

TABLE 1
REVENUE REQUIREMENT
GTA SEGMENT A TRANSPORTATION SHARED 36"

Line No.	(\$000's)			
	2015	2016	2017	2018
Cost of capital				
1. Rate base	45,671.9	218,932.3	211,845.4	204,758.5
2. Required rate of return	<u>6.81%</u>	<u>6.81%</u>	<u>6.81%</u>	<u>6.81%</u>
3. Cost of capital	3,110.5	14,910.5	14,427.8	13,945.2
Cost of service				
5. Operation and Maintenance	46.1	221.2	221.2	221.2
6. Depreciation and amortization	1,181.4	7,088.2	7,088.3	7,088.3
7. Municipal and other taxes	<u>139.8</u>	<u>671.0</u>	<u>671.0</u>	<u>671.0</u>
8. Cost of service	1,367.2	7,980.5	7,980.5	7,980.6
Income taxes on earnings				
12. Excluding tax shield	(1,948.4)	(3,519.9)	(3,319.3)	(3,130.9)
13. Tax shield provided by interest expense	<u>(425.7)</u>	<u>(2,040.8)</u>	<u>(1,974.8)</u>	<u>(1,908.7)</u>
14. Income taxes on earnings	(2,374.1)	(5,560.8)	(5,294.0)	(5,039.6)
Taxes on (def) / suff.				
15. Gross (def.) / suff.	(2,862.1)	(23,578.4)	(23,284.7)	(22,974.3)
16. Net (def.) / suff.	<u>(2,103.6)</u>	<u>(17,330.1)</u>	<u>(17,114.3)</u>	<u>(16,886.1)</u>
17. Taxes on (def.) / suff.	758.5	6,248.3	6,170.5	6,088.2
18. Revenue requirement	<u>2,862.1</u>	<u>23,578.4</u>	<u>23,284.7</u>	<u>22,974.3</u>
19. TransCanada Share	50%	50%	50%	50%
20. Annual Rate Revenue	\$ 1,431.0	\$ 11,789.2	\$ 11,642.4	\$ 11,487.2