST YEAR

Line No.		Col. 1 Reference	Col. 2 Exclusive of CC-CIS (\$Millions)	Col. 3 CC-CIS (\$Millions)	Col. 4 EGD Total (\$Millions)
<b>Cost of Capital</b>					
1.	Rate base	B4.T1.S1.P1	4,752.5	45.1	4,797.6
2.	Required rate of return	E4.T1.S1.P1	6.90%	6.44%	6.90%
3.			327.9	2.9	330.8
<b>Cost of Service</b>					
4.	Gas costs	D4.T1.S1.P1	1,606.8	-	1,606.8
5.	Operation and maintenance	D4.T1.S1.P1	332.0	96.5	428.5
6.	Depreciation and amortization	D4.T1.S1.P1	263.9	12.7	276.6
7.	Fixed financing costs	D4.T1.S1.P1	1.9	-	1.9
8.	Municipal and other taxes	D4.T1.S1.P1	43.1	-	43.1
9.			2,247.7	109.2	2,356.9
<b>Miscellaneous operating and non operating revenue</b>					
10.	Other operating revenue	C4.T1.S1.P1	(40.9)	-	(40.9)
11.	Interest and property rental	C4.T1.S1.P1	0.0	-	-
12.	Other income	C4.T1.S1.P1	(0.1)	-	(0.1)
13.			(41.0)	-	(41.0)
<b>Income taxes on earnings</b>					
14.	Excluding tax shield	D4.T1.S1.P3	48.0	8.3	56.3
15.	Tax shield provided by interest expense	D4.T1.S1.P3	(41.9)	(0.6)	(42.5)
16.			6.1	7.7	13.8
<b>Taxes on deficiency</b>					
17.	Gross deficiency -w/out CC/CIS	E4.T1.S1.P1	(20.6)	-	(20.6)
18.	Net deficiency -w/out CC/CIS	E4.T1.S1.P1	(15.2)	-	(15.2)
19.			5.5	-	5.5
20.	Sub-total Allowed Revenue		2,546.2	119.8	2,666.0
21.	Customer Care Rate Smoothing Variance Account Adjustment		-	(1.1)	(1.1)
22.	<b>Allowed Revenue</b>		<u>2,546.2</u>	<u>118.7</u>	<u>2,664.9</u>
<b>Revenue at existing Rates</b>					
23.	Gas sales	C4.T1.S1.P1	2,312.5	91.8	2,404.3
24.	Transportation service	C4.T1.S1.P1	211.2	18.4	229.6
25.	Transmission, compression and storage	C4.T1.S1.P1	1.8	-	1.8
26.	Rounding adjustment		0.1	-	0.1
27.	Total		2,525.6	110.2	2,635.8
28.	<b>Gross revenue deficiency</b>		<u>(20.6)</u>	<u>(8.5)</u>	<u>(29.1)</u>

Witness: K. Culbert



UTILITY INCOME  
2015 FORECAST YEAR

Line No.	Col. 1 Utility Income Excl. CIS & Customer Care (\$Millions)	Col. 2 CIS & Customer Care (\$Millions)	Col. 3 Total Utility Income (\$Millions)
1. Gas sales	2,312.5	91.8	2,404.3
2. Transportation of gas	211.2	18.4	229.6
3. Transmission, compression and storage revenue	1.8	-	1.8
4. Other operating revenue	40.9	-	40.9
5. Interest and property rental	-	-	-
6. Other income	0.1	-	0.1
7. Total operating revenue (Ex. C4-1-1-pg.1)	2,566.5	110.2	2,676.7
8. Gas costs	1,606.8	-	1,606.8
9. Operation and maintenance	332.0	96.5	428.5
10. Depreciation and amortization expense	263.9	12.7	276.6
11. Fixed financing costs	1.9	-	1.9
12. Municipal and other taxes	43.1	-	43.1
13. Interest and financing amortization expense	-	-	-
14. Other interest expense	-	-	-
15. Cost of service (Ex. D4-1-1-pg.1)	2,247.7	109.2	2,356.9
16. Utility income before income taxes	318.8	1.0	319.8
17. Income tax expense (Ex. D4-1-1-pg.3)	6.1	7.7	13.8
18. Utility income	312.7	(6.7)	306.0

