

**ENBRIDGE CONSUMERS GAS
UTILITY RATE BASE
FOR THE YEAR ENDING SEPTEMBER 30, 2002
(\$ Millions)**

	Per Company (1)	Settlement Adjustment	Additional Board Adjustment	Per Board
Utility Plant				
Gross Plant at Cost	3 742,1	(9,8)		3 732,3
Accumulated Depreciation	(1 152,6)	0,6		(1 152,0)
Net Utility Plant	<u>2 589,5</u>	<u>(9,2)</u>	<u>0,0</u>	<u>2 580,3</u>
Allowance for Working Capital				
Accounts receivable merchandise finance plan	2,0			2,0
Accounts receivable rebillable projects	1,1			1,1
Materials and Supplies	20,8			20,8
Mortgages Receivable	0,9			0,9
Customer security deposits	(18,5)			(18,5)
Prepaid Expenses	1,4			1,4
Gas In Storage	415,2			415,2
Working Cash Allowance	15,9			16,1
Total Working Capital	<u>438,8</u>	<u>0,2</u>	<u>0,0</u>	<u>439,0</u>
Ontario Utility Rate Base	<u>3 028,3</u>	<u>(9,0)</u>	<u>0,0</u>	<u>3 019,3</u>

Footnote:

(1) as filed in Exh M2/Tab 2/Sch 2 dated June 7, 2002

**ENBRIDGE CONSUMERS GAS
UTILITY INCOME
FOR THE YEAR ENDING SEPTEMBER 30, 2002
(\$ Millions)**

	Per Company (1)	Settlement Adjustment	Additional Board Adjustment	Per Board (2)
Revenue				
Gas Sales	1 529,3	0,0		1 529,3
Transportation of Gas	697,4			697,4
Transmission, Compression and Storage	2,3			2,3
Other Operating Revenue	18,1	0,1		18,2
Other Income	0,8			0,8
Total Revenue	<u>2 247,9</u>	<u>0,1</u>	<u>0,0</u>	<u>2 248,0</u>
Costs and Expenses				
Gas Costs	1 454,9	0,0		1 454,9
Operations and Maintenance	270,6	(10,7)		259,9
Depreciation and Amortization	160,3	(0,5)		159,8
Separation Expenses	0,2			0,2
Recovery of 1/10th Not'l Def Tax Acc't	0,0			0,0
Committed line of credit costs	0,0	0,9		0,9
Municipal and Other Taxes	47,7	(0,2)		47,5
Total Costs and Expenses	<u>1 933,7</u>	<u>(10,5)</u>	<u>0,0</u>	<u>1 923,2</u>
Utility Income Before Income Taxes	314,2	10,6		324,8
Income Taxes				
Excluding interest shield	131,0	4,1		135,1
Tax shield on interest expense	(55,8)	1,8		(54,0)
Total Income Taxes	<u>75,2</u>	<u>5,9</u>	<u>0,0</u>	<u>81,1</u>
Utility Income	<u>239,0</u>	<u>4,7</u>	<u>0,0</u>	<u>243,7</u>

Footnote:

- (1) ref: Exh M2/Tab 2/Sch 3 dated June 7, 2002
(2) ref: Exh N2/Tab 2/Sch 4/p.1 dated June 7, 2002

ENBRIDGE CONSUMERS GAS
CALCULATION OF TAXABLE INCOME AND INCOME TAX EXPENSE
FOR THE YEAR ENDING SEPTEMBER 30, 2002
(\$ Millions)

