

GAZIFERE INC.  
ALLOCATION OF THE COSTS OF SERVICE  
DEC 31, 2006

(THOUSANDS OF DOLLARS)

ITEM NO.	DESCRIPTION	Col. 1 O&M COSTS	Col. 2 NET INV. COSTS	Col. 3 TOTAL	Col. 4 TARIF 1	Col. 5 TARIF 2	Col. 6 TARIF 3	Col. 7 TARIF 4	Col. 8 TARIF 5	Col. 9 TARIF 9	ALLOCATION FACTOR
<u>GAS COSTS</u>											
1.1	Annual Commodity	40 467.2	45.7	40 513.0	17 070.1	22 149.2	162.6	1 131.1	0.0	0.0	1.1
1.2	System Gas Sales	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	1.5
1.	Total Gas Cost	40 467.2	45.7	40 513.0	17 070.1	22 149.2	162.6	1 131.1	0.0	0.0	
<u>LOAD BALANCING</u>											
<u>TRANSMISSION</u>											
2.1	Seasonal	631.7	0.1	379.8	269.8	350.5	1.0	6.9	3.6	(252.0)	3.2
2.1	Peak	1 706.5	0.3	1 706.8	711.3	888.1	2.3	39.6	65.5	0.0	3.3
2.2	Annual	7 202.8	55.2	7 510.0	2 592.3	3 084.6	22.6	309.0	515.8	985.7	1.2
2.	Total Transmission	9 541.1	55.5	9 596.6	3 573.5	4 323.2	25.9	355.5	584.8	733.7	
<u>STORAGE</u>											
3.1	Deliverability	642.1	0.1	642.2	272.9	344.0	0.0	8.0	17.2	0.0	3.1
3.2	Space	724.6	0.1	724.7	309.5	402.1	1.1	7.9	4.1	0.0	3.2
3.3	Annual	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
3.	Total Storage	1 366.7	0.2	1 366.9	582.4	746.1	1.1	16.0	21.3	0.0	
<u>FACILITIES' COSTS</u>											
<u>DISTRIBUTION FACILITIES</u>											
4.1	Capacity	1 163.3	1 223.8	2 387.2	943.4	1 176.6	3.2	53.9	91.5	118.5	2.1
4.2	Commodity	(326.7)	(0.1)	(326.8)	(112.2)	(133.5)	(1.0)	(13.4)	(22.3)	(44.4)	1.2
4.3	DSM Direct	42.7	0.0	42.7		42.7					
4.4	DSM Indirect	175.2	0.0	175.2	41.5	123.9	0.1	2.0	3.4	4.4	4.5/2.1
4.	Total Distribution	1 054.5	1 223.8	2 278.3	872.7	1 209.7	2.4	42.5	72.5	78.5	
<u>CUSTOMER RELATED</u>											
5.1	Meters	0.0	150.9	150.9	35.6	113.3	0.1	0.6	0.2	1.1	4.1
5.2	Sales Stations	0.0	69.8	69.8	11.1	54.3	0.0	1.6	0.1	2.6	4.2
5.3	Services	164.4	1 694.0	1 858.5	146.9	1 694.9	0.4	5.0	0.2	11.0	4.3
5.4	Customer Plant	256.5	495.6	752.2	59.2	692.7	0.1	0.1	0.0	0.1	4.4
5.5	Comm/Ind. Customers	382.2	0.0	382.2	316.9	64.0	0.4	0.4	0.1	0.4	4.6
5.6	Residential Customers	729.7	0.0	729.7	0.0	729.7	0.0	0.0	0.0	0.0	4.7
5.7	Total Customers	3 193.7	(169.8)	3 023.9	238.1	2 784.8	0.3	0.3	0.1	0.3	4.5
5.8	Readings Processed	284.4	0.0	284.4	43.6	234.4	1.9	1.9	0.6	1.9	4.8 & 4.9
5.9	GST/QST Revenues	0.0	(4.2)	(4.2)	(1.8)	(2.3)	(0.0)	(0.1)	0.0	0.0	Revenues
5.	Total Customer Related	5 011.0	2 236.4	7 247.3	849.5	6 365.7	3.2	9.8	1.5	17.5	
6.1	Return	4 994.0	0.0	4 994.0	1 087.2	3 656.6	3.5	53.9	77.6	115.1	5
6.2	Taxes	1 367.1	0.0	1 367.1	297.6	1 001.0	1.0	14.8	21.2	31.5	5
6.	Return and Taxes	6 361.1	0.0	6 361.1	1 384.9	4 657.6	4.5	68.7	98.9	146.6	
7.	Total Facilities	12 426.6	3 460.1	15 886.7	3 107.1	12 233.0	10.0	121.0	172.9	242.6	
8.	Rate Adjustment Mechan	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	2.1
8.	Total Costs of Service	63 801.6	3 561.6	67 363.2	24 333.1	39 451.5	199.6	1 623.6	779.0	976.4	