Witness: K. Culbert

UTILITY RATE BASE  
2015 FORECAST YEAR

Line No.	Col. 1 2015 Forecast Year Excl. CIS & Customer Care (\$Millions)	Col. 2 2015 Forecast Year CIS & Customer Care (\$Millions)	Col. 3 Total 2015 Forecast Year (\$Millions)
<u>Property, Plant, and Equipment</u>			
1. Cost or redetermined value	7,441.0	127.1	7,568.1
2. Accumulated depreciation	<u>(3,000.6)</u>	<u>(82.0)</u>	<u>(3,082.6)</u>
3. Net property, plant, and equipment	<u>4,440.4</u>	<u>45.1</u>	<u>4,485.5</u>
<u>Allowance for Working Capital</u>			
4. Accounts receivable billable projects	1.3	-	1.3
5. Materials and supplies	33.7	-	33.7
6. Mortgages receivable	0.1	-	0.1
7. Customer security deposits	(65.1)	-	(65.1)
8. Prepaid expenses	0.9	-	0.9
9. Gas in storage	291.2	-	291.2
10. Working cash allowance	<u>50.0</u>	<u>-</u>	<u>50.0</u>
11. Total Working Capital	<u>312.1</u>	<u>-</u>	<u>312.1</u>
12. <u>Utility Rate Base</u>	<u>4,752.5</u>	<u>45.1</u>	<u>4,797.6</u>

Witness: K. Culbert

REVENUE DEFICIENCY CALCULATION  
AND REQUIRED RATE OF RETURN  
2016 FORECAST YEAR

Line No.		Col. 1	Col. 2	Col. 3	Col. 4
		Principal Excl. CC/CIS (\$Millions)	Component %	Cost Rate %	Return Component %
1.	Long and Medium-Term Debt	3,367.0	61.31	5.33	3.268
2.	Short-Term Debt	47.9	0.87	3.35	0.029
3.		3,414.9	62.18		3.297
4.	Preference Shares	100.0	1.82	4.32	0.079
5.	Common Equity	1,977.1	36.00	10.12	3.643
6.		5,492.0	100.00		7.019
7.	Rate Base	(\$Millions)			5,492.0
8.	Utility Income	(\$Millions)			307.3
9.	Indicated Rate of Return				5.595
10.	Deficiency in Rate of Return				(1.424)
11.	Net Deficiency	(\$Millions)			(78.2)
12.	Gross Deficiency	(\$Millions)	(other than CC - CIS)		(106.4)
13.	Customer Care/CIS Deficiency	(\$Millions)	(\$123.5 vs \$110.2)		(13.3)
14.	Total Gross Revenue Deficiency	(\$Millions)			(119.7)
15.	Revenue at Existing Rates	(\$Millions)			2,683.4
16.	Allowed Revenue	(\$Millions)			2,803.1
17.	Gross Revenue Deficiency	(\$Millions)			(119.7)
	<u>Common Equity</u>				
18.	Allowed Rate of Return				10.120
19.	Earnings on Common Equity				6.164
20.	Deficiency in Common Equity Return				(3.956)