PER BOARD

	Federal	Ontario	Total
Utility Income Before Taxes	324,8	324,8	
Plus Depreciation & amortization	159,8	159,8	
Amortization adjustment for non-util capital	(0,2)	(0,2)	
Large Corporation Tax	7,4	7,4	
Other Non-Deductible Items	<u>1,1</u>	<u>1,1</u>	
	<u>492,9</u>	<u>492,9</u>	
Less Capital Cost Allowance	113,9	113,7	
Less Other Deductions	<u>31,4</u>	<u>31,4</u>	
	<u>145,3</u>	<u>145,1</u>	
Taxable Income	<u><u>347,6</u></u>	<u><u>347,8</u></u>	
Income Tax Rates	25,50%	12,50%	
Income Tax Amounts	88,6	43,5	
Total Income Tax Amount			132,1
Part VI.1 tax			3,1
Investment Tax Credit			<u>(0,1)</u>
Taxes excluding tax shield on interest expense			<u><u>135,1</u></u>
Interest Expense	142,2		
Tax Rate	38,00%		
Interest Tax Shield			<u><u>54,0</u></u>

**ENBRIDGE CONSUMERS GAS
CAPITALIZATION AND COST OF CAPITAL
FOR THE YEAR ENDING SEPTEMBER 30, 2002
(\$ Millions)**

PER COMPANY

	Capital Structure	Ratios	Cost Rate	Return Component	Return
Long-term Debt	1 844,9	60,92%	7,88%	4,80%	145,4
Short-term Debt	24,4	0,81%	6,65%	0,05%	1,6
Preference Capital	99,1	3,27%	5,00%	0,16%	5,0
Common Equity	<u>1 059,9</u>	<u>35,00%</u>	11,25%	<u>3,94%</u>	<u>119,2</u>
	<u>3 028,3</u>	<u>100,00%</u>		<u>8,95%</u>	<u>271,0</u>

PER SETTLEMENT

	Capital Structure	Ratios	Cost Rate	Return Component	Return
Long-term debt	1 751,6	58,01%	7,94%	4,61%	139,1
Short-term debt	111,8	3,70%	2,83%	0,10%	3,2
Preference shares	99,1	3,29%	5,00%	0,17%	5,0
Common equity	<u>1 056,8</u>	<u>35,00%</u>	9,66%	<u>3,38%</u>	<u>102,1</u>
	<u>3 019,3</u>	<u>100,00%</u>		<u>8,26%</u>	<u>249,4</u>

PER BOARD

	Capital Structure	Ratios	Cost Rate	Return Component	Return
Long-term debt	1 751,6	58,01%	7,94%	4,61%	139,1
Short-term debt	111,8	3,70%	2,83%	0,10%	3,2
Preference shares	99,1	3,29%	5,00%	0,17%	5,0
Common equity	<u>1 056,8</u>	<u>35,00%</u>	9,66%	<u>3,38%</u>	<u>102,1</u>
	<u>3 019,3</u>	<u>100,00%</u>		<u>8,26%</u>	<u>249,4</u>

Exhibit ref: N2/T2/S5

ENBRIDGE CONSUMERS GAS
DETERMINATION OF REVENUE EXCESS / (DEFICIENCY)
FOR THE YEAR ENDING SEPTEMBER 30, 2002
(\$ Millions)

	Per Company	Per Company After Settlement	Per Board
Utility Income	239,0	243,7	243,7
Utility Rate Base	<u>3 028,3</u>	<u>3 019,3</u>	<u>3 019,3</u>
Indicated Rate of Return	7,89%	8,07%	8,07%
Requested Rate of Return	<u>8,95%</u>	<u>8,26%</u>	<u>8,26%</u>
Excess/(Deficiency) in Rate of Return	<u>-1,06%</u>	<u>-0,19%</u>	<u>-0,19%</u>
Net Revenue Excess/(Deficiency)	(32,1)	(5,7)	(5,7)
Provision for Income Taxes ¹	(19,7)	(3,5)	(3,5)
Revenue Excess/(Deficiency)	(51,8)		
Gross Revenue Excess/(Deficiency)	<u>(51,8)</u>	<u>(9,2)</u>	<u>(9,2)</u>

Footnotes:

1 Income Tax Rate at 38,00%

