

GAZIFERE INC.
ALLOCATION OF THE COSTS OF SERVICE (WITH NO GAS COST)
December 31, 2017

(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	0.0	74.1	74.1	33.3	38.8	0.2	0.0	0.0	1.8	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	0.0	74.1	74.1	33.3	38.8	0.2	0.0	0.0	1.8	
<u>LOAD BALANCING</u>											
<u>TRANSMISSION</u>											
2.1	Seasonal / Interruptible Credit	0.0	9.4	9.4	4.2	4.7	0.0	0.0	0.0	0.4	3.2
2.2	Peak	0.0	12.4	12.4	5.7	6.2	0.0	0.0	0.5	0.0	3.3
2.3	Annual	0.0	54.6	54.6	23.0	24.0	0.1	0.0	3.2	4.4	1.3
2.4	Upstream Transportation	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	1.6
2.	Total Transmission	0.0	76.4	76.4	32.9	34.9	0.1	0.0	3.6	4.8	
<u>STORAGE</u>											
3.1	Deliverability	0.0	6.2	6.2	2.9	3.2	0.0	0.0	0.0	0.0	3.1
3.2	Space	0.0	4.5	4.5	2.0	2.3	0.0	0.0	0.0	0.2	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	0.0	10.7	10.7	4.9	5.5	0.0	0.0	0.0	0.2	
<u>FACILITIES' COSTS</u>											
<u>DISTRIBUTION FACILITIES</u>											
4.1	Capacity	3,039.4	1,722.5	4,761.9	2,121.3	2,290.7	4.7	0.0	176.3	168.9	2.1
4.2	Commodity & UUF Deferral	(296.7)	1.8	(294.9)	(117.5)	(116.4)	(0.6)	0.0	(30.0)	(30.3)	1.2
4.3	DSM Direct + Fees	851.2	0.0	851.2	370.7	329.7	1.4	0.0	74.3	75.1	
4.4	DSM Indirect + Deferral + SPEI	161.2	0.0	161.2	101.8	59.4	0.0	0.0	0.0	0.0	1.2
4.5	Weather Normalization Deferral	(2,065.6)	0.0	(2,065.6)	(1,000.5)	(1,059.6)	(5.4)	0.0	0.0	0.0	1.5
4.	Total Distribution	1,689.5	1,724.3	3,413.9	1,475.8	1,503.8	0.1	0.0	220.6	213.7	
<u>CUSTOMER RELATED</u>											
5.1	Meters	0.0	160.8	160.8	37.7	122.0	0.1	0.0	0.2	0.8	4.1
5.2	Sales Stations	0.0	30.7	30.7	27.8	0.0	0.0	0.0	0.2	2.8	4.2
5.3	Services	773.2	2,725.1	3,498.3	272.6	3,213.8	0.4	0.0	0.2	11.2	4.3
5.4	Customer Plant	841.6	583.6	1,425.3	110.2	1,314.9	0.1	0.0	0.0	0.1	4.4
5.5	Comm/Ind. Customers	462.8	0.0	462.8	461.8	0.0	0.4	0.0	0.1	0.4	4.6
5.6	Residential Customers	732.3	0.0	732.3	0.0	732.3	0.0	0.0	0.0	0.0	4.7
5.7	Total Customers	7,242.6	274.7	7,517.2	581.0	6,935.0	0.5	0.0	0.2	0.5	4.5
5.8	Readings Processed	887.4	0.0	887.4	90.9	780.6	6.8	0.0	2.3	6.8	4.8 & 4.9
5.9	GST/QST Revenues	0.0	(3.7)	(3.7)	(1.6)	(1.9)	(0.0)	0.0	0.0	(0.1)	Revenues
5.	Total Customer Related	10,939.8	3,771.3	14,711.1	1,580.3	13,096.7	8.3	0.0	3.2	22.6	
6.1	Return	5,730.0	0.0	5,730.0	1,464.2	4,067.1	2.9	0.0	95.0	100.8	5
6.2	Taxes	985.9	0.0	985.9	251.9	699.8	0.5	0.0	16.3	17.3	5
6.	Total Return and Taxes	6,715.9	0.0	6,715.9	1,716.2	4,766.9	3.4	0.0	111.4	118.1	
7.	Total Facilities	19,345.2	5,495.6	24,840.9	4,772.3	19,367.3	11.8	0.0	335.1	354.4	
8.	Total before Earnings Sharing	19,345.2	5,656.8	25,002.0	4,843.4	19,446.6	12.1	0.0	338.7	361.2	
9.	Earnings Sharing	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
10.	Total Costs of Service	19,345.2	5,656.8	25,002.0	4,843.4	19,446.6	12.1	0.0	338.7	361.2	