Witness: K. Culbert

ALLOWED REVENUE  
AND DEFICIENCY  
2016 FORECAST YEAR

Line No.		Col. 1 Reference	Col. 2 Exclusive of CC-CIS (\$Millions)	Col. 3 CC-CIS (\$Millions)	Col. 4 EGD Total (\$Millions)
<b>Cost of Capital</b>					
1.	Rate base	B5.T1.S1.P1	5,492.0	32.4	5,524.4
2.	Required rate of return	E5.T1.S1.P1	7.02%	6.44%	7.02%
3.			385.5	2.1	387.6
<b>Cost of Service</b>					
4.	Gas costs	D5.T1.S1.P1	1,632.5	-	1,632.5
5.	Operation and maintenance	D5.T1.S1.P1	339.1	100.4	439.5
6.	Depreciation and amortization	D5.T1.S1.P1	291.2	12.7	303.9
7.	Fixed financing costs	D5.T1.S1.P1	1.9	-	1.9
8.	Municipal and other taxes	D5.T1.S1.P1	45.5	-	45.5
9.			2,310.2	113.1	2,423.3
<b>Miscellaneous operating and non operating revenue</b>					
10.	Other operating revenue	C5.T1.S1.P1	(41.2)	-	(41.2)
11.	Interest and property rental	C5.T1.S1.P1	0.0	-	-
12.	Other income	C5.T1.S1.P1	(0.1)	-	(0.1)
13.			(41.3)	-	(41.3)
<b>Income taxes on earnings</b>					
14.	Excluding tax shield	D5.T1.S1.P3	45.0	7.9	52.9
15.	Tax shield provided by interest expense	D5.T1.S1.P3	(48.0)	(0.4)	(48.4)
16.			(3.0)	7.5	4.5
<b>Taxes on deficiency</b>					
17.	Gross deficiency -w/out CC/CIS	E5.T1.S1.P1	(106.4)	-	(106.4)
18.	Net deficiency -w/out CC/CIS	E5.T1.S1.P1	(78.2)	-	(78.2)
19.			28.2	-	28.2
20.	Sub-total Allowed Revenue		2,679.6	122.7	2,802.3
21.	Customer Care Rate Smoothing Variance Account Adjustment		-	0.8	0.8
22.	<b>Allowed Revenue</b>		<u>2,679.6</u>	<u>123.5</u>	<u>2,803.1</u>
<b>Revenue at existing Rates</b>					
23.	Gas sales	C5.T1.S1.P1	2,372.7	91.8	2,464.5
24.	Transportation service	C5.T1.S1.P1	198.7	18.4	217.1
25.	Transmission, compression and storage	C5.T1.S1.P1	1.8	-	1.8
26.	Rounding adjustment		-	-	-
27.	Total		2,573.2	110.2	2,683.4
28.	<b>Gross revenue deficiency</b>		<u>(106.4)</u>	<u>(13.3)</u>	<u>(119.7)</u>

Witness: K. Culbert

UTILITY INCOME  
2016 FORECAST YEAR

Line No.	Col. 1 Utility Income Excl. CIS & Customer Care (\$Millions)	Col. 2 CIS & Customer Care (\$Millions)	Col. 3 Total Utility Income (\$Millions)
1. Gas sales	2,372.7	91.8	2,464.5
2. Transportation of gas	198.7	18.4	217.1
3. Transmission, compression and storage revenue	1.8	-	1.8
4. Other operating revenue	41.2	-	41.2
5. Interest and property rental	-	-	-
6. Other income	0.1	-	0.1
7. Total operating revenue (Ex. C5-1-1-pg.1)	2,614.5	110.2	2,724.7
8. Gas costs	1,632.5	-	1,632.5
9. Operation and maintenance	339.1	100.4	439.5
10. Depreciation and amortization expense	291.2	12.7	303.9
11. Fixed financing costs	1.9	-	1.9
12. Municipal and other taxes	45.5	-	45.5
13. Interest and financing amortization expense	-	-	-
14. Other interest expense	-	-	-
15. Cost of service (Ex. D5-1-1-pg.1)	2,310.2	113.1	2,423.3
16. Utility income before income taxes	304.3	(2.9)	301.4
17. Income tax expense (Ex. D5-1-1-pg.3)	(3.0)	7.5	4.5
18. Utility income	307.3	(10.4)	296.9

