

**APPENDIX 1
RATE CASE 2016**

**Gazifère Inc.
Rate Impact - Pension and OPEB
December 31, 2016**

SUMMARY OF RATE IMPACT		
Total Pension Impact - (Refund)/Recovery	A	(12,500)
Total OPEB Impact - (Refund)/Recovery	B	1,370,000
Total Net Recovery to Ratepayers (gross of tax)		<u>1,357,500</u>

PENSION IMPACT - REFUND OF \$2,500		
<i>Pension Regulatory Liability:</i>		
Balance at December 31, 2014		(2,110,500)
Add: 2015 estimated accrual expense (DB)		993,000
Less: 2015 estimated cash contribution to RPP (DB)		-
Estimated Regulatory Liability as of December 31, 2015		<u>(1,117,500)</u>
Add: 2016 estimated accrual expense (DB)		1,105,000
Less: 2016 estimated cash contribution to RPP (DB)		-
Estimated Regulatory Liability as of December 31, 2016		<u>(12,500) A</u>

OPEB IMPACT - RECOVERY OF \$1,374,000		
<i>OPEB Regulatory Asset:</i>		
Balance at December 31, 2014		1,198,000
Add: 2015 estimated accrual expense		133,000
Less: 2015 estimated OPEB cash payments		(50,000)
Estimated Regulatory Asset as of December 31, 2015		<u>1,281,000</u>
Add: 2016 estimated accrual expense		140,000
Less: 2016 estimated OPEB cash payments		(51,000)
Estimated Regulatory Asset as of December 31, 2016		<u>1,370,000 B</u>