

## Application of Approved Union Gas 2014-2018 IRM Plan to Enbridge

(excludes all Pension and SRC impacts/changes) (adjusted to cover full budgeted costs)

(\$ millions)

		2014	2015	2016	2017	2018	Totals
a	b	c	d	e	f	g	h
<b>Revenues at Existing Rates before</b>							
1 Customer Growth		\$1,021	\$1,021	\$1,021	\$1,021	\$1,021	\$5,105
2 Customer Growth (on non-Y factors)	1.70%	\$14	\$28	\$42	\$57	\$72	\$213
3 Revenue at Existing Rates		\$1,035	\$1,049	\$1,063	\$1,078	\$1,093	\$5,318
4 Prior Years' Escalation Factor		\$0	\$40	\$82	\$127	\$174	
5 Gross Revenue before Y factors		\$1,035	\$1,089	\$1,145	\$1,205	\$1,267	
<b>Remove Base Year Y Factors</b>							
6 Customer Care		\$110	\$110	\$110	\$110	\$110	\$550
7 DSM		\$31	\$31	\$31	\$31	\$31	\$155
8 Gas in Storage		\$20	\$20	\$20	\$20	\$20	\$100
9 Total Y Factors Removed		\$161	\$161	\$161	\$161	\$161	\$805
10 Revenue to be Escalated		\$874	\$928	\$984	\$1,044	\$1,106	
11 I-X Escalator (inflation at 2.0%)	4.55%	\$40	\$42	\$45	\$47	\$50	
12 Escalated Revenue		\$914	\$970	\$1,029	\$1,091	\$1,156	\$5,160
13 Increase from Base due to Escalator		\$40	\$82	\$127	\$174	\$225	\$647
<b>Add Back Y Factor Annual Values</b>							
14 Customer Care		\$114	\$119	\$124	\$129	\$134	\$620
15 DSM		\$32	\$33	\$33	\$34	\$35	\$167
16 Gas in Storage		\$20	\$20	\$21	\$21	\$21	\$103
17 GTA and Ottawa Projects		\$0	\$0	\$0	\$0	\$0	\$0
18 Total Y Factors Added		\$166	\$172	\$178	\$184	\$190	\$890
19 Total Revenue at Escalated Rates		\$1,080	\$1,142	\$1,207	\$1,275	\$1,346	\$6,050
20 Increase in Revenues from Base		\$59	\$121	\$186	\$254	\$325	\$945
21 Aggregate Percentage		5.74%	11.85%	18.23%	24.90%	31.87%	
22 Annual Increase over previous year		5.74%	5.77%	5.71%	5.64%	5.58%	
23 Increase in Rates from Base		\$45	\$93	\$144	\$197	\$254	\$732
24 Annual Increase over previous year		4.33%	4.41%	4.39%	4.38%	4.37%	
25 Cumulative Average Rate Increase			8.92%	13.71%	18.69%	23.87%	

### Comparison to Enbridge as Filed

(excludes all Pension and SRC impacts/changes)

26 Enbridge As Filed		\$1,011	\$1,058	\$1,171	\$1,227	\$1,287	\$5,753
27 Depr. Chg. For Site Restoration		\$30	\$32	\$36	\$38	\$39	\$174
28 Carrying cost imp. from SRC		-\$2	-\$8	-\$14	-\$22	-\$27	-\$73
29 Income tax imp. from SRC		\$35	\$32	\$31	\$28	\$15	\$141
30 Pension Decrease from 2013		\$6	\$9	\$12	\$14	\$17	\$57
31 Enbridge Comparable As Filed		\$1,078	\$1,123	\$1,235	\$1,285	\$1,330	\$6,052
32 Increase in Revenues from Base		\$57	\$102	\$214	\$264	\$309	\$947
33 Aggregate Percentage		5.61%	9.99%	20.94%	25.89%	30.29%	
34 Annual Increase over previous year		5.61%	4.15%	9.96%	4.09%	3.50%	
35 Increase in Rates from Base		\$43	\$74	\$171	\$207	\$237	\$734
36 Annual Increase over previous year		4.19%	2.80%	8.57%	2.87%	2.32%	
37 Cumulative Average Rate Increase			7.11%	16.29%	19.63%	22.40%	
38 Difference in Revenues		-\$1	-\$19	\$28	\$10	-\$16	\$1
39 Incremental Annual Rate Increase		-0.13%	-1.61%	4.17%	-1.51%	-2.05%	