Witness: K. Culbert

UTILITY RATE BASE  
2016 FORECAST YEAR

Line No.	Col. 1 2016 Forecast Year Excl. CIS & Customer Care (\$Millions)	Col. 2 2016 Forecast Year CIS & Customer Care (\$Millions)	Col. 3 Total 2016 Forecast Year (\$Millions)
<u>Property, Plant, and Equipment</u>			
1. Cost or redetermined value	8,321.9	127.1	8,449.0
2. Accumulated depreciation	<u>(3,118.7)</u>	<u>(94.7)</u>	<u>(3,213.4)</u>
3. Net property, plant, and equipment	<u>5,203.2</u>	<u>32.4</u>	<u>5,235.6</u>
<u>Allowance for Working Capital</u>			
4. Accounts receivable rebillable projects	1.4	-	1.4
5. Materials and supplies	34.6	-	34.6
6. Mortgages receivable	-	-	-
7. Customer security deposits	(64.6)	-	(64.6)
8. Prepaid expenses	1.0	-	1.0
9. Gas in storage	276.3	-	276.3
10. Working cash allowance	<u>40.1</u>	<u>-</u>	<u>40.1</u>
11. Total Working Capital	<u>288.8</u>	<u>-</u>	<u>288.8</u>
12. <u>Utility Rate Base</u>	<u>5,492.0</u>	<u>32.4</u>	<u>5,524.4</u>

REVENUE DEFICIENCY CALCULATION  
AND REQUIRED RATE OF RETURN  
2017 FORECAST YEAR

	Col. 1	Col. 2	Col. 3	Col. 4
Line No.	Principal Excl. CC/CIS	Component	Cost Rate	Return Component
	(\$Millions)	%	%	%
1. Long and Medium-Term Debt	3,515.5	61.49	5.31	3.265
2. Short-Term Debt	<u>43.3</u>	<u>0.76</u>	4.30	<u>0.033</u>
3.	3,558.8	62.25		3.298
4. Preference Shares	100.0	1.75	4.64	0.081
5. Common Equity	<u>2,058.1</u>	<u>36.00</u>	10.17	<u>3.661</u>
6.	<u>5,716.9</u>	<u>100.00</u>		<u>7.040</u>
7. Rate Base	(\$Millions)			5,716.9
8. Utility Income	(\$Millions)			293.9
9. Indicated Rate of Return				5.141
10. Deficiency in Rate of Return				(1.899)
11. Net Deficiency	(\$Millions)			(108.6)
12. Gross Deficiency	(\$Millions)	(other than CC - CIS)		(147.7)
13. Customer Care/CIS Deficiency	(\$Millions)	(\$128.6 vs \$110.2)		(18.4)
14. Total Gross Revenue Deficiency	(\$Millions)			(166.1)
15. Revenue at Existing Rates	(\$Millions)			2,693.2
16. Allowed Revenue	(\$Millions)			2,859.3
17. Gross Revenue Deficiency	(\$Millions)			(166.1)
<u>Common Equity</u>				
18. Allowed Rate of Return				10.170
19. Earnings on Common Equity				4.894
20. Deficiency in Common Equity Return				(5.276)

