

GAZIFERE INC.  
ALLOCATION OF THE COSTS OF SERVICE  
December 31, 2016

(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	15,794.5	72.3	15,864.5	7,152.6	8,359.3	47.4	0.0	0.0	305.1	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	1.4
1.	Total Gas Cost	15,794.5	72.3	15,864.5	7,152.6	8,359.3	47.4	0.0	0.0	305.1	
<u>LOAD BALANCING</u>											
<u>TRANSMISSION</u>											
2.1	Seasonal / Interruptible Credit	1,179.9	5.4	1,185.3	538.8	604.3	1.1	0.0	0.0	41.0	3.2
2.1	Peak	2,485.5	11.4	2,496.9	1,162.7	1,238.1	2.6	0.0	93.6	0.0	3.3
2.2	Annual	1,460.3	54.6	1,514.9	639.9	673.1	2.6	0.0	89.1	110.1	1.3
2.3	Upstream Transportation	10,456.8	0.0	10,456.8	4,266.5	4,308.6	24.4	0.0	1,101.5	755.8	1.6
2.	Total Transmission	15,582.5	71.3	15,653.9	6,607.8	6,824.1	30.8	0.0	1,284.2	906.9	
<u>STORAGE</u>											
3.1	Deliverability	919.0	4.2	923.2	441.1	476.2	0.0	0.0	5.9	0.0	3.1
3.2	Space	851.2	3.9	855.1	388.7	435.9	0.8	0.0	0.0	29.6	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	1,770.2	8.1	1,778.3	829.8	912.1	0.8	0.0	5.9	29.6	
<u>FACILITIES' COSTS</u>											
<u>DISTRIBUTION FACILITIES</u>											
4.1	Capacity	2,633.7	1,658.2	4,291.9	1,928.1	2,051.1	4.4	0.0	160.8	147.6	2.1
4.2	Commodity & UUF Deferral	318.7	1.7	320.4	127.9	127.6	0.7	0.0	32.6	31.6	1.2
4.3	DSM Direct + Fees +SSM	363.3	0.0	363.3	281.1	82.5	(0.0)	0.0	(0.1)	(0.2)	
4.4	DSM Indirect + Deferral + SPEI	542.9	0.0	542.9	376.7	165.9	0.2	0.0	0.0	0.0	1.2
4.5	Weather Normalization Deferral	(421.0)	0.0	(421.0)	(197.8)	(223.0)	(0.3)	0.0	0.0	0.0	1.5
4.	Total Distribution	3,437.5	1,659.9	5,097.4	2,516.0	2,204.1	5.0	0.0	193.3	178.9	
<u>CUSTOMER RELATED</u>											
5.1	Meters	0.0	172.4	172.4	40.5	130.8	0.1	0.0	0.2	0.9	4.1
5.2	Sales Stations	0.0	38.5	38.5	6.1	29.7	0.0	0.0	0.1	2.6	4.2
5.3	Services	512.6	2,679.6	3,192.2	248.8	2,932.6	0.4	0.0	0.2	10.2	4.3
5.4	Customer Plant	787.8	626.3	1,414.1	108.8	1,305.1	0.1	0.0	0.0	0.1	4.4
5.5	Comm/Ind. Customers	602.1	0.0	602.1	600.8	0.0	0.6	0.0	0.2	0.6	4.6
5.6	Residential Customers	647.0	0.0	647.0	0.0	647.0	0.0	0.0	0.0	0.0	4.7
5.7	Total Customers	7,188.4	898.8	8,087.2	622.0	7,463.8	0.6	0.0	0.2	0.6	4.5
5.8	Readings Processed	914.3	0.0	914.3	91.8	807.5	6.4	0.0	2.1	6.4	4.8 & 4.9
5.9	GST/QST Revenues	0.0	(4.1)	(4.1)	(1.9)	(2.2)	(0.0)	0.0	0.0	(0.1)	Revenues
5.	Total Customer Related	10,652.2	4,411.5	15,063.7	1,716.8	13,314.4	8.1	0.0	3.1	21.3	
6.1	Return	5,695.4	0.0	5,695.4	1,391.1	4,116.2	2.9	0.0	90.8	94.4	5
6.2	Taxes	1,300.0	0.0	1,300.0	317.5	939.5	0.7	0.0	20.7	21.5	5
6.	Total Return and Taxes	6,995.4	0.0	6,995.4	1,708.6	5,055.8	3.5	0.0	111.5	115.9	
7.	Total Facilities	21,085.0	6,071.4	27,156.4	5,941.4	20,574.3	16.7	0.0	308.0	316.2	
8.	Total before Earnings Sharing	54,232.2	6,223.1	60,453.1	20,531.7	36,669.8	95.8	0.0	1,598.0	1,557.8	
9.	Earnings Sharing	(363.7)	0.0	(363.7)	(123.5)	(220.6)	(0.6)	0.0	(9.6)	(9.4)	Total before ES
10.	Total Costs of Service	53,868.5	6,223.1	60,089.4	20,408.1	36,449.2	95.2	0.0	1,588.4	1,548.4	