

TECUMSEH GAS
 ISOLATION OF TRANSMISSION RELATED COST OF SERVICE
 2018 TEST YEAR

| | Col.1 | Col.2 | Col.3 | Col.4 | Col.5 | Col.6 | Col.7 | Col.8 | Col.9 | |
|--|------------------------------|-------|---------------------------|----------------------------------|-----------------|-----------------|--------------------|-------------------|----------------|------------|
| | TOTAL COST OF SERVICE | | | ELIMINATION OF COMPRESSION COSTS | | | TRANSMISSION COSTS | | | |
| Item No. | Functional Allocation T/C | Pool | Utility Return & Expenses | Transmission & Compression | Pool Storage | Compression | Pool Storage | Transmission | Pool Storage | |
| RATE BASE RETURN AMOUNT | | | (\$000) | (\$000) | (\$000) | | | | | |
| 1.1 | Utility Return (net of fuel) | 40% | 60% | 18,377.3 | 7,350.9 | 11,026.4 | (3,906.4) | (11,026.4) | 3,444.5 | 0.0 |
| 1. | Total Return | 0% | 0% | 18,377.3 | 7,350.9 | 11,026.4 | (3,906.4) | (11,026.4) | 3,444.5 | 0.0 |
| EXPENSES - OPERATION | | | | | | | | | | |
| 2.1.1 | Labour | 80% | 20% | 1,562.4 | 1,249.9 | 312.5 | (1,249.9) | (312.5) | 0.0 | 0.0 |
| 2.1.2 | Supplies & Other | 90% | 10% | 596.7 | 537.0 | 59.7 | (537.0) | (59.7) | 0.0 | 0.0 |
| 2.1.3 | Compressor Station Fuel | 100% | 0% | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| 2.1.4 | Compressor Station Fuel | 100% | 0% | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| 2.1.5 | Other Fuel | 100% | 0% | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| 2.1.6 | Other Fuel | 100% | 0% | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| 2.1.7 | Hydro | 100% | 0% | 377.7 | 377.7 | 0.0 | (377.7) | 0.0 | 0.0 | 0.0 |
| 2.1.8 | Lease Rentals | 0% | 100% | 1,662.8 | 0.0 | 1,662.8 | 0.0 | (1,662.8) | 0.0 | 0.0 |
| 2.1.9 | Surface Rentals | 0% | 100% | 356.6 | 0.0 | 356.6 | 0.0 | (356.6) | 0.0 | 0.0 |
| 2.1.10 | Provision for LUF | 69% | 31% | 3,841.1 | 2,650.4 | 1,190.8 | (2,650.4) | (1,190.8) | 0.0 | 0.0 |
| 2.1 | Subtotal | | | 8,397.3 | 4,815.0 | 3,582.3 | (4,815.0) | (3,582.3) | 0.0 | 0.0 |
| MAINTENANCE | | | | | | | | | | |
| 2.2.1 | Company | 90% | 10% | 1,551.6 | 1,396.5 | 155.2 | (1,380.7) | (155.2) | 15.8 | 0.0 |
| 2.2.2 | Contractor | 80% | 20% | 1,624.4 | 1,299.5 | 324.9 | (1,267.5) | (324.9) | 32.0 | 0.0 |
| 2.2 | Subtotal | | | 3,176.0 | 2,696.0 | 480.0 | (2,648.2) | (480.0) | 47.8 | 0.0 |
| ADMINISTRATIVE & GENERAL | | | | | | | | | | |
| 2.3.1 | General Office | 80% | 20% | 3,409.2 | 2,727.3 | 681.8 | (2,703.9) | (681.8) | 23.4 | 0.0 |
| 2.3.2 | Service Fees | 80% | 20% | 2,548.1 | 2,038.5 | 509.6 | (2,035.2) | (509.6) | 3.3 | 0.0 |
| 2.3.3 | Overhead Capitalized | 80% | 20% | (1,059.4) | (847.5) | (211.9) | | 211.9 | (198.6) | 0.0 |
| 2.3 | Subtotal | | | 4,897.8 | 3,918.3 | 979.6 | (4,739.2) | (979.6) | (171.9) | 0.0 |
| DEPRECIATION AND AMORTIZATION | | | | | | | | | | |
| 2.4.1 | Depreciation | 59% | 41% | 6,891.1 | 4,036.9 | 2,854.2 | (3,859.2) | (2,854.2) | 177.7 | 0.0 |
| 2.4.2 | Amortization | 0% | 100% | 472.8 | 0.0 | 472.8 | 0.0 | (472.8) | 0.0 | 0.0 |
| 2.4 | Subtotal | | | 7,363.9 | 4,036.9 | 3,327.0 | (3,859.2) | (3,327.0) | 177.7 | 0.0 |
| TAXES - OTHER THAN INCOME | | | | | | | | | | |
| 2.5.1 | Municipal | 80% | 20% | 1,538.3 | 1,230.7 | 307.7 | (930.7) | (307.7) | 300.0 | 0.0 |
| 2.5.2 | Capital | 40% | 60% | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| 2.5 | Subtotal | | | 1,538.3 | 1,230.7 | 307.7 | (930.7) | (307.7) | 300.0 | 0.0 |
| 2. TOTAL EXPENSES | | | | 25,373.4 | 16,696.8 | 8,676.6 | (16,992.2) | (8,676.6) | 353.5 | 0.0 |
| 3. REVENUE REQUIREMENT BEFORE TAXES | | | | 43,750.7 | 24,047.7 | 19,703.0 | (20,898.7) | (19,703.0) | 3,798.0 | 0.0 |

Witnesses: A. Kacicnik
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