Witness: K. Culbert

ALLOWED REVENUE  
AND DEFICIENCY  
2017 FORECAST YEAR

Line No.		Col. 1 Reference	Col. 2 Exclusive of CC-CIS (\$Millions)	Col. 3 CC-CIS (\$Millions)	Col. 4 EGD Total (\$Millions)
<b>Cost of Capital</b>					
1.	Rate base	B6.T1.S1.P1	5,716.9	19.7	5,736.6
2.	Required rate of return	E6.T1.S1.P1	7.04%	6.44%	7.04%
3.			402.5	1.3	403.8
<b>Cost of Service</b>					
4.	Gas costs	D6.T1.S1.P1	1,632.5	-	1,632.5
5.	Operation and maintenance	D6.T1.S1.P1	346.1	104.4	450.5
6.	Depreciation and amortization	D6.T1.S1.P1	300.7	12.7	313.4
7.	Fixed financing costs	D6.T1.S1.P1	1.9	-	1.9
8.	Municipal and other taxes	D6.T1.S1.P1	47.9	-	47.9
9.			2,329.1	117.1	2,446.2
<b>Miscellaneous operating and non operating revenue</b>					
10.	Other operating revenue	C6.T1.S1.P1	(41.2)	-	(41.2)
11.	Interest and property rental	C6.T1.S1.P1	0.0	-	-
12.	Other income	C6.T1.S1.P1	(0.1)	-	(0.1)
13.			(41.3)	-	(41.3)
<b>Income taxes on earnings</b>					
14.	Excluding tax shield	D6.T1.S1.P3	51.3	7.5	58.8
15.	Tax shield provided by interest expense	D6.T1.S1.P3	(50.0)	(0.2)	(50.2)
16.			1.3	7.3	8.6
<b>Taxes on deficiency</b>					
17.	Gross deficiency -w/out CC/CIS	E6.T1.S1.P1	(147.7)	-	(147.7)
18.	Net deficiency -w/out CC/CIS	E6.T1.S1.P1	(108.6)	-	(108.6)
19.			39.1	-	39.1
20.	Sub-total Allowed Revenue		2,730.7	125.7	2,856.4
21.	Customer Care Rate Smoothing Variance Account Adjustment		-	2.9	2.9
22.	<b>Allowed Revenue</b>		<u>2,730.7</u>	<u>128.6</u>	<u>2,859.3</u>
<b>Revenue at existing Rates</b>					
23.	Gas sales	C6.T1.S1.P1	2,388.5	91.8	2,480.3
24.	Transportation service	C6.T1.S1.P1	192.7	18.4	211.1
25.	Transmission, compression and storage	C6.T1.S1.P1	1.8	-	1.8
26.	Rounding adjustment		-	-	-
27.	Total		2,583.0	110.2	2,693.2
28.	<b>Gross revenue deficiency</b>		<u>(147.7)</u>	<u>(18.4)</u>	<u>(166.1)</u>

Witness: K. Culbert



UTILITY INCOME  
2017 FORECAST YEAR

Line No.	Col. 1 Utility Income Excl. CIS & Customer Care (\$Millions)	Col. 2 CIS & Customer Care (\$Millions)	Col. 3 Total Utility Income (\$Millions)
1. Gas sales	2,388.5	91.8	2,480.3
2. Transportation of gas	192.7	18.4	211.1
3. Transmission, compression and storage revenue	1.8	-	1.8
4. Other operating revenue	41.2	-	41.2
5. Interest and property rental	-	-	-
6. Other income	0.1	-	0.1
7. Total operating revenue (Ex. C6-1-1-pg.1)	2,624.3	110.2	2,734.5
8. Gas costs	1,632.5	-	1,632.5
9. Operation and maintenance	346.1	104.4	450.5
10. Depreciation and amortization expense	300.7	12.7	313.4
11. Fixed financing costs	1.9	-	1.9
12. Municipal and other taxes	47.9	-	47.9
13. Interest and financing amortization expense	-	-	-
14. Other interest expense	-	-	-
15. Cost of service (Ex. D6-1-1-pg.1)	2,329.1	117.1	2,446.2
16. Utility income before income taxes	295.2	(6.9)	288.3
17. Income tax expense (Ex. D6-1-1-pg.3)	1.3	7.3	8.6
18. Utility income	293.9	(14.2)	279.7

Witness: K. Culbert

UTILITY RATE BASE  
2017 FORECAST YEAR

Line No.	Col. 1	Col. 2	Col. 3
	2017 Forecast Year Excl. CIS & Customer Care	2017 Forecast Year CIS & Customer Care	Total 2017 Forecast Year
	(\$Millions)	(\$Millions)	(\$Millions)
<u>Property, Plant, and Equipment</u>			
1. Cost or redetermined value	8,686.6	127.1	8,813.7
2. Accumulated depreciation	<u>(3,258.4)</u>	<u>(107.4)</u>	<u>(3,365.8)</u>
3. Net property, plant, and equipment	<u>5,428.2</u>	<u>19.7</u>	<u>5,447.9</u>
<u>Allowance for Working Capital</u>			
4. Accounts receivable billable projects	1.4	-	1.4
5. Materials and supplies	34.6	-	34.6
6. Mortgages receivable	-	-	-
7. Customer security deposits	(64.6)	-	(64.6)
8. Prepaid expenses	1.0	-	1.0
9. Gas in storage	276.3	-	276.3
10. Working cash allowance	<u>40.0</u>	<u>-</u>	<u>40.0</u>
11. Total Working Capital	<u>288.7</u>	<u>-</u>	<u>288.7</u>
12. <u>Utility Rate Base</u>	<u>5,716.9</u>	<u>19.7</u>	<u>5,736.6</u>

