

TECUMSEH GAS
FUNCTIONAL ALLOCATION OF COST OF SERVICE
2018 TEST YEAR

Item No.		Col.1	Col.2	Col.3	Col.4	Col.5
		Functional Allocation <u>T/C</u>	<u>Pool</u>	Utility Return & <u>Expenses</u>	Transmission & <u>Compression</u>	Pool <u>Storage</u>
	RATE BASE RETURN AMOUNT			(\$000)	(\$000)	(\$000)
1.1	Utility Return	45%	55%	18,377.3	8,269.8	10,107.5
1.	Total Return	0%	0%	18,377.3	8,269.8	10,107.5
	EXPENSES - OPERATION					
2.1.1	Labour	75%	25%	1,562.4	1,171.8	390.6
2.1.2	Supplies & Other		10%	596.7	537.0	59.7
2.1.3	Hydro	100%	0%	377.7	377.7	
2.1.4	Lease Rentals	0%	100%	1,662.8		1,662.8
2.1.5	Surface Rentals	0%	100%	356.6		356.6
2.1.6	Provision for LUF	87%	13%	3,841.1	3,341.8	499.3
2.1	Subtotal			8,397.3	5,428.3	2,969.0
	MAINTENANCE					
2.2.1	Company	80%	20%	1,551.6	1,241.3	310.3
2.2.2	Contractor	55%	45%	1,624.4	893.4	731.0
2.2	Subtotal			3,176.0	2,134.7	1,041.3
	ADMINISTRATIVE & GENERAL					
2.3.1	General Office	75%	25%	3,409.2	2,556.9	852.3
2.3.2	Service Fees	75%	25%	2,548.1	1,911.1	637.0
2.3.3	Overhead Capitalized	75%	25%	(1,059.4)	(794.5)	(264.8)
2.3	Subtotal			4,897.8	3,673.5	1,224.5
	DEPRECIATION AND AMORTIZATION					
2.4.1	Depreciation	59%	41%	6,891.1	4,036.9	2,854.2
2.4.2	Amortization	0%	100%	472.8		472.8
2.4	Subtotal			7,363.9	4,036.9	3,327.0
	TAXES - OTHER THAN INCOME					
2.5.1	Municipal	80%	20%	1,538.3	1,230.7	307.7
2.5.2	Capital	45%	55%			
2.5	Subtotal			1,538.3	1,230.7	307.7
2.	TOTAL EXPENSES			25,373.4	16,504.1	8,869.5
3.	REVENUE REQUIREMENT BEFORE TAXES			43,750.7	24,773.9	18,977.0

Witnesses: A. Kacicnik
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