

GAZIFÈRE INC.
PRE-FILED EVIDENCE OF ANTON KACICNIK
2005 RATE CASE

Q.1 Please state your full name, your current position with the Company, your professional qualifications and previous appearances before this or other regulatory tribunals.

A.1 Please refer to my curriculum vitae filed at Exhibit GI-12, Document 3.

Q.2 What is the purpose of this testimony?

A.2 I am presenting the Fully Allocated Cost Study for the 2005 Test Year found at Exhibit GI-13, Documents 2 - 13.

Q.3 Could you please outline the organization of the exhibits?

A.3 Yes, Exhibit GI-13 is laid out in the following manner:

Document 2 describes the rationale of the study.

Document 3 is a summary of the results of allocating the proposed revenue requirement to the rate classes for the 2005 test year. The revenues are compared to the allocated costs generating an over and under contribution for each rate class. This schedule also indicates the over and under contributions in dollars per thousand cubic metres, the return on the allocated rate base and the revenue to cost ratios by rate class, with and without commodity costs.

Documents 4, 5 and 6 show the functionalization of rate base, net investment costs and operating and maintenance (“O&M”) expenses respectively.

Documents 7 to 9 outline the classification of the functionalized rate base, net investments and O&M costs respectively.

Documents 10 to 12 show the allocation of rate base, return and taxes, and total cost of service.

Document 13 outlines the allocation factors in absolute and relative terms.

Q.4 Are you proposing any changes to the cost allocation methodology as approved by the Regie in D-2004-48?

A.4 No, the study is consistent with the D-2004-48 Decision.

Q.5 Does this conclude your testimony?

A.5 Yes it does.