Witness: K. Culbert

REVENUE DEFICIENCY CALCULATION  
AND REQUIRED RATE OF RETURN  
2018 FORECAST YEAR

Line No.	Col. 1	Col. 2	Col. 3	Col. 4
	Principal Excl. CC/CIS	Component	Cost Rate	Return Component
	(\$Millions)	%	%	%
1. Long and Medium-Term Debt	3,614.9	61.28	5.36	3.285
2. Short-Term Debt	<u>60.5</u>	<u>1.02</u>	4.30	<u>0.044</u>
3.	3,675.4	62.30		3.329
4. Preference Shares	100.0	1.70	4.64	0.079
5. Common Equity	<u>2,123.7</u>	<u>36.00</u>	10.27	<u>3.697</u>
6.	<u>5,899.1</u>	<u>100.00</u>		<u>7.105</u>
7. Rate Base	(\$Millions)			5,899.1
8. Utility Income	(\$Millions)			277.9
9. Indicated Rate of Return				4.711
10. Deficiency in Rate of Return				(2.394)
11. Net Deficiency	(\$Millions)			(141.2)
12. Gross Deficiency	(\$Millions)	(other than CC - CIS)		(192.1)
13. Customer Care/CIS Deficiency	(\$Millions)	(\$133.8 vs \$110.2)		(23.6)
14. Total Gross Revenue Deficiency	(\$Millions)			(215.7)
15. Revenue at Existing Rates	(\$Millions)			2,703.3
16. Allowed Revenue	(\$Millions)			2,919.0
17. Gross Revenue Deficiency	(\$Millions)			(215.7)
<u>Common Equity</u>				
18. Allowed Rate of Return				10.270
19. Earnings on Common Equity				3.619
20. Deficiency in Common Equity Return				(6.651)

Witness: K. Culbert

ALLOWED REVENUE  
AND DEFICIENCY  
2018 FORECAST YEAR

Line No.		Col. 1 Reference	Col. 2 Exclusive of CC-CIS (\$Millions)	Col. 3 CC-CIS (\$Millions)	Col. 4 EGD Total (\$Millions)
<b>Cost of Capital</b>					
1.	Rate base	B7.T1.S1.P1	5,899.1	7.0	5,906.1
2.	Required rate of return	E7.T1.S1.P1	7.11%	6.44%	7.11%
3.			419.4	0.5	419.9
<b>Cost of Service</b>					
4.	Gas costs	D7.T1.S1.P1	1,632.5	-	1,632.5
5.	Operation and maintenance	D7.T1.S1.P1	353.3	108.5	461.8
6.	Depreciation and amortization	D7.T1.S1.P1	309.4	12.7	322.1
7.	Fixed financing costs	D7.T1.S1.P1	1.9	-	1.9
8.	Municipal and other taxes	D7.T1.S1.P1	50.4	-	50.4
9.			2,347.5	121.2	2,468.7
<b>Miscellaneous operating and non operating revenue</b>					
10.	Other operating revenue	C7.T1.S1.P1	(41.2)	-	(41.2)
11.	Interest and property rental	C7.T1.S1.P1	0.0	-	-
12.	Other income	C7.T1.S1.P1	(0.1)	-	(0.1)
13.			(41.3)	-	(41.3)
<b>Income taxes on earnings</b>					
14.	Excluding tax shield	D7.T1.S1.P3	60.7	7.2	67.9
15.	Tax shield provided by interest expense	D7.T1.S1.P3	(52.0)	(0.1)	(52.1)
16.			8.7	7.1	15.8
<b>Taxes on deficiency</b>					
17.	Gross deficiency -w/out CC/CIS	E7.T1.S1.P1	(192.1)	-	(192.1)
18.	Net deficiency -w/out CC/CIS	E7.T1.S1.P1	(141.2)	-	(141.2)
19.			50.9	-	50.9
20.	Sub-total Allowed Revenue		2,785.2	128.8	2,914.0
21.	Customer Care Rate Smoothing Variance Account Adjustment		-	5.0	5.0
22.	<b>Allowed Revenue</b>		<u>2,785.2</u>	<u>133.8</u>	<u>2,919.0</u>
<b>Revenue at existing Rates</b>					
23.	Gas sales	C7.T1.S1.P1	2,404.4	91.8	2,496.2
24.	Transportation service	C7.T1.S1.P1	186.6	18.4	205.0
25.	Transmission, compression and storage	C7.T1.S1.P1	1.8	-	1.8
26.	Rounding adjustment		0.3	-	0.3
27.	Total		2,593.1	110.2	2,703.3
28.	<b>Gross revenue deficiency</b>		<u>(192.1)</u>	<u>(23.6)</u>	<u>(215.7)</u>

