

**APPENDIX 1  
RATE CASE 2016**

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

<b>SUMMARY OF RATE IMPACT</b>		
Total Pension Impact - (Refund)/Recovery	<b>A</b>	(13,200)
Total OPEB Impact - (Refund)/Recovery	<b>B</b>	1,370,000
Total Net Recovery to Ratepayers (gross of tax)		<u>1,356,800</u>

<b>PENSION IMPACT - REFUND OF \$2,500</b>		
<i>Pension Regulatory Liability:</i>		
Balance at December 31, 2014		(2,110,500)
Add: 2015 estimated accrual expense (DB)		1,003,000
Less: 2015 estimated cash contribution to RPP (DB)		(10,700)
Estimated Regulatory Liability as of December 31, 2015		<u>(1,118,200)</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>(13,200) <b>A</b></u>

<b>OPEB IMPACT - RECOVERY OF \$1,374,000</b>		
<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>B</b></u>