

2017 OPERATING REVENUE SUMMARY

1. The purpose of this evidence is to present the 2017 Updated Revenue Forecast as compared to the 2016 Board Approved and 2017 Board Approved Placeholder revenue amounts.
2. Table 1 shows the respective 2016 Board Approved, 2017 Board Approved Placeholder, and 2017 Updated Forecasts by operating revenue component.

Table 1
COMPARISON OF UTILITY OPERATING REVENUE

<u>Item No.</u>	Col. 1	Col. 2	Col. 3
	EB-2015-0114 2016 Board Approved (\$Millions)	EB-2012-0459 2017 Board Approved (placeholder) (\$Millions)	2017 Updated Forecast (\$Millions)
1 Gas Sales	2,624.8	2,480.3	2,436.9
2 Transportation of Gas	279.7	211.1	281.7
3 Transmission, Compression and Storage (inc. Rate 332)	6.7	1.8	6.7
4 Other Revenue	42.7	42.7	42.7
5 Other Income	0.1	0.1	0.1
6 Total Operating Revenue	<u>2,954.0</u>	<u>2,736.0</u>	<u>2,768.1</u>

3. The 2017 Updated Revenue Forecast of \$2,768.1 million is also shown at Exhibit C3, Tab 1, Schedule 1. This represents a \$32.1 million increase over the 2017 Placeholder of \$2,736.0 million.

Witness: M. Suarez

4. The variance is explained by revenue category in the following paragraphs, as well as at page 2 of Exhibit C3, Tab 1, Schedule 1.

Gas Sales and Transportation of Gas Revenues

5. Gas sales and transportation of gas revenues for the 2017 Board Approved Placeholder used the Board-approved commodity rates in place in 2013 and the 2017 gas volume budget. Specifically, the 2017 Board Approved Placeholder was developed on the basis of EB-2013-0045 commodity rates set out in the April 2013 QRAM and the 2013 final rates that can be found in the Board Decision and Order for EB-2011-0354. The 2017 Updated Forecast Gas Sales and transportation of Gas Revenues are based on the EB-2016-0184 commodity rates set out in the July 2016 QRAM and the 2016 Final Rate Order in EB-2015-0114. Those updated commodity rates are applied to the updated gas volume forecast set out within this rate adjustment application.
6. The evidence in support of the Company's 2017 updated gas volume forecast is set out within Exhibit C1, Tab 2, Schedule 1 and the C2 series of exhibits, with further numeric details in the C3 series of exhibits.
7. The increase in gas sales and transportation of gas revenues of \$32.1 million from the 2017 Board Approved Placeholder to the 2017 Updated Forecast is primarily due to higher volumes forecasted in the 2017 updated gas volume forecast.
8. A breakdown of the 2017 Updated Forecast and 2016 Board Approved Placeholder gas sales and transportation of gas revenues by rate class is provided within the C3 series of exhibits.

Transmission, Compression and Storage

9. Transmission, Compression and Storage revenues for the 2017 Updated Forecast are also developed on the basis of the Final Rate Order in EB-2014-0276, resulting in a \$4.9 million increase as compared to the 2017 Board Approved Placeholder.

Other Operating Revenues

10. Within the Board's EB-2012-0459 Decision with Reasons, Enbridge's Other Operating Revenues and Other Income were set at the level of \$42.7 million and \$0.1 million for each year from 2014 to 2018. Accordingly, there is no change in these amounts within the 2017 Updated Forecast.