Witness: K. Culbert

UTILITY INCOME  
2018 FORECAST YEAR

Line No.	Col. 1 Utility Income Excl. CIS & Customer Care (\$Millions)	Col. 2 CIS & Customer Care (\$Millions)	Col. 3 Total Utility Income (\$Millions)
1. Gas sales	2,404.4	91.8	2,496.2
2. Transportation of gas	186.6	18.4	205.0
3. Transmission, compression and storage revenue	1.8	-	1.8
4. Other operating revenue	41.2	-	41.2
5. Interest and property rental	-	-	-
6. Other income	0.1	-	0.1
7. Total operating revenue (Ex. C7-1-1-pg.1)	2,634.1	110.2	2,744.3
8. Gas costs	1,632.5	-	1,632.5
9. Operation and maintenance	353.3	108.5	461.8
10. Depreciation and amortization expense	309.4	12.7	322.1
11. Fixed financing costs	1.9	-	1.9
12. Municipal and other taxes	50.4	-	50.4
13. Interest and financing amortization expense	-	-	-
14. Other interest expense	-	-	-
15. Cost of service (Ex. D7-1-1-pg.1)	2,347.5	121.2	2,468.7
16. Utility income before income taxes	286.6	(11.0)	275.6
17. Income tax expense (Ex. D7-1-1-pg.3)	8.7	7.1	15.8
18. Utility income	277.9	(18.1)	259.8

Witness: K. Culbert

UTILITY RATE BASE  
2018 FORECAST YEAR

Line No.	Col. 1 2018 Forecast Year Excl. CIS & Customer Care (\$Millions)	Col. 2 2018 Forecast Year CIS & Customer Care (\$Millions)	Col. 3 Total 2018 Forecast Year (\$Millions)
<u>Property, Plant, and Equipment</u>			
1. Cost or redetermined value	9,042.2	127.1	9,169.3
2. Accumulated depreciation	<u>(3,431.7)</u>	<u>(120.1)</u>	<u>(3,551.8)</u>
3. Net property, plant, and equipment	<u>5,610.5</u>	<u>7.0</u>	<u>5,617.5</u>
<u>Allowance for Working Capital</u>			
4. Accounts receivable rebillable projects	1.4	-	1.4
5. Materials and supplies	34.6	-	34.6
6. Mortgages receivable	-	-	-
7. Customer security deposits	(64.6)	-	(64.6)
8. Prepaid expenses	1.0	-	1.0
9. Gas in storage	276.3	-	276.3
10. Working cash allowance	<u>39.9</u>	<u>-</u>	<u>39.9</u>
11. Total Working Capital	<u>288.6</u>	<u>-</u>	<u>288.6</u>
12. <u>Utility Rate Base</u>	<u>5,899.1</u>	<u>7.0</u>	<u>5,906.1</u>

Witness: K. Culbert