

K 7.3

# Application of Approved Union Gas 2014-2018 IRM Plan to Enbridge OM&A Budget (excludes all Pension and SRC impacts/changes)

(\$ millions)

		2014	2015	2016	2017	2018	Totals
a	b	c	d	e	f	g	h
<i>OM&amp;A at Existing Rates before</i>							
1 Customer Growth		\$415.1	\$415.1	\$415.1	\$415.1	\$415.1	\$2,075.5
2 Customer Growth (on non-Y factors)	1.70%	\$4.3	\$8.6	\$13.1	\$17.6	\$22.1	\$65.7
3 OM&A at Existing Rates		\$419.4	\$423.7	\$428.2	\$432.7	\$437.2	\$2,141.2
4 Prior Years' Escalation Factor		\$0.0	\$2.4	\$4.8	\$7.3	\$9.9	
5 Gross OM&A before Y factors		\$419.4	\$426.1	\$433.0	\$440.0	\$447.1	
<i>Remove Base Year Y Factors</i>							
6 Customer Care		\$89.4	\$89.4	\$89.4	\$89.4	\$89.4	\$447.0
7 DSM		\$31.0	\$31.0	\$31.0	\$31.0	\$31.0	\$155.0
8 Gas in Storage	NA	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
9 Total Y Factors Removed		\$120.4	\$120.4	\$120.4	\$120.4	\$120.4	\$602.0
10 OM&A to be Escalated		\$299.0	\$305.7	\$312.6	\$319.6	\$326.7	
11 I-X Escalator (inflation at 2.0%)	0.80%	\$2.4	\$2.4	\$2.5	\$2.6	\$2.6	
12 Escalated OM&A		\$301.4	\$308.2	\$315.1	\$322.2	\$329.3	\$1,576.1
13 Increase from Base due to Escalator		\$2.4	\$4.8	\$7.3	\$9.9	\$12.5	\$37.0
<i>Add Back Y Factor Annual Values</i>							
14 Customer Care		\$92.6	\$96.5	\$100.4	\$104.4	\$108.5	\$502.4
15 DSM		\$32.0	\$33.0	\$33.0	\$34.2	\$34.9	\$167.1
16 Gas in Storage	NA	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
17 GTA and Ottawa Projects	NA	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
18 Total Y Factors Added		\$124.6	\$129.5	\$133.4	\$138.6	\$143.4	\$669.5
19 Total OM&A at Escalated Rates		\$426.0	\$437.7	\$448.5	\$460.8	\$472.7	\$2,245.6
20 Increase in OM&A from Base		\$10.9	\$22.6	\$33.4	\$45.7	\$57.6	\$170.1
21 Aggregate Percentage		2.62%	5.44%	8.04%	11.00%	13.89%	
22 Annual Increase over previous year		2.62%	2.75%	2.47%	2.73%	2.60%	
23 Increase in Rates for OM&A from Base		\$6.6	\$13.9	\$20.3	\$28.1	\$35.5	\$104.5
24 Annual Increase over previous year		1.57%	1.71%	1.45%	1.71%	1.59%	
<i>Cumulative Average OM&amp;A Rate</i>							
25 Increase			3.31%	4.80%	6.60%	8.29%	

## Comparison to Enbridge OM&A as Filed (excludes all Pension and SRC impacts/changes)

26 Enbridge D1/3/1, p. 27 updated		\$425.3	\$428.5	\$439.5	\$450.5	\$461.8	\$2,205.6
27 Depr. Chg. For Site Restoration	NA	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
28 Carrying cost imp. from SRC	NA	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
29 Income tax imp. from SRC	NA	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
30 Pension Decrease from 2013		\$5.6	\$9.0	\$11.9	\$14.3	\$16.6	\$57.4
31 Enbridge Comparable As Filed		\$430.9	\$437.5	\$451.4	\$464.8	\$478.4	\$2,263.0
32 Increase in OM&A from Base		\$15.8	\$22.4	\$36.3	\$49.7	\$63.3	\$187.5
33 Aggregate Percentage		3.81%	5.40%	8.74%	11.97%	15.25%	
34 Annual Increase over previous year		3.81%	1.53%	3.18%	2.97%	2.93%	
35 Increase in Rates from Base		\$11.5	\$13.8	\$23.2	\$32.1	\$41.2	\$121.8
36 Annual Increase over previous year		2.75%	0.52%	2.14%	1.95%	1.92%	
37 Cumulative Average Rate Increase			3.28%	5.49%	7.55%	9.62%	
38 Difference in OM&A		\$4.9	-\$0.2	\$2.9	\$4.0	\$5.7	\$17.4
39 Incremental Annual Rate Increase		1.18%	-1.19%	0.70%	0.24%	0.33%	