

UNION GAS LIMITED & ENBRIDGE GAS DISTRIBUTION  
Calculation of 2019 and 2028 Estimated Total Bill for Union South, Union North and EGD Rate Zone Residential Sales Service Customer

Line No.	Particulars	Approved 1-Apr-18 Total Bill (\$) (1) (a)	Estimated 2019 Rates			Estimated 2028 Rates		
			2019 Total Bill (\$ (2) (b)	2019 vs 2018 Bill Impact (\$) (c) = (b) - (a)	Annual Increase from 2018 (%) (d) = (c)/(a)	2028 Total Bill (\$ (2) (e)	2028 vs 2018 Bill Impact (\$) (f) = (e) - (a)	Compound Average Annual Increase from 2018 (%) (3) (g)
<u>Union South</u>								
Rate M1								
1	Total Delivery Charges	447.17	458.99	11.82	2.64%	575.27	128.10	2.55%
2	Total Gas Supply Charges	270.98	270.96	(0.02)	-0.01%	270.97	(0.01)	0.00%
3	Total Bill	718.15	729.95	11.80	1.64%	846.24	128.09	1.65%
<u>Union North</u>								
Rate 01 - North West								
4	Total Delivery Charges	527.79	539.88	12.09	2.29%	694.71	166.92	2.79%
5	Total Gas Supply Charges	406.35	406.30	(0.05)	-0.01%	417.33	10.98	0.27%
6	Total Bill	934.14	946.18	12.04	1.29%	1,112.04	177.90	1.76%
Rate 01 - North East								
7	Total Delivery Charges	527.79	539.88	12.09	2.29%	694.71	166.92	2.79%
8	Total Gas Supply Charges	478.12	476.50	(1.62)	-0.34%	505.93	27.81	0.57%
9	Total Bill	1,005.91	1,016.38	10.47	1.04%	1,200.64	194.73	1.79%
<u>EGD</u>								
Rate 1								
10	Total Delivery Charges	504.14	516.35	12.21	2.42%	626.77	122.63	2.20%
11	Total Gas Supply Charges	345.29	345.40	0.11	0.03%	346.80	1.51	0.04%
12	Total Bill	849.43	861.75	12.32	1.45%	973.57	124.14	1.37%
<u>EGD @ 2,400 m<sup>3</sup> (4)</u>								
Rate 1								
11	Total Delivery Charges	527.46	540.73	13.27	2.52%	660.75	133.29	2.28%
12	Total Gas Supply Charges	376.71	376.88	0.17	0.05%	378.35	1.64	0.04%
13	Total Bill	904.17	917.61	13.44	1.49%	1,039.10	134.93	1.40%

Notes:

- (1) Current approved total sales service bill for a residential customer with annual consumption of 2,200 m<sup>3</sup> per April 2018 QRAM rates (EB-2018-0104 Union, EB-2017-0090 EGD), including cap-and-trade charges and excluding temporary credits/charges and prospective recoveries.
- (2) The following assumptions were used to determine the estimate of the 2019 and 2028 total bill
  - a) Annual Price Cap Index (PCI) of inflation of 1.73% less productivity of 0% applied each year, while maintaining the current monthly customer charge
  - b) Annual Incremental Capital Module (ICM) and Y-Factor adjustments consistent with the assumptions provided in Table 10 and Table 11 at Exhibit C.FRPO.11. The ICM revenue requirement allocated to rate classes in proportion to rate base (excluding rate base associated with Union's ex-franchise rate classes
  - c) Union's Normalized Average Consumption (NAC) and EGD's Average Use (AU) adjustment for 2019 based on current forecast of 2019 target and for 2020-2028 based on an assumption of 1% annual decline
  - d) Includes one-time base rate adjustments of Union's Deferred Tax Drawdown and EGD's CIS and Customer Care Forecast Costs, Site Restoration Credit Tax deduct and Pension and OPEB costs.
  - e) No change to gas commodity and cap-and-trade charges
- (3) The compound average annual increase for 2028 is calculated relative to the 2018 total bill provided in column (a)
- (4) EGD has also provided the estimated bill based on its typical residential profile of 2,400 m<sup>